



Common Cents

New Hampshire Fiscal Policy Institute Blog

'Healthy Pennsylvania' Program Offers Lessons for New Hampshire

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On Thursday, August 28, 2014, policymakers in Pennsylvania and officials from the Centers for Medicare and Medicaid Services (CMS) announced that they had reached agreement on the state's proposed Medicaid waiver, submitted in February of this year. With CMS' approval of the "Healthy Pennsylvania" program, the Keystone State becomes the 27th state to expand its Medicaid program as allowed under the Affordable Care Act (ACA). The waiver offers some lessons for New Hampshire, as it continues to implement its Health Protection Program.

Like New Hampshire's Health Protection Program, Healthy Pennsylvania will provide Medicaid coverage to adults with incomes up to 138 percent of the federal poverty level (FPL), beginning on January 1, 2015. Coverage will be provided to enrollees through Pennsylvania's Medicaid managed care organizations. Pennsylvania did not request permission to provide Medicaid to enrollees through the private market insurance products on the Marketplace, which is how the Arkansas, Iowa and soon New Hampshire, programs have been designed. The initial term of the waiver will run through the end of 2019.

Enrollees will pay no premiums during the first year that Healthy Pennsylvania is offered. In 2016, the state may charge enrollees with incomes at or above 100 percent FPL monthly premiums that do not exceed 2 percent of their household incomes; the state may not charge premiums to those with incomes under 100 percent FPL. Those enrollees who are subject to premiums will not have to pay any copayments, with the exception of an \$8 copayment requirement for non-emergent use of a hospital Emergency Department. All enrollees who are subject to paying premiums will be eligible to reduce those premiums by completing an annual wellness exam and making timely copayments in year one of the demonstration. If any enrollees do not pay their premiums for three consecutive months, they may be disenrolled from coverage, but they can reenroll without a waiting period.

The state is not required to provide non-emergency transportation to enrollees, traditionally a required Medicaid benefit, in the first year. The state will be required to provide this benefit in 2016.

Although Pennsylvania initially asked for work search requirements to be a condition of Medicaid eligibility, CMS rejected that request. Pennsylvania will encourage employment for adults participating in the Healthy Pennsylvania program outside of the demonstration waiver, but eligibility for and the level of benefits provided by Healthy Pennsylvania will not be affected by the state-run employment initiative.

As New Hampshire constructs its Premium Assistance waiver for the second element of the New Hampshire Health Protection Program, policymakers may want to note that there appears to be a burgeoning trend among these latest waivers to protect the poorest Medicaid enrollees from financial obligations and to reject predicating eligibility for health insurance coverage on employment status.

Recently Approved Medicaid Waivers

	Arkansas	Iowa	Michigan	Pennsylvania
Private Market Coverage	Yes	Yes - for people with incomes between 100-138% of FPL	No	No
Charging Premiums	No	Yes - for people with incomes between 100-138% of FPL	Yes - for people with incomes between 100-138% of FPL	Yes - for people with incomes between 100-138% of FPL
Healthy Behavior Incentives	No	Yes - can reduce premiums	Yes - can reduce cost sharing	Yes - can reduce premiums
Work Requirements	No	No	No	No

Adapted from *Pennsylvania is Expanding Medicaid. Here's How.*, Adrianna McIntyre, vox.com, August 28, 2014