



Update on Indian Health Care and Other Federal Programs April 21, 2017

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Washington Association
of Community & Migrant Health Centers*



American Indian Health Commission
for Washington State



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WACMHC

Washington Association of
Community & Migrant Health Centers

Mission Statement

To strengthen and advocate for Washington's Community Health Centers as they build healthcare access, innovation and value.



WACMHC

Washington Association of Community & Migrant Health Centers

- Non-profit organization formed in 1985.
- Advocates on behalf of the low-income, uninsured, and underserved populations of Washington State served by community health centers (CHCs).
- CHCs serve low income, homeless, seasonal and migrant farmworkers, immigrants and refugees, tribal communities and other persons with limited access to health care.
- Provides technical assistance directly and through collaborative partnerships to support health centers in providing comprehensive, high quality primary health care.
- Provides programs and services to Washington's 28 community health centers, migrant health centers, and urban Indian health programs.
- These health centers serve nearly 1,000,000 Washington residents with preventive and primary healthcare and enabling services at over 250 clinic sites across the state.



Presentation Objectives

1. Understanding of upcoming changes to Medicaid Mental Health Benefits in Washington State;
2. Updated understanding of how I.H.S., Medicare and Medicaid work together;
3. New information on issues previously identified when conflicting rules apply;



Today's Agenda:

- PART I:** Upcoming Changes to Medicaid Mental Health Services for AI/ANs

- PART II:** QHP Coverage / Transitioning from QHP to Medicare

- PART III:** Medicare Updates

- PART IV:** DSHS Medicaid Updates: Aged, Disabled and Blind, Spenddowns



PART I

UPCOMING CHANGES TO MEDICAID MENTAL HEALTH SERVICES FOR AI/ANS



Current Coverage for Medicaid Mental Health Services in Washington State

Medicaid Mental Health Services Provided under a 1915b Waiver:

The State Contracts with Behavioral Health Organizations (BHOs); formerly known as Regional Support Networks (RSN).

Most Outpatient Care is managed by BHO:

AI/ANs and their Clinical Family Members may be seen by an IHCP without a referral from the BHO.

Assessments are provided without referral or pre-approval

BHO also manage:

**All inpatient services, even if referred by a IHCP;
Any mental health services not provided by and IHCP but provided to an AI/AN***

* Some mental health services are considered a medical and billed under the medical benefit.

Why Change is Happening:

Managed care for Medicaid mental health benefits

Created access barriers for AI/AN client seeing an IHCP

Tribes and UIHP brought issues to state but they are not resolved

April 1, 2016

The State integrated SUD services into managed care

Together these are now referred to as Behavioral Health Services

Tribes and UIHP request SUD not be integrated

and Mental Health Services be removed from managed care

On April 1, 2016, AI/ANs covered by Medicaid continued to receive SUD services without BHO authorization and from any FFS provider, not just IHCP. What is changing now?

Effective July 1, 2017:

All AI/ANs covered by Medicaid will be opted-out of managed care for mental health services.

Services will be fee for services, unless an eligible AI/AN opts into managed care – either through BHO or MCO (in SW Washington)

This matches Medicaid coverage for physical health and SUD services.



What do you need to know?

IHCP providers will still receive the I.H.S. encounter rate for eligible AI/ANs and clinical family members

No referral will be required for services received by AI/ANs outside the Indian Health Care Delivery System.

FFS Medicaid Mental health

Referral through BHO will be required from non AI/AN clinical family members receiving services outside the Indian Health Care Delivery System.

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<http://www.dshs.wa.gov/hca/services-American-indians-and-alaska-natives>

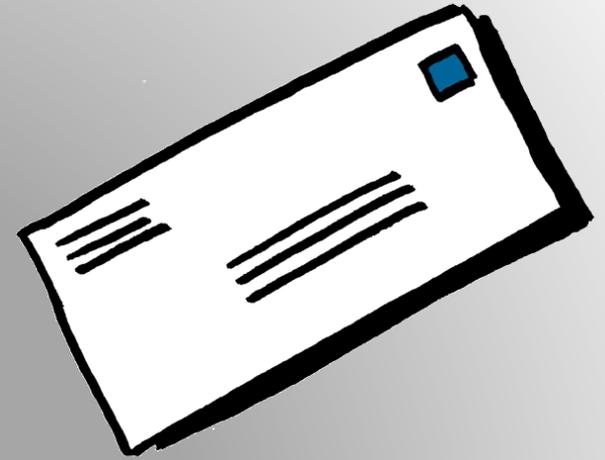
Possible Patient Issues:

- **Clients currently receiving care through BHO authorizations will need to:**
 - **Opt back into BHO coverage on July 1st, 2017 to finish treatment ; or**
 - **Make sure their current provider will be part of the Fee for Service Network effective July 1, 2017**
- **There hasn't been a FFS network for mental health services for many years. Need your help encouraging providers to contract.**



Notifications from State:

- April 1st, 2017, notice of change went out to current AI/AN Medicaid clients.
- April 7th, 2017, provider notices were emailed.
- May 1st, 2017, client enrollee notices will be sent out to current AI/AN Medicaid clients.
- May 8, 2017, Letters of interest will be emailed to all Mental Health providers with current BHO contracts





PART II

QHP COVERAGE:

TRANSITIONING FROM

QHP to MEDICARE

QHP and Medicare Coverage

Medicare eligibility provides a 7 month Initial Enrollment Period to sign up.

