

An Overview of the Access to Health Coverage Act

At the start of the legislature's special session on November 7, Representatives Tom Sherman and Cindy Rosenwald, along with Senator Peg Gilmour, introduced the New Hampshire Access to Health Coverage Act (SS HB 1). The bill, which draws heavily on the recommendations of the Commission to Study Expanded Medicaid Eligibility, would craft a New Hampshire approach to extending Medicaid coverage to eligible low-income adults. The following provides a brief overview of the measure.

Main Provisions of SS HB 1

The bill would create the New Hampshire Access to Health Coverage Program, which, in turn, would employ three different methods to extend health insurance to low-income Granite Staters:

- the *Health Insurance Premium Program*, which would help eligible workers pay for employer-sponsored insurance;
- the *New Hampshire Access to Health Plans*, which would offer coverage to eligible individuals through private managed care organizations, and;
- *Individual Premium Assistance*, which would make coverage available through Qualified Health Plans on the New Hampshire insurance Marketplace.

In general, adults aged 19 through 64 with household income up to 138 percent of the federal poverty level (FPL) would be eligible for one of these three avenues to health insurance coverage. Coverage for newly eligible adults would begin January 1, 2014 or as soon as possible thereafter and would be paid for by the enhanced federal funding available to New Hampshire under the Affordable Care Act (ACA).

The Health Insurance Premium Program (HIPP)

Under the bill, any newly-eligible adults with direct or indirect access to employer-sponsored insurance (ESI) would be required to take part in the Health Insurance Premium Program (HIPP), provided that:

- the insurance meets the definition of minimum essential coverage under the ACA;
- the employer pays at least fifty percent of the cost of such insurance, and;
- the Department of Health and Human Services (DHHS) determines it is cost effective to pay the employee share of such insurance.

If these conditions were met, the enrollee would then be required to keep that insurance and DHHS would pay his or her share of any premiums, co-payments, co-insurance, or deductibles. Those enrolled in HIPP would not be eligible to receive benefits through the other two methods established in the bill.

The bill would mandate DHHS apply for and obtain a waiver to implement HIPP by January 1, 2014 or as soon as possible thereafter.

New Hampshire Access to Health Plans

As a complement, the bill specifies that any adults ineligible for HIPP would select coverage from one of the private managed care organizations (MCOs) contracted to provide benefits as part of New Hampshire's Medicaid program. MCOs would be required to ensure that each enrollee has access to a primary care provider, is scheduled for an appointment with that provider within 60 days of enrollment, and is linked to a medical home. The bill also stipulates that the rates paid to MCOs be set at levels sufficiently high to ensure improved access to, and quality of, care for enrollees.

Individual Premium Assistance

Beginning January 1, 2017, newly-eligible adults who meet certain criteria and have incomes between 100 and 138 percent of the FPL would be required to enroll in a Qualified Health Plan in the Marketplace in order to receive health insurance benefits. Just as it did with HIPP, the bill would use federal funds to provide the premium assistance necessary to purchase such plans.

However, the bill establishes several criteria that must be met before New Hampshire can move forward with premium assistance. That is, premium assistance would not be implemented unless DHHS were to receive a waiver from the federal government for the initiative, until three health insurance carriers (including an MCO) offer Qualified Health Plans in the Marketplace, and until the state is given the authority to directly manage its Marketplace.

Additional Provisions

"Circuit Breaker" / Early Termination

In the event federal assistance for the Access to Health Coverage Program dropped below the levels stipulated in the ACA, the bill would terminate the Program within six months.

Oversight and Evaluation

The bill contains a number of provisions that appear designed to ensure regular reporting on, and a thorough assessment of, the New Hampshire Access to Health Coverage Program. In particular, DHHS would be required to hire an independent auditor to examine two years of the Program's operations, including its costs, its impact on the General Fund, and its effect on the New Hampshire economy. In addition, the Department would have to provide its own reports, on a bi-annual basis, to the Health and Human Services Oversight Committee on the effectiveness of the Program; it would also have to submit, by January 2015, a detailed study of innovations in health care delivery, including incentives for MCOs to offer products in the Marketplace and for employers to continue to offer ESI.

Appropriations

The bill would appropriate five percent of all insurance premium tax revenue generated in FY 2014 and FY 2015 to finance the costs of implementing the Access to Health Coverage Program.

Suspension of the Breast and Cervical Cancer Program

As introduced, the bill would suspend the existing breast and cervical cancer program for new enrollees, but would continue it for anyone currently covered by it.

State Marketplace

The bill would grant New Hampshire the authority to manage its own health insurance Marketplace and would repeal both the Joint Health Reform Oversight Committee and the current prohibition against a state-based Marketplace.