

Federal Financing to Sustain Basic Health and Medical Care Services

Joint Select Committee on Health Reform
Implementation

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Three Topics for Today's Update

- Waiver overview – what & why
- Expedited timeline for approval
- Key outstanding issues



Why do we need a waiver?

- Governor requested federal funding to sustain Basic Health (BH) and Medical Care Services (MCS) programs
 - Coverage continuity for ~90,000 individuals
- “1115 Demonstration Waiver” needed for federal authority to use Medicaid dollars for BH/MCS
 - Limits on program enrollment
 - Maintain underlying BH program policies – benefits design, cost sharing for everyone, eligibility up to 200% FPL
 - Implement Disability Lifeline as revised by E2SHB 2782
- Transitional bridge until full national health reform (NHR) in 2014
 - Most BH & MCS enrollees will transfer to Medicaid (up to 133% FPL)
 - The rest transfer to an Exchange or NHR Basic Health (133-200% FPL)



Expedited Timeline for Approval

- 2010 supplemental budget assumes federal financing will begin Jan 1, 2011

Activities	Timetable
Preliminary concept development <ul style="list-style-type: none">• Initial concept; issues identification• NHR; 2010 supplemental budget• Revised concept; more issues	Jan-May
Formal proposal development & submission	May-Jun
Federal review & approval process <ul style="list-style-type: none">• Iterative Q&A• Negotiations of standard terms & conditions• Federal approval & notification• Formal state acceptance	Jun-Oct
System/workflow changes & implementation	Jul-Dec



Several Issues Remain

- Most issues resolved
 - E.g., Mental health parity, eligibility determination, fair hearings
- We anticipate further negotiation on:
 - Maintenance of Effort
 - Issue: Likely need to commit to ongoing funding (& benefits) no lower than 2010 supplemental budget
 - Basic Health cost sharing
 - Issue: Maximum total of premiums & point-of-service cost-sharing currently must not be greater than 5% individual income
 - Medical Care Services time limits
 - Issue: Individuals on Disability Lifeline 24 months over 5 years will be disenrolled
- Mid-summer “go/no go” assessment



Follow-up Information

- Send questions to:
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Appendix: Federal Poverty Levels

2009* POVERTY GUIDELINES							
ALL STATES (EXCEPT ALASKA AND HAWAII)							
Income Guidelines as Published in the Federal Register on 1/23/2009							
ANNUAL GUIDELINES							
FAMILY SIZE	PERCENT OF POVERTY						
	75%	100%	133%	185%	200%	250%	300%
1	\$8,123	\$10,830	\$14,404	\$20,036	\$21,660	\$27,075	\$32,490
2	\$10,928	\$14,570	\$19,378	\$26,955	\$29,140	\$36,425	\$43,710
3	\$13,733	\$18,310	\$24,352	\$33,874	\$36,620	\$45,775	\$54,930
4	\$16,538	\$22,050	\$29,327	\$40,793	\$44,100	\$55,125	\$66,150
5	\$19,343	\$25,790	\$34,301	\$47,712	\$51,580	\$64,475	\$77,370
6	\$22,148	\$29,530	\$39,275	\$54,631	\$59,060	\$73,825	\$88,590
7	\$24,953	\$33,270	\$44,249	\$61,550	\$66,540	\$83,175	\$99,810
8	\$27,758	\$37,010	\$49,223	\$68,469	\$74,020	\$92,525	\$111,030
+	3,740	added for each additional member in family units of more than 8 members					

***currently in effect per Federal Register 1/22/2010**



Appendix: Current Basic Health Cost Sharing

Enrollee Premium Contributions

Income band	FPL	Median Income	Enrollee Premium	Premium as % of <i>Median</i> Income	Premium as % of <i>Maximum</i> Income
A	0 - 65%	\$293.31	\$34	11.6%	5.8%
B	65 - 100%	\$744.56	\$45	6.0%	5.0%
C	100 - 133%	\$1,051.41	\$60	5.7%	5.0%
D	133 - 140%	\$1,218.38	\$90.59	7.4%	7.2%
E	140 - 155%	\$1,331.19	\$113.24	8.5%	8.1%
F	155 - 170%	\$1,466.56	\$138.72	9.5%	9.0%
G	170 - 185%	\$1,601.94	\$168.20	10.5%	10.1%
H	185 - 200%	\$1,737.31	\$200.52	11.5%	11.1%

Point-of-service (co-payments, con-insurance, deductibles)

Income band	FPL	Median Income	POS Cost as % of <i>Median</i> Income	POS Cost as % of <i>Maximum</i> Income
A	0 - 65%	\$293.31	15.5%	7.7%
B	65 - 100%	\$744.56	6.1%	5.0%
C	100 - 133%	\$1,051.41	4.3%	3.8%
D	133 - 140%	\$1,218.38	3.7%	3.6%
E	140 - 155%	\$1,331.19	3.4%	3.3%
F	155 - 170%	\$1,466.56	3.1%	3.0%
G	170 - 185%	\$1,601.94	2.8%	2.7%
H	185 - 200%	\$1,737.31	2.6%	2.5%

