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## ACA Overview

- ▶ On March 23, 2010 President Obama signed the Patient Protection and Affordable Care Act (ACA) into law. The intent of the ACA is to decrease the number of uninsured Americans and reduce the overall costs of health care.
- ▶ The law made changes to eligibility for family related Medicaid groups, CHIP eligibility, and provides tax credits to assist in purchasing health insurance by income qualified individuals. Collectively, these programs are called **Insurance Affordability Programs**.
- ▶ The law provides a number of mechanisms, including mandates, subsidies and tax credits to both employers and individuals.
- ▶ Additional reforms focus on streamlining the delivery of health care and improving health care outcomes.

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## ACA Coverage Partners

Three partners will determine eligibility for health care coverage for Floridians. They are:

- ▶ **The Department of Children and Families (DCF)** DCF will determine eligibility for Medicaid. The ACA rules affect Medicaid eligibility for children, parents/caretakers and pregnant women. Income limits are based on the individual being tested.
- ▶ **Florida Healthy Kids (FHK)** FHK will continue to determine CHIP eligibility for children under 19 whose family income is above the Medicaid income limit for children. CHIP eligibility rules will be the same as Medicaid and eligibility will be completed using the new rules engine within the FLORIDA system.
- ▶ **Federally Facilitated Marketplace (FFM)** The FFM determines eligibility for the Premium Assistance Programs for adults with income above 100% and below 400% of the FPL and for children whose family income is too high to qualify for the KidCare Program.

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## Insurance Affordability Programs

### Insurance Affordability Program Access

- Individuals can apply for these programs online, by paper or by telephone.
- There will be a common application to be used by all partners
- No wrong door approach—applications submitted to any partner will be routed to the correct program
- Use of data sharing technologies between partners through interfaces

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### Enrollment

- Applications will be accepted by the FFM beginning October 1, 2013 with coverage beginning January 1, 2014
- Medicaid and KidCare applications received before January 1, 2014 will be processed using existing rules
- Medicaid and KidCare applications after January 1, 2014 will use the new eligibility rules
- Individuals currently enrolled in Medicaid or Kidcare will be evaluated using the new rules at their first review after March 2014

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## Medicaid and KidCare Changes

### Changes to eligibility for Medicaid and CHIP include:

- How applications are received and processed;
- What types of income are considered when calculating eligibility;
- Whose income is used when calculating eligibility; and
- Interactions between DCF, Florida Healthy Kids and the Federally Facilitated Marketplace (FFM).

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## System Changes to Accommodate ACA

- ▶ To meet the minimum ACA eligibility business requirements, DCF is:
  - Developing a new web portal containing an ACA compliant application which will collect information for all IAPs.
  - Increasing its ability to share application data (electronically) with ACA partners through interfaces.
  - Reprogramming eligibility systems to use new household and budgeting rules. Applications will be "no touch" to the degree possible.
  - Reviewing all secondary systems to ensure interoperability with the updated eligibility system and interfaces.

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## Additional Interfaces

In addition to interfaces with KidCare and the FFM, DCF will have access to additional electronic federal data for use in determining Medicaid eligibility. Sources through the federal hub include:

- IRS – Income Data
- Social Security – Citizenship, Identity, income and disability status
- Homeland Security – Immigration Status
- Electronically reported employee management services (limited earnings info)

In addition, all current data exchanges will be maintained for such things as unemployment, child support, and wages.

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## Application Process Flow

- ▶ An application is submitted to any IAP partner where it is screened for eligibility. Potentially Medicaid eligible applications receive by the FFM or KidCare will be electronically routed to DCF for eligibility determination and vice versa.

- ▶ Upon receipt, the system will:
  - Check for current benefits
  - Screen for appropriate benefits based on household composition and income
  - Check the federal data hub for verifications
  - Process and approve the application without worker intervention, whenever possible

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- If the system does not have enough information to process the application on its own, the application will be routed to an eligibility worker who will obtain needed verification and process the application.

- If households or individuals are over income for Medicaid the application and all associated verifications will be electronically routed to the appropriate partner program(s) for determination. Applications coming through the KidCare portal will be treated the same way.

Customers will not have to submit new applications or provide the same verifications to the other programs.

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## Verification Requirements

- ACA simplifies the verification requirements to minimize effort by families and to speed up the approval process to ensure benefits are provided as quickly as possible. Other than proof of citizenship, identity and immigration status (if applicable) a customer's statement (called self-attestation) will generally be accepted when processing an application. The idea is that most verifications can be obtained electronically through the hub in real time prior to authorization.
- If electronic income data matches are not exactly the same, but match within a predetermined amount, they are considered to be "reasonably compatible" and no further documentation is required.

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- Information that cannot be electronically verified, is questionable or is not "reasonably compatible" with information received through the federal hub will require secondary documentation.

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## Medicaid Income Limits

- Children Under Age 1      200% FPL
- Children 1 through 18      133% FPL
- Pregnant Women      185% FPL
- Parents and Caretakers      22% FPL

Because the new income rules do not take into account any deductions as are currently allowed (child care expenses, child support paid out, standard disregards), these income limits will be adjusted upward slightly based on a federal formula to ensure that eligible populations are not reduced as a result of the change to MAGI income eligibility.

**Florida has opted not to expand Medicaid to the new adult group of 19 to 64 year olds without children.**

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➤ These figures reflect an expansion of Medicaid to children aged 6 to 18 with incomes up to 133% of the Federal Poverty Level, which previously capped at 100% FPL.

➤ The income standards for parents, caretakers and pregnant women have not changed.

➤ Medicaid has not been expanded to cover childless adults, or the adult caretakers of children over 18.

In addition, the ACA

➤ Extends Medicaid coverage for children aging out of foster care up to age 26.

This change corresponds to the ACA Dependent Care provision which allows dependents to remain on their parent's health insurance through age 26.

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## How is the Medicaid Household Determined?

- Beginning in January 2014, family-related Medicaid and KidCare eligibility will be based on IRS rules governing an individual's tax household and income.
- All IA programs will determine financial eligibility using the Modified Adjusted Gross income (MAGI). MAGI is adjusted gross income from the 1040 tax form, plus non-taxable interest and foreign earnings.

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## MAGI

- ▶ MAGI is the new method for determining financial eligibility for family based Medicaid coverage.
- ▶ Use of MAGI simplifies the financial eligibility process by standardizing countable income across all IA programs, removing the current income disregards and allowing for an additional 5% disregard if needed.
- ▶ MAGI looks at the income of all members included in an applicant's tax household. There are special rules depending on whether the individual is the taxpayer, a tax dependent, or someone who doesn't file federal income tax returns.

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## Questions?

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