

Ryan White HIV/AIDS Program Client Eligibility Determinations: Considerations Post-Implementation of the Affordable Care Act

Policy Clarification Notice (PCN) #13-03 (Revised 9/13/2013)

Scope of Policy: Ryan White Parts A, B, C, D, and Part F where funding supports direct care and treatment services.

Summary and Purpose of Policy

As the Affordable Care Act is implemented, more people living with HIV/AIDS (PLWH) will become eligible for public or private health coverage. This Policy Notice outlines the Ryan White HIV/AIDS Program (RWHAP) expectations for client eligibility determinations in the context of Affordable Care Act implementation. It reviews the new coverage options that will be available to many people living with HIV/AIDS, recommends that RWHAPs standardize RWHAP financial eligibility determinations with the eligibility process for these new coverage options, and reviews RWHAP recertification. The Health Resources and Services Administration, HIV/AIDS Bureau (HRSA/HAB) issued *Policy Clarification Notice #13-02: Clarifications on Ryan White Program Client Eligibility Determinations and Recertifications Requirement* (<http://hab.hrsa.gov/manageyourgrant/pinspals/pcn1302clienteligibility.pdf>).

Background

Under the Affordable Care Act, beginning January 1, 2014, options for health care coverage for PLWH will be expanded through new private insurance coverage options available through the Health Insurance Marketplace (also referred to as the Exchange) and the expansion of Medicaid in states that choose to expand. Additionally, health insurers will be prohibited from denying coverage because of a pre-existing condition, including HIV/AIDS. An overview of these health care coverage options may be reviewed at <http://hab.hrsa.gov/affordablecareact/keyprovisions.pdf>.

By statute, RWHAP funds may not be used “for any item or service to the extent that payment has been made, or can reasonably be expected to be made...” by another payment source.¹ This means grantees must assure that funded providers make reasonable efforts to secure non-RWHAP funds whenever possible for services to individual clients. Grantees and their contractors are expected to vigorously pursue enrollment into health care coverage for which their clients may be eligible (e.g., Medicaid, CHIP, Medicare, state-funded HIV/AIDS programs, employer-sponsored health insurance coverage, and/or other private health insurance) to extend finite RWHAP grant resources to new clients and/or needed services.

Grantees and subgrantees must assure that individual clients are enrolled in health care coverage whenever possible or applicable, and are informed about the

¹ See Sections 2605(a)(6), 2617(b)(7)(F), 2664(f)(1), and 2671(i) of the Public Health Service Act.

consequences for not enrolling.² Please note that the RWHAP will continue to be the payer of last resort and will continue to provide those RWHAP services not covered, or partially covered, by public or private health insurance plans.

Recommendations

RWHAP Eligibility Determination – Affordable Care Act Considerations

Modified Adjusted Gross Income (MAGI)

Grantees should be aware that the Affordable Care Act standardizes and streamlines the methodology for determining financial eligibility for insurance affordability programs. Under the Affordable Care Act, states must use modified-adjusted gross income (MAGI)-based methodologies to make Medicaid and CHIP eligibility determinations for most applicants. The Affordable Care Act streamlines income-counting rules for Medicaid and CHIP and aligns them with rules that will be used in determining eligibility for premium tax credits and cost-sharing reductions for purchasing a qualified health plan through the Health Insurance Marketplace. MAGI-based methodologies must be used regardless of whether a state proceeds with the Medicaid expansion or not.

MAGI is based on federal tax rules for determining adjusted gross income (with some modification). MAGI will be used for most Medicaid/CHIP enrollees, including children, pregnant women, parents, and the new adult group. In most cases, MAGI will not apply to the elderly, individuals with disabilities, those receiving or treated as receiving Supplemental Security Income, and the medically needy. Eligibility determinations for MAGI-excepted groups will be made using current methods. Grantees and subgrantees are encouraged to contact their state Medicaid agency to learn more about how MAGI will be implemented in their state. More information on MAGI-based methodologies can be found at: <http://www.medicaid.gov/State-Resource-Center/Eligibility-Enrollment-Final-Rule/Medicaid-CHIP-Eligibility-and-Enrollment-Webinars.html>

HRSA/HAB strongly encourages RWHAP grantees to consider aligning their RWHAP financial eligibility requirements with the new Affordable Care Act MAGI-based methodologies in order to reduce the burden on clients and to support coordination with the eligibility determination processes for insurance affordability programs.

