State Waiver Alternatives for Coverage Expansion

Under the Affordable Care Act (ACA), states have the option to expand Medicaid coverage to individuals typically not eligible for Medicaid. These individuals make too much money for Medicaid, but not enough to participate in the ACA Marketplace- even with subsidy assistance. As of February 1, 2015 a total of 28 states and the District of Columbia expanded Medicaid. Twenty-four states expanded Medicaid through the route proposed under the ACA, while five states applied for and received Section 1115 waivers to expand coverage in alternative ways. Details about the five states and their alternative plans are below.

Current as of April 28, 2015 This is a working document that is updated periodically to reflect changes in the status of national coverage expansion with the use of waivers.

APPROVED WAIVERS

Plan Features	Arkansas	Iowa	Michigan	Pennsylvania	Indiana
General Plan	Approved 9/2013-12/2016 1115 Medicaid funds used by state to pay premiums for newly eligible adults. Beneficiaries do not pay premiums. Approved 12/2014 Amendment to establish Independence Accounts for expanded population.	Two waivers approved 12/2013-12/2016 1) Waiver 1 provides premium assistance for persons above 100% through 138% FPL to either purchase qualified health plans (QHPs) in the Marketplace or participate in the Wellness alternative benefits plan. Beneficiaries with Employer Sponsored Insurance (ESI) receive premium assistance for ESI. Beneficiaries between 100-138% FPL pay $10/month premiums beginning in year 2. Premiums can be waived by healthy behaviors. 2) Waiver 2 provides premium assistance for Medicaid/Managed Care coverage for persons at or	Approved 12/2013-12/2018 Beneficiaries 0-138% FPL pay premiums. Beneficiaries 100-138%FPL pay premiums and HSAs. Medicaid benefits provided through managed care plans. Premiums limited to 2% of income for persons above 100%FPL. Premiums and co-pays can be reduced by healthy behaviors. No lock out for non-payment.	Approved: 1/2015-12/2019 No premiums in year 1. In year 2, beneficiaries above 100% FPL pay premiums. No lock out for non-payment. Newly eligible and certain currently eligible persons above 100% FPL pay premiums up to 2% of income. Premiums and co-pays can be reduced by healthy behaviors.	Approved 2/2015- 1/2018 Waiver expands coverage to adults u 138% FPL by adding on to existing waiver, Healthy Indiana Plan (HIP) Plan. Expanded waiver is known as 2.0 or HIP Plus. State contributes to a Personal Well and Responsibility (POWER) accou for persons enrolled in HIP and HI Individuals with incomes above 100 FPL are required to make monthly premium contributions to POWER account up to 2% household incom All others may contribute to POWE account, but are not required. Those who do not contribute are enrolled i HIP Basic.

		below 100% FPL. 19-64 aged beneficiaries at 50-100% FPL pay $5/month premium in year 2 although there is no lock out for non-payment.			
Plan Features	**Arkansas**	**Iowa**	**Michigan**	**Pennsylvania**	**Indiana**
Persons Covered	Parents 17-138%Federal Poverty Level (FPL) Childless adults 0-138% FPL	Adults 19-64 above 100-138%FPL in Marketplace. Adults 19-64 at or below 100%FPL in Medicaid managed care.	Adults 19-64, 0-138%FPL. Non-working parents 37-138%FPL. Working parents 64-138% FPL.	Adults 21-64 0-138% FPL. Parents 33-138%FPL. Childless adults 0-138%FPL.	Adults 19-64 with incomes up to 138%FPL.
Cost Sharing	Yes, as allowed by Medicaid for 50-138% FPL population. Cost sharing payments to Health Savings Account based on income approved as part of year 2 amendment. Cost sharing limited to 5% annual income.	Yes as allowed by Medicaid for non-emergency use of ER. Cost-sharing and premiums limited to 5% of income.	Yes all beneficiaries have income-based cost-sharing either through co-payments or contributions to HSAs. Cost-sharing and premiums limited to 5% of income.	Yes all participants have co-payments in year 1. In year 2, participants subject to monthly premiums have co-payment for non-emergency use of ER. All others have co-payments. Cost-sharing is limited to 5% income.	HIP Basic requires co-payments for services. Persons enrolled in HIP Plus are required to make monthly POWER account contributions and are not subject to cost sharing, except for nc emergency use of ER. Non-payment for 100-138% FPL re in loss of coverage for 6 months. Nc payment for persons below 100% Fl results in transfer to HIP Basic. Demonstration includes a 2-year test graduated co-payments for use of El for first visit and $25 for re-current u emergent visits and education and referrals to primary care providers.
Consumer Driven Incentives	No	Yes premiums waived in year 1 for completing wellness exams. Premiums waived in subsequent years when beneficiaries complete	Payments to HSAs can be offset by healthy behaviors. Details still under development.	Healthy behavior incentive benefits begin in year 2 when participants can reduce premiums and co-pays for healthy behaviors and timely payments demonstrated in	Consistent and timely contributions POWER account are incentivized by enhanced benefits and roll over of unused balance. Receipt of recommended preventive services ea increased POWER account dollars.

