American Indians and Alaska Natives in the Marketplace
Overview

What we will cover today:

1. Historical Background and the Indian Health System
2. Medicaid protections for American Indians and Alaska Natives (AI/ANs)
3. Marketplace protections for AI/ANs under the Affordable Care Act (ACA)
4. Medicare under the ACA
Acronyms

ACA  Affordable Care Act
AI/AN  American Indian/Alaska Native
FPL  Federal Poverty Level
IHCIA  Indian Health Care Improvement Act
I/T/U  Indian Health Service, Tribal and Urban Indian organization programs/providers
CHIP  Children’s Health Insurance Program
Historical Background

• Federally recognized tribes and the federal government have a historical government-to-government relationship based on U.S. treaties, laws, Supreme Court cases, Executive Orders, and the U.S. Constitution.

• As part of this unique relationship, the federal government provides health care, social services, housing, education, and other services to AI/ANs, through federal agencies such as the Department of Health & Human Services (HHS), Department of the Interior, and the Department of Education.
Federally Recognized Tribes and AI/AN Population in the U.S.

• What is considered a federally recognized tribe in the U.S.?
  – A federally recognized tribe is any Indian or Alaska Native tribe, band, nation, Pueblo, village, or community that the Department of the Interior (DOI) acknowledges as an Indian tribe, including Alaska Native regional and village corporations.

• How many AI/AN people live in the U.S.?
  – According to the U.S. Census, there are 5.2 million people in the U.S. who identify themselves as AI/AN, either alone or in combination with one or more other races. Approximately, 2 million receive services from the Indian health system.
The Indian Health Care System

- The Indian Health Service (IHS) (I), tribes and tribal organizations (T), and urban Indian organizations (U) are the three components of the Indian health care system.
  - 45 Indian hospitals
  - Over 600 Indian health centers, clinics, and health stations, including urban programs

- When specialized services aren’t available at these sites, health services may be purchased from public and private providers through the Purchased/Referred Care Program, formerly known as Contract Health Services.
CMS administers the following programs:

- Medicare
- Medicaid
- Children’s Health Insurance Program (CHIP)
- The Health Insurance Marketplace
Affordable Care Act: Benefits for Tribal Communities

• **Permanently reauthorizes** the Indian Health Care Improvement Act (IHCIA) and strengthens the Indian Health Service’s role in health delivery.

• **Strengthens the IHS** and ensures that AI/ANs will be able to continue to receive services from IHS, tribal organizations, and urban Indian organizations.
Definition of AI/AN

• For purposes of Medicaid and CHIP, an AI/AN is a member of a federally recognized tribe, an Alaska Native Claims Settlement Act (ANCSA) corporation shareholder, or any individual eligible to receive services from IHS.

• For purposes of the Marketplace, an AI/AN is limited to members of a federally recognized tribe or ANCSA shareholders.
Benefits for Tribal Communities: Medicaid

Provides special protections for AI/ANs to increase access to health coverage through:

- Medicaid and/or CHIP (ARRA Protections)
  - Resource Exemptions/Income Exclusions
  - Cost Sharing Exemptions
  - Managed Care Protections
  - States/Tribal consultation
Benefits for Tribal Communities: Medicaid

- 100% FMAP for Medicaid-covered services provided through Indian Health and Tribal 638 facilities.
- No cost sharing for AI/AN in CHIP.
- I/T/U Providers and facilities are exempt from local licensure by the State as long as they substantially meet provider requirements.
Benefits for Tribal Communities: Marketplace

- Special enrollment periods and the ability to switch plans monthly
- Cost-sharing reductions in zero cost-sharing and limited cost-sharing at any level plan, depending upon income
- Ability to apply for an exemption from the individual shared responsibility payment
## 10 Essential Health Benefits

<table>
<thead>
<tr>
<th>Ambulatory Patient Services</th>
<th>Prescription Drugs</th>
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</thead>
<tbody>
<tr>
<td>Emergency services</td>
<td>Rehabilitative and Habilitative Services and Devices</td>
</tr>
<tr>
<td>Hospitalization</td>
<td>Laboratory Services</td>
</tr>
<tr>
<td>Maternity and Newborn Care</td>
<td>Preventive and Wellness Services and Chronic Disease Management</td>
</tr>
<tr>
<td>Mental Health and Substance Use Disorder Services, including Behavioral Health Treatment</td>
<td>Pediatric Services, including Oral and Vision Care</td>
</tr>
</tbody>
</table>
Insurers will be required to offer plans that fit within four levels of coverage: Bronze, Silver, Gold and Platinum.

