

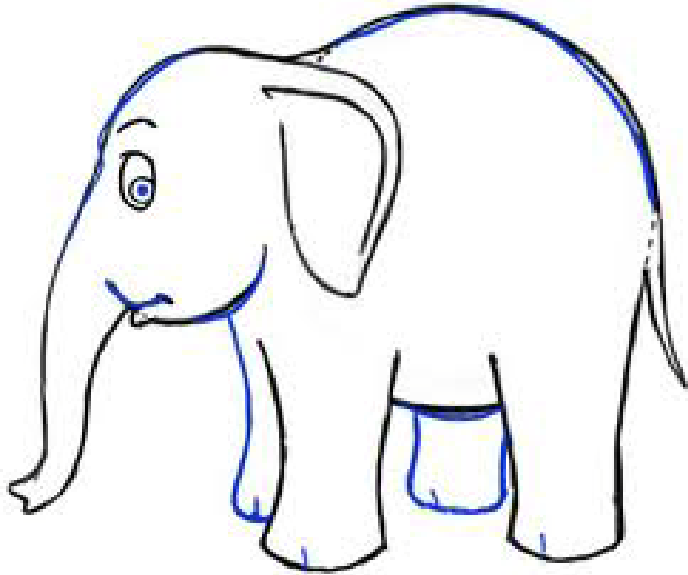


# Medicaid Policy and What it Means for Building Cessation and Quitline Partnerships

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# Agenda



## Affordable Care Act

1. Who is covered?
2. What is covered?
3. How is it covered?
4. Who decides?

# Acronyms

- ACA = Affordable Care Act (healthcare reform)
- HHS = U.S. Dept. of Health & Human Services
- EHB = Essential Health Benefits
- CMS = Centers for Medicare and Medicaid Services
- USPSTF = United States Preventive Services Task Force.
  - Gives letter grade recommendation to preventive services based on effectiveness
  - Tobacco cessation gets an 'A'

# Who is Covered?

*Short answer:*

## **Now**

- Very poor children
- Very poor pregnant women
- Very, very poor parents
- Poor and disabled

## **2014 (Adding)**

- Poor children
- Poor pregnant women
- Poor parents
- Poor childless adults

# Federal Poverty Line = FPL

<b>Persons in family/household</b>	<b>FPL</b>	<b>200% of FPL</b>	<b>300% of FPL</b>	<b>400% of FPL</b>
1	\$11,170	22,340	33,510	44,680
2	15,130	30,260	45,390	60,520
3	19,090	38,180	57,270	76,360
4	23,050	46,100	69,150	92,200

# Who is Covered Now?

- Federal requirements
  - Pregnant women below 138% FPL
  - Children under age 6 below 133% FPL
  - Children 6-18 below 100% FPL
  - Parents eligible for welfare (often 50% FPL)
  - Disabled, receiving social security

# Who is Covered Now?

- States have the option of covering other groups
  - Pregnant women, children and parents in higher income categories
  - Disabled in higher income categories
  - Adults in nursing facilities
  - “Medically needy” individuals

