

QUESTIONS AND ANSWERS – JUNE 27TH HCSA HEALTH CARE REFORM IN-SERVICE

1) How HealthPAC MCE clients will be transitioned to a full scope Medi-Cal aid code after they receive a temporary aid code in January 2014?

HCSA is transferring all HealthPAC MCE clients to the State Medi-Cal System of Record. Once in MEDS, they will receive a temporary Low Income Health Program Aid (LIHP) transition aid code. On January 1, 2014, these participants will receive a temporary Medi-Cal aid code. Upon their Medi-Cal renewal, which is tied to their 2014 HealthPAC annual renewal date they will go through a MAGI eligibility determination to receive a MAGI Medi-Cal aid code.

2) Will Alameda County sign up to be an Enrollment Entity? What is our goal (e.g. number of new enrollments) during the enrollment period?

HCSA will apply to become a Covered California (CA) Enrollment Entity, so that the Health Insurance Technicians and other staff can become Certified Enrollment Counselors and provide enrollment assistance for MAGI Medi-Cal and Covered CA. At this time, HCSA doesn't have an enrollment goal.

3) What number of employees do you anticipate needing for the Social Services Customer Service Center?

The Social Services Customer Service Center will have 25 additional employees that will answer the calls transferred from Covered California's state call center.

4) Will BHCS have a Call Center?

BHCS Provider Relations and its Health Insurance Technician staff have a dedicated phone line to respond to eligibility questions, which can be expanded to address additional enrollment needs for people with behavioral health issues.

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5) What will be the behavioral health care services available under health care reform?

BHCS is a “carved out” Medi-Cal mental health specialty managed care plan that currently provides a continuum of mental health services. BHCS also provides Substance Use services, often referred to as Alcohol and Other Drug services, including Drug Medi-Cal benefits.

In addition to these existing BHCS services, the Essential Health Benefits package adopted by the state (the Kaiser Small Business Plan) includes these new benefits:

For Mental Health:

- Group Therapy – for non-specialty mental health program qualifying individuals
- Psychology – broadly available for non-specialty mental health program qualifying individuals

For Substance Use Disorders:

- Intensive Outpatient Treatment (Day Care Rehabilitation) – For non-pregnant/postpartum beneficiaries
- Residential Substance Use Disorder Services – For non-pregnant/postpartum beneficiaries
- Elective Inpatient Detox - Broadly available, and not restricted to physical medical necessity

Recently passed legislation also stipulates that Medi-Cal managed care plans must provide mental health services to beneficiaries that are not “carved out” to county mental health plans and that the expanded array of benefits will apply to both existing and newly eligible Medi-Cal beneficiaries.

BHCS is carefully analyzing these recent policy changes to identify program opportunities and to determine capacity and infrastructure needs in our systems of care.

6) What is the plan for Healthy Families participants that are transitioning to full scope Medi-Cal (in relation to the BHCS carve out)?

The transition from Healthy Families/Medi-Cal to the Medi-Cal Expansion and Exchange (Covered California) plans requires further clarification, which BHCS is seeking from the state.

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We understand that for some families, based on their incomes, there may be a monthly premium. When more information is available, BHCS will post additional responses on the website.

7) What will happen to those individuals that don't file taxes due to fears of the IRS?

People's IRS will be directly linked to their health insurance status, and if someone does not provide proof of health insurance on their income tax, this person/family will be subject to a penalty.

8) Is Alameda County going to open more health clinics to handle the increased demand for health care services (both medical & mental health) in 2014?

Alameda County itself is not planning new clinics at this time; however contracting clinics have already begun expansion of existing sites or the creation of new sites, Alameda Alliance for Health has expanded its provider network, and the county is looking at delivery system reforms to expand access.

9) How is the Affordable Care Act (ACA) funded?

ACA is funded by the federal government through a series of deficit reduction and other fiscal means.

10) Can you explain the silver plan in the Health Care Exchange?

The silver plan under the Health Care Exchange is the second least expensive plan offered in a county. It serves as the benchmark for subsidized coverage.

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11) Will Alameda County provide health care for residents who are eligible for coverage, but choose not to enroll?

This is not yet known. The current recommendation is that the county will still provide services under the indigent program, known as HealthPAC to individuals under 200% of the Federal Poverty Level.

12) What is open enrollment, effective date of coverage, and date of application or acceptance refer to?

The first open enrollment period for Covered CA is October 1, 2013 to March 31, 2014. Applicants can only enroll in Covered California during the open enrollment period. However, if an individual experiences a qualifying event outside of open enrollment (loss of job, gains a dependent, loses a spouse), then he/she can apply to Covered CA during this “special enrollment” period. Additionally, a person can purchase health insurance outside Covered CA on the individual market (i.e. how someone would apply for coverage today), but they will not be eligible for a subsidy. Coverage begins no sooner than January 1, 2014 or the month after the date of application acceptance.

The second open enrollment period for Covered CA is from October 1, 2014 – December 31, 2014.