Plans will vary by: the cost of premiums and out of pocket costs and most importantly look at what doctors are offered in your network!

“Actuarial Value” is a measure of the level of protection a health insurance policy offers and indicates the percentage of health costs that would be covered by the health plan.
Why Does Household Income Matter?
2015 FPL

<table>
<thead>
<tr>
<th>Family Size</th>
<th>100%</th>
<th>133%</th>
<th>138%</th>
<th>250%</th>
<th>400%</th>
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<td>8</td>
<td>$40,890</td>
<td>$54,383</td>
<td>$56,428</td>
<td>$102,225</td>
<td>$160,360</td>
</tr>
</tbody>
</table>
Streamlined Application: Verification of Indian Status

Use the streamlined application to indicate you are a tribal member or Alaska Native shareholder.

For the Marketplace verification of Indian status is done through a paper documentation process.

Benefit from the special protections in the Marketplace!

Documents accepted:
- Tribal identification card
- BIA Forms
- Certificate of Indian Blood
Medicaid Protections for AI/ANs

1. Submit Streamlined Application to the Marketplace
   - Online
   - By Phone
   - By Mail
   - In Person

2. Verify and Determine Eligibility
   - Supported by Data Services Hub
   - Submit Tribal Documentation w/in 90 days

3. Eligible for Qualified Health Plan or Medicaid/CHIP

4. Enroll in Marketplace Qualified Health Plan
   - Premium Tax Credit
   - Cost-sharing Reductions
   - Tribal SEPs

Enroll in Medicaid/CHIP
Medicaid: Who is Covered?

• Mandatory Categorically Needy Groups - Required by Statute
  o Children and Families
  o Pregnant Women
  o Disabled and Aged Individuals

• Optional Categorically Needy Groups – State Option

• Childless adults, age 19 - 64, below 133% FPL in Medicaid Expansion states
Medicaid Expansion Reaches Many Different Groups of People

The Medicaid expansion: Potential for coverage for millions of uninsured Americans

- Parents of children covered by Medicaid and CHIP
- Parents of children who have grown and left home
- Women that states now only cover while they are pregnant
- Older people but still too young for Medicare
- Younger people just starting out on their own
- Individuals who are not yet in poor enough health to qualify based on disability
Current Status of State Medicaid Expansion Decisions

NOTES: Current status for each state is based on KCMU tracking and analysis of state executive activity. “AR, IA, IN, MI, MT, NH and PA have approved Section 1115 waivers. Coverage under the PA waiver went into effect 1/1/15, but it has transitioned coverage to a state plan amendment. Coverage under the MT waiver went into effect 1/1/2016. LA’s Governor Edwards signed an Executive Order to adopt the Medicaid expansion on 1/12/2016, but coverage under the expansion is not yet in effect. WI covers adults up to 100% FPL in Medicaid, but did not adopt the ACA expansion. See source for more information on the states listed as “adoption under discussion.”

Members of federally recognized Indian tribes, ANCSA corporation shareholders, and their descendants, and other Indians who are otherwise eligible for services from an Indian health care provider have the following Medicaid and CHIP protections:

- Do not have to pay premiums or enrollment fees and can enroll at any time
- Tribal documents accepted as proof of citizenship and identity
- If they receive care from an Indian health care provider or through referral to a non-Indian provider, do not have to pay any cost sharing.
AI/AN Medicaid and CHIP Protections

Certain types of Indian income and resources are not counted when determining Medicaid or CHIP eligibility:

- Per capita payments from a tribe that come from natural resources, usage rights, leases, or royalties
- Payments from natural resources, farming, ranching, fishing, leases, or profits from Indian trust land (including reservations and former reservations)
- Money from selling things that have tribal cultural significance, such as Indian jewelry or beadwork
Special Protections: Special Enrollment Periods

• AI/ANs have special enrollment periods (SEPs), which allow them to enroll in health coverage monthly, rather than only during the yearly Open Enrollment period.

