

TIMELINE FOR IMPLEMENTATION OF HEALTH CARE REFORM: Key Provisions Affecting State Programs and State Law

2010 Implementation	
Key Provision	Legislative Role/Decision
Temporary High-Risk Pool Program	Monitor federal guidance and State application and participation
Early Retiree Reinsurance Program	Monitor federal guidance and State application and participation
Web Portal for Consumer Health Information	Monitor federal implementation
Grant Opportunities: <ul style="list-style-type: none"> ▪ Maternal, Infant and Early Childhood Home Visiting Program (<i>announced</i>) ▪ Health Insurance Rate Review (<i>announced</i>) ▪ Health Insurance Consumer Assistance 	Monitor federal guidance Review criteria and recommend priorities Monitor State applications and participation
Insurance Market Changes: <ul style="list-style-type: none"> ▪ Dependent Coverage up to age 26 ▪ Prohibitions on coverage limits and exclusions ▪ Limits on policy rescissions ▪ Coverage Required for Preventive Services ▪ Health plans Required to Report Medical Loss Ratio and Meet MLR standards ▪ “Grandfathered” plans may be excluded from certain requirements 	Review existing law for conformity with federal law Enact statutory changes as necessary
Medicaid Provisions: <ul style="list-style-type: none"> ▪ State option to implement expansion to non-categorical adults with incomes up to 133% of FPL at State’s regular FMAP rate (no enhanced FMAP until 2014) ▪ Maintenance of effort requirement regarding eligibility changes for MaineCare and CHIP until unless State meets hardship exemption—certification before 12/31/10 ▪ Coverage of preventive care services with no cost-sharing ▪ Changes to prescription drug rebates ▪ Coverage of tobacco cessation services for pregnant women (<i>October 2010</i>) ▪ Reimbursement of school-based health clinics 	Monitor federal guidance Determine State policy on options for coverage Enact statutory changes needed to implement policies Authorize State funding if necessary
Small business tax credit	Monitor impact

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Medicaid provisions: <ul style="list-style-type: none"> ▪ Prohibit payments to States for Medicaid services for health care acquired conditions ▪ Options for community-based long-term care services, medical homes for individuals with chronic conditions, wellness programs 	Monitor federal guidance Determine State policy on permitted options/demonstration projects Monitor State application and participation Enact statutory changes needed to implement policies Authorize State funding if necessary
Grants available for medical liability demonstration projects/tort reform	Review criteria and recommend priorities Monitor State applications and participation
Insurance market reforms: <ul style="list-style-type: none"> ▪ Health plans must issue rebates if medical loss ratio requirements not met 	Review existing law for conformity with federal law Enact statutory changes as necessary
National voluntary long-term care insurance program created (CLASS)	Monitor impact on public programs and existing long-term care insurance laws

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2012-2013 Implementation	
Key Provision	Legislative Role/Decision
2012	
Medicaid provisions: <ul style="list-style-type: none"> ▪ Demonstration projects for bundled payments ▪ Pediatric accountable care organizations ▪ Emergency care treatment for adults with mental illness 	Monitor federal guidance Determine State policy on permitted options/demonstration projects Monitor State application and participation Enact statutory changes if necessary Authorize State funding if necessary
2013	
Exchange ---State must <u>notify</u> federal government by January 1, 2013 of decision to operate exchange <ul style="list-style-type: none"> ▪ <i>Planning grants for exchanges expected to become available by March 2011</i> 	Monitor federal guidance Determine State role in operation of exchange Determine governance and structure for exchange Monitor State application for planning grants and participation Enact statutory authorization for exchange Authorize State funding if necessary
Medicaid provisions: <ul style="list-style-type: none"> ▪ 1% increase in FMAP for coverage of preventive services and immunizations without cost-sharing ▪ Increases payments for primary care services for 2013 and 2014 with 100% federal funds 	Monitor federal guidance Determine State policy on permitted options/demonstration projects Monitor State application and participation Enact statutory changes if necessary Authorize State funding if necessary
Insurance market reforms: <ul style="list-style-type: none"> ▪ Creation of nonprofit insurance companies in States (COOP) permitted ▪ Administrative simplification measures for insurance companies implemented (eligibility and claims handling) 	Monitor federal guidance Review existing law and enact statutory changes if necessary

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2014 Implementation	
Key Provision	Legislative Role/Decision
Individual mandate to obtain health insurance	Monitor federal guidance Review existing law and enact statutory changes if necessary
Employer mandate to offer coverage to employees	Monitor federal guidance Review existing law and enact statutory changes if necessary
Exchange established for individuals and small employers with 100 or fewer employees; Subsidies made available for eligible individuals and families with incomes between 133% FPL and 400% FPL	Maintain oversight over exchange operation Make statutory changes to address Dirigo assessment as necessary
State option to establish Basic Health Plan for uninsured individuals with incomes between 133% FPL and 200% FPL otherwise eligible for premium subsidy through exchange	Monitor federal guidance Determine State policy on options for coverage Review existing law and enact statutory changes if necessary
Insurance Market Reforms: <ul style="list-style-type: none"> ▪ Guaranteed issue and renewal ▪ Rating changes ▪ Lifetime limits and preexisting condition exclusions prohibited ▪ Limits on out-of-pocket costs, deductibles and waiting periods ▪ National essential benefits package ▪ Option to merge individual and small group market ▪ Temporary reinsurance program for high-risk individuals in individual market 	Review existing law for conformity with federal law Enact statutory changes as necessary
State grant opportunity to permit financial rewards for cost of coverage for participating in wellness programs in individual market; standards to be developed	Review criteria and recommend priorities Monitor State applications and participation
Medicaid Provisions: <ul style="list-style-type: none"> ▪ Expands Medicaid to all non-Medicare eligible adults under age 65 with incomes up to 133% FPL; enhanced FMAP for new eligibles ▪ Coordination of eligibility and enrollment for Medicaid, CHIP and exchange ▪ Reduces DHS allotments 	Monitor federal guidance Determine State policy Enact statutory changes as necessary Authorize State funding if necessary

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2015 -2018 Implementation	
Key Provision	Legislative Role/Decision
<i>2015</i>	
Annual Medicaid enrollment reporting	Monitor State response
Changes in CHIP funding; CHIP-eligible children may get tax credits to obtain coverage through exchange	Monitor federal guidance Determine State policy Enact statutory changes as necessary
Exchange must be self-supported; assessments and user fees permitted	Maintain oversight of exchange Enact statutory changes if necessary
<i>2016</i>	
States may form health care choice compacts to allow insurance plans from out-of-state insurers	Monitor federal guidance Determine State policy Enact statutory authorization and make statutory changes as necessary
<i>2017</i>	
Reduction in enhanced FMAP for Medicaid begins	Monitor federal guidance Determine State policy Enact statutory changes as necessary
State exchange can allow participation from large employers (more than 100 employees)	Monitor federal guidance Determine State policy Enact statutory authorization and make statutory changes as necessary
States may apply for waiver to operate alternative program for coverage	Monitor federal guidance Determine State policy Enact statutory authorization and make statutory changes as necessary