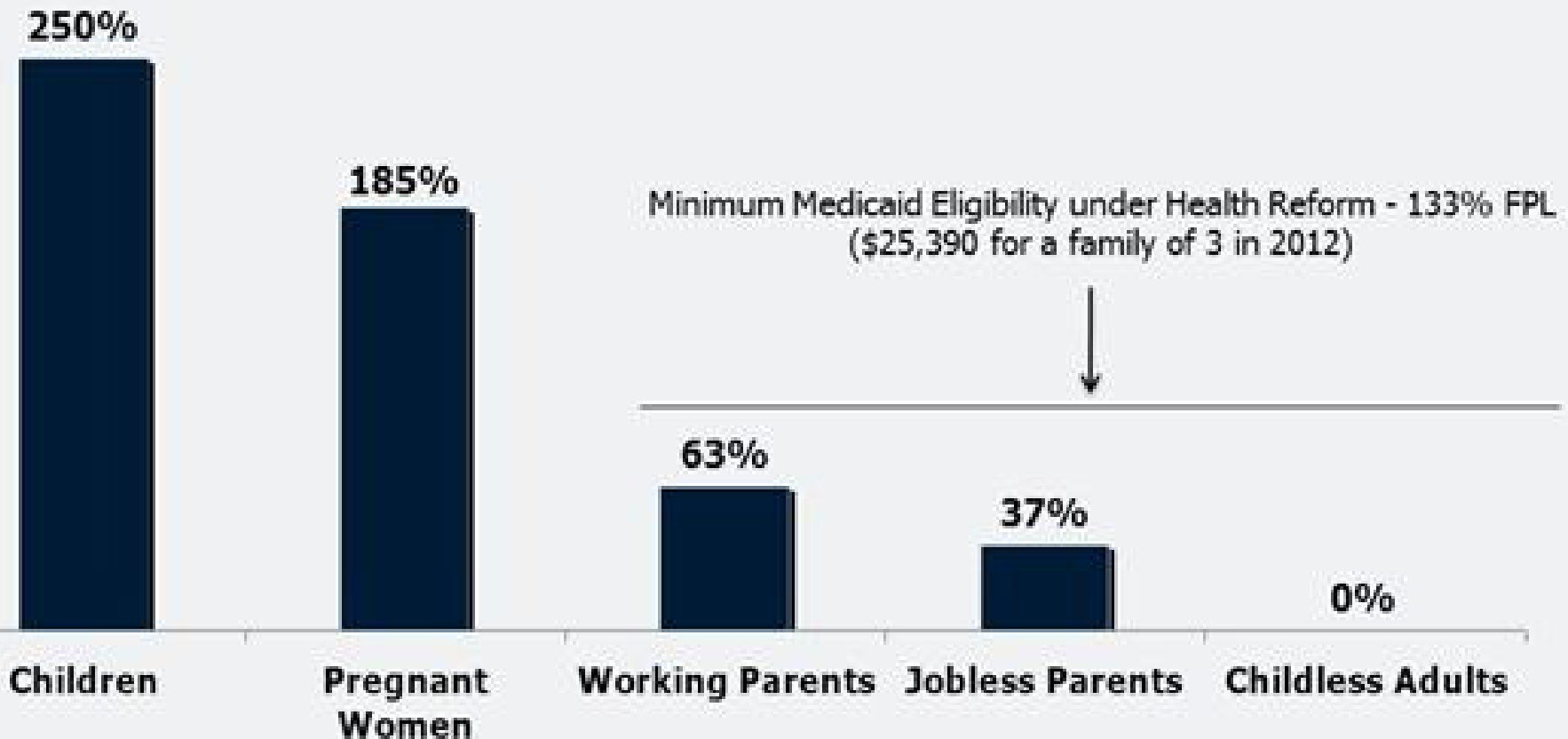
# Who Will be Covered in 2014?

Anyone under 133% FPL.





# Median Medicaid/CHIP Eligibility Thresholds, January 2012



SOURCE: Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2012.

# Why is this important?

- Current differences in eligibility can drive differences in other areas of Medicaid policy
  - Managed care vs. fee-for-service
- The “expansion” population is special.



# Medicaid Expansion

- Happens in 2014
- Federal Government pays for 100% of the costs for first 3 years, phasing down to 90% after that
- ACA specifies that this population must receive coverage for the Essential Health Benefit

# Essential Health Benefit

- ACA: directs HHS Secretary to establish an Essential Health Benefit – a minimum federal standard
  - Must include 10 categories of coverage
  - Applies to all plans in state exchanges
  - Applies to coverage offered to newly eligible Medicaid enrollees

# Medicaid Expansion



Supreme Court decision, June  
2012:

- Upheld individual mandate under Congress' taxing authority
- Upheld Medicaid expansion
- Did not uphold HHS Secretary's ability to enforce the expansion provision by withdrawing all Medicaid funds

# Take Away Points

- The bulk of people on Medicaid now are children & pregnant women
- Eligibility differs by state, which causes differences in structure and coverage policies
- In 2014, anyone with income up to 133% FPL will be entitled to Medicaid
- In light of Supreme Court decision, state implementation of expansion could vary.

