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Healthy PA Update: Insurers Selected for Private Coverage Option

On June 20th, Governor Corbett announced that nine insurance organizations successfully submitted applications to participate as insurers in the Healthy Pennsylvania Private Coverage Option that is still being negotiated with the federal government and awaiting final approval. Readers may recall that last month, the Department of Public Welfare (DPW) decided to seek bids from health insurance organizations interested in providing physical and behavioral health coverage to the approximately 500,000 individuals who are expected to qualify for the Private Coverage Option. DPW proceeded with permission from the federal government so that, if their proposed plan receives approval, it would be on track to start providing coverage on January 1, 2015. Now that the insurers have been identified, DPW will continue to move forward in the negotiation process to ensure that the selected insurers are in compliance with state and federal rules and regulations.

There are nine designated regions of operation for Healthy Pennsylvania. DPW received at least three applications from insurers for each region-exceeding its goal of two per region. In more than half of the regions, five or more qualified insurers submitted applications. Individuals who qualify for insurance through the Private Coverage Option will select a plan from among all those operating in the region where they live.

Many of the selected insurers currently operate Medicaid managed care plans in Pennsylvania. They are: Aetna Better Health, Gateway Health, Geisinger Health Plan, Health Partners, United Healthcare,

and UPMC. The other insurers who successfully submitted applications were Capital Blue Cross, Keystone Health Plan West/Highmark, and Vista. The following chart describes the nine Healthy PA regions and which insurers were approved to do business in each region.

Region	Counties	Insurers
Region 1	Clarion, Crawford, Erie, Forest, McKean, Mercer, Venango, and Warren	Gateway Health, United Healthcare, UPMC, Vista
Region 2	Cameron, Elk, and Potter	Gateway Health, Keystone Health Plan West/Highmark, UPMC, Vista
Region 3	Bradford, Carbon, Clinton, Lackawanna, Luzerne, Lycoming, Monroe, Pike, Sullivan, Susquehanna, Tioga, Wayne, and Wyoming	Geisinger Health Plan, United Healthcare, Vista
Region 4	Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland	Aetna Better Health, Keystone Health Plan West/Highmark, United Healthcare, UPMC, Vista
Region 5	Bedford, Blair, Cambria, Clearfield, Huntingdon, Jefferson, and Somerset	Gateway Health, United Healthcare, UPMC, Vista
Region 6	Centre, Columbia, Lehigh, Mifflin, Montour, Northampton, Northumberland, Schuylkill, Snyder, and Union	Capital Blue Cross, Gateway Health, Geisinger Health Plan, United Healthcare, Vista
Region 7	Adams, Berks, Lancaster, and York	Capital Blue Cross, Gateway Health, Geisinger Health Plan, United Healthcare, UPMC, Vista
Region 8	Bucks, Chester, Delaware, Montgomery, and Philadelphia	Aetna Better Health, Gateway Health, Health Partners, United Healthcare, Vista
Region 9	Cumberland, Dauphin, Franklin, Fulton, Juniata, Lebanon, and Perry	Aetna Better Health, Capital Blue Cross, Gateway Health, United Healthcare, Vista

Budget Update

The new fiscal year starts July 1st, and the legislature continues to debate FY2014-2015 budget bills. As of the time this newsletter was published, the legislature had passed a budget bill with just hours remaining before the June 30th deadline that Governor Corbett decided not to sign. The Commonwealth faces a budget deficit of over \$1 billion for the next fiscal year, and state lawmakers do not want to use new taxes to reduce the deficit. As a result, lawmakers and the Governor are scrambling to find **new** revenue sources to fill this budget hole rather than cutting popular existing programs in an election year.

At this time, it does not appear that House Bill 1492, which calls for the immediate expansion of Medicaid as a temporary measure until Healthy Pennsylvania receives federal approval (which is still uncertain), is moving forward. The Bill passed out of the House Human Services Committee in early June, but currently sits in the House Rules Committee. Supporters of the proposed legislation anticipated it would bring more than \$600 million in savings and new revenue for the next fiscal year that would significantly reduce the existing budget deficit.

We will update readers in the July newsletter about the final budget for FY2014-2015 and what it means for health programs such as Medicaid as well as for the consumers who rely on these programs.

PA Approved for Additional Waiver Funds

Recently, the federal government approved Pennsylvania's application to receive up to \$94 million in additional Medicaid funding between July 1, 2014 and September 30, 2015. These funds are available through the Balancing Incentive Program which encourages states to improve "Waiver" programs that provide long-term, home and community-based services and supports to older adults and individuals with disabilities. DPW applied for the enhanced funding in order to expand the number of persons that can be served by these Waiver programs in the new fiscal year starting July 1st: Aging, Attendant Care, Autism, COMMCARE, Consolidated, Independence, OBRA, and Person/Family Directed Supports. However, Pennsylvania still needs to allocate additional state funds in the FY 2014-2015 budget in order to draw down these additional federal dollars. Recent shortfalls in state revenues have jeopardized the inclusion of the necessary additional state funds in the final budget. Unless measures are taken by the PA legislature to increase state revenues, it is quite likely that the proposed expansions in numbers of people served by these waiver programs will be delayed, reduced or even eliminated.