		healthy behavior activities.		year 1.	
Plan Features	**Arkansas**	**Iowa**	**Michigan**	**Pennsylvania**	**Indiana**
Private Insurance/ Marketplace/ Managed Care	Participants enroll in Marketplace Qualified Health Plans (QHPs).	Participants enroll in Marketplace QHPs or Medicaid Managed Care coverage depending on income.	Coverage provided by Managed Care Organizations (MCOs) and Pre-paid Inpatient Health Plans (PIHP).	Beneficiaries covered through private Medicaid managed care plans.	HIP 2.0 beneficiaries receive coverag through a managed care organizatior that contracts with the state.
Work Requirement	No	No	No	No work requirement. Incentives for job training and work-related activities.	All HIP 2.0 beneficiaries will have a work search and job training prograr available to them. There is no requirement for participation.
Health Savings Accounts (HSA)	Independence Accounts (IA) approved as a year 2 amendment. Persons 50-138% FPL contribute cost sharing payments to HSAs consistent with federal regulations.	No	A Michigan, or "MI Health Account" will be set up for each beneficiary to track deposits and health spending. MI Health Account contributions can come from sources including the beneficiary, the state, an employer, or others and pays for out of pocket costs.	No	All beneficiaries may contribute to a POWER account that functions like HSA account. Individuals with incomes above 100%FPL are required to make mor premium contributions to POWER account. Penalty for non-payment includes disenrollment for 100-138% FPL or change to HIP Basic with cost sharir for 0-100%FPL.
Benefit Notes	Benefits include 3 month retroactive coverage, non-emergency transportation, early periodic screening, diagnosis and treatment (EPSDT) for 19-20 year olds, and free choice of family planning provider through Medicaid fee for service (FFS) system.	Dental benefits through Alternative Benefits Package (ABP). EPSDT for 19-20 year olds, and free choice of family planning provider through Medicaid fee for service (FFS) system. Medicaid health plan coverage that includes non-emergency medical transportation has been waived through July 31, 2015.	Medicaid ABP based on the ACA 10 Essential Health Benefits. Coverage includes coordination and integration of behavioral and physical health.	Non-emergency medical transportation waived for 2015. Benefit available in 2016. Benefits include 3 month retroactive coverage and free choice of family planning provider.	HIP Plus and HIP Basic beneficiarie will have a full Alternative Benefit P (ABP), with access to essential healtl benefits.

Plan Features	Arkansas	Iowa	Michigan	Pennsylvania	Indiana
Key Concepts	Accountability, personal responsibility, transparency, and encourages responsible choices. Continuity of care and access.	Individual responsibility for personal health. Continuity of coverage. Promotes access to care and encourage healthy behaviors.	Reduce numbers of uninsured. Reduce uncompensated care. Encourage healthy behaviors.	Personal responsibility. Improve healthy behaviors. Cost conscious use of healthcare. Prevention and wellness. Quality and efficiency of care.	Personal responsibility. Cost conscious consumer behaviors. Improve healthy behaviors. Increased access Quality of care.

