

# Overview of HAB's Policy Clarification Notices 13-03 through 13-06

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Department of Health and Human Services  
Health Resources and Services Administration  
HIV/AIDS Bureau



# Why Were these Policy Clarification Notices ( PCNs) Needed?

- The Administration recognizes the need to continue the Ryan White HIV/AIDS Program (RWHAP), even as full implementation of the Affordable Care Act moves forward
- The HIV/AIDS Bureau (HAB) reviewed its existing policies and made revisions to align RWHAP with the Affordable Care Act
- Though previously addressed in program letters, it was important to fine tune, especially now, since many people living with HIV/AIDS (PLWH) will now be eligible for new coverage options
- Even with these options, the PCNs highlight that RWHAP will extend resources to new clients and needed services as the payer of last resort



# Payer of Last Resort Requirements within the Context of the Affordable Care Act

- 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
- Grantees and their contractors are expected to vigorously pursue enrollment in other relevant health care coverage sources (e.g., Medicaid, CHIP, Medicare, state-funded HIV/AIDS programs, employer-sponsored health insurance coverage, and/or other private health insurance)
- The RWHAP will continue to pay for items or services not covered or partially covered by other health care coverage sources



# 13-03: Eligibility Post-Affordable Care Act

- Recommends grantees align program financial eligibility determinations with those for new coverage options, mainly modified adjusted gross income (MAGI)
- Recommends grantees align client recertification processes with Marketplace eligibility and enrollment processes to reduce burden and increase coordination
- Grantees may consider requiring that clients provide their Medicaid and/or Marketplace notice of eligibility determination when applying for or being recertified for RWHAP



# 13-04: Eligibility for Private Health Insurance and Coverage by RWHAP

- Reiterates that RWHAP grantees must make every effort to ensure that eligible uninsured clients expeditiously enroll in health care coverage
  - When a client is not eligible for a public health care coverage program, they must be assessed for eligibility for private health care coverage plans
- Grantees need to inform clients of the penalty for not enrolling
- Clients who receive a certificate of exemption from the Internal Revenue Service (IRS) may continue to receive RWHAP services



# 13-04: Eligibility for Private Health Insurance and Coverage by RWHAP (cont.)

- Open enrollment into private health plans is for a limited time during the year
  - If the client misses the open enrollment period, the grantee must make every effort to ensure the client enrolls in the next open enrollment period
- Grantees must maintain policies regarding the required process for pursuing enrollment for all clients, documentation of steps to pursue enrollment, and establishment of monitoring and enforcement of sub-grantee processes to ensure enrollment



# 13-04: Eligibility for Private Health Insurance and Coverage by RWHAP (cont.)

- RWHAP funds may be used to pay for services received during the time between which a client enrolls in third party coverage and it becomes effective
- Once enrolled in a private health plan, RWHAP funds may only be used for services not covered or partially covered by a client's plan



# 13-04: Eligibility for Private Health Insurance and Coverage by RWHAP (cont.)

- RWHAP funds generally may NOT be used to pay for services outside of their insurance network unless services are not available from an in-network provider
- RWHAP funds may be used to pay for higher co-pays and deductibles within “tiered” networks
  - Grantees must consider availability of resources prior to making such allocations



# 13-05 and 13-06: Use of RWHAP Funds for Premium and Cost-Sharing for Private Health Insurance and Medicaid

- Reiterates that RWHAP grantees must ensure that they vigorously pursue non-RWHAP funds whenever appropriate for services to clients before using RWHAP funds, and that eligible clients are expeditiously enrolled in health care coverage
- Requires grantees to evaluate whether paying the cost for health care premiums or cost-sharing (such as co-pays or deductibles) is cost-effective and to pay it when grant funds are available
- Funds for health insurance premiums and cost-sharing assistance are considered a core medical service



# 13-05 and 13-06: Use of RWHAP Funds for Premium and Cost-Sharing for Private Health Insurance and Medicaid (cont.)

- Funds for health insurance premiums and cost-sharing assistance must be used to purchase plans that have pharmaceutical benefits equivalent to the HIV antiretroviral and opportunistic infection-related medication on the ADAP formulary and provide coverage for other essential medical benefits
- Grantees who plan to buy insurance should consider providing funds to the ADAP since many ADAPs have infrastructure to purchase insurance
- Funds may not be used to pay for administrative costs outside of the premium payment of the health plans or risk pools



# 13-05: Cost-Effectiveness of Plans (Marketplace)

- Need to consider premium tax credits and cost-sharing reductions that the individuals may be eligible for when calculating the cost of purchasing a qualified health plan
- Need to document the methodology used to show it is cost-effective
- Grantees are encouraged to analyze the formulary, other covered medical benefits, cost of premium, and cost-sharing reductions
- Grantees do not need to select the most cost-effective plan, but the selected plan must be more cost-effective than if the RWHAP program were to pay for services and medications
- RWHAP grantees and sub-grantees should inform clients regarding these considerations to assist in enrollment decisions



# 13-06: Medicaid

- States that expand their Medicaid program may enroll their newly-eligible Medicaid-populations into Medicaid managed care plans
- In all states, RWHAP will continue to pay for services not covered or partially covered by Medicaid
- RWHAP grantees and sub-grantees may also consider helping clients pay for premiums and/or cost-sharing, if cost-effective



# Action Steps

## Considerations

- ✓ Align client eligibility determination with Marketplace enrollment periods
- ✓ Reduce burden by using MAGI
- ✓ Collect Marketplace/Medicaid notice of eligibility determination for annual RWHAP recertifications

## Requirements

- ✓ Vigorously pursue enrollment into private health insurance, Medicaid, or other programs as appropriate
- ✓ Be able to document process for pursuing enrollment
- ✓ Establish methodology for conducting Marketplace cost-effectiveness



# HIV/AIDS Bureau's Affordable Care Act Resources

- HIV/AIDS Bureau's Affordable Care Act webpage: "Ryan White Program & the Affordable Care Act: What You Need to Know":  
<http://www.hab.hrsa.gov/affordablecareact/index.html>
- On this page you may:
  - Sign up for updates
  - View and download slides from the HIV/AIDS Bureau's recent webcasts
  - Review FAQs, a glossary of terms, and view policies
- Email Ryan White HIV/AIDS Program/Affordable Care Act questions to: [RWP-ACAQuestions@hrsa.gov](mailto:RWP-ACAQuestions@hrsa.gov)