# For more information

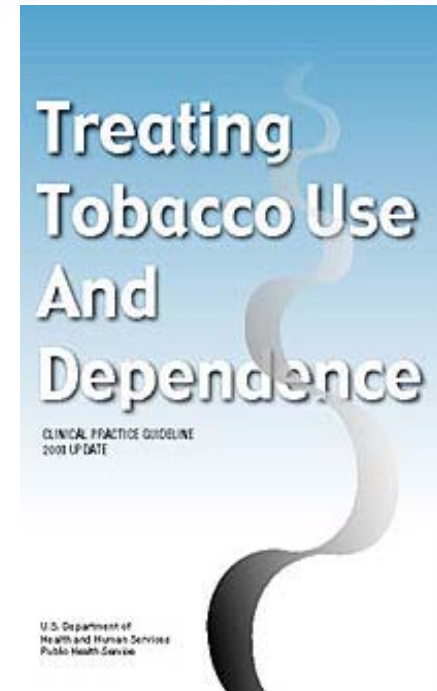
[www.healthreform.kff.org](http://www.healthreform.kff.org)

[www.healthcare.gov](http://www.healthcare.gov)

# What is Covered?

## Comprehensive Benefit

- 7 medications
  - 5 NRTs
  - Bupropion
  - Varenicline
- 3 types of counseling
  - Individual (face-to-face)
  - Group
  - Phone
- Easy to access/no limits