STATES TO WATCH –Governors of these states support a customized and alternative form of coverage expansion. They have outlined expansion plans and are currently working with their respective state legislatures to secure the approval required to submit a formal proposal to the Centers for Medicare and Medicaid Services (CMS) in the form of an 1115 waiver.

Plan Features	Idaho	Utah	Tennessee	Montana updated 4/28/15
General Plan	Healthy Idaho Plan Less than 100%FPL enroll in Medicaid Managed Care. 100-138%FPL purchase subsidized insurance on state health exchange.	Healthy Utah Plan Childless adults less than 138%FPL. Adults with children who are 50% -138%FPL. Coverage is through premium assistance, assistance with employer sponsored coverage, if available or traditional Medicaid.	Insure Tennessee Adults 19-64 Parents: 103-138% FPL Childless adults- 0-138%FPL Coverage is through Medicaid managed care plans (Healthy Incentives Plan), or through their Employer Sponsored Insurance (ESI), if available	Montana HELP (Health and Economic Livelihood Partnership) Adults 0-138%FPL Coverage is through private insurance
Key Concepts	Medicaid Managed Care enrollees would have: - co-pays for non-emergent use of Emergency Room; -maximum allowable cost sharing.	Automatic enrollment in a work search/training program w/ ability to opt out. Utah can terminate the plan if federal government fails	100-138% pay premiums =2% of income Proposed disenrollment for failure to pay premiums after 60 days Participants would pay co-pays	Program participants pay co-payments not to exceed amount allowed under federal law Program participants will pay monthly premiums equal to 2% of income Individuals who earn ≤100%FPL who fail to

		to pay the promised match rate. All members pay co-payments, those 100-138%FPL pay premiums & co-payments. Co-payments for non-emergent use of ER. Health incentive programs.	Health Savings Account with potential to earn account credits for healthy behaviors	make a monthly premium payment after 90 days, unpaid amount will be collected by assessing it against annual income tax. Individuals who earn greater than 100%-138%FPL who fail to make premium payments after 90 days will be dis-enrolled from the expansion program, but can be enrolled after payment is made and debt is cleared. Persons enrolled in HELP will have workforce development opportunities with the goal of increasing earning capacity, economic stability, and self-sufficiency so that participants can ultimately purchase their own health insurance coverage without state assistance.
Status	State legislature is in session. Governor Otter's Medicaid workgroup offered testimony to legislators in support of a bill to expand coverage. Next Steps: Legislative session ends April 3. Although 2 legislators are pushing to discuss expansion, the topic is currently not being addressed by the legislature.	Utah legislative session ended in early March 2015 without passing or compromising on either Governor Herbert's "Healthy Utah" plan or the Republican-led "Utah Cares" plan. Next Steps: Utah will hold a special session to discuss Medicaid expansion options, and are committed to producing a mutually agreeable plan by July 31, 2015.	In February 2015, the Tennessee legislature failed to pass the proposed "Insure Tennessee" program. On March 23, Tennessee's Health and Wealth Senate sub-committee passed a resolution to allow the Governor to work with the federal government to implement the "Insure Tennessee" program. The proposal passed with 3 conditions: 1) a program could not be implemented until after a ruling on King v. Burwell, 2) the federal government had to provider written confirmation that TN can opt out if state tax money is required, and 3) provisions similar to the IN plan will be implemented. Next Steps: TN legislators defeated Insure Tennessee expansion bill. Next steps	Montana's Medicaid expansion HELP bill, was signed into law by the Governor on April 28, 2015. Next steps: CMS has to approve Montana's expansion plan.

			not clear.	

States Considering Coverage Bills
Florida Alaska