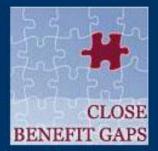


The Affordable Care Act and Children and Youth with Epilepsy

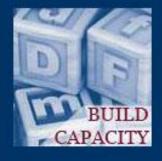
National Center for Project Access
Webinar
March 5, 2013

Meg Comeau, MHA









The Catalyst Center: Who are we?

- Funded by the Division of Services for Children with Special Health Needs under the Maternal and Child Health Bureau (MCHB)
- A project of the Health and Disability Working Group at the Boston University School of Public Health
- The National Center dedicated to the MCHB outcome measure: "...all children and youth with special health care needs have access to adequate health insurance coverage and financing".



What do we do?

- Provide technical assistance on health care financing policy and practice
- Conduct policy research to identify and evaluate financing innovations
- Create resources (educational products like policy briefs and webinars)
- Connect those interested in working together to address complex financing issues



What can't we do?

- No direct advocacy or lobbying
- No benefits counseling for individual families



Children and Youth with Epilepsy and Seizure Disorders: Some Statistics

Out of all children in the US, 15.1% have special health care needs (approx.11.2 M)

Out of all children with special health care needs, 3.1% of them have Epilepsy or a seizure disorder (approx. 345,000)

5.4% of children with epilepsy have four or more functional difficulties (approx. 270,000)

Unless otherwise noted, statistics in this presentation are from the Child and Adolescent Health Measurement Initiative. 2009/10 National Survey of Children with Special Health Care Needs, Data Resource Center for Child and Adolescent Health website. Retrieved 2/21/13 from www.cshcndata.org



Problem statement

Currently, there are major gaps in health care coverage and financing that cause problems for children and youth with Epilepsy in accessing care and significant financial hardship for their families....



Children and Youth with Epilepsy: While most have insurance coverage.....

Type of insurance	Children with Epilepsy	Other CSHCN
Private insurance only	32.7%	51.3%
Public insurance only	46.1%	34.4%
Both public and private	17.2%	7.6%
Uninsured	0.9%	3.5%



Simple coverage is not enough.....



Currently insured children and youth with Epilepsy whose insurance is inadequate (according to their families)

Children with Epilepsy	Other CSHCN
38.7%	34.2%



Impact on families of children and youth with Epilepsy



Children and youth with Epilepsy whose condition(s) cause financial problems for the family

Children with Epilepsy	Other CSHCN
46.0%	20.8%



Children and youth with Epilepsy whose families pay \$1,000 or more out-of-pocket in medical expenses per year for their child

Children with Epilepsy	Other CSHCN
39.0%	21.9%



Children and youth with Epilepsy whose condition(s) caused family members to cut back on or stop working

Children with Epilepsy	Other CSHCN
56.1%	23.9%



Underinsurance: typical gaps in coverage

- Habilitative therapies: physical, occupational, speech/language, etc.
- Prescription medications
- Diagnostic testing
- Durable medical equipment
- Eye glasses, hearing aids
- Consumable supplies: diapers, wipes, hearing aid batteries, disposable dressings, etc.
- Mental health services
- Dental care (routine and specialized)



When families are the 'payer of last resort', continued....

- Family as a whole is affected fewer funds for food, clothing, housing, etc.
- Medical debt; financial hardship, bankruptcy
- Worst case scenario: Child may not receive needed services

<u>Material Hardship in US Families Raising Children with Disabilities.</u> Parish, S., et al. Exceptional Children, Vol. 75, No. 1, pages 71-92. Retrieved 9/27/12 from http://bhrp.sowo.unc.edu/susanparish/files/2008%20Except%20Children%20material%20hardship.pdf



So what do children and youth with Epilepsy need from health care reform?

The starting point is health insurance that is:

- Universal and continuous
- Adequate
- Affordable



A step in the right direction...

 The Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148)

signed into law March 23, 2010

 The Health Care and Education Reconciliation Act (Pub. L.111-152)

signed into law March 30, 2010

Together, they're known as the Affordable Care Act or ACA



The devil is in the details...