13) What are the Health Exchange government subsidies? Does the insurance company get an IRS tax credit for the subsidy amount or do the insurance companies get a check from the federal government? Who pays the difference?

A person that is 138-400% of the federal poverty level will receive a tax credit to purchase health insurance on California’s Health Benefit Exchange (i.e. Covered California). A person can only receive the tax credit subsidy for plans offered through the Exchange. A person can opt to purchase health insurance outside the Exchange (and avoid a federal tax penalty); however, they will not receive a tax credit to help with their premium.

Tax Credits are calculated based on an individual’s modified adjusted gross income (MAGI). Premium costs for consumers between 138-400% FPL will be capped between 3-9.5% of

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income. This means that the lower your income, the more financial assistance you will receive. A household's tax credit will be equal to the difference between the maximum amount a person can spend on insurance and the premium cost of the second-lowest cost silver plan (see Question 10).

Consumers have the option of receiving a tax credit from the IRS at the end of the year, when they file his/her taxes, or receiving a monthly tax credit that goes directly to their insurance company to automatically reduce their monthly premium contribution. If an individual's income changes over the year, his/her premium amount stays the same. However, the individual's tax credit will be adjusted accordingly, and therefore their contribution amount toward their premium will change.

Any change of income that is not noted to Covered California will be reconciled when you file your tax returns – consumers will either owe money, or will receive a tax credit. If your income decreases, you should notify Covered California as soon as possible and they will help adjust your monthly tax credit that goes toward your premium, so that your contribution is less.

14) How many people are currently enrolled in HealthPAC? How many will transition to Medi-Cal? How many will be eligible for Covered California? How many will remain in HealthPAC?

There are currently about 90,000 people enrolled in HealthPAC. Approximately 42,000 participants are HealthPAC MCE and will be transitioned to Medi-Cal. Approximately 7,000 participants are HealthPAC HCCI and are eligible for Covered California. The remaining 41,000 are HealthPAC County and will continue to receive services under HealthPAC in 2014.

15) Will employers be held accountable for providing employees with health coverage in 2014?

As of January 5, 2013, this portion of the Affordable Care Act has been delayed until 2015.

16) Can families still be directly referred to an HIT if they don't qualify for Medi-Cal, but will qualify in 2014?

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Yes, people can still be sent directly to an HIT or Application Assistor at any of the HealthPAC medical homes to apply. We are continuing to enroll people in the Low Income Health Program. If they are eligible for HealthPAC now, we will enroll them through December so that they have coverage now and can then transition to Medi-Cal.

17) If a client has Medicare Part A and fall within the Covered CA subsidy FPL level, can they apply for Covered CA?

No, people over 65 are not eligible for Covered CA. It is only for those up to age 65.

18) What are the fines accessed on individuals that don't have insurance? What happens to people on low income purchased insurance plans when they get 'dropped' or are between coverage & eligibility?

The ACA requires most individuals to have public or private health insurance by January 2014 or face financial penalties. The penalty phases in over three years and becomes increasingly severe. In 2014, the penalty will be 1% of annual income or \$95, whichever is greater. By 2016 the penalty will be 2.5% of income or \$695, whichever is greater. The penalty will be assessed based on the number of months without coverage. The penalty will remain at 2.5% of income, or \$695 (whichever is greater), unless Congress changes the law.

If an individual experiences a qualifying event outside of open enrollment (loss of job, gains a dependent, loses a spouse), then he/she can apply to the Exchange during this "special enrollment" period. Additionally, a person can purchase health insurance outside the Exchange on the individual market (i.e. how someone would apply for coverage today). However, they will not be eligible for a subsidy on the individual market.

Medi-Cal accepts applications for individuals under 138% of the Federal Poverty Level (FPL) all year round.

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19) How will health care reform impact undocumented immigrants?

Undocumented immigrants are not eligible for health insurance under the Affordable Care Act. Undocumented immigrants under 200% of the FPL will continue to be eligible for HealthPAC in 2014.

20) What will be the Covered CA qualified health plans in Alameda County?

Various counties across the state will offer different health plans under Covered California. In Alameda County, the Covered California plans will include:

- Blue Shield
- Anthem Blue Cross
- Kaiser Permanente
- Alameda Alliance for Health

21) What will be the Impact of the ACA on people living with HIV/AIDS?

People living with HIV/AIDS (PLWHA) will be eligible for MAGI Medi-Cal or Covered CA as long as they meet the necessary income and citizenship requirements. Undocumented PLWHA will still be eligible for the AIDS Drug Assistance Program (ADAP) and HealthPAC.

22) Will Medi-Cal benefits be the same for the newly eligible as those currently enrolled in Medi-Cal?

The Medi-Cal benefits will be the same.

23) What health care programs will be available for people with incomes between 200%-400% of the Federal Poverty Level?

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Individuals with incomes between 200%-400% FPL will receive a tax credit to purchase health insurance on California's Health Benefit Exchange (i.e. Covered California). A person can only receive the tax credit subsidy for plans offered through the Exchange.