Once Medicare Part A coverage starts, a person is no longer be eligible to use any premium tax credit or costs sharing reductions.

From QHP to Medicare

For most people, this is 3 months before, the month of, and 3 months after their 65th birthday.

It's important to coordinate the end date for Healthplanfinder coverage with the effective date of Medicare enrollment, to make sure there isn't a break in coverage.

QHP Enrollee must take action to end QHP coverage for Medicare eligible:

Go into application to report a change by choosing “someone in my household has gained or lost coverage.”

Coverage will end at the end of the month the change is reported

Make sure date for new coverage matches date Medicare Parts A and B will begin.

QHP coverage can be purchased as a supplement to Medicare Part A and B, however the applicant is not eligible for premium tax credits or cost sharing reductions.

Medicare and QHP Coverage

QHP coverage can be purchased instead of Medicare Part A coverage if enrollee is not eligible for Medicare Part A for free.



QHP coverage can be purchased with Medicare Part B only coverage and member will still be eligible for tax credits- Part B is not MEC.



Coverage will end at the end of the month the change is reported;
This will prevent incurring Medicare Part B late enrollment penalty

QHP coverage should not be used in place of Medicare Part B coverage; the member will incur Medicare Part B late enrollment penalty.

Incurring Medicare Part B Late Enrollment Penalty While on a QHP:

- **Some Medicare beneficiaries enrolled in Medicare Part A and enrolled in coverage through a Marketplace QHP.**
- **Medicare Part A is considered minimum essential coverage; these enrollees are not eligible for premium tax credits or cost sharing reductions through the Marketplace.**
- **Some Medicare beneficiaries enrolled in a QHP prior to Medicare coverage beginning then did not enroll into Medicare Part B IEP.**
- **Some enrolled in a QHP instead of Part B.**

Medicare B Late Enrollment Penalty

Medicare charges a late enrollment penalty for those who don't enroll in Medicare Part B when initially eligible:

Table 3. Medicare Part B Premiums and Late Enrollment Penalties, by Beneficiary Income and Tax Filing Status

Beneficiary Annual Income and Tax Filing Status (2015)			Monthly Premium (2017)	Monthly Premium with Late Enrollment Penalty		
Filing Individually ¹	Married, Filing Jointly ²	Married, Filing Separately		After 12 Months	After 24 Months	After 36 Months
\$85,000 or less	\$170,000 or less	\$85,000 or less	\$134.00	\$147.40	\$160.80	\$174.20
\$85,001-\$107,000	\$170,001-\$214,000	--	\$187.50	\$206.25	\$225.00	\$243.75
\$107,001-\$160,000	\$214,001-\$320,000	--	\$267.90	\$294.69	\$321.48	\$348.27
\$160,001-\$214,000	\$320,001-\$428,000	\$85,001-\$129,000	\$348.30	\$383.13	\$417.96	\$452.79
\$214,001 or more	\$428,000 or more	\$129,000 or more	\$428.60	\$471.46	\$514.32	\$557.18

¹ Individuals with annual income less than \$16,284 might qualify for a Medicare Shared Savings Program that helps pay Part B premiums (in 2016).

² Couples with annual income less than \$21,876 might qualify for a Medicare Shared Savings Program that helps pay Part B premiums (in 2016).

* TSAG-Tribal Sponsorship of Medicare Part B and Part D Premiums, Nov. 3, 2016

CMS Is Offering Equitable Relief from Medicare Part B Penalty

To be eligible, an individual must:

- **Have premium free Medicare Part A – paid Medicare taxes for forty quarters; and**
- **Enrolled in Medicare Part A after April 1, 2013; or**
- **Was notified of retroactive Medicare Part A coverage on October 1, 2013 or later; and**
- **Must be assessed with a Medicare Part B late enrollment penalty from enrolling during the 2015, 2016 or 2017 general enrollment period;**

Equitable Relief from Penalty Required Documentation

Periodic data match (PDM)
notice mailed to dually-
enrolled aged beneficiaries
Marketplace eligibility
determination notice

IRS Form 1095-A that
demonstrates months of
coverage and/or subsidy
amounts

Choose one to
send

Marketplace premium
invoices and proof of
payment

Receipt of premium binder
payment effectuating
Marketplace enrollment



How does equitable relief work for those going on Medicare?