Alignment of RWHAP Client Eligibility Determination Processes

The Affordable Care Act establishes one streamlined application for individuals and families to apply for health coverage through the Marketplace, including insurance affordability programs (premium tax credits and Medicaid/CHIP). The Marketplace

² Under the Affordable Care Act, starting in 2014, if someone can afford it but doesn't have health insurance coverage in 2014, they may have to pay a [fee](#). See HealthCare.gov, What if someone doesn't have health insurance?, <https://www.healthcare.gov/what-if-someone-doesnt-have-health-coverage-in-2014>. Under no circumstances may RWHAP funds be used to pay the fee for a client's failure to enroll in minimum essential coverage.

will also make it easy for consumers to keep their coverage year to year through a simple eligibility redetermination process.

Medicaid eligibility determinations and enrollment will continue to occur at any time throughout the year. Enrollment in qualified health plans offered through the Marketplace will occur during the open enrollment period.³ Special enrollment periods may be triggered by certain qualifying life events such as moving to a new state, eligibility changes for premium tax credits, or loss of employer-sponsored coverage, etc.⁴ Individuals who do not enroll during the open enrollment period will not have another opportunity to enroll in a qualified health plan until the next open enrollment period, unless they experience a qualifying life event that triggers a special enrollment period.

As such, HRSA/HAB strongly encourages RWHAP grantees to consider aligning the RWHAP recertification process with the Marketplace annual eligibility and enrollment processes in order to reduce burden on clients, increase coordination, maximize clients' enrollment with appropriate insurers, and ensure compliance with payer of last resort requirements. RWHAP grantees and subgrantees must continue to follow the initial eligibility determination and recertifications timelines and documentation requirements in *Policy Clarification Notice #13-02: Clarifications on Ryan White Program Client Eligibility Determinations and Recertifications Requirement* (<http://hab.hrsa.gov/manageyourgrant/pinspals/pcn1302clienteligibility.pdf>).

Notice of Affordable Care Act Medicaid and/or Marketplace Eligibility Determinations

As individuals apply for different health coverage options, the Marketplace and/or state Medicaid agency will provide them with a timely written notice of their eligibility determination. The Marketplace will also provide individuals with an annual redetermination notice. The RWHAP grantee may consider requiring proof of the Medicaid and/or Marketplace notice of eligibility determination and annual redetermination notice as part of the RWHAP eligibility determination and recertifications processes in order to reduce burden on clients and to allow RWHAP coordination with the Medicaid and/or Marketplace eligibility determination processes. RWHAP grantees and subgrantees must continue to follow the initial eligibility determination and recertifications timelines and documentation requirements in *Policy Clarification Notice #13-02: Clarifications on Ryan White Program Client Eligibility Determinations and Recertifications Requirement* (<http://hab.hrsa.gov/manageyourgrant/pinspals/pcn1302clienteligibility.pdf>).

Additional Information

Over the coming months, additional information will be released to grantees regarding the Affordable Care Act and the RWHAP and posted at

³ The initial open enrollment period for the individual Marketplaces will be from October 1, 2013, through March 31, 2014. After the initial open enrollment period, annual open enrollment will occur from October 15 to December 7 every year. See 45 C.F.R. § 155.410.

⁴ See 45 C.F.R. 155.420(d) for more examples of events that will trigger a special enrollment period.

<http://hab.hrsa.gov/affordablecareact/>. In addition, HealthCare.gov (<http://www.healthcare.gov>) has resources and important information on Affordable Care Act implementation. Please check both websites regularly.