Many of the provisions in ACA include exemptions and different implementation dates, so it's critical to know the details in each provision:

- To understand your own coverage options;
- To offer accurate benefits counseling to families;
- To know what's good in it for CYSHCN;
- To know where it can be potentially improved through expert input and/or consumer advocacy



Selected coverage provisions that are important to children and youth with Epilepsy and their families.....



Provision under ACA

ACA section number and details

Prohibits private insurance companies from denying or limiting coverage to children under age 19 based on a preexisting condition

Section 2704

Goes into effect: plan/policy year beginning on or after September 23, 2010.

This provision applies to all plans in both the group and individual markets except grandfathered individual plans that were in existence on or before March 23, 2010.



Other provisions related to universal and continuous coverage

- Dependent coverage for youth up to age 26 on their parent's plan, effective 2010
- No rescission of coverage regardless of the cost or amount of services used, effective 2010
- Maintenance of Effort for Medicaid and CHIP, effective 2010
- Guaranteed issue and guaranteed renewal, effective 2014



State Health Exchanges

- Opening January 1, 2014 in each state
- Choice of different individual policies and small group (<100 employees) plans
- Help for consumers in choosing a plan
- Help with affordability:
 - Subsidies between 100% and 250% FPL
 - Tax credits between 100% and 400% FPL



Actuarial Value

- Actuarial Value: the percent of health costs that the insurer pays
- All new health plans in the individual and small group market, in and out of the Exchanges, must provide an Actuarial Value between 60%-90%
- This will make it easier for consumers to compare costs between different levels, or between different insurers at the same level

"Precious Metal Plans"

60%	Bronze
70%	Copper
80%	Silver
90%	Gold



Essential health benefits (EHBs)

Section 1302

ACA requires that individual and small group plans include "essential health benefits". Any plan to be offered through the Exchange must include the essential health benefits.

Goes into effect: January 1, 2014

Large group plans and grandfathered plans are exempt, as are self-funded plans.



The policy rationale for the EHBs

- Ensure comprehensive coverage ("bang for the buck")
- Facilitate comparisons between plans to inform consumer/employer choice (apples to apples)
- Increase equity of coverage options between individuals/small businesses and large group employers (leveling the playing field)



EHB requirements under ACA

- The scope of benefits must reflect those covered by a "typical" employer plan
- The EHB definition cannot "make" coverage decisions, determine reimbursement rates, establish incentive programs, or design benefits in ways that discriminate against individuals because of their age, disability, or expected length of life"



Requirements under ACA, con't

- The EHBs must take into account the health needs of diverse population groups
- Must include benefits under 10 broad service categories
- The benefits must be balanced among the 10 categories



EHB service categories

- Ambulatory care
- Emergency services
- Hospitalization
- Laboratory services
- Maternity and newborn care
- Pediatric services, including oral and vision care

- Preventative and wellness services, and chronic disease management
- Rehabilitative and habilitative services and devices
- Prescription drugs
- Mental health and substance abuse services; including behavioral health



Final Rules – February 2013

- Essential Health Benefits
 - Confirms benchmark approach (2014-2015)
 - Choice of one of four kinds of existing plans to use as a model
 - Benefits must be substantially equal to those in the benchmark plan
 - If a category is missing, supplement from another benchmark plan



Final Rules – February 2013

- Prohibits discrimination via benefit design
- "Special" standards and options for benefits not typically covered, including habilitative services
- Standards for prescription drug coverage
- Mental health and substance abuse treatment parity – federal law applies



Final Rules – February 2013

- Cost-sharing
 - Annual limit on cost-sharing for family plans is
 2X individual amount
 - Allows separate "reasonable" co-pays/coinsurance for stand-alone pediatric dental plans
 - Actuarial value "calculator" will help insurers determine plan's metal level
 - -+/- 2% with regard to metal level okay (68%-72% = silver plan)



Subsidies and Tax Credits - 2014

 Premium tax credits, on a sliding scale, for families with incomes up to 400% of the FPL.

