



NATIONAL ASSOCIATION OF

Community Health Centers



America's Voice for Community Health Care



NATIONAL ASSOCIATION OF
Community Health Centers

Mid Atlantic Association of Community Health Centers

ACA Webinar Series III: The National Perspective

September 5, 2013

Shawn Frick
Associate Vice President, PCA & Network Relations
301-347-0447
sfrick@nachc.com

Washington D.C.....Business as usual...

April 17, 2013, Capitol Hill.....

“I just tell ya, I just see a huge train wreck coming down.”

US Senator Max Baucus (D- MT)

Washington Times, Thursday May 16, 2013

***“House GOP rejoices in vote to repeal ‘Obamacare,’
Democrats see insanity”***

Agenda

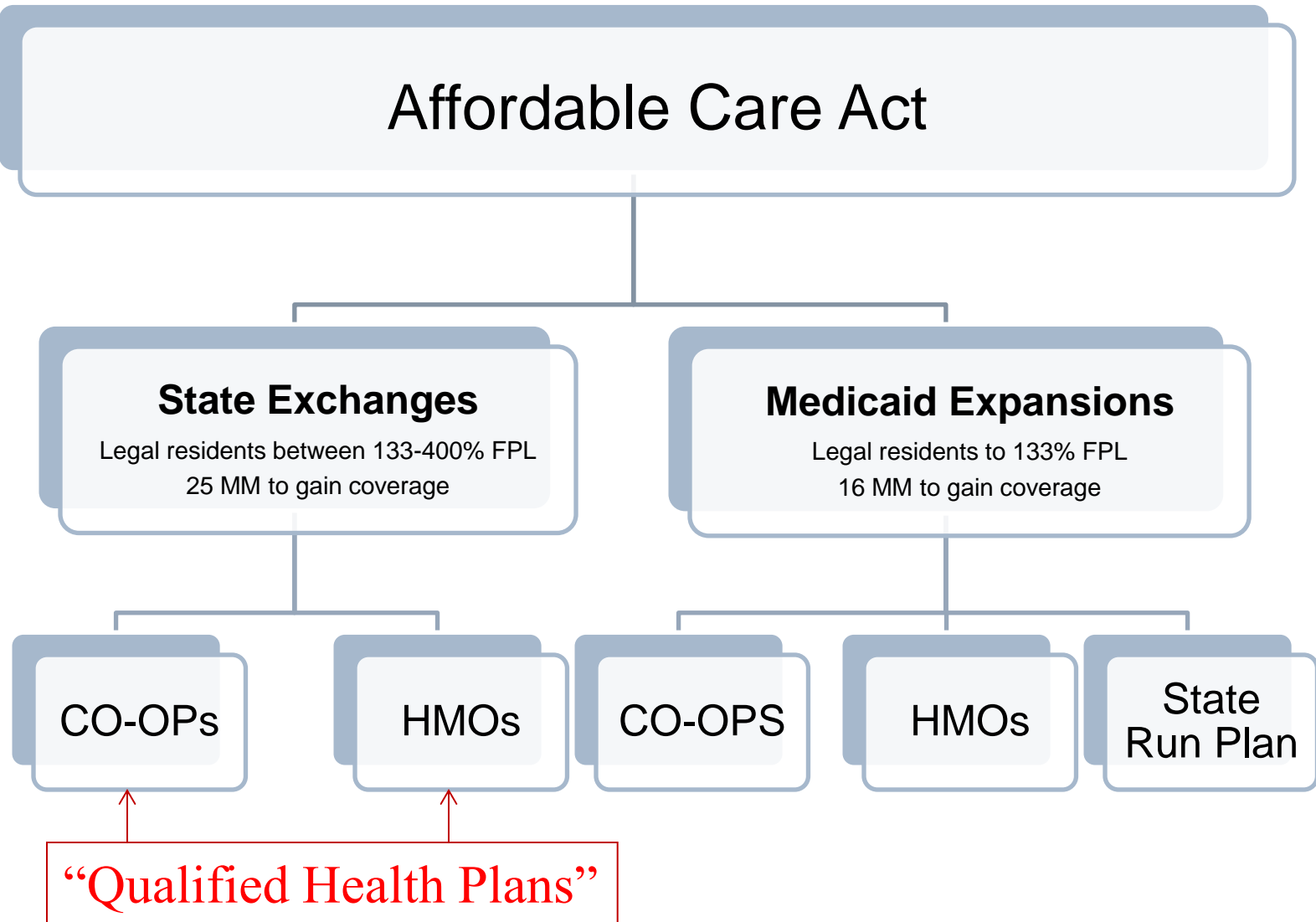
- Federal Fiscal Year ‘13 & ‘14 Appropriations
- Essential Community Providers, Qualified Health Plans and PPS
- 2014 and beyond