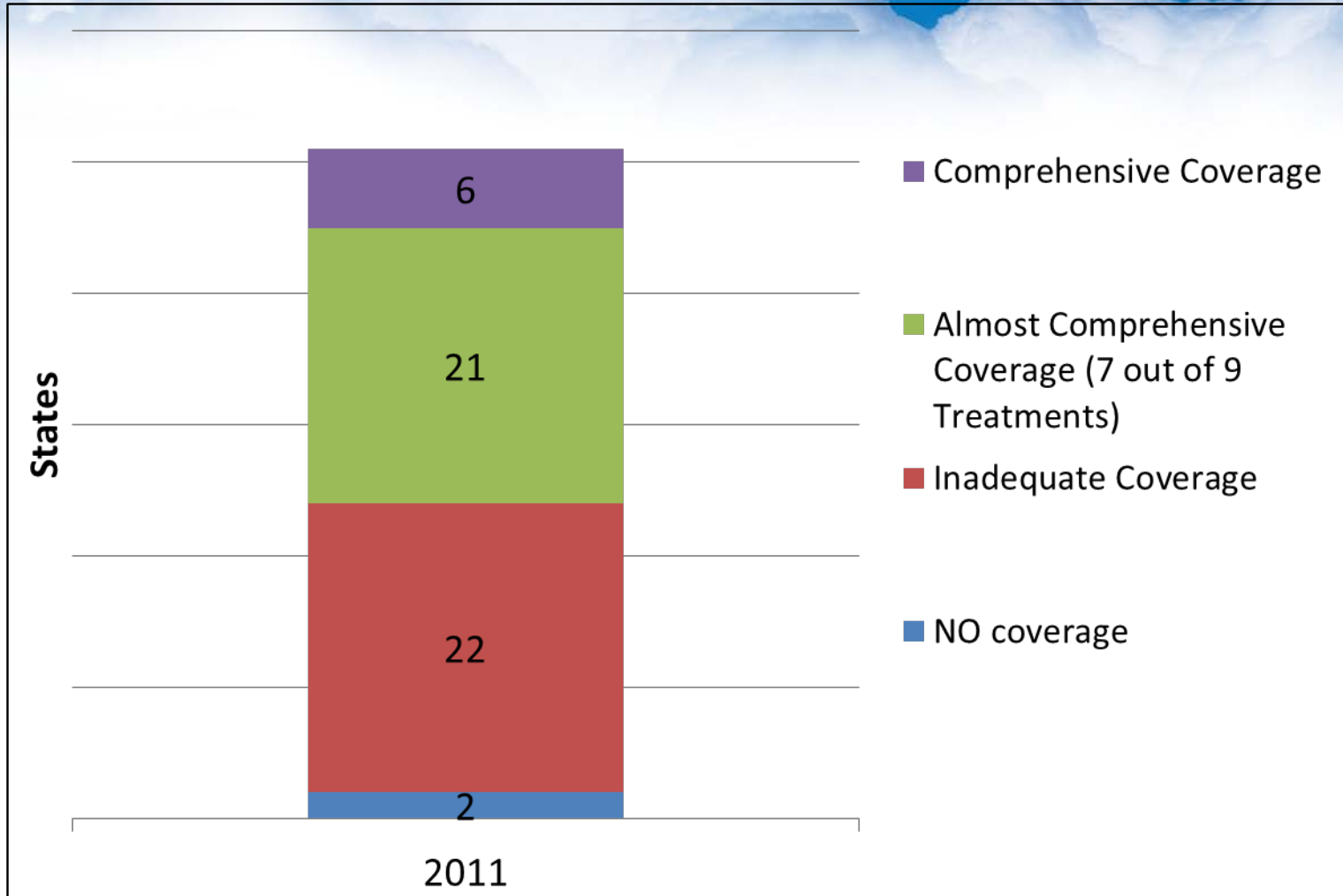


# Coverage: Federal Requirements

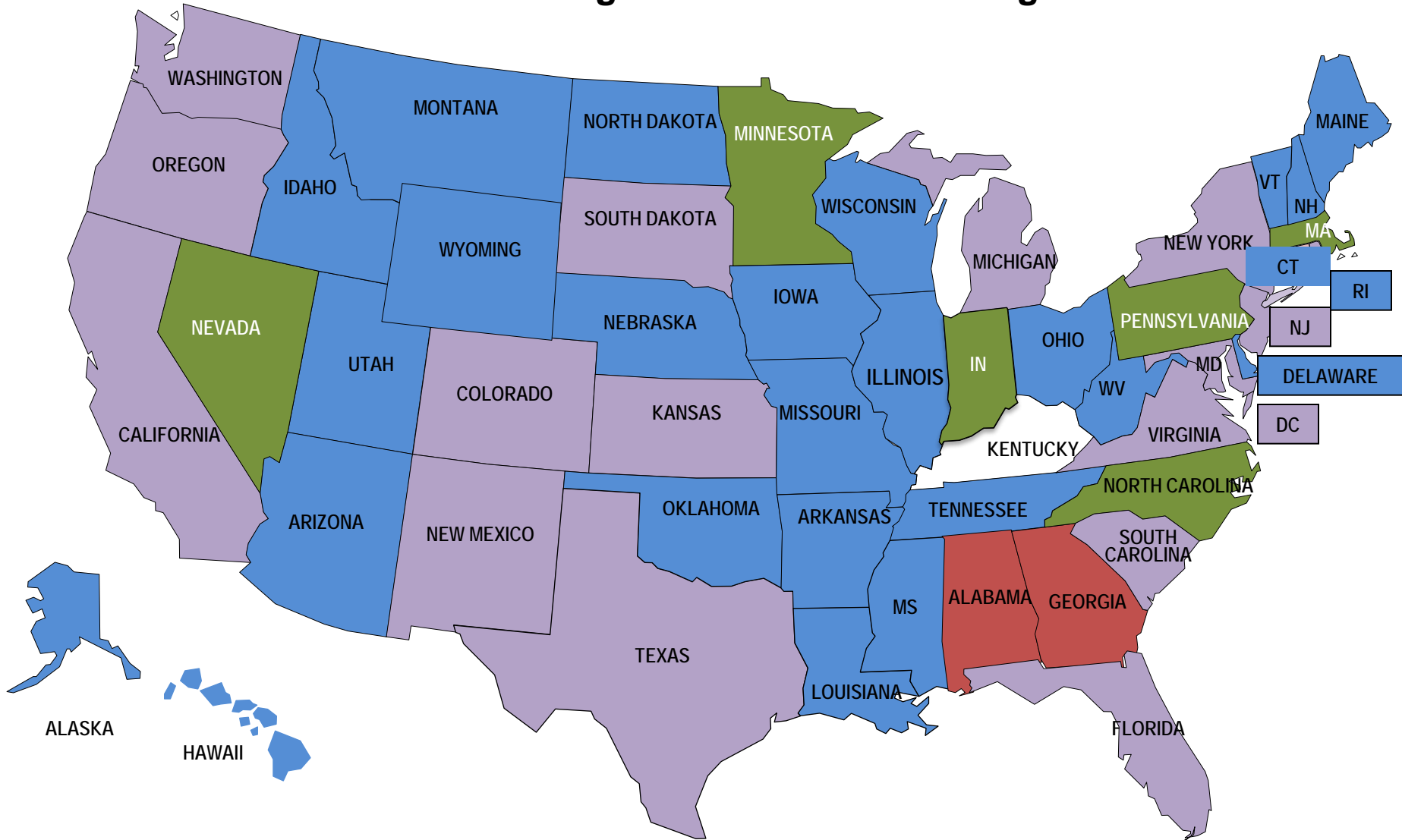
- Comprehensive benefit for pregnant women (as of October 2010)
- 2014: medications no longer allowed to be excluded
- 2014: Essential Health Benefit for expansion population

