THE HEMOPHILIA ALLIANCE

To: **Hemophilia Alliance Members**
From: **Ellen Riker and Johanna Gray**
Date: **June 3, 2013**
Subject: **Update on Affordable Care Act Implementation – Essential Community Providers and PCIPs**

We continue to monitor the implementation of the Affordable Care Act (ACA) and to advocate for policies to benefit the bleeding disorders community. We want to update you on two particular policies – essential community providers and the Pre-Existing Condition Insurance Plan (PCIP) – that affect access to HTCs and to give you some recommendations for steps you can take to help ensure that your patients can access your services.

Essential Community Providers

The Situation:

- Essential community providers are providers that must be included in networks for qualified health plans (QHPs), the plans offered on the new health insurance Marketplaces. ECPs are defined as all of the 340B eligible entities, which include HTCs. But, the ACA states that plans do not have to include every ECP in their network, nor do they have to contract with ECPs for every service that they provide. Ultimately, how plans must contract with HTCs will be decided by the marketplace or the federal government if the state is not creating its own marketplace. Depending on how they do this, HTCs could be excluded from plan networks for medical and/or pharmacy services.
- For states that are setting up their own Marketplaces (CA, CO, CT, DC, ID, KY, MA, MD, MN, NH, NM, NV, NY, OR, RI, VT, WA), the state will determine how the ECP policy will be implemented. States are setting different thresholds – for example, in CT, QHPs must include 75% of the available ECPs.
- For states that will have federally-facilitated or state partnership Marketplaces (all others), CMS established a standard that requires plans to offer 20% of available ECPs in their service area including one per each category of providers. HTCs are included in an "Other ECP Providers" category with STD, TB and Black Lung Clinics, so plans could satisfy the ECP policy by including a TB clinic in the network, instead of an HTC.

Hemophilia Alliance Actions:

- The Alliance and NHF have met with the Center for Consumer Information and Insurance Oversight (CCIIO), the office implementing the ACA at HHS, to raise concerns about the policy and ECP database problems for the federally-facilitated and state partnership marketplaces. CCIIO has agreed to post a separate list of HTCs on its public and insurer websites to facilitate plan identification and inclusion of HTCs.
- The Alliance and NHF will also write to state marketplaces and health insurance commissioners to advocate for the importance of HTCs for the bleeding disorders community and to ask them to use their plan oversight responsibilities to see that plans include HTCs in network. We will provide these officials with the HTCs that serve people with hemophilia in their state.

Actions for HTCs:

- While plans have already applied to participate in the marketplaces, there is a window of opportunity between now and the end of June to negotiate with QHPs. You should have received a letter from HRSA directing you to reach out to plans in your area. See here for an additional factsheet from the National Academy for State Health Policy with ideas on how to identify and engage with plans.
- Contact your contacts – you already have relationships with the insurers near you (especially the local Blue Cross Blue Shield plans) that are likely to apply to be QHPs. Reach out to them and ask if they have applied to be a QHP and if your HTC is in their plan's network for medical and pharmacy services. Remind them that you are an essential community provider, and that they must include ECPs in their networks.

Pre-Existing Condition Insurance Pool (PCIP)

The Situation:

- The Pre-Existing Condition Insurance Program is a temporary federal high risk pool created by the ACA that will end on January 1, 2014. Some states have run their own PCIP programs and others have been run by the federal government. Note that this program is distinct from state high risk pools which existed before the ACA.

- Since the funding for the PCIP is capped, HHS is concerned about running out of money before the plans end. So, it has published a regulation to change reimbursement policies as of June 15, 2013 – setting reimbursement at 100% of Medicare levels or 50% of charges if there is no Medicare reimbursement level for a particular service. Please note that this does not apply to the prescription drug benefit, which is unchanged.

- HHS has also told states that they will get a capped amount of money for claims for the rest of the year. Before CMS proposed these new terms, the federal government ran the program in 23 states and DC, and 27 states ran their own PCIPs. But due to the new policy, several states are transitioning control of their PCIPs to the federal government as of June 1st. We believe that the only states that will continue their own PCIPs are: AK, CT, MD, ME, MT, NJ, OK, RI and WI.

- We are concerned that PCIP enrollees may have to get new authorizations or face new deductibles if their plan changes. It is also likely that HTCs will no longer be able to serve as pharmacy providers, but rather enrollees will have to use Express Scripts for their clotting factor to be covered.

Hemophilia Alliance Actions:

- We have reached out to CMS staff to get clarification about how these policies will impact the bleeding disorders community. In particular, we have asked whether pharmacy providers that have been in-network for state-run PCIPs can be grandfathered in and allowed to continue to serve as in-network providers for the remainder of the program.

- The Alliance will also submit written comments on the interim final rule implementing these policies.

Actions for HTCs:

- Identify whether you have patients on a state PCIP plan that is being taken over by the federal government.

- There may be a way for HTCs to continue to provide pharmacy services to patients on the federal PCIP if you are able to get an authorization from the PCIP. Roland suggests contacting the federal PCIP customer service number, which he believes will be 800 220 7898. Explain to the person on the line that you care for a patient that was just transferred to the PCIP and that you would like authorization to continue to serve them. You can offer to bill using a pharmacy claim or medical claim (CMS 1500). You may be directed to the specialty drug line which is Express Scripts, which will likely end the authorization process, but Roland thinks this approach is worth a try.

- Please note that for those states transitioning to the Federally Administered PCIP or already on the Federally Administered PCIP, this program allows for the sponsorship of premium by a third party (Provider or other third party) for any individual that meets eligibility requirements. Many HTCs who are part of larger institutions may wish to speak to their patient accounts team to determine if any individuals currently receiving charity care may qualify for the PCIP.

The Alliance will continue to monitor the implementation of ACA on both the national and state level and advocate for access to HTC services. We are coordinating our efforts with NHF as much as possible. Please contact us with any questions. info@hemoalliance.org or call 215-279-9236