Affordable Care Act - Implementation Update

Last week the Kansas Health Benefits Exchange Steering Committee learned more details about how plans for a federal Health Benefits Exchange would work. Kansas Insurance Department officials reported on a meeting they had with officials at the U.S. Department of Health and Human Services (HHS). If Kansas defaults to using a federal Exchange when that part of the Affordable Care Act goes into effect in 2014, HHS will be responsible for eligibility determination, enrollment in health plans, consumer assistance, plan management and financial management. These are considered the five core areas of the Exchange.

As a part of these five core areas, the Federally Facilitated Exchange (FFE) would take control of determining the financial eligibility of people for either Medicaid or subsidies to purchase private health insurance, the insurance enrollment process, consumer outreach activities, and creating and managing a Navigator program to recruit and train volunteers to help people purchase insurance. The FFE also will certify Qualified Health Plans, determine how the Exchange will be funded in the long-term, and manage the risk adjustment, risk management and reinsurance processes for the Exchange. Each of these tasks would be the purview of the Kansas Exchange if the Exchange were set up by state officials instead. Kansas has until the end of June 2012 to determine whether a Kansas Exchange will be developed and apply for federal funding to set up the Exchange.

Another option is a partnership approach. Under this approach,
Training in the AEGD facility is provided in all phases of general dentistry, including pediatrics, orthodontics, periodontics, operative/restorative dentistry, endodontics, prosthodontics, implantology, oral surgery, oral medicine, oral pathology, patient management, practice management, conscious sedation and risk management.

HHS would retain control of much of the process around the Exchange. States would be given the option of taking control of plan management, consumer assistance or both. If Kansas chooses a partnership option, no federal funding will be available to help establish the infrastructure that is necessary to carry out state responsibilities.

Kansas has joined with 25 other states to challenge the constitutionality of the Affordable Care Act. The Supreme Court is expected to take up the issue during its current session. Governor Brownback’s administration has indicated they want to wait for a Supreme Court decision before deciding whether to move forward with a plan to establish a Kansas Exchange or default to an FFE or partnership.

The Special Committee on Financial Institutions and Insurance held a day-long hearing on Monday of this week about the Affordable Care Act. They heard from Kansas Insurance Department officials, the Kansas Health Institute, and KDHE Secretary Robert Moser. During the hearing they learned more about the law’s provisions, how an FFE or a partnership would work, and the work of and recommendations from the Kansas Health Benefits Exchange Steering Committee. The Committee will determine at their November 14 meeting whether they will make any recommendations to the 2012 Legislature about possible action on the Affordable Care Act. The Steering Committee meets next on December 1.