### Health Reform: What’s New, What’s Next, Where’s Nursing?

Wisconsin Nurses Association  
October 20, 2017  
Donna Friedsam  
Health Policy Program Director

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**Plenty to Argue About**

<table>
<thead>
<tr>
<th>Pro</th>
<th>Con</th>
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<tbody>
<tr>
<td>~20 million people gained health insurance, percentage of uninsured to historic low</td>
<td>Millions who purchased in the non-group market but ineligible for subsidies faced large increases in premiums</td>
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<tr>
<td>People with pre-existing health conditions no longer denied coverage</td>
<td>Premiums generally increased for young, healthy people, possibly deterring their take-up of coverage (participation in the pool)</td>
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<tr>
<td>The gap, or “doughnut hole,” in Medicare prescription drug coverage closed.</td>
<td>“Like it, Keep it” promise (plans or providers): not possible under the essential benefits requirements</td>
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<td>Limits on lifetime benefits prohibited, and out-of-pocket expenses capped.</td>
<td>Many states experienced declining participation by carriers in the individual market, leaving little or no choices for coverage</td>
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<tr>
<td>Coverage assured for preventive services, mental health, maternity care</td>
<td>Coverage often includes had high deductibles, significant cost-sharing, narrow networks</td>
</tr>
<tr>
<td>Uncompensated care declined at hospitals</td>
<td>Health care still expensive</td>
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### Governors’s Health Insurance Coverage Goal

“Through Governor Walker’s Entitlement Reform Plan, all Wisconsinites have access to affordable health care coverage. People living in poverty have coverage through Medicaid while individuals and families above the poverty level have access to affordable private health care coverage through the federal Health Insurance Marketplace. Approved as part of the 2013-15 state budget, this plan is projected to reduce the number of uninsured in our state by 224,580, or roughly half, while strengthening the state’s safety net for Wisconsin’s neediest residents.”

Gov. Walker’s Entitlement Reform Plan  
Wisconsin Department of Health Services  
[https://www.dhs.wisconsin.gov/initiatives/entitlement-reform.htm](https://www.dhs.wisconsin.gov/initiatives/entitlement-reform.htm)  
Last Revised: September 9, 2016

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### Medicaid/BadgerCare and HealthCare.Gov MarketPlace Coverage, Wisconsin 2017

<table>
<thead>
<tr>
<th>Coverage Program</th>
<th>Number, Nationwide</th>
<th>% of Statewide Population</th>
</tr>
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<tbody>
<tr>
<td>BadgerCare Children</td>
<td>412,076</td>
<td>22% of children</td>
</tr>
</tbody>
</table>
| BadgerCare Adults (parents, caretaker, childless adults) | 142,863 PCA  
144,797 CLA | 8% of adults (ages 18-64) |
| Other BadgerCare - Pregnant Women, Parents | 85,277 |
| Existing Foster Care, Income Extensions, Express Enroll | |
| Total BadgerCare, September 2017 | 785,033 | 14% of total population |
| Elderly/Blind/Disabled | 222,221 |
| Other Coverage | 177,324 |
| Total Medicaid | 1,184,578 | 21% of total population |
| Total Plans Selected through HealthCare.Gov MarketPlace As of January 30, 2017 | 242,863 | 7% of population < age 65 |

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### Uninsured in 2013 and then in 2016 – Before and After the ACA Took Effect

- An estimated 5.3% of residents uninsured in 2015, down from 9.1% in 2013 (ACS 2016)
- Uninsured decreased by an estimated 217,590 people from 2013 to 2015, a reduction of about 42% across the total population.
- Decreases in uninsured occurred across all income levels.
• Large declines in rates of uninsured occurred among persons in the lowest income group, persons ages 20-25 years old, and among racial and ethnic minorities.

Who is Still Uninsured?: Income Status of Wisconsin Residents who Remained Uninsured, ACS 2016

- An estimated 408,206 Wisconsin residents (3.8% of the population) were uninsured in 2016 (ACS).
- Children under the age of 19 make up about 15% of the remaining uninsured, with an estimated 45,101 children remaining uninsured in Wisconsin in 2016.

PLAN SELECTIONS BY ENROLLMENT MODE

Automatic Reenrollees, 19%

PLAN SELECTIONS BY AGE

55-64, 34%
45-54, 19%
35-44, 14%
18-25, 9%
18-34, 25%
26-34, 16%

Plan Selection by Income

>100% to ≤150% FPL, 25.8%
>300% ≤400% FPL, 13.6%
>250% to ≤300% FPL, 9.7%
>150% to ≤200% FPL, 14.6%
>200% to ≤250% FPL, 14.6%
Federal Health Care Reform Legislation: What’s New, What’s Next, and Where’s Nursing?

