



# American Indians and Alaska Natives in the Marketplace

ACA 101

# 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 Programs

**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
  - Estate Recovery Protections
  - 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

Ambulatory Patient Services

Prescription Drugs

Emergency services

Rehabilitative and Habilitative Services  
and Devices

Hospitalization

Laboratory Services

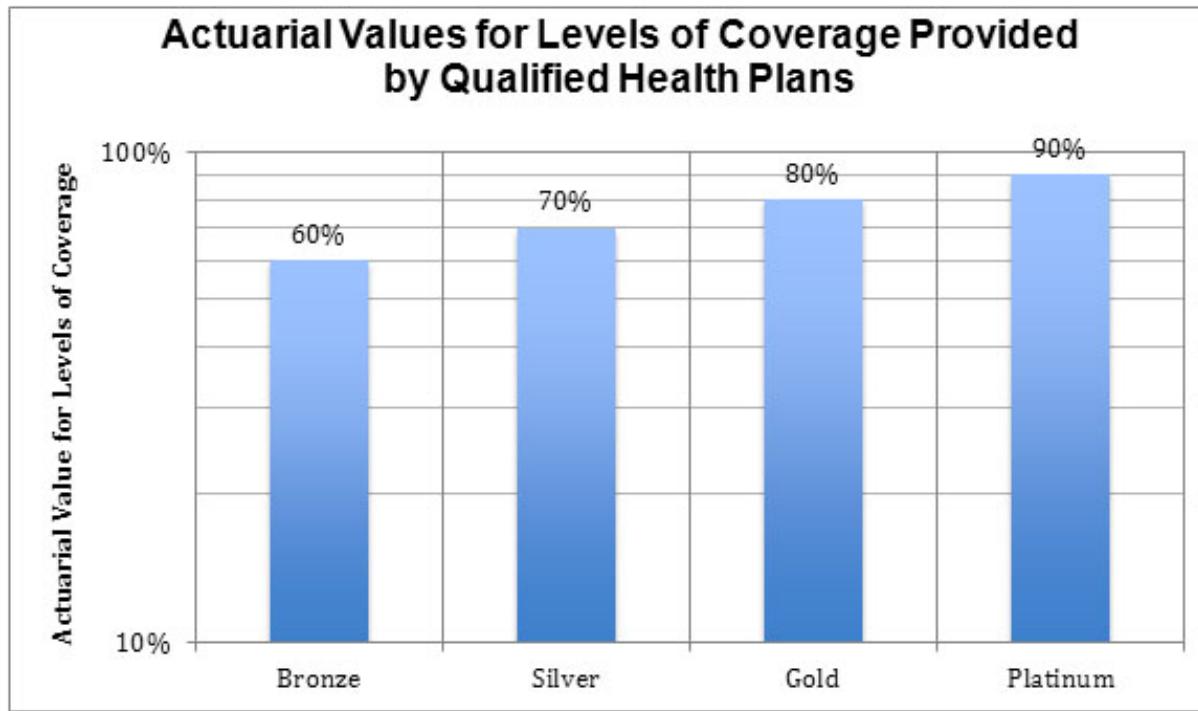
Maternity and Newborn Care

Preventive and Wellness Services and  
Chronic Disease Management

Mental Health and Substance Use  
Disorder Services, including Behavioral  
Health Treatment