• In the Federal Marketplace, if one family member on the application is eligible for the SEP, all family members who apply on the same Marketplace application are eligible. This is true even if different family members are eligible for different Marketplace plans. However, a State Marketplace might process the SEP differently.
Special Protections: Special Enrollment Periods

- For consumers who change their plan or enroll in a new QHP between the 1st and 15th day of any month, the effective date of coverage will be the first day of the following month.

- If the consumer changes plans and enrolls in a new health plan between the 16th and the last day of any month, the coverage effective date will be the first day of the second following month.
Advanced Premium Tax Credits (APTC)

- AI/ANs are **not exempt** from premiums.
- Could be **eligible for APTCs**:
  - buy health insurance through the Marketplace;
  - are ineligible for coverage through an employer or government plan;
  - are within certain income limits
## Summary of Benefits

### Insurance Company 1: Plan Option 1

**Summary of Benefits and Coverage:** What this Plan Covers & What it Costs

Coverage Period: 01/01/2013 – 12/31/2013

Coverage for: Individual + Spouse | Plan Type: PPO

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**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at [www.[insert]]. or by calling 1-800-[insert].

<table>
<thead>
<tr>
<th>Important Questions</th>
<th>Answers</th>
<th>Why this Matters:</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is the overall deductible?</td>
<td>$500 person / $1,000 family</td>
<td>You must pay all the costs up to the deductible amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the deductible starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the deductible.</td>
</tr>
<tr>
<td>Are there other deductibles for specific services?</td>
<td>Yes. $300 for prescription drug coverage. There are no other specific deductibles.</td>
<td>You must pay all of the costs for these services up to the specific deductible amount before this plan begins to pay for these services.</td>
</tr>
<tr>
<td>Is there an out-of-pocket limit on my expenses?</td>
<td>Yes. For participating providers $2,500 person / $5,000 family For non-participating providers $4,000 person / $8,000 family</td>
<td>The out-of-pocket limit is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.</td>
</tr>
<tr>
<td>What is not included in the out-of-pocket limit?</td>
<td>Premiums, balance-billed charges, and health care this plan doesn’t cover.</td>
<td>Even though you pay these expenses, they don’t count toward the out-of-pocket limit.</td>
</tr>
<tr>
<td>Is there an overall annual limit on what the plan pays?</td>
<td>No.</td>
<td>The chart starting on page 2 describes any limits on what the plan will pay for specific covered services, such as office visits.</td>
</tr>
<tr>
<td>Does this plan use a network of providers?</td>
<td>Yes. See [<a href="http://www.%5Binsert%5D%5D.com">www.[insert]].com</a> or call 1-800-[insert] for a list of participating providers.</td>
<td>If you use an in-network doctor or other health care provider, this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network provider for some services. Plans use the term in-network, preferred, or participating for providers in their network. See the chart starting on page 2 for how this plan pays different kinds of providers.</td>
</tr>
<tr>
<td>Do I need a referral to see a specialist?</td>
<td>No. You don’t need a referral to see a specialist.</td>
<td>You can see the specialist you choose without permission from this plan.</td>
</tr>
<tr>
<td>Are there services this plan doesn’t cover?</td>
<td>Yes. Some of the services this plan doesn’t cover are listed on page 4. See your policy or plan document for additional information about excluded services.</td>
<td></td>
</tr>
</tbody>
</table>

Questions: Call 1-800-[insert] or visit us at [www.[insert]].com. If you aren’t clear about any of the bolded terms used in this form, see the Glossary. You can view the Glossary at [www.[insert]] or call 1-800-[insert] to request a copy.
AI/AN Exemption from the Individual Shared Responsibility Payment

National Indian Health Outreach and Education (NIHOE) Initiative 2015-2016
Course Outline

• The Individual Mandate
• Minimum Essential Coverage
• Tax Penalty
• Should I apply?
• How to Claim an Exemption
THE INDIVIDUAL MANDATE
The Individual Mandate Overview

