



Center for Medicaid, CHIP and Survey & Certification

CMCS Informational Bulletin

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SUBJECT: Updates on Medicaid/CHIP

This Informational Bulletin is to update States and other interested parties on a number of important items:

- The issuance of a State Medicaid Director Letter regarding the Balancing Incentive Program;
- The release of a request for information (RFI) regarding the Basic Health Program authorized in section 1331 of the Affordable Care Act; and
- The issuance of proposed rules that would give patients (and their authorized representatives) direct access to their own laboratory test result reports;

Balancing Incentive Program

On September 12, 2011 CMCS released a State Medicaid Directors Letter providing guidance to States on the implementation of Section 10202 of the Affordable Care Act, which establishes the “State Balancing Incentive Payments Program.” The Balancing Incentive Program will assist States in transforming their long-term care systems by improving systems performance and efficiency, creating tools to facilitate person-centered assessment and care-planning, as well as enhancing quality measurement and oversight. Effective October 1, 2011, the Balancing Incentive Program offers a targeted increase in the FMAP for non-institutional long-term services and supports (LTSS) to States that undertake structural reforms to increase access to non-institutional LTSS. The enhanced matching payments are tied to the percentage of a State’s non-institutional LTSS spending, with lower FMAP increases going to States with a less significant need for reforms. A total of \$3 billion in Federal increased matching payments is available to States from October 1, 2011 through September 30, 2015.

The letter is available at <http://www.cms.gov/smdl/downloads/11-010.pdf> along with an application: <http://www.cms.gov/smdl/downloads/Final-BIPP-Application.pdf>.

Basic Health Program

On September 14, 2011 the Center for Consumer Information and Insurance Oversight (CCIIO) released a request for information (RFI) regarding the Basic Health Program authorized in section 1331 of the

Affordable Care Act. The RFI asks questions about policy areas that are critical to developing guidelines for the Basic Health Program. Responses to the RFI will help to inform future rule-making for this program. CMCS urges State Medicaid and Children's Health Insurance Program (CHIP) Agencies and other Medicaid/CHIP advocates and consumers to review the RFI and provide comments particularly around the interaction of Basic Health with Medicaid and CHIP programs.

Basic Health is an optional program that generally allows a State to cover individuals between 133 percent and 200 percent of the Federal poverty level through a Basic Health program in lieu of offering these individuals coverage through the Exchange. To operate the program, the State enters into contract(s) with one or more standard health plans offering at least essential health benefits with specific member premium and cost sharing requirements associated with that coverage. In exchange for operating the program, the State would receive 95 percent of the premium tax credits, and the cost-sharing reductions that would have been received on behalf of an individual if he or she was instead determined eligible for premium tax credits and cost-sharing reductions in the Exchange.

To read the RFI and for instructions on submitting comments, please visit:

<http://www.gpo.gov/fdsys/pkg/FR-2011-09-14/pdf/2011-23388.pdf>. Comments will be accepted through October 31, 2011.

Patient Access to Test Results

As part of an ongoing effort across the Department of Health and Human Services (HHS) to empower patients to be informed partners with their health care providers in making health care decisions, on September 12, 2011 HHS proposed rules that would give patients (and their authorized representatives) direct access to their own laboratory test result reports. The proposed rules address the interplay between the Clinical Laboratory Improvement Amendments of 1988 (CLIA) rules, state laws governing direct disclosure to patients of their laboratory test results, and the Federal Privacy Rule.

The proposed rule can be viewed at <http://www.gpo.gov/fdsys/pkg/FR-2011-09-14/pdf/2011-23525.pdf>. Comments will be accepted through November 14, 2011.

I hope you find this information helpful.