THE AFFORDABLE CARE ACT AND THE IMPACT IN SAN FRANCISCO

PRESENTED TO COMMUNITY CORRECTIONS PARTNERSHIP, AUGUST 29, 2013

AGENDA

- Health Reform 101: Coverage Expansion
- Impact of Health Reform on the Uninsured
- Impact of Health Reform on the Criminal Justice System

HEALTH REFORM 101: COVERAGE EXPANSION

OVERVIEW

- Signed into law in March 2010
- Major provisions become effective January 1, 2014
- Nationwide, by 2016:
 - Uninsured in the US will be cut by more than half
 - 92% of US residents will be insured
- In San Francisco:
 - ~56,000 currently uninsured San Franciscans will have access to health insurance

HEALTH INSURANCE REQUIREMENT AND EXPANSION

Mandate to Have Insurance

- Individual mandate
- Some exceptions:
 - undocumented immigrants
 - hardship
 - very low income
 - incarcerated
 - religious exemptions
 - members of Indian tribes
- Penalty for noncompliance:
 - \$95 in 2014
 - \$325 in 2015
 - \$695 in 2016

More Affordable Options

- Meeting the mandate
 - Expanded Medicaid eligibility
 - On-line insurance
 marketplace
 - Employer-sponsored coverage
 - Market reforms

MEDI-CAL EXPANSION AND COVERED CALIFORNIA



- Childless adults with incomes ≤ 138% of Federal Poverty Level (FPL)
- Two health plans in SF
- Year-round enrollment



- CA's Health Insurance Exchange
- Five health plans in SF
- Low-income subsidies for incomes 138%-400% FPL
- Initial enrollment Oct 2013-March 2014
- Open enrollment October-December annually

EMPLOYER PROVISIONS

- Small employers (<50 FTE) may purchase affordable coverage on Covered CA
- Large employers (>50 FTE) may be subject to penalties for
 - No coverage:
 - Unaffordable coverage
- Implementation of employer provisions delayed to 2015

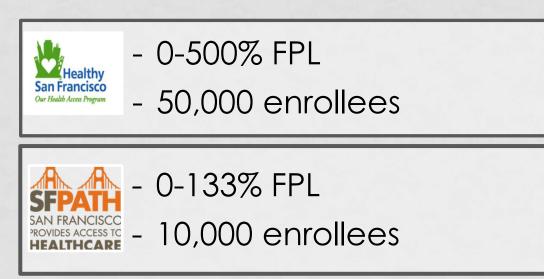
MARKET REFORMS

- Guarantee issue and renewal
- No pre-existing condition exclusions
- Coverage of essential benefits for small group and individual plans
- Coverage for dependents up to age 26
- Elimination of cost-sharing for prevention

IMPACT OF HEALTH REFORM ON SAN FRANCISCO'S UNINSURED

SAN FRANCISCO'S UNINSURED

- 84,000 uninsured San Francisco adults, ages 18-64
- 60,000 (71%) enrolled in DPH programs



- 95% of San Franciscans ages 18-64 either
 - Have health insurance OR
 - Are enrolled in a DPH program for the uninsured

SAN FRANCISCO'S UNINSURED

HSA "touch points" with the uninsured:

- ~ 24,000 CalFresh clients age 18-64
 - 30% already in SF PATH or HSF
 - remainder already on MC (~35%) or likely to become eligible to MC (~38%)

Homeless clients and CAAP clients are other target populations for HSA outreach

BECAUSE OF OUR PROGRAMS, SAN FRANCISCO IS AHEAD OF THE CURVE



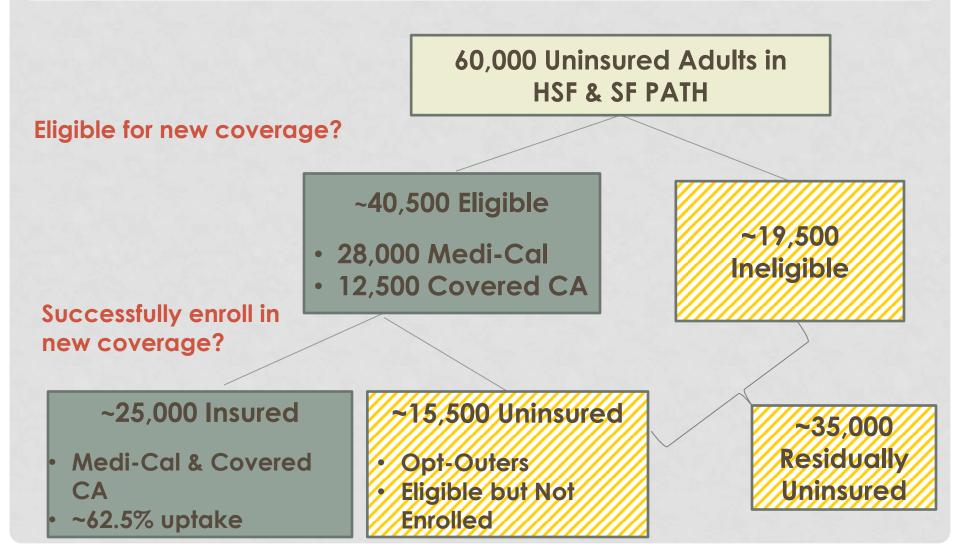
- Addressed "pent-up" demand

- Promoted medical homes and preventive services
- Increased providers serving the uninsured
- Identified our uninsured

