Affordable Care Act Update

By David Valent, Esq.

Provided herein is a summary of recent developments regarding the implementation of the Affordable Care Act (“ACA”), as part of an ongoing series of articles regarding the ACA. The purpose of this article is to provide you with information regarding issues directly impacting your patients — so you can better appreciate their concerns, and help them better meet their needs.

Website Woes
As this readership is well aware, one of the primary provisions of the Affordable Care Act is to make available healthcare exchanges and/or Marketplaces online, for consumers to purchase “affordable” insurance options.

The health insurance Marketplace exchanges were to become available for shopping and/or review beginning on October 1, 2013, with coverage provided by such policies purchased to begin January 1, 2014. Unfortunately, it seems apparent that the government underestimated the volume and/or traffic to its website: www.healthcare.gov, and the website did not function as anticipated.

The Secretary of U.S. Department of Health and Human Services, Kathleen Sebelius, indeed conceded that there have been some implementation difficulties. “I’ll be the first to tell you that the website launch was rockier than we would have liked,” she told an audience recently in Cincinnati, Ohio, during her tour to promote the ACA. She further noted “there are constant improvements underway, so that we are getting people in much more quickly.”

On December 11, 2013, Secretary Sebelius addressed the troubled rollout of the ACA before a House Committee. She testified that the insurance market system is back on track, and that her office is launching an investigation into the situation. With improvements having been made to the website over the past several weeks, Secretary Sebelius reports that the website is now operating with increased capacity and an error rate below 1%. For those healthcare providers discussing these issues with their patients, more information regarding the Marketplaces can be found at: healthcare.gov.

Continued Challenges to ACA – Contraceptive Mandate
Late this year, the U.S. Supreme Court decided to accept for review the case of Hobby Lobby Stores v. Sebelius, from the U.S. Court of Appeals for the 10th Circuit.

The primary issue is whether the ACA’s mandate that large, for-profit, employers pay for their workers’ birth control is a violation of religious freedoms. As it currently stands on this issue, there is a 3 to 2 circuit split among lower Courts, which will now be solved by the Supreme Court's anticipated ruling. Although the Supreme Court has not indicated exactly the questions it will answer, there will likely be issues decided concerning the First Amendment. Also, the Court will likely address whether the Religious Freedom Restoration Act allows for-profit companies to withhold benefits required by the ACA mandate.

ACA Online Enrollment for Small Businesses Delayed One Year
In November 2013, President Obama decided to delay online enrollment by one year for small businesses using the ACA’s federal marketplace, as a means to provide insurance options to its employees. The delay was seemingly implemented as a result of the excessive traffic to the government’s website and lack or reliability of same. Although the online purchases are being rolled back to November, 2014, small businesses are still able to comparison shop and enroll by phone, in the interim.

Study Finds Better Security and Fraud Control Needed For ACA Oversight
The U.S. Treasury Inspector General for Tax Administration recently released study findings that the IRS computerized tax credit calculation and qualification system has a lack of antifraud protection, which could result in the ACA tax payer refunds being misappropriated.

Indeed, the IRS is the government entity responsible for having developed a computer system that calculates automatic tax credits under the Affordable Care Act, and which also determines ACA eligibility and enrollment based on previous tax return filings. The study found that the system needs improvement with regard to security, fraud and detection and accuracy. It is anticipated that the IRS will address these issues in the future.

Short Extension to Find Pre-Existing Condition Coverage, and to Enroll in Other Plans Taking Effect January 2014
The Department of Health and Human Services decided this December 12, 2013, that individuals in the federally run “Pre-Existing Condition Insurance Plan” (PCIP) will have an extra month to find a plan through the online Marketplace, rather than be left without coverage.

The PCIP will offer transitional coverage to those currently enrolled in PCIP who have not yet secured other health insurance, from January 1, 2014 through January 31, 2014. This transitional coverage will allow PCIP enrollees more time to review Marketplace plan options and enroll in the coverage that best meets their needs. They will be notified by mail of this offer to extend their PCIP plan for an additional month. www.pcip.gov provides more information on this issue.

Also announced by the DHHS, is that all individuals had until December 23, 2013 to find coverage starting January 1, 2014, through the online Marketplace. This is an extension from the December 15, 2013 deadline previously set.

Medicaid Expansion in Ohio
After months of debate and political posturing, it seems as though the Medicaid expansion will move forward in Ohio, absent a Court order stopping the expansion. As you may recall, the plan to expand Medicaid in Ohio was approved through Governor Kasich’s plan to take the issue to a legislative panel and/or “Controlling Board,” rather than to involve the legislature. The Governor’s efforts were successful in passing a measure to expand Medicaid in Ohio, pursuant to the ACA. That said, some State Republicans and activists are still trying to stop the Governor’s implementation of the expansion.

On day one of the implementation of the expansion, the program allowed for more than 1,000 low income residents to sign up for tax funded health insurance. Also, the Governor’s office reported that the rollout occurred without the technical failures and glitches that faced the October 1st rollout of the federally led website. See the state website at: www.medicaid.ohio.gov.

For further information regarding ACA and/or issues that may be specific to you practice, please do not hesitate to contact David A. Valent, Esq. at Reminger Co., LPA; dvalent@reminger.com, 101 Prospect Ave. W, Suite 1400, Cleveland, Ohio 44115.