Pediatric Services, including  
Oral and Vision Care

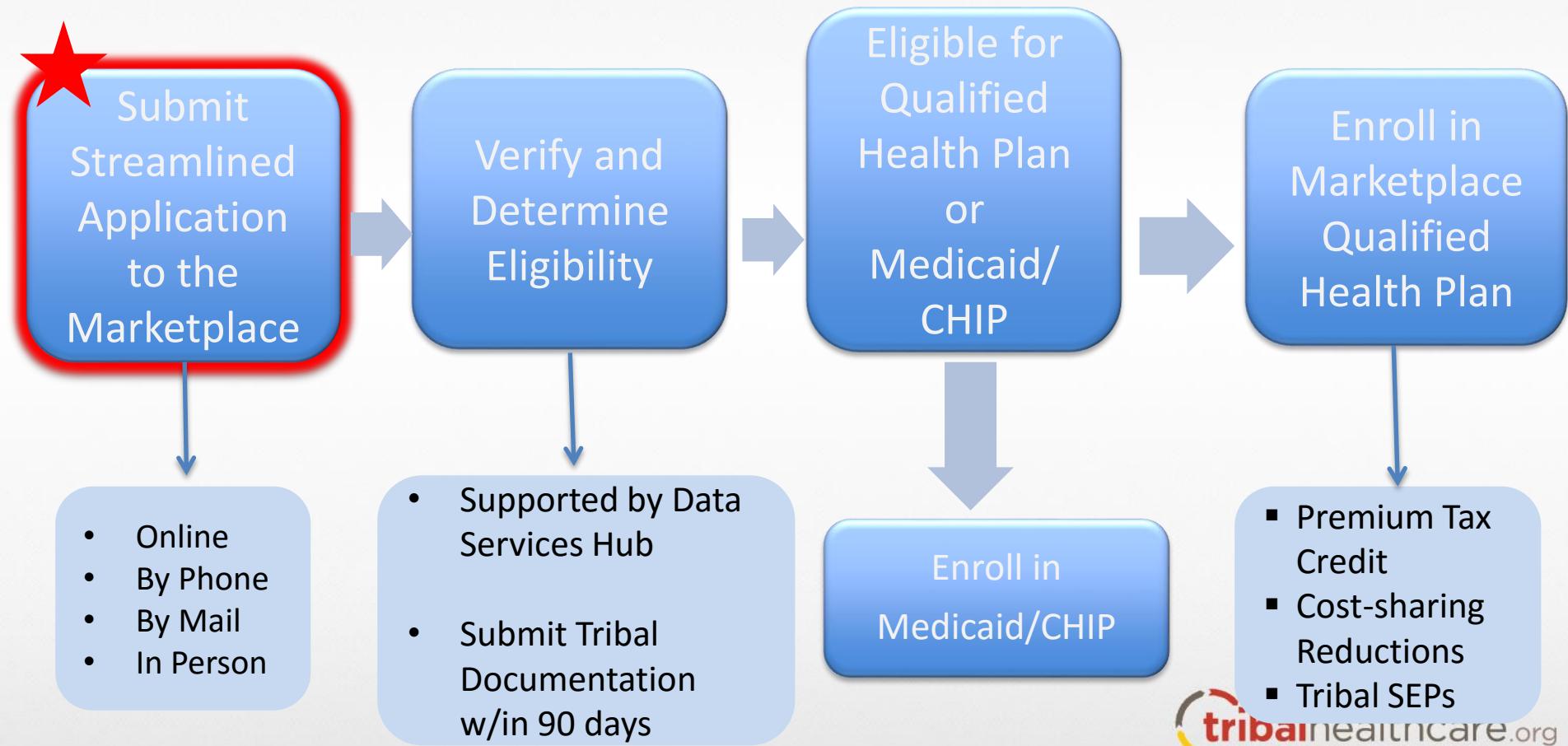
# Four Levels of Coverage



**“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.

- 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**!

# Streamlined Application



# Why Does Household Income Matter?

## 2016 FPL

	LIMITED COST SHARE PLANS (NO APTCS)	ZERO COST SHARE PLANS PLUS APTCS	LIMITED COST SHARE PLANS PLUS APTCS	LIMITED COST SHARE PLANS (NO APTCS)
Number of People in Your Household	Income under 100% FPL	Income 100% to 300% FPL	Income 301% to 400% FPL	Income over 400% FPL
1	\$0--\$11,880	\$11,880--\$35,640	\$35,641--\$47,520	\$47,521 and up
2	\$0--\$16,020	\$16,020--\$48,060	\$48,061--\$64,080	\$64,081 and up
3	\$0--\$20,160	\$20,160--\$60,480	\$60,481--\$80,640	\$80,641 and up
4	\$0--\$24,300	\$24,300--\$72,900	\$72,901--\$97,200	\$97,201 and up
5	\$0--\$28,440	\$28,440--\$85,320	\$85,321--\$113,760	\$113,761 and up
6	\$0--\$32,580	\$32,580--\$97,740	\$97,741--\$130,320	\$130,321 and up