Plan Selections, 2017, Rural and Non-Rural, Compared to Overall Wisconsin Population

BadgerCare Enrollment, September 2013 – September 2017

HMO Managed Care Enrollment, BadgerCare Members, August 2017
- 796,535 BadgerCare Members enrolled in 18 Managed Care Organizations
- United Healthcare and Children’s Community Health Plan each enroll about 20% of BadgerCare Members.

Insurer Participation in Wisconsin’s Individual Market and the ACA Exchange

Wisconsin Health Plans offering ACA plans for 2018
- Aspirus Arise Health Plan of Wisconsin, Inc.
- *Children’s Community Health Plan
- Common Ground Healthcare Cooperative
- *Dean Health Plan, Inc.
- *Group Health Cooperative of South Central Wisconsin
- HealthPartners Insurance Company
- Medica Health Plans of Wisconsin
- *MercyCare HMO, Inc.
- *Network Health Plan
- *Security Health Plan of Wisconsin, Inc.
- *Quartz (Unity and Gundersen) Health Plans

*Depicts plans also offering BadgerCare Plus enrollment

Every county now has at least one Obamacare plan available for 2018

Number of ACA insurers available

Source: Robert Wood Johnson Foundation
As of Aug 24, 2017
If federal payments of CRS do not occur: Alert to Enrollment Assisters

- Premiums for Silver Plans will increase to make up for federal non-payment and, with this, the federal premium subsidy (tied to consumer’s income) will increase as well.
- Consumers may benefit by using that new, larger subsidy to purchase a gold plan (with low cost sharing), or a bronze plan at zero cost.
- However, Healthcare.Gov auto-renewal logic is set such that most silver buyers will be auto-renewed into Silver.
- It is essential that consumers actively shop for the right plan.

DETROIT, MI: At every income level up through 300% FPL, enrollees will be able to buy a gold plan for only a few dollars more than the silver plan.

<table>
<thead>
<tr>
<th>Age 40</th>
<th>Age 60</th>
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<tbody>
<tr>
<td>150%</td>
<td>150%</td>
</tr>
<tr>
<td>200%</td>
<td>200%</td>
</tr>
<tr>
<td>250%</td>
<td>250%</td>
</tr>
<tr>
<td>300%</td>
<td>300%</td>
</tr>
<tr>
<td>Bronze</td>
<td>$0</td>
</tr>
<tr>
<td>Silver</td>
<td>$57</td>
</tr>
<tr>
<td>Gold</td>
<td>$60</td>
</tr>
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<table>
<thead>
<tr>
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<th>150%</th>
<th>200%</th>
<th>250%</th>
<th>300%</th>
</tr>
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<tbody>
<tr>
<td>Bronze</td>
<td>$0</td>
<td>$14</td>
<td>$91</td>
<td>$177</td>
</tr>
<tr>
<td>Silver</td>
<td>$57</td>
<td>$125</td>
<td>$202</td>
<td>$288</td>
</tr>
<tr>
<td>Gold</td>
<td>$60</td>
<td>$128</td>
<td>$205</td>
<td>$290</td>
</tr>
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- Funding for cost-sharing reduction payments for the rest of 2017, 2018, and 2019
- Funding for state outreach
- Expanded eligibility for catastrophic plans, with new “copper plan”
- More state flexibility under 1332 waiver program, streamlined approvals, and longer waiver length

Marketplace Plans Premium Increases: Is this a “Death Spiral?”

<table>
<thead>
<tr>
<th>Average State Premium Increase for Benchmark</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wisconsin</td>
<td>2%</td>
<td>5%</td>
<td>16%</td>
<td>30%</td>
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2017-18 Federal Decisions

- No payment to carriers for providing CSRs (cost sharing discounts)
- Reduce advertising and outreach budget 90%
- Shorter open enrollment period

“Three R” program designed to mitigate adverse selection:

- End of federal reinsurance, compromised risk adjustment & risk corridor program – one-time adjustment
- Congress not-fund the risk-corridors and risk-adjustments: carriers re-coup only a fraction of what had been anticipated
- Risk pool skewed older and sicker
  - Retention of grandfathered and transitional non-compliant plans:
    - 203,587 Wisconsin as of 12/31/2015
    - Sale of short term policies rather than compliant coverage
    - Weak mandate penalty and enforcement
    - Many SEP opportunities

Up Next: Wisconsin’s Proposed Policy Changes for Childless Adults

1. Premiums

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Monthly Premium Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$8.00 per household</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$10.00 per household</td>
</tr>
</tbody>
</table>

*In alignment with the current copayment policies, enrollees with incomes at zero percent of FPL will be exempt from paying monthly premiums.