In addition to serving more people, Pennsylvania plans to use the additional funding to improve the information available about long-term care services and supports programs and how people can access them. The funding will also be used to make improvements to the application process for people seeking help through these programs. Stay tuned for future updates as Pennsylvania moves forward with finalizing its plan and implementing changes to these important programs!

The “5% Disregard” & Medicaid Eligibility for Children, Parents, and Pregnant Women

DPW recently revised the way it calculates the 5% disregard for the Medicaid categories covering children, pregnant women, and parents/caretakers. The income-counting rules for these “MAGI” (Modified Adjusted Gross Income) categories were changed by the Affordable Care Act to mirror the eligibility rules for the Children’s Health Insurance Program and for premium tax credits to buy health insurance through HealthCare.gov.

The 5% income disregard is used to decide whether an applicant is under the Medicaid income limit for the relevant MAGI category based on the person’s circumstances and household size (*see chart below*). The 5% income disregard replaces the old Medicaid rules allowing disregards for earned income and for child care expenses. **Please note:** the 5% disregard does not apply to non-MAGI Medicaid categories such as the categories for older adults or for adults with disabilities.

Originally, DPW calculated the 5% disregard based on the applicable federal poverty level (FPL) for the category (i.e., 5% of 33% FPL or 5% of 157% FPL). Now, however, the calculation is based on 5% of 100% FPL so that the disregard is the same no matter which MAGI category someone falls under based on their household size. This change is the result of advocacy efforts involving PHLP and led by Community Legal Services in Philadelphia and it reflects what most other states are doing.

The chart below shows the 2014 monthly MAGI income limits by household size and category.

Household Size	Disregard (5% FPL)	Parents (33% FPL)	Kids age 1-5 (157% FPL)	Kids age 6-18 (133% FPL)	Pregnant & Infants <1 (215% FPL)
1	\$48	\$321	\$1,527	\$1,294	\$2,091
2	\$65	\$433	\$2,058	\$1,744	\$2,819
3	\$82	\$545	\$2,590	\$2,194	\$3,546
4	\$99	\$656	\$3,121	\$2,644	\$4,274

Example: Huey (age 5) and Riley (age 6) live with their mother, who earns \$2,200 per month before taxes. Huey is eligible for Medicaid because the household’s income is under the limit for children age 1-5 in a household of three (\$2,590). Riley is also eligible for Medicaid: though the household’s income is over the limit for children age 6-18 in a household of three (\$2,194), Riley is under the limit with the 5% disregard (\$2,194 + 82= \$2,276). Because their mother’s income exceeds the limit for parents even with the 5% disregard (\$545 + 82= \$627), she is not eligible for Medicaid.

Note on Medicaid Expansion: If Pennsylvania decides to expand Medicaid, nearly all adults under age 65 with income under 133% FPL would qualify and the 5% disregard would apply to this expansion group. Governor Corbett is negotiating his Healthy PA proposal with the federal government to implement this expansion through a “Private Coverage Option”. See page 1 and [previous newsletters](#) for more information.

Efforts Across the Country To Cover ABA Under Medicaid Meeting with Success

Advocates across the country are making advances in getting their states to cover Applied Behavioral Analysis (“ABA”) under Medicaid. ABA is the treatment modality for autism that has the greatest body of research supporting its efficacy. It is defined in Pennsylvania’s Autism Insurance Law (Act 62 of 2008) as “the design, implementation and evaluation of environmental modifications, using behavioral stimuli and consequences, to produce socially significant improvement in human behavior or to prevent loss of attained skill or function, including the use of direct observation, measurement and functional analysis of the relations between environment and behavior.”

Following a federal lawsuit brought by families seeking Medicaid coverage of ABA, Louisiana had its Medicaid State Plan Amendment approved by the federal government on May 23rd to cover “licensed behavior analysts” who commonly oversee ABA programs. A similar State Plan Amendment for Washington state is awaiting approval. In addition, lawsuits have been filed against several states, including Florida and Ohio, usually arguing that coverage of ABA under Medicaid is required by the Early & Periodic Screening, Diagnosis and Treatment (EPSDT) mandate to cover all medically necessary services for those under the age of 21.

Although PA’s Autism Insurance Law has required PA’s Medical Assistance program to cover ABA since 2009, the state has not yet covered ABA as a distinct service under Medical Assistance, claiming that ABA can be covered under the existing BHRS (wraparound) services. However, clinicians trained in ABA have argued that the requirements imposed on BHRS undermine the effectiveness of ABA and state officials have admitted that BHRS was not designated for children with autism.