# Streamlined Application: Verification of Indian Status

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

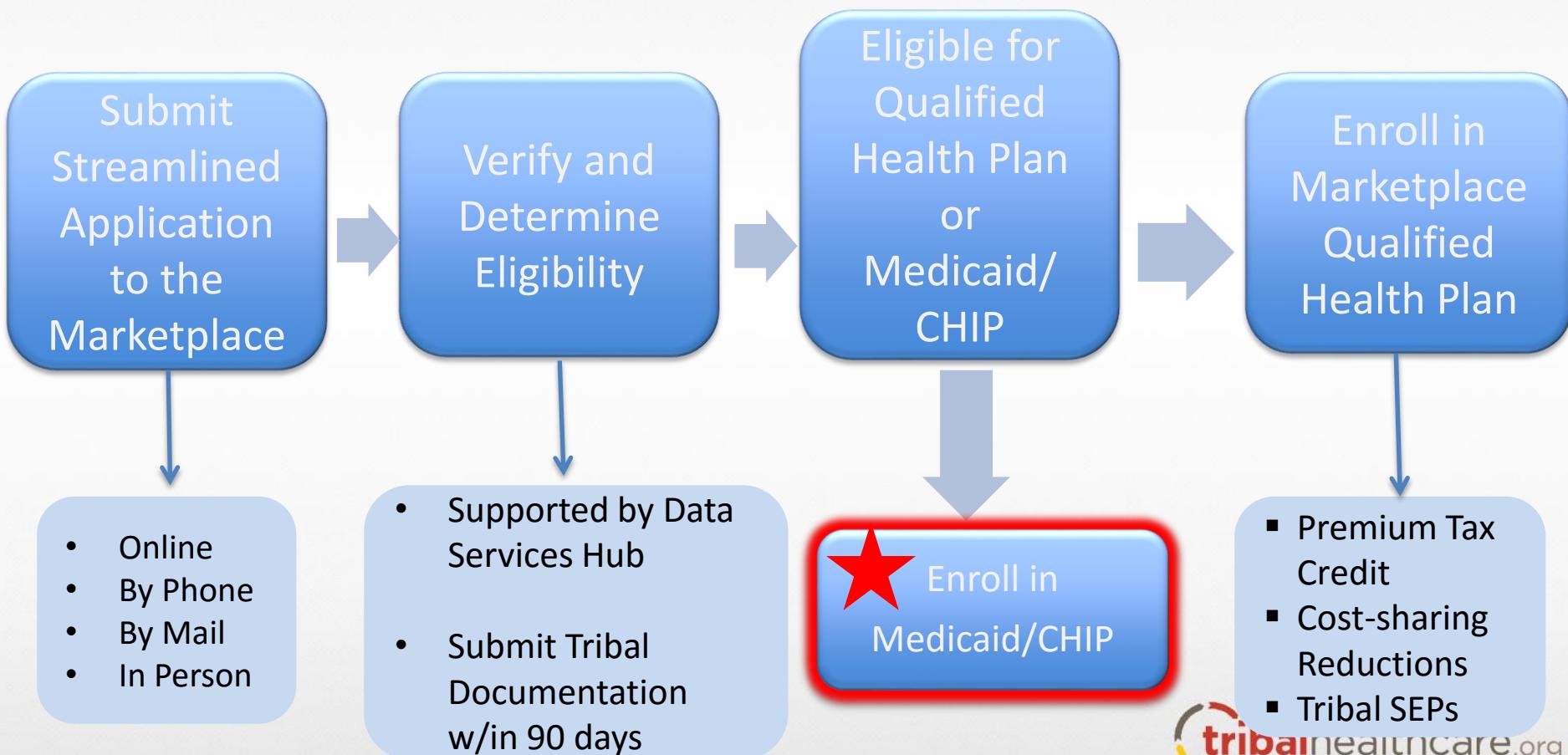
For the Marketplace verification of Indian status is done through a paper documentation process.