2. Higher premiums linked to various health behaviors and HRA

<table>
<thead>
<tr>
<th>Health Risk Behaviors</th>
<th>Risk Management</th>
<th>Identification Method</th>
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<tbody>
<tr>
<td>Alcohol Consumption</td>
<td>Threshold of when a behavior is determined as posing a health risk will follow national health organizations</td>
<td></td>
</tr>
<tr>
<td>Body Weight</td>
<td>HRA [Policy 3] will be the tool used to identify individuals</td>
<td></td>
</tr>
<tr>
<td>Illicit Drug Use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seafood Use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tobacco Use</td>
<td></td>
<td></td>
</tr>
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3. 48-month cumulative life-time eligibility time limit

Exemptions for fulfilling work requirement, student status, mental illness, SSDI

4. Drug Screening & Testing

with provision of tx for those testing positive

SEE PAGE 6

Northwest CEP

Federally-Designated Navigators
Clear & Important Message for Patients, Consumers

- Open Enrollment begins November 1 and lasts until December 15. Recent federal government actions do not change anything about the upcoming Open Enrollment Period.
- Health plans are available in every Wisconsin county.
- Coverage is more affordable than you think: Most people qualify for financial help (and it is still available) to lower your monthly costs or the cost to get care from a nurse, doctor, clinic, or hospital.
- If you had coverage this year, it is important to look at options to make sure your plan is still right for 2018. Plans and prices change every year. Go to Healthcare.gov or contact an enrollment assister to renew.
- Signing up for coverage is easy: In-person help is available to help understand your options and enroll in coverage. Call 211 or go to www.coveringwi/enroll to make an appointment or if you have questions.

Donna Friedsam
Twitter: @UWHealthPolicy
Blog: healthpolicy.wisc.edu

Donna Friedsam
Health Policy Programs Director
uwphi.pophealth.wisc.edu
dafriedsam@wisc.edu
@UWHealthPolicy
MURRAY-ALEXANDER INDIVIDUAL MARKET STABILIZATION BILL

This bipartisan agreement to strengthen the health care system will stabilize the markets that millions of families rely on for insurance coverage, reducing the risk of premium spikes and the threat of insurer exits. The bill also mitigates the damage done by the Administration’s sabotage by restoring resources for outreach and enrollment before 2018 open enrollment begins.

The Murray-Alexander deal would not affect any of the ACA’s core elements – like patient protections, tax credits, essential health benefits – that millions rely on. The major provisions:

RESTORES CSR PAYMENTS:
- Restoring CSR certainty is crucial to continued market stability and affordability for families. Insurers have raised rates by as much as 30% as a result for this uncertainty and continue to threaten exit from insurance markets.
- The agreement restores certainty to health care markets by ensuring cost sharing reductions will be continued through 2017, 2018, and 2019.
- The agreement includes steps to ensure 2018 enrollees receive the financial benefit of cost sharing reduction certainty for the coming year.

REINVESTS IN OUTREACH AND ENROLLMENT:
- Requires HHS to increase funding for outreach and enrollment assistance activities for 2018 and 2019.
- Puts in place extensive reporting requirements to make sure HHS and CMS are held accountable for implementing open enrollment in 2018 and 2019.

MAINTAINS CORE PROTECTIONS OF 1332 WAIVER PROVISION
- Maintains the core protections related to affordability, coverage, and comprehensiveness in current law’s 1332 waiver provision.
- Modifies the 1332 “affordability” guardrail to allow states to propose innovative value-based insurance designs, but adds language specifically protecting low income people, those with serious health conditions, and other vulnerable populations.
- Expands the generosity of “pass through” payments to states granted 1332 waivers

STREAMLINING THE 1332 STATE WAIVER PROCESS:
- Shortens the Administration’s review window for states’ waiver applications,
- Expedites review for states in emergency circumstances, as well as those with waiver proposals that have already been approved for other states,
- Allows Governors to approve state waiver applications, rather than requiring state legislatures to pass a law.
- Waivers are assessed for budget neutrality over the life of the waiver rather than on a yearly basis.

OTHER CHANGES:
- Expands eligibility for catastrophic plans to people over 30, while maintaining a single risk pool so that those with serious medical needs aren’t priced out.
- Directs the Administration to issue regulations on interstate health compacts, a provision included in the Affordable Care Act that the Obama Administration never issued regulations on.
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