 Cost-sharing subsidies for families up to 250% of the FPL

 Available when purchasing silver category of coverage in Exchanges



State Mandated Benefits (SMB) under Proposed Rules

- ACA: States must cover cost of SMB that go beyond EHBs
- Rule: SMB in place before 12/31/11 will be considered part of the EHB, so no additional cost to states for them
- Only SMB that impact care, treatment or services apply
- Any limits in original SMB law still applies; only individual plans, for example
- Exchanges will be responsible for ID'ing SMB that go above EHBs; insurers responsible for ID'ing the cost



Other improvements to adequacy

- Medicaid eligibility expands to 138% of FPL (Medicaid expansion for children NOT optional for states – optional for child-less adults)
- All enrollees < 138% of FPL in separate CHIP programs will move to Medicaid (and get EPSDT)
- Health homes for specific chronic conditions



Eliminating lifetime and annual benefit caps

- Effective Now
 - No more <u>lifetime</u> benefit caps for existing or new plans
 - No <u>annual</u> benefit cap of less than \$2 million
- Effective Jan. 2014
 - No annual benefit cap allowed at all
- BENEFITS themselves can still be capped, e.g. 20 physical therapy visits, 15 mental health sessions.



New Plans Must ProvideFree Preventive Care - 2010

- Preventive care/screening based on the guidelines under the federal Maternal and Child Health Bureau's Bright Futures Initiative (www.brightfutures.org).
- Additional preventive care/screening based on the recommendations for children and adolescents by the U.S. Preventive Services Task Force (http://www.ahrq.gov/clinic/tfchildcat.htm).
- Immunizations as recommended by the Centers for Disease Control and Prevention



Summary

- There are several early victories through ACA in the effort to improve coverage and financing of care for children and youth with Epilepsy
- •There are also some gaps in its promise, primarily in the exemption of large group, grandfathered and self-funded plans (where the majority of CYSHCN get their coverage) from the Essential Health Benefits requirement
- •The work is on-going!



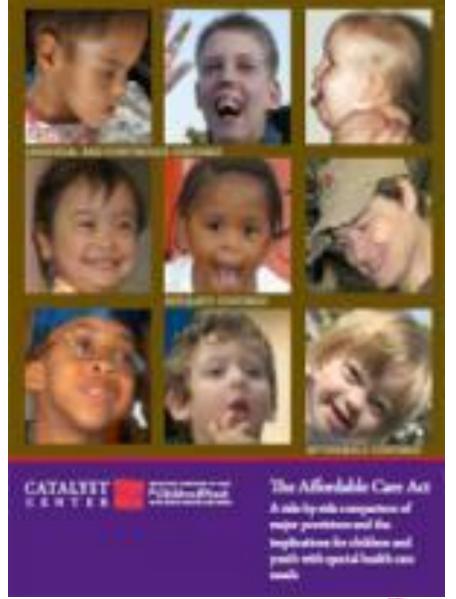
What can you do to stay informed?

(The shameless plug portion of the presentation....)

- Sign up for quarterly Catalyst Center e-newsletter, Catalyst Center Coverage, product/activity announcements – one stop shopping!
- Read our policy briefs, participate in webinars, etc.
 Ask us TA questions!
- Partner with advocacy/consumer groups lend your voice and expertise to theirs
- Comment on federal regulations as they come out



One resource to learn more: The Affordable Care Act: a side-by-side comparison of major provisions and their implications for CYSHCN













The Affordable Care Act and Children with Special Health Care Needs:

An Analysis and Steps for State Policymakers

By Kathleen Farrell, Catherine Hess, Diane Justice
National Academy for State Health Policy for The Catalyst Center

Another resource...The
Affordable Care Act
and Children with
Special Health Care
Needs: An Analysis
and Steps for State
Policymakers

Download both along with other ACA-related materials at www.catalystctr.org



Questions and Discussion



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