Benefit from the special protections in the Marketplace!

Documents accepted:

- Tribal identification card
- BIA Forms
- Certificate of Indian Blood

# Medicaid Protections for AI/ANs



# Medicaid: Who is Covered?

- **Mandatory Categorically Needy Groups - Required by Statute**
  - Children and Families
  - Pregnant Women
  - 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

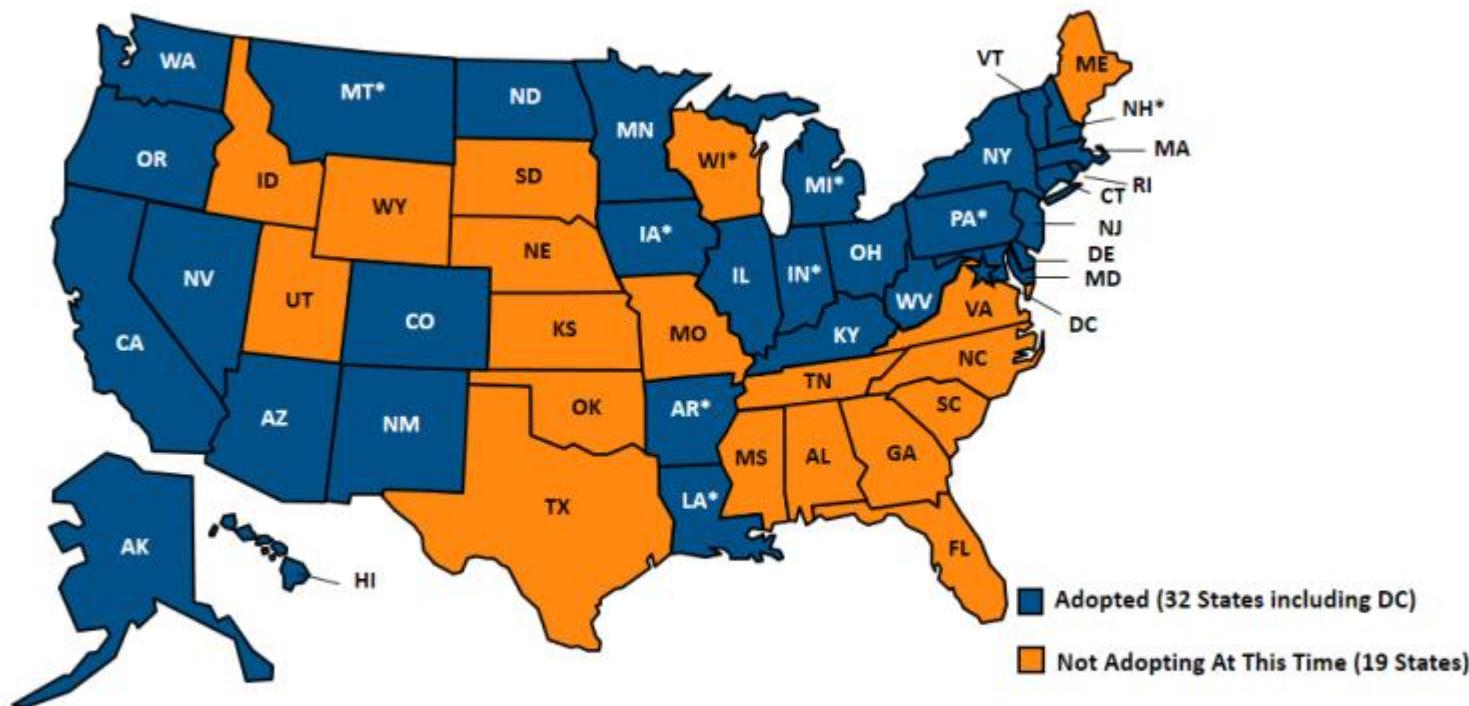
Women that states now only cover while they are pregnant

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."