Fiscal Year 2013 & 2014 Appropriations

- FY'13 – Base Appropriations + \$300M (CHC Trust Fund)
 - \$300M Increase Breakdown:
 - \$112M – Sequestration
 - \$48M – Base Grant Adjustments (September)
 - \$19M – New Access Point Funding (September)
 - \$150M – Outreach & Enrollment Funding
- FY'14 Appropriations (Trust Fund +\$700M)
 - Senate Work:
 - \$142 Base Grant Adjustments (O/E \$)
 - Language for immediate expansion of CHCs – NAPs, Service Expansion and EMCs (focus on currently funded health centers)

The ACA – State Implications

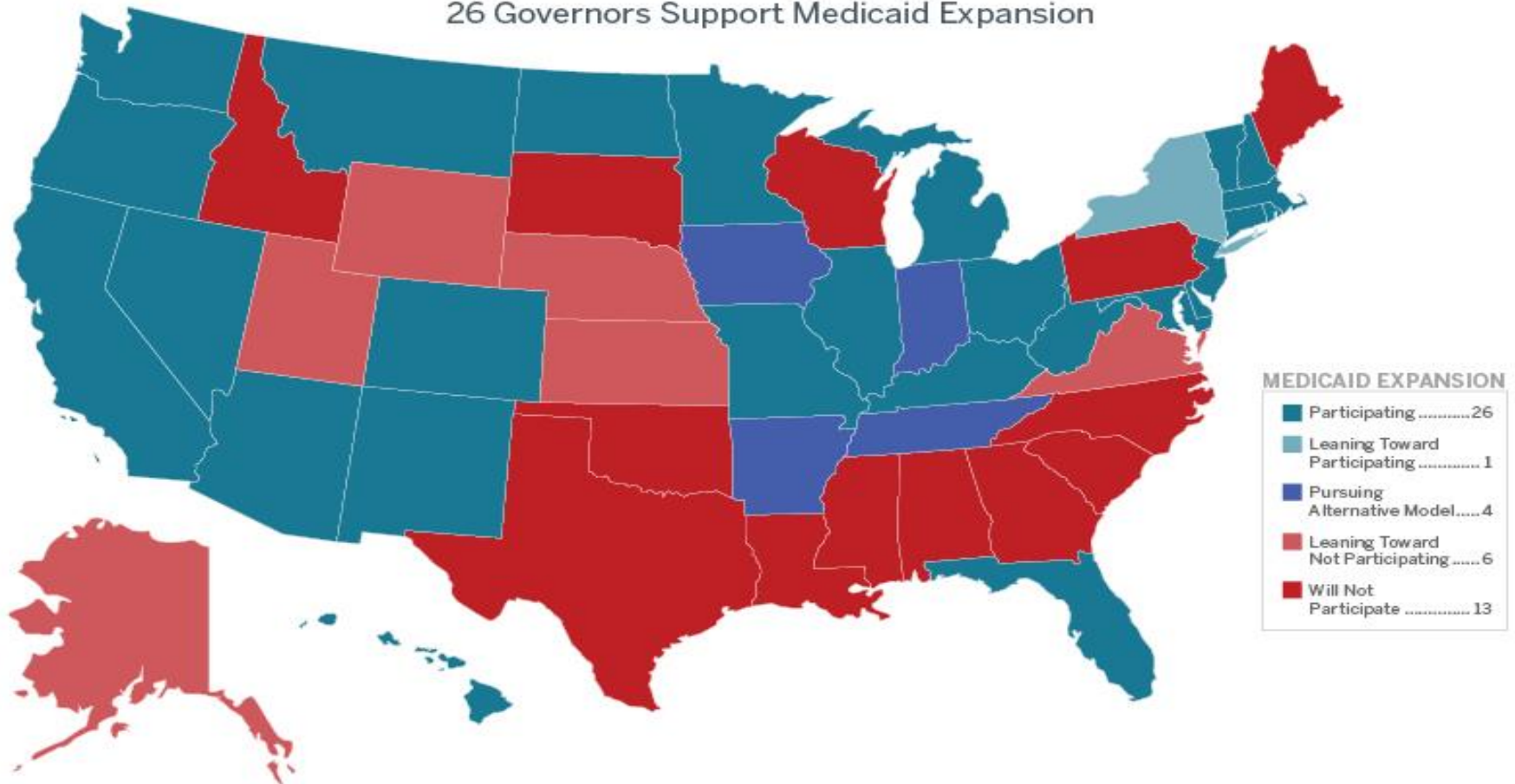


The ACA – State Implications

- **State Exchanges moving forward**
 - 120 Insurers have applied to be QHPs
 - 9/4/13 CMS to certify Qualified Health Plans for Federally Facilitated Exchanges
 - 10/1/13: Initial Open Enrollment Begins
 - 1/1/14: Coverage Begins
- **Medicaid Expansions not guaranteed**
 - States can opt out and maintain existing program without penalty
 - 25 states are expanding – 25 “NO” or “MAYBE” (Arkansas Model)
 - State take up likely be similar to Medicaid (AZ ‘82) and CHIP (TX ‘00)
 - <http://www.nachc.com/client/Exchange%20Issue%20Brief%205.pdf>

State Decisions on Medicaid Expansion

Where the **States** Stand: June 14, 2013
26 Governors Support Medicaid Expansion



Notes: Based on literature review as of 6/14/13. All policies possible to change without notice.
HHS has announced that states can obtain a waiver to use federal funds to shift Medicaid-eligible residents into private health plans.
The District of Columbia plans to participate in Medicaid expansion and will operate its own exchange.

Source: American Health Line, <http://ahialerts.com/2012/07/03/medicaid-where-each-state-stands-on-the-medicaid-expansion/>, accessed 6/14/13.