- Individuals requesting to enroll in Medicare Part B should complete a Medicare Part B enrollment form <https://www.cms.gov/Medicare/CMS-forms/CMS-Forms/CMS-Forms-Items/CMS017339.html>
- Individuals requesting a Medicare Part B penalty reduction should mention this equitable relief when they contact Social Security.
- ALL individuals must bring their documentation of Marketplace enrollment

How does equitable relief work for those already on Medicare?

The equitable relief is available now through September 30, 2017

Eligible Medicare enrollees will receive the a notice

Contact Social Security at 1-800-772-1213 Or go to the local SSA office

Sample notice can be found at:

<https://marketplace.cms.gov/applications-and-forms/medicare-pdm-notice-march-2017.pdf>

Important Links:

- Go to Periodic Data Matching Notices in: <https://marketplace.cms.gov/applications-and-forms/notices.html> and scroll for a sample of the notice.
- See examples of other documentation to show enrollment in the Marketplace for individuals and families: <https://marketplace.cms.gov/applications-and-forms/notices.html>



PART III

MEDICARE UPDATES



Medicare Parts A & B

Originally, Indian health care providers (IHCP) billed under Medicare Part A only;

Until the final reauthorizations of the IHCA in 2010, IHS did not agree that funds could be used to pay for or reimburse premiums paid by an IHS eligible person.





Medicare Part B

Because of treaty obligations, AI/ANs tend not to allow the Part B premium to be deducted from their Social Security Benefit.

AI/ANs who did not pay into Social Security, do not have a benefit for the Part B premium to be deducted from.

Part B coverage provides savings to PRC programs by helping pay for many services provided outside the clinic.



Medicare Part B Users of I.H.S.

Conflict in regulations:

- Tribal members have a treaty right for the federal government to provider healthcare;
- 42 CFR 136.61: Requires Tribal people to sign up for and use alternate resources, including Medicare, before PRC funds can be used to pay for their care;
- Medicare Part B has a premium.



Medicare Part B Late Enrollment Penalty

- Elders not signed up for Medicare Part B during their IEP will be assessed a Medicare Part B late enrollment penalty if they try to sign up now;
- Besides QHP Equitable Relief, it is very difficult to get relief from Medicare Part B premium penalty;
- SSA does not have a required timeframe to respond to request for Equitable Relief.

Request Equitable Relief from Medicare Part B Late Enrollment Penalty:

Waiver of enrollment period requirements where individual's rights were prejudiced by administrative error or inaction:

In any case where the Secretary finds that an individual's enrollment or non-enrollment in the insurance program established by this part or part A pursuant to section 1395i-2 of this title is unintentional, inadvertent, or erroneous and is the result of the error, misrepresentation, or inaction of an officer, employee, or agent of the Federal Government, or its instrumentalities, the Secretary may take such action (including the designation for such individual of a special initial or subsequent enrollment period, with a coverage period determined on the basis thereof and with appropriate adjustments of premiums) as may be necessary to correct or eliminate the effects of such error, misrepresentation, or inaction.



Request Equitable Relief from Medicare Part B Late Enrollment Penalty:

Sample letter requesting relief can be found at:

<https://www.medicarerights.org/PartB-Enrollment-Toolkit/Equitable-Relief.pdf>

Questions:

Should we create a template letter made specifically for users of I.H.S. who did not enroll because of they didn't understand why they should have to pay a premium?



Part D Coverage



Prescription coverage is available through the I/T/U system.

IHS coverage is considered creditable coverage.

AI/ANs should not pay a late enrollment penalty.

I.H.S. form letter regarding creditable coverage:

<https://www.ihs.gov/businessoffice/medicarepartd/>



Tribal Income: Some Facts

Per Capita income derived from treaty rights or culturally related are not reportable income.

Per capita derived from economic ventures and reported as 1099 income is reportable.

Social security and Medicare taxes are not paid through treaty/ cultural income or 1099 income.



Tribal Income

Many AI/ANs eligible for Medicare by age, but have not paid forty quarters for Medicare A.

These people have income and assets that make them ineligible for Classic Medicaid.

If they are enrolled in Medicare Part B, they can also enroll in a QHP, use tax credits and receive cost sharing reductions.