SOURCE: "Status of State Action on the Medicaid Expansion Decision," KFF State Health Facts, updated March 14, 2016.  
<http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/>



# AI/AN Medicaid and CHIP Protections

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:

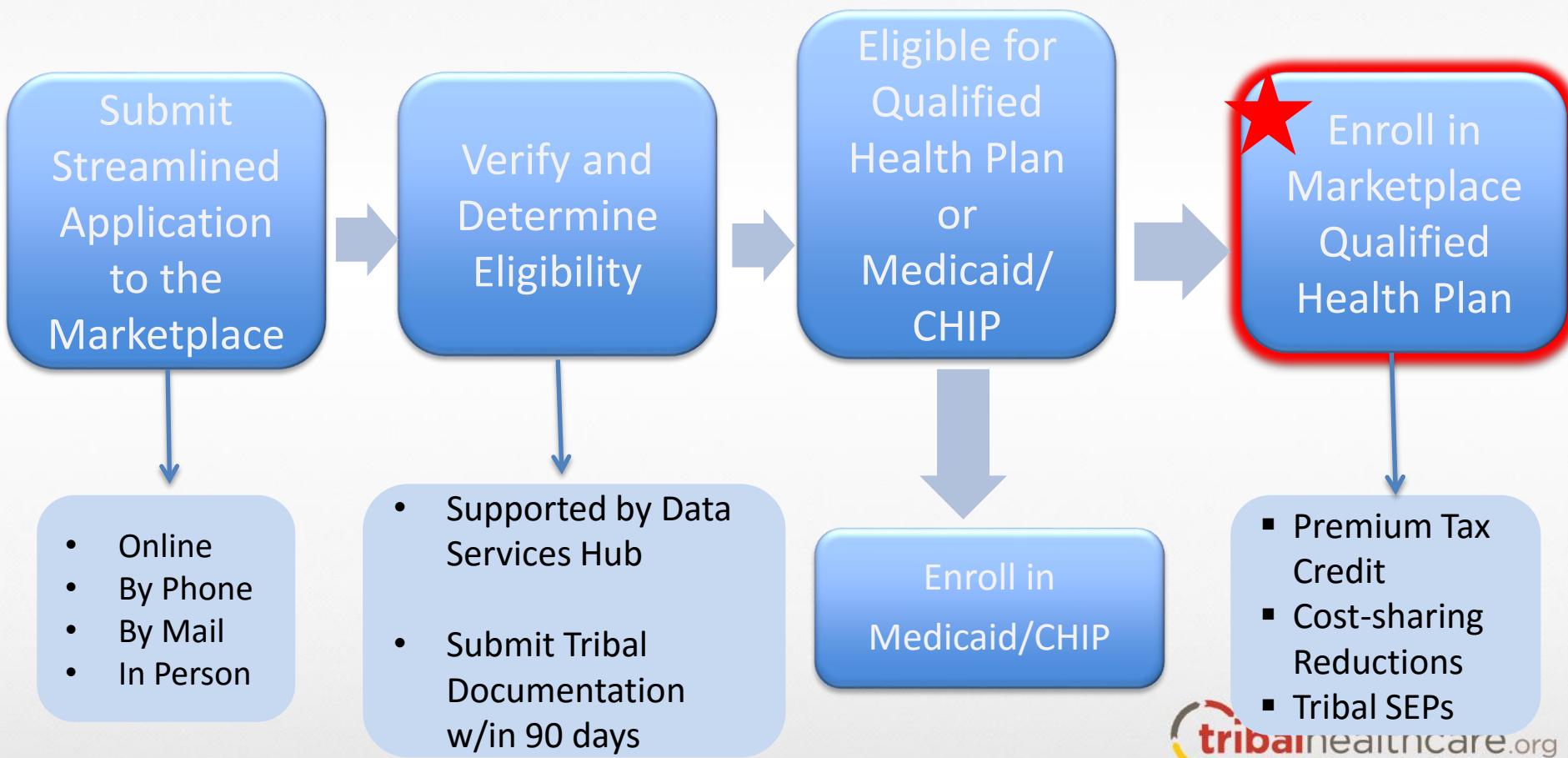
- Do not have to pay premiums or enrollment fees and can enroll at any time
- Tribal documents accepted as proof of citizenship and identity
- If they receive care from an Indian health care provider or through referral to a non-Indian provider, do not have to pay any cost sharing.