Essential Community Providers

- **Essential Community Providers**

- 20% threshold for Health Centers and “similar” facilities
- “Minimum Expectation”: 10% participation, plus explanation
- Must offer contract to one ECP in each category/each area
- QHPs can define “similar”
- Must be paid PPS unless an alternative rate is contracted
- <http://www.nachc.com/client//Exchange%20Issue%20Brief%204.pdf>
- NACHC: working with a group of stakeholders trying to change ECP policy in future years



PPS, QHPs and State Exchanges

- Impact on FQHC payment for State Exchanges:
 - Contracted with QHP:
 - Medicaid PPS is not guaranteed
 - Quality care and patient volume (now/future) is key
 - Non-contracted with QHP:
 - Medicaid PPS
 - Outstanding issue – Potential cost-sharing on beneficiary side
- NACHC Qualified Health Plan Survey– 41 states responded
 - 39% reported little/no interaction with QHPs
 - 60% not able to negotiate (modify existing) terms in proposed contracts
 - 80% have not been offered PPS or PPS
 - 60% of PCAs report “All Products” clauses invoked in their states
 - New Issue: “All Payers” clauses



What is driving Qualified Health Plans?

- MCOs look at Exchanges from 2 different perspectives:
 - Traditional Medicaid or “churn” market
 - Commercial – Individual or Commercial market
- Most Traditional/Medicaid plans are staying until 2015
 - 2014 - Too many chronically ill will enter Marketplaces
 - Little to gain except footholds in new markets
 - Waiting for risk to normalize when penalties get larger
- Most MCOs taking a commercial perspective - don't know CHCs
- CHCs cannot depend on federal protections!