PART IV:

**DSHS MEDICRE: AGED, DISABLED and
BLIND COVERAGE; SPENDDOWNS**



Medicaid Spenddown

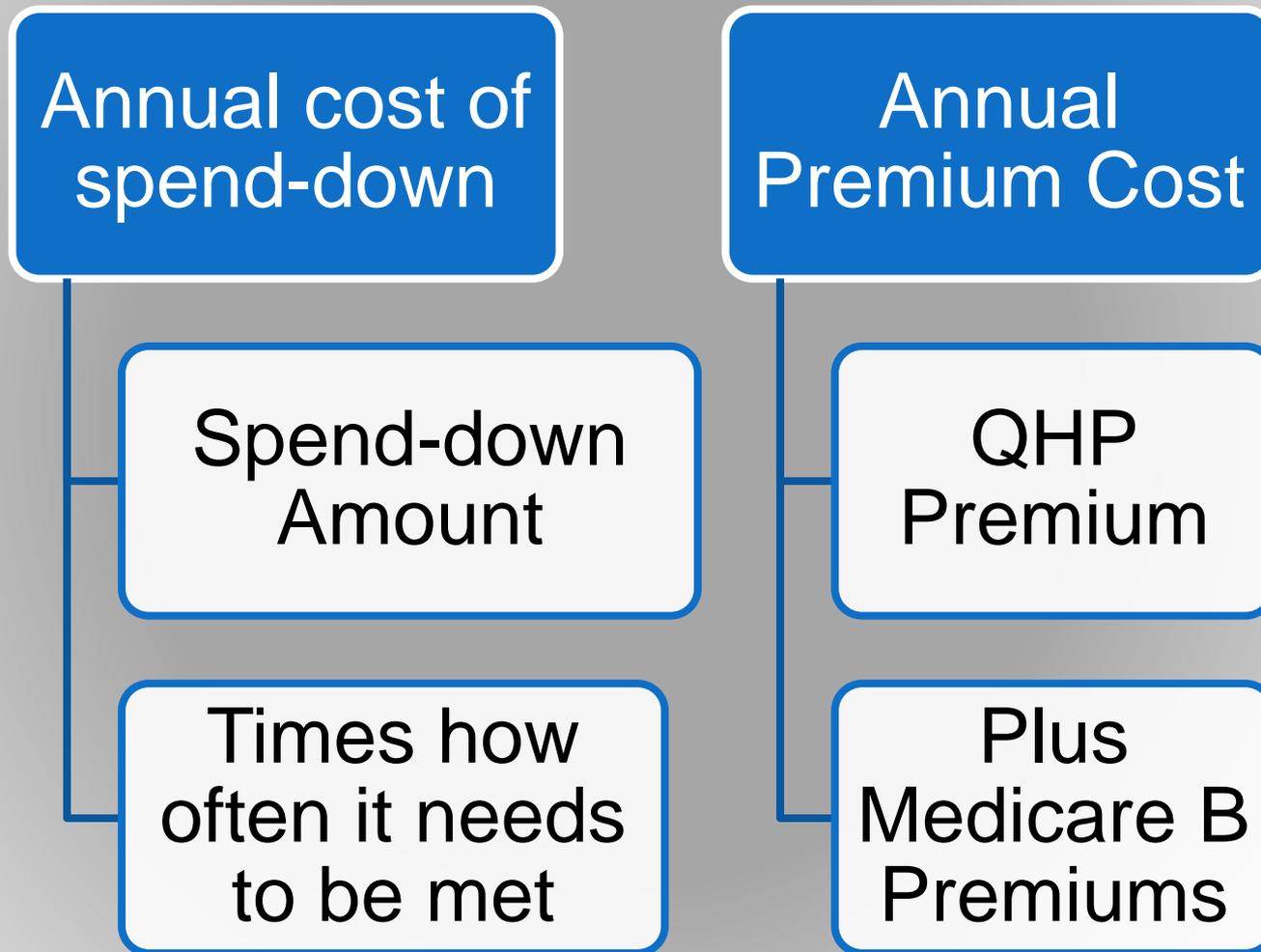
Eligible to be paid by PRC.

PRC payor of last resort, but pays for services during the spenddown.

This confuses providers, and sometimes the state.



Classic Medicaid vs. QHP





Review: Big Takeaways

1. Using Medicare and Medicaid coverage in the I/T/U system is more complicated than outside.
2. QHP Coverage can be used to fill the gaps caused by conflicting program rules.
3. Understanding the issues can help us all better help the AI/AN population in Washington State.



Recommendations

- 1. Medicare Part B premiums can be reimbursed by Tribal Programs and help reserve PRC funds.**
Request relief from late enrollment fees for your members.
- 2. QHP Coverage is can be a solution to many of the Medicare and Medicaid issues for users of I.H.S.**
- 3. Utilize AIHC Indian Health Care Reform Manual.**
Provides updated information on developments in Indian health care reform:
<http://www.aihc-wa.com/aihc-health-policy-issues/indian-health-care-reform-manual-for-wa-state/>



Questions / Next Steps



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