*Everything/one else is optional.*

# What is Covered?



# Cessation Coverage in State Medicaid Programs



**ALL** *All Treatments Covered (6)*

**FEW** *Few Treatments Covered or Varying Coverage (16)*

**MOST** *Majority of Treatments Covered (26)*

**NONE** *No Treatments Covered (2)*

# Take Away Points

- Comprehensive Tobacco Cessation Benefit: medications, counseling, easy to access
- Coverage currently varies widely state-to-state
- Uncertain whether ACA will change the situation

# For more information

The screenshot shows the American Lung Association website. The main navigation bar includes links for 'Your Lungs', 'Lung Disease', 'Finding Cures', 'Healthy Air', 'Stop Smoking', 'Get Involved', and 'Donate'. The 'Stop Smoking' section is highlighted, with sub-links for 'About Smoking', 'How To Quit', 'Tobacco Control Advocacy', 'Federal', 'States & Communities', 'Reports & Resources', 'Lung Action Network', and 'Workplace Wellness'. The 'Cessation Coverage' section is the main focus, featuring a 'State Tobacco Cessation Coverage Database' and a 'Smoking Cessation: The Economic Benefits' article. A 'Lung HelpLine' and 'E-Newsletter' are also visible.

The screenshot shows the 'State Tobacco Cessation Coverage' database interface. It features a map of the United States with state abbreviations. A dropdown menu labeled 'Select a State...' is positioned above the map. Below the map, there is a 'Customize Your Search' link. The interface is designed to allow users to select a state to view its tobacco cessation coverage details.

- [www.lung.org/cessationcoverage](http://www.lung.org/cessationcoverage)
- Updated all year
- Searchable
- Print factsheet for your state

# How is it Covered?

- Medicaid delivery models
  - Fee-for-service
  - Managed care
  - Hybrid
- Conventional wisdom predicts a movement towards more managed care
- States will likely revisit delivery models before 2014



# Structure of Tobacco Cessation Coverage

- Named program (vs. straight coverage)
  - Pros:
    - Simplicity
    - Promotion/marketing
    - Treatment is being delivered or managed by an expert
    - New CMS policy leads to opportunity to create a program
  - Cons:
    - Often aren't comprehensive
    - Often involve utilization management techniques that can discourage quitters

# “Carve-outs”

- One particular type of coverage is “carved out” and delivered directly by Medicaid, rather than through the managed care plans
- Typical carve-outs relevant to us:
  - Tobacco cessation program
  - Prescription drug coverage
  - Mental health & substance abuse





# Medications Coverage

- Formulary/Preferred Drug List (PDL)
- Over-the-counter drugs
- No formulary (rare) (look for excluded drugs)
- Ask about: process for non-formulary drugs
- Drugs could be covered through a tobacco cessation program that do not appear on the formulary.

# Covering Counseling

- **Individual**
  - Typically covered by reimbursing CPT codes 99406 & 99407
  - Can be controversy over which providers can be reimbursed
- **Group**
  - Harder to cover logistically
  - Code: S9453
  - Usually covered through a program, hospital or nonprofit
- **Phone**
  - Must be covered through a contract between Medicaid and Quitline
  - Managed care plans may have their own contracts

# Take Away Points

- Because of ACA, states will likely be re-examining Medicaid policy in the next 4 years.
- NOW is the time to ask for changes, start programs and increase coverage.
- There are many different ways to cover tobacco cessation treatments through Medicaid. Be sure to examine all avenues, and the pros and cons of each.

# Who Decides?


- Federal
  - Secretary of HHS, healthcare reform team, Assistant Secretary for Health
  - CMS: Medicaid staff, Center for Consumer Information and Insurance Oversight
- State
  - Legislatures
  - Governor
  - Medicaid and Dept. of Health Administrators
    - Chief Medical Officer, “Benefits” or “Coverage” team
  - Managed Care Plans



# Questions?

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**202-785-3355**



We will breathe easier when the air in every  
American community is clean and healthy.

We will breathe easier when people are free from the addictive  
grip of cigarettes and the debilitating effects of lung disease.

We will breathe easier when the air in our public spaces and  
workplaces is clear of secondhand smoke.

We will breathe easier when children no longer  
battle airborne poisons or fear an asthma attack.

***Until then, we are fighting for air.***