- Entry into managing care - Superhighway to Medi-Cal



ESTIMATES OF COVERAGE TRANSITIONS UNDER HEALTH REFORM



ACA IMPLEMENTATION AT DPH

TWO-FOLD FOCUS

- DPH health care delivery system readiness
 - Better integrating our delivery system
 - Improving quality
 - Increasing access to care
 - Enhancing the patient experience
- Transitioning uninsured to health insurance
 - Supporting a culture of coverage
 - Outreach and education

KEY FACTORS TO SUCCESSFUL IMPLEMENTATION

Individual Responsibility

• Beyond the individual mandate

Successful transitions

- Enrollee communication
- Provider
 communication
- Enrollment assistance
- Behind the scenes

Outreach to key populations

- 18-35 year olds key
- Asian and Latino adults
- Residents of the southeast corridor
- Sole proprietors and small businesses

Messaging

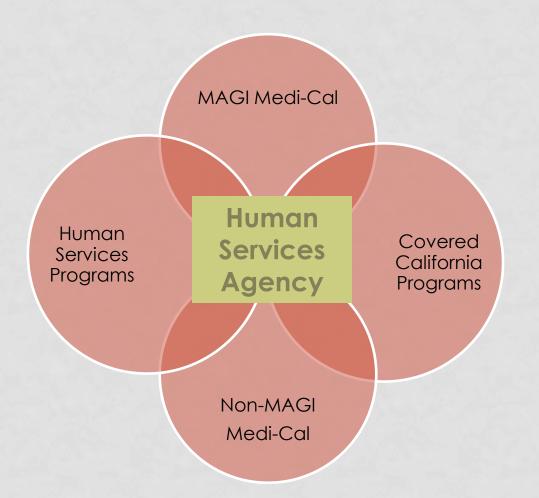
- New opportunities for health insurance coverage are coming and we can help you enroll
- Health insurance is better than Healthy San Francisco if you qualify
- Healthy San Francisco will be here for those who do not qualify

ACA IMPLEMENTATION AT HSA

HSA'S ROLE

- Conduct eligibility and enrollment of applicants into Medi-Cal and Covered California coverage plans
 - Work with DPH to seamlessly enroll SF Path and Healthy SF clients into Medi-Cal or Covered CA
 - Coordinate with Mayor's Office, DPH and other stakeholders on outreach and education for community partners and special target populations
 - Provide ongoing case maintenance support and eligibility renewals for Medi-Cal clients

HSA'S ROLE



 Enroll clients into other supportive services programs for which they are eligible (beyond health coverage)

TIMING OF TRANSITIONS

<u>June 2013</u>

Covered CA Health Plans identified

October 2013

Covered CA and Medi-Cal Pre-Enrollment Begins

January 2014

• SF PATH Ends (10K Uninsured to Medi-Cal)

January 2014-December 2014

• ~25K-40K HSF participants transition to insurance

HEALTH REFORM AND THE CRIMINAL JUSTICE SYSTEM

IMPORTANCE OF ENROLLMENT

- 70% of statewide jail population is uninsured
- High rates of substance abuse, mental illness, and other chronic conditions
- Only ~15% of SF jail population is sentenced, and the average jail stay is 4 months

Cost savings

COVERAGE OPTIONS IN 2014 MEDI-CAL

- A large majority of the jail population will be newly eligible for Medi-Cal
- Current provisions remain:
 - Benefits are suspended or terminated if the county learns that the recipient has been incarcerated
 - Medi-Cal will not pay for services provided to incarcerated persons
 - Exception: MCIEP pays for hospital care

COVERAGE OPTIONS IN 2014 COVERED CA

- Pre-adjudicated, in jail or in community:
 - Eligible for a qualified health plan (QHP) on Covered CA
 - Eligible for premium and cost-sharing subsidies
 - Subject to Individual Mandate while pending disposition
- Incarcerated persons:
 - Ineligible for QHP coverage
 - Exempt from the Individual Mandate
 - May continue to qualify for tax credits if their family members are enrolled in a QHP
- Released persons:
 - Eligible to enroll in QHP with a 60-day special enrollment period

ENROLLMENT OPPORTUNITIES

- In the criminal justice system
 - Intake
 - Courts
 - Release
 - Adult Probation
- SF PATH Anyone enrolled before October 15th will be transferred automatically to Medi-Cal in 2014
- Partner with
 - Certified Enrollment Entities
 - In-Person Assisters
 - Navigators
 - SF Human Services Agency
 - Healthy San Francisco

CONSIDERATIONS

- Trained eligibility workers
- Documentation of eligibility
- Termination of benefits

STATE LEGISLATION

- **AB 720** pending in the State Senate; would require:
 - counties to assist inmates to apply for health care coverage prior to release
 - that Medi-Cal enrollees NOT be terminated from the program due to incarceration in county jail
- **SB 283** pending in the State Assembly; would make drug felons eligible for CalFresh (i.e., Food Stamps) benefits if they comply with the terms of probation, parole or other supervised release