# 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

# Marketplace Protections for AI/ANs



# 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 1<sup>st</sup> and 15<sup>th</sup> 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.

# Special Protections: Zero Cost Sharing Plans

AI/ANs with income between 100% to 300% of FPL:

- Can enroll in a **zero cost sharing plan** which means no copays, deductibles or coinsurance when receiving care from Indian health care providers or when receiving Essential Health Benefits (EHBs) through a QHP.
- In addition, there is **no need for a referral** from an I/T/U provider when receiving EHBS through the QHP.

# Special Protections: Limited Cost Sharing Plans

AI/ANs with income above 300% up to 400 % of FPL:

- Can enroll in a **limited cost sharing plan** which means no copays, deductibles or coinsurance when receiving care from Indian health care providers or when receiving EHBs through a QHP.
- **Will need a referral** from an I/T/U provider to avoid cost sharing when receiving EHBs through a QHP.

# 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
- \*\*\*AI/AN's with income below 100% FPL qualify for cost sharing reductions.

# Basic Health Insurance Terms



**Premium:** The amount paid to an insurance company, usually on a monthly basis, for health insurance coverage.

**Out-of-pocket costs:** Health care costs paid by the patient. These include copayments, coinsurance, and deductibles.

**Deductible:** A specific dollar amount paid by the user each year before your health insurance plan starts to make payments for a claim. Not all health insurance plans require a deductible.

**Exclusions:** Things not covered by the health insurance policy. Make sure to check the fine print of the health insurance policy for which conditions are excluded.

# Basic Health Insurance Terms cont.



**Benefit:** Any service or supply (an office visit or a prescription drug) your health insurance plan will pay for.

**Co-payment (copay):** The dollar amount paid for a medical service or supply according to your insurance plan. (\$20 for sick visit)

**Pre-existing condition:** A health problem or diagnosis that you had before applying for health insurance or before the effective date of your new health plan. By 2014, companies will be unable to deny you coverage based on pre-existing conditions.

**Lifetime maximum:** Refers to the amount of money the health insurance policy will pay for the entire life plan.

# 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



**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.\[insert\]](http://www.[insert]) or by calling 1-800-[insert].

Important Questions	Answers	Why this Matters:
What is the overall deductible?	\$500 person / \$1,000 family Doesn't apply to preventive care	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.
Are there other deductibles for specific services?	Yes. \$300 for prescription drug coverage. There are no other specific deductibles.	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.
Is there an out-of-pocket limit on my expenses?	Yes. For participating providers \$2,500 person / \$5,000 family For non-participating providers \$4,000 person / \$8,000 family	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.
What is not included in the out-of-pocket limit?	Premiums, balance-billed charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit.
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for specific covered services, such as office visits.
Does this plan use a network of providers?	Yes. See <a href="http://www.[insert].com">www.[insert].com</a> or call 1-800-[insert] for a list of participating providers.	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.
Do I need a referral to see a specialist?	No. You don't need a referral to see a specialist.	You can see the specialist you choose without permission from this plan.
Are there services this plan doesn't cover?	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.

Questions: Call 1-800-[insert] or visit us at [www.\[insert\].com](http://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.\[insert\]](http://www.[insert]) or call 1-800-[insert] to request a copy.