State Managed Care Strategies in the ACA

Managed Care:

- PCAs need to first educate CHCs on Managed Care principles
 - Many states have little of no managed care experience
 - won't give a better deal because of CHC's mission
 - Learn the MCO language: enrollees, quality care and cost savings
- Coding Issues – If not addressed, will only get worse!

PCAs taking a look at many strategies to drive quality:

- Low Risk - improve contracting language/rates
- Medium Risk - Independent Practice Associations, Accountable Care Organizations
- Managed Care Organizations, Accountable Care Organizations
- **All options require strong data – HCCNs are critical**
- **Managed Care contracting MUST improve!**

NACHC Trainings



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The National Association of Community Health Centers (NACHC) and Feldesman Tucker Leifer Fidell LLP (FTLF) are pleased to announce the release of an updated handbook to guide health centers in responding to managed care opportunities. This resource serves as an introduction to managed care models, reimbursement methods, and contract negotiation. It addresses financial, clinical, and legal considerations for the development of both provider networks and the managed care plans. Chapter checklists and practice pointers are provided so that health centers can play a pivotal role, both as providers of primary care as well as sponsors of networks and managed care plans.

Managed Care Handbook: A Practical Guide for Health Centers



As a complement to the handbook, NACHC and FTLF are pleased to offer a webinar series to provide an overview of critical issues that health centers should appreciate when negotiating a managed care contract. This timely series will help participants learn to negotiate contracts that are fair and favorable to health centers.

Webinar 1: The Health Center Perspective on the State of Managed Care; September 25, 2013, 2pm Eastern

Webinar 2: Problematic Provisions and Reimbursement Issues in Managed Care; October 2, 2013, 2pm Eastern

Webinar 3: Transitioning to Alternative Payment Methods in Managed Care; October 9, 2013, 2pm Eastern

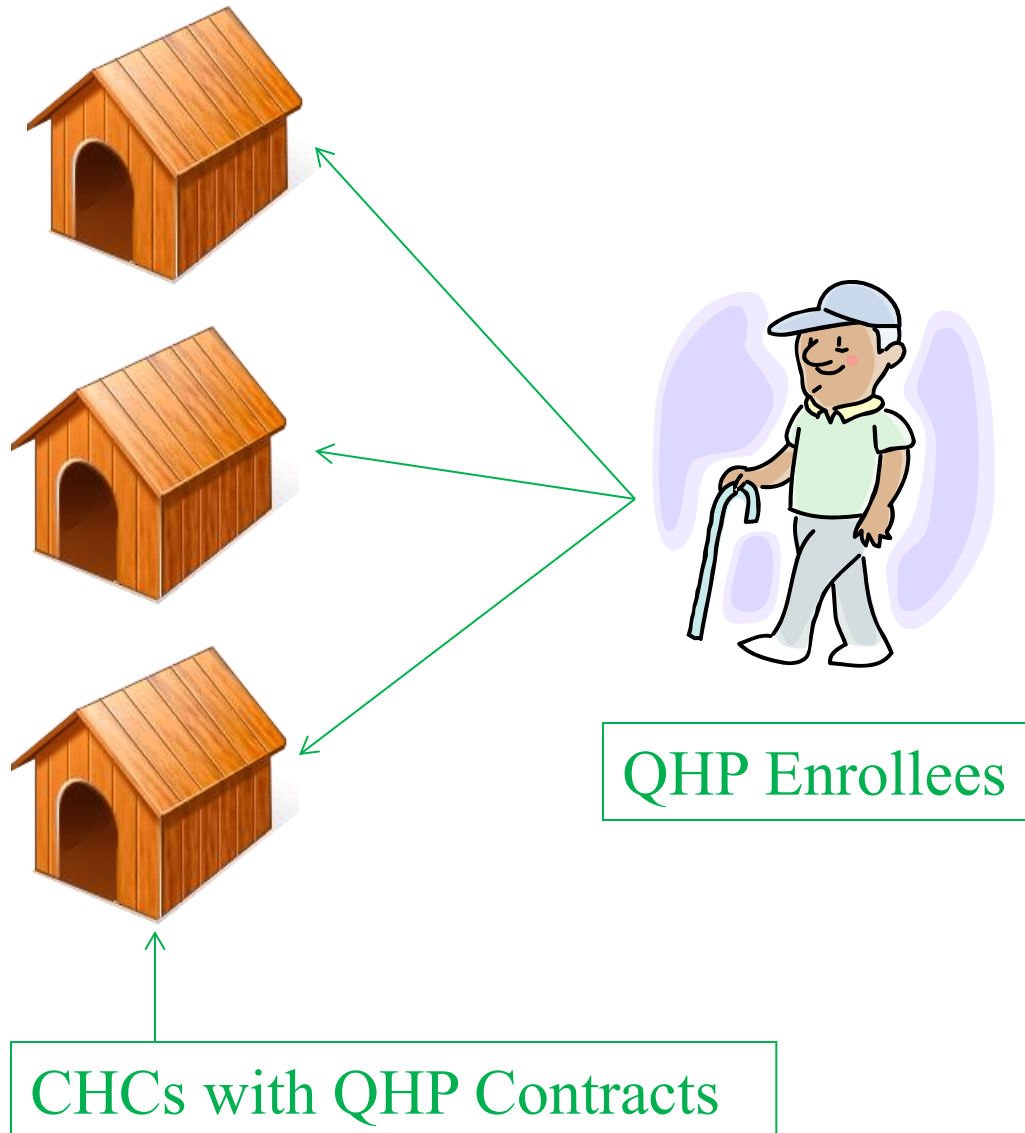
Webinar 4: Easily Overlooked Clauses in Managed Care Agreements; October 16, 2013, 2pm Eastern