Beginning in 2014, The ACA required all Americans to have health coverage that meets minimum essential coverage (MEC) standards. This is also known as the health insurance mandate. Individuals that do not have health coverage may have to pay a tax penalty or a “shared responsibility payment”. However, individuals without coverage may not have to pay a penalty if they apply and qualify for an exemption. AI/AN Exemptions from the penalty are granted from the Internal Revenue Service (IRS) through the tax filing process.
MINIMUM ESSENTIAL COVERAGE
Minimal Essential Coverage

- Types of Minimum Essential Coverage
  - Marketplace plans, often referred to as Qualified Health Plans or QHPs
  - Medicaid, Medicare and CHIP
  - Grandfathered individual health insurance plans
  - Grandfathered retiree plans
  - Employer Plans (this includes COBRA)
  - TRICARE and other veterans health care programs such as CHAMPVA
  - Coverage offered to students by universities for plans that begin on/before December 31, 2014
Minimum Essential Coverage

• If you have Medicare Part A (Hospital Insurance)<

• But having only Medicare Part B (Medical Insurance)<
Minimum Essential Coverage

• If you have only Medicare Part B, you are not considered to have minimum essential coverage<https://www.healthcare.gov/glossary/minimum-essential-coverage>. This means you may have to pay the penalty<https://www.healthcare.gov/fees-exemptions/> that people who don't have coverage may have to pay.
Minimum Essential Coverage (cont.)

- HHS Secretary can designate other plans as those that meet Minimum Essential Coverage
- Health coverage and plans that do not meet Minimum Essential Coverage Requirements
  - IHS, Tribe or Tribal organization or Urban Indian health program/organization (I/T/U)
  - Standalone dental plans
  - Private plans that are not designated as a QHP or considered grandfathered
  - Disease-specific coverage
THE TAX PENALTY
Or (Individual Shared Responsibility Payment)
Tax Penalty

• Beginning on January 1, 2014, all Americans were required to maintain minimum essential coverage or pay a penalty.
• Fines were due on the income tax filing date the following year.
• The penalty is broken out for each month that an individual does not meet the coverage requirements.
• In 2014 the Penalty for not holding minimum essential coverage was:
  – The greater of either 1% of yearly household income or $95 per individual and $47.50 per child.
Tax Penalty (cont.)

• 2015
  – The greater of either 2% of the yearly household income or $325 per individual and $162.50 per child

• 2016
  – The greater of either 2.5% of the yearly household income or $695 per individual and $347.50 per child

• 2017 and moving forward
  – The greater of either 2.5% of the yearly household income or the 2016 penalty per individual and child adjusted for inflation
SHOULD I APPLY?
Who Should Obtain an Exemption

- All eligible American Indians and Alaska Natives and other Individuals who are eligible to receive services from an Indian health care provider
  - Remember services at an I/T/U is not considered “minimum essential” coverage
- Exemptions are specific to an “individual” not tied to households
- Minimum essential coverage requirement is not determined by age (no age limit!)
  - Infants need to obtain an exemption if they need to be exempt
HOW TO CLAIM AN EXEMPTION
First Option-- Claim it on Tax Return

• Both enrolled members of federally recognized Tribes and ANCSA Corporations AND individuals eligible for I/T/U services may claim the exemption when they file their 2015 Tax Return (due 4/15/16).
  – HHS Secretary Sylvia Burwell announced on September 18, 2014 that individuals eligible to receive health care from an I/T/U will be able to claim an exemption from the shared responsibility payment through the tax filing process starting in 2014 tax year.
Claim it on Tax Return (cont.)

• IRS Tax Form 8965-Health Coverage Exemptions:
  – Must complete this form when filing tax return if you have a Marketplace-granted coverage exemption or if claiming an exemption on your return.
  – Can claim exemption in:
    • Part I: If have an exemption certificate number, insert name and SSN of each individual; or
    • Part II: If eligible for specific income exemptions; or
    • Part III: If no exemption certificate number, self-attest and claim a specific exemption (i.e., must indicate type).
Complete this form if you have a Marketplace-granted coverage exemption or you are claiming a coverage exemption on your return.

