

ILLINOIS ACA IMPLEMENTATION

PREPARING FOR 2014

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Governor Committed to ACA



- ❑ Established Health Care Reform Implementation Council, July 2010.
- ❑ Declaration letter to the federal government stating Illinois intention to establish state exchange but participate in a federal partnership the first year.
- ❑ Supportive of increasing access to health care to low-income individuals who have previously been uninsured.

Health Care Reform Implementation

Council Recommendations

- ❑ Establish a State-based Exchange as a quasi-governmental entity with potential for active purchaser role.
- ❑ Engage employers, consumers, and insurers to develop an aggressive and culturally sensitive outreach plan.
- ❑ Aggressive implementation of the Illinois Health Information Exchange (HIE) Strategic and Operational Plan.
- ❑ Essential Health Benefits
- ❑ Additional recommendations on: workforce development, improving quality care, Navigators and outreach.

ACA in Illinois

- Illinois has received more than \$200 million for ACA implementation
 - ▣ Community health center development and improvement, workforce development and training, and prevention
- Community Transformation Grant (*We Choose Health*)--\$25 million for
 - ▣ Tobacco-free living, active living and healthy eating, quality clinical and other preventive services, social and emotional wellness, and fostering healthy and safe physical environments
 - ▣ Grant funds local organizations, health providers, schools, businesses and other community groups statewide outside Cook, Kane, DuPage, Lake and Will counties.

ACA and Consumers

- ❑ Provides coverage to Americans with pre-existing conditions
- ❑ Protects choice of doctors
- ❑ Keeps young adults covered
- ❑ Ends lifetime limits on coverage
- ❑ Ends pre-existing condition exclusions for children
- ❑ Ends arbitrary withdrawals of insurance coverage
- ❑ Reviews premium increases
- ❑ Helps consumers get the most from their premium dollars
- ❑ Restricts annual dollar limits on coverage
- ❑ Removes insurance company barriers to emergency services
- ❑ Covers preventive care at no cost
- ❑ Guarantees right to appeal

Purchasing Coverage through the Exchange

- ❑ The Exchange makes it easier for consumers to purchase private health insurance.
- ❑ Allows consumers to compare health insurance plans apples-to-apples and simplifies the process of enrolling and managing insurance.
- ❑ Small business owners can offer insurance to their employees through a streamlined, easy to use web portal.

Progress toward the Exchange

- Department of Insurance has used federal funding to prepare the state to operate a Health Insurance Exchange.
- Assessed the marketplace, estimated costs, and engaged health providers, insurers, consumer advocates and the business community to understand exchange-related issues.
- Reports available on-line.

Progress toward the Exchange

- The State awarded contract to design and implement an integrated eligibility system (IES).
 - ▣ Determines eligibility for premium subsidies or Medicaid.
- July: The State issued a Request for Proposals (RFP) to solicit a vendor to build the technical infrastructure for the State-based Exchange.
 - ▣ Completing procurement process shortly.

Exchange Funding

- ❑ The state received a \$1 million Planning Grant for the Exchange on September 30, 2010.
- ❑ In the fall of 2011, the state received a \$5 million Level One Establishment Grant.
- ❑ On May 16, 2012, Illinois received a second Level One Establishment Grant for \$32 million.
- ❑ The state expects to receive more than \$125 million in federal funding to build the IES.

Essential Health Benefits

- To achieve the goal of increasing access and affordability of health insurance, the ACA ensures that health plans offered in the individual and small group markets, both inside and outside of the Exchange, offer a core package of items and services.
- The ACA required the state to recommend to the Department of Health and Human Services the Essential Health Benefits (EHB) benchmark plan by September 30, 2012.
- The state could choose from one of the largest small group plans, state employee plans, federal employee plans or the largest commercial HMO. The benchmark was required to represent a “typical employer plan” already sold in the state.

Essential Health Benefits

- ❑ The EHB benchmark plan must include services in the following ten categories:
 - ❑ Ambulatory patient services
 - ❑ Emergency services
 - ❑ Hospitalization
 - ❑ Maternity and newborn care
 - ❑ Mental health and substance use disorder services, including behavioral health treatment
 - ❑ Prescription drugs
 - ❑ Rehabilitative and habilitative services and devices
 - ❑ Laboratory services
 - ❑ Preventive and wellness services and chronic disease management
 - ❑ Pediatric services, including oral and vision care

Essential Health Benefits

- Governor's Health Care Reform Implementation Council established an EHB workgroup to recommend the EHB benchmark plan. The Council also solicited and received comments from the public.
- The Council approved the BlueCross BlueShield of Illinois BlueAdvantage small group plan augmented with:
 - ▣ Pediatric Vision – The federal BlueVision package
 - ▣ Pediatric Dental—The AllKids dental package

Partnership Exchange

- ❑ The Partnership model is a bridge to the State-based Exchange.
- ❑ Allows the state to take the lead on Plan Management and In-Person Consumer Assistance.
- ❑ The exchange and navigator functions will be run by the Federal Exchange.
- ❑ Federal Exchange is funded through an assessment on insurers selling on the exchange.

Where States Stand So Far

(as of November 19, 2012)



- 18 states established or declared intent to establish a state exchange
- 5 states considering or declared partnership model
- 19 states rejected a state-run exchange
- 9 states are undecided

Sources: State Refor(u)m Exchange Governance Chart
<http://statereform.org/exchange-governance-chart>

State Refor(u)m Exchange Blueprint Chart
<http://www.statereforum.org/exchange-blueprint-chart>

Access to Care

- The Affordable Care Act increases access to care through Medicaid for individuals who previously have not been eligible and offering premium subsidies for individuals eligible for the Exchange.
- Consumers under 133% FPL who have not been eligible for Medicaid due to categorical requirements will now have access to care that is fully supported by the federal government through 2016.
- Individuals and families between 133-400% FPL will be eligible for graduated premium subsidies to make purchasing health care more affordable.

Delivery System Reform

- Illinois is addressing delivery system reform in several ways:
 - ▣ Care Coordination Innovations Project: The goal of the Innovations Project is to redesign the healthcare delivery systems so that is more patient-centered, with a focus on improved health outcomes and evidence-based treatments, enhanced patient access, and patient safety. The Department of Healthcare and Family Services announced six awards in October.
 - ▣ Workforce Development: continuing conversations with stakeholders on ways to address the public health workforce needs in Illinois.
 - ▣ Innovation Plan: The State of Illinois recently applied for funding from the Center for Medicare and Medicaid Services (CMS) State Innovations Model (SIM) program to support the development of a comprehensive State Health Care Innovation Plan.

Next Steps for Illinois

- ❑ Submitted Partnership Blueprint on November 16th
- ❑ Pass establishing legislation for the Exchange and Medicaid expansion
- ❑ Implement Plan Management/Consumer Assistance functions
- ❑ Monitor the EHB process, await federal approval
- ❑ Prepare for State-based Exchange
- ❑ Plan for new individuals eligible for Medicaid
- ❑ Continue effort towards delivery system reform



Governor's Office Health Reform website

www.healthcarereform.illinois.gov

Department of Insurance

www.insurance.illinois.gov

Federal Health Care Reform website

www.healthcare.gov