

## BASIC HEALTH PROGRAM WORKGROUP MEETING

### *Summary*

#### Meeting Date, Time, Location:

October 30, 2013  
10:00am – 1:00pm  
One Commerce Plaza, Room 820, Albany, NY

#### Work Group Members in Attendance:

Judith Arnold, Elizabeth Benjamin, Lauri Cole, Jeffery Gold, Assemblyman Richard Gottfried, Trilby de Jung, Joseph Maldonado Jr., Troy Oechsner, Lisa Sbrana, Kathy Shure, Elizabeth Swain, Richard Winsten, Paul Zurlo.

#### Summary of Key Meeting Content:

In the second meeting, Judy Arnold and Lisa Sbrana presented a summary of the recently-released Proposed Rule on BHP. The presentation covered such topics as eligibility, standard health plans, contracting, financing, and the trust fund. It provided information about the aspects of BHP that have been decided, areas where states have policy choices and areas where further guidance is needed. Areas of discussion included:

- *A summary of the benefits for New York of pursuing the BPH program.* The principal benefit is to provide a more affordable option for individuals between 138-200% of FPL who may choose to remain uninsured if they find the cost of QHP coverage too high. Another benefit is state savings that may arise from allowing the coverage through BHP of legal permanent residents ineligible for federal participation in Medicaid.
- *Whether the state should adopt continuous enrollment or open enrollment.* Consensus seemed to emerge around continuous enrollment though one member raised the issue of risk selection.
- *Whether the state should adopt continuous eligibility,* whereby members would remain eligible for 12 months even if their income increased above the BHP levels. The group expressed support for continuous eligibility, but recognized that important questions remain about whether CMS/IRS will permit it, and whether the BHP trust fund can be used for it and has sufficient funds.
- *Whether BHP enrollees are required to be tax filers or not.* Tax credits to purchase QHPs are only available to people who file taxes. The eligibility requirement for BHP is that a person be eligible to enroll in a QHP. Members of the group largely read the rules to allow anyone who meets the eligibility requirements for a QHP (state resident, citizen or lawfully present, under age 65, and not incarcerated) to enroll in BHP, regardless of whether or not they file taxes. The amount of funding provided to the BHP trust fund would then be pegged to the income level of the person. Confirming this understanding with CMS is a high priority for determining the fiscal impact of a BHP on the State.
- *Discussion of contracting and provider networks.* In particular, the need to ensure adequacy of the network and adequate provider reimbursement rates. Members also want the state to obtain more guidance from CMS on the definition of a competitive procurement for BHP plans and on the factors in contract negotiations.
- *Uncertainty about the payment methodology and the reconciliation process.* CMS is scheduled to release the proposed payment rule in December. Until that is released, there are many unanswered questions about how the amount of BHP payments will be calculated and how BHP payments will be reconciled, making it difficult to complete the fiscal analysis of BHP. In addition, administrative costs cannot be funded from the BHP trust fund, requiring another source of funding for implementation and operational costs.
- *Whether to propose BHP in the budget.* Uncertainty about state savings/costs of a BHP suggests caution in moving forward with the program. However, members expressed concern that if BHP is not included in the budget in some form, it will not be able to be implemented by January 2016. Some work group members expressed the need for a placeholder for BHP while we continue to obtain more information from CMS. Other members did not believe BHP could move forward at this time with the questions still outstanding.

Next Steps:

Several workgroup members expressed interest in submitting comments on the Proposed Rule to CMS. The group rejected a proposal to postpone the next meeting until the proposed payment rule is released and the results of the Urban Institute modeling on BHP enrollment levels, costs, and BHP effects on the Exchange is completed. The group agreed to maintain the next meeting date and discuss the elements of a potential BHP proposal.

Next Meeting Date, Time, Location:

November 21, 2013  
12:00pm – 3:00pm  
One Commerce Plaza, Room 820, Albany, NY