### Part I
**Marketplace-Granted Coverage Exemptions for Individuals.** If you and/or a member of your tax household have an exemption granted by the Marketplace, complete Part I.

<table>
<thead>
<tr>
<th></th>
<th>Name of Individual</th>
<th>SSN</th>
<th>Exemption Certificate Number</th>
</tr>
</thead>
<tbody>
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### Part II
**Coverage Exemptions Claimed on Your Return for Your Household**

- a. Are you claiming an exemption because your household income is below the filing threshold? [ ] Yes [ ] No
- b. Are you claiming a hardship exemption because your gross income is below the filing threshold? [ ] Yes [ ] No

### Part III
**Coverage Exemptions Claimed on Your Return for Individuals.** If you and/or a member of your tax household are claiming an exemption on your return, complete Part III.

<table>
<thead>
<tr>
<th></th>
<th>Name of Individual</th>
<th>Exemption Type</th>
<th>Exemption Certificate Number</th>
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</table>
Instructions for Form 8965

Health Coverage Exemptions (and instructions for figuring your shared responsibility payment)

Future Developments. For the latest information about developments related to Form 8965 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/form8965.

What’s New
Changes to coverage exemptions. Several changes have been made to the types of coverage exemptions available for 2015. Some coverage exemptions have been added, clarified, or are no longer available. See the Types of Coverage Exemptions chart.

Shared responsibility payment worksheet. A flowchart has been added to help you figure your shared responsibility payment. See To Figure Your Shared Responsibility Payment.

General Instructions
Purpose of Form
Individuals must have health care coverage, have a health coverage exemption, or make a shared responsibility payment with their tax return. Use Form 8965 to report a coverage exemption granted by the Marketplace (also called the “Exchange”) or to claim a coverage exemption on your tax return. In addition, use these instructions to figure your shared responsibility payment if for any month you or another member of your tax household (defined later) had neither health care coverage nor a coverage exemption.

Reminder: If you need health coverage, visit www.HealthCare.gov to learn about health insurance options that are available for you and your family, how to purchase health insurance, and how you might qualify to get financial assistance with the cost of insurance.

Coverage exemptions. If you or another member of your tax household was granted a coverage exemption from the Marketplace, complete Part I of Form 8965. If you or another member of your tax household is claiming a coverage exemption on your tax return, complete Part II or Part III of Form 8965. Depending on your situation, you may need to complete one or more parts of the form.

Shared responsibility payment. You must make a shared responsibility payment if, for any month, you or another member of your tax household didn’t have health care coverage (referred to as “minimum essential coverage”) or a coverage exemption. See Shared Responsibility Payment, later, to figure your payment, if any. Report your shared responsibility payment on your tax return (Form 1040, line 61; Form 1040A, line 38; or Form 1040EZ, line 11).

Who Must File
File Form 8965 to report or claim a coverage exemption if:
* You are filing a Form 1040, 1040A, or 1040EZ (even if you are filing it because you are a dual-status alien for your first year of U.S. residency or a nonresident or dual-status alien who elected to file a joint return with a U.S. spouse).
* You can’t be claimed as a dependent by another taxpayer.
* You or anyone else in your tax household didn’t have minimum essential coverage for each month of 2015, and
* You want to report or claim a coverage exemption for yourself or another member of your tax household.

Attach Form 8965 to your tax return (Form 1040, Form 1040A, or Form 1040EZ).

Form 8965 is used only to claim and report coverage exemptions. Don’t use it to report minimum essential coverage even if you are unable to check the Full-year coverage box on your tax return.

Not required to file a tax return. If you aren’t required to file a tax return, your tax household is exempt from the shared responsibility payment and you don’t need to file a tax return to claim the coverage exemption. However, if you aren’t required to file a tax return but choose to file anyway, you must claim the
The Instructions and the 8965 form can be found at the link below:

Learn More About Exemptions

Contact NIHB

Kristen Bitsuie
Tribal Health Care Reform Outreach and Education Program Associate

Phone: 202-507-4084
Email: kbitsuie@nihb.org
Web: www.nihb.org/tribalhealthreform