Webinar 5: Managed Care Contracting for Clinicians, Quality Directors, and Risk Managers
October 23, 2013, 2pm Eastern

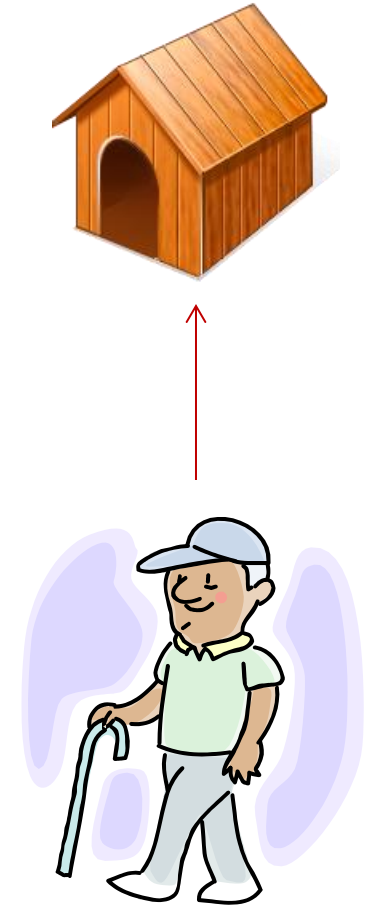
	Member	Non-Member
Individual Webinar	\$99	\$149
Managed Care Handbook	\$249	\$349
Webinar Series (excluding manual)	\$349	\$549
Webinar Series (including manual)	\$549	\$749

For more information about the manual please visit www.nachc.com/publications or contact Monica Powell-Gerald at mpgerald@nachc.com

2014 and Beyond



CHC w/o QHP Contracts



Uninsured Patients



2014 and Beyond Cont.

ENGAGE.....

- 2014 is a “dress rehearsal” with all the \$ on the table
- Mission does not change
- Your Community Board – must understand/promote
- Your Patients – O/E for Expansion/Exchanges
- Run high quality, efficient operations - otherwise the market may (probably will) dictate your future!
- O/E – 1 Massachusetts CHC indicated they are still process about 600 applications a month!

Questions?????