OMB Control Numbers 1545-2229,  
1210-0147, and 0938-1146

1 of 8

# Indian Exemption

“American Indians and Alaska Natives and Other Individuals who are Eligible to Receive Services from an Indian Health Care Provider”, **may qualify for an exemption from the shared responsibility payment**

# Claim it on Tax Return

- Both enrolled members of federally recognized Tribes and ANCSA corporation Shareholders AND individuals eligible for I/T/U services may claim the exemption when they file their 2015 Tax Return (due 4/15/16).

# 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).

**Form 8965**Department of the Treasury  
Internal Revenue Service**Health Coverage Exemptions**

OMB No. 1545-0074

**2015**Attachment  
Sequence No. 75

Name as shown on return

Your social security number

► Attach to Form 1040, Form 1040A, or Form 1040EZ.  
► Information about Form 8965 and its separate instructions is at [www.irs.gov/form8965](http://www.irs.gov/form8965).

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.

	(a) Name of Individual	(b) SSN	(c) Exemption Certificate Number
1			
2			
3			
4			
5			
6			

**Part II** **Coverage Exemptions Claimed on Your Return for Your Household**

7a 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.

	(a) Name of Individual	(b) SSN	(c) Exemption Type	(d) Full Year	(e) Jan	(f) Feb	(g) Mar	(h) Apr	(i) May	(j) June	(k) July	(l) Aug	(m) Sept	(n) Oct	(o) Nov	(p) Dec
8																
9																
10																
11																
12																
13																

For Privacy Act and Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 37787G

Form 8965 (2015)



## 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](http://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

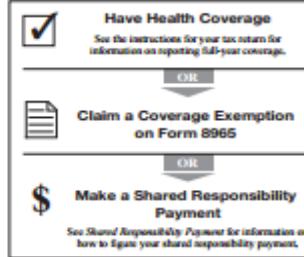
##### Purpose of Form

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](http://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 Market-

For each month you must either:



place, 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:

[http://www.irs.gov/file\\_source/pub/irs-access/f8965\\_accessible.pdf](http://www.irs.gov/file_source/pub/irs-access/f8965_accessible.pdf)

# Key Points

- Federally recognized tribes and the federal government have a unique relationship. **The federal government has a responsibility to provide members of federally recognized tribes with health care.**
- By enrolling in Medicaid or a Marketplace QHP, AI/ANs benefit by having greater access to services that may not be provided by your local ITU. **Using non-tribal health care resources can increase the resources available to others in your tribal community.**

# Key Points

- **Eligible AI/ANs have certain protections and exemptions under Medicaid, CHIP, and the Marketplace.**
  - ✓ For Medicaid and CHIP, AI/ANs are exempt from cost sharing and certain Indian income is excluded in determining eligibility.
  - ✓ For the Marketplace, AI/ANs have special monthly enrollment periods, zero or limited cost sharing, and an ability to apply for an exemption from the individual shared responsibility payment.
- **Whether an AI/AN enrolls in Medicaid, CHIP or the Marketplace, or applies for an exemption, the AI/AN can continue to get services from an ITU at no cost to the individual.**

# Additional Resources

## Marketplace Resources

- Details on special Marketplace protections and benefits for AI/ANs are located here: <https://www.healthcare.gov/tribal>
- Printed tribal materials to share with your community: CMS Marketplace information center:  
<http://marketplace.cms.gov/getofficialresources/publications-and-articles/american-indian-and-alaska-native-publications.html>
- IHS information on the Affordable Care Act: <http://www.ihs.gov/aca/faq/>
- For more information please go to National Indian Health Board Tribal Health Reform page: <http://www.nihb.org/tribalhealthreform/>
- Additional tribal outreach and education resources: CMS Division of Tribal Affairs:  
<http://go.cms.gov/AIAN-OutreachEducationResources>
- IHS Q&A call for Affordable Care Act questions: [acainformation@ihs.gov](mailto:acainformation@ihs.gov)