As noted in our [previous newsletter](#), families, clinicians and PHLP have formed the “ABA in PA Coalition” to press for full coverage of ABA under Pennsylvania Medicaid. The Coalition has developed specific proposals detailing appropriate ABA models of care, based on the principles of the Behavior Analyst Certification Board which can be found [here](#). Coalition members have met with DPW officials and have begun meeting with a number of state elected officials. In addition, a federal class action lawsuit has been filed by Disability Rights Network of PA against DPW for its failure to recognize ABA as a distinct service. That case is [Sonny O. v. Mackereth](#).

There have been indications that DPW is willing to discuss coverage of ABA. We will keep readers informed of any new developments. Individuals interested in learning more about the Coalition can contact David Gates at dgates@phlp.org or follow the Coalition on Twitter ([@ABAINPA](#)).

Reminder: Former Foster Youth Can Qualify for Medicaid Until Age 26

Since January 1, 2014, former foster youth are eligible for Medicaid coverage until age 26 **if** the youth was in foster care **and** on Medicaid on his or her 18th birthday. There is **no income limit** for this category. Most youth are unaware of this new coverage that is required by the Affordable Care Act.

To obtain coverage, former foster youth must submit an [application](#) which can be done online through [COMPASS](#), over the phone (1-866-550-4355), in-person or by mail. **It is important to answer the questions about foster care on the application!** Caseworkers should be able to confirm the receipt of Medicaid as a foster youth in Pennsylvania through the Client Information System. Income verification should **not** be required.

Pennsylvania is also allowing former foster youth who received foster care and Medicaid in another state to qualify for this extended coverage. These youth **will** have to provide documents proving their foster care status. The following documents may be helpful:

- A statement from the state or county agency verifying that individual was in their custody at age 18.
- A statement from an agency responsible for placement verifying that individual was in the custody of the state or county at age 18.
- A copy of a court order verifying that the individual was in the custody of the state or county at age 18.
- A copy of the person's Foster Care Transition Plan that includes foster care and Medicaid status.

Other forms of verification such as a letter from a former foster parent, an agency that provided services, or even a former foster sibling may also be acceptable.

Youth who age out of foster care in Pennsylvania after January 1, 2014 should be automatically enrolled in the new former foster youth category. The Children and Youth Services discharge form, the CY 60, should serve as the application for Medical Assistance and provide the needed information to authorize coverage.

PHLP, in collaboration with the Juvenile Law Center and Healthy Philadelphia, has developed two outreach tools for former foster youth. Written in low-literacy format, these outreach tools are designed to inform agencies and clients about the availability of coverage and how to apply. A flyer and a "palm card" can be customized with local agency contact information and logos.

For the flyer and palm card template, or for more information, contact Ann Bacharach at abacharach@phlp.org or 215-625-3596.

Behavioral Specialist Consultant (BSC) Licensure Requirements Now in Effect

Beginning May 26, 2014, children and youth with Autism Spectrum Disorders who receive Behavioral Specialist Consultant (BSC) services under Medicaid **must** receive those services from a licensed provider. The licensure of BSCs treating children and youth with Autism Spectrum Disorders is required by the Pennsylvania Autism Insurance Law (Act 62 of 2008).

As detailed in prior newsletter articles, Act 62 included a provision that created a category of licensed provider called a “behavior specialist”. The Act defines behavior specialist as:

“an individual who designs, implements or evaluates a behavior modification intervention component of a treatment plan, including those based on applied behavioral analysis, to produce socially significant improvements in human behavior or to prevent loss of attained skill or function, through skill acquisition and the reduction of problematic behavior.”

Act 62 sets out certain qualifications for behavior specialists and gives the state Board of Medicine responsibility for licensure.

BSCs treating children with autism under Medicaid were initially required to be licensed as a behavior specialist by May 26, 2013. However, due to a variety of challenges that arose, DPW extended the deadline for licensure to May 26, 2014. The Department’s Office of Mental Health and Substance Abuse Services (OMHSAS) recently issued a [Bulletin](#) which outlines how licensed providers enroll in the Medical Assistance program and are paid for providing BSC services to children with Autism Spectrum Disorders.

At a meeting last month, before the May 26th implementation date, OMHSAS announced that 1,900 individuals have been licensed as a Behavior Specialist, and another 700 providers currently working as a BSC have other appropriate licensures to meet the Act 62 requirements. OMHSAS expressed confidence that there are a sufficient number of licensed staff to meet the needs of children and youth with Autism Spectrum Disorders authorized to receive BSC services. However, some stakeholders have expressed concerns about the adequacy of the provider network noting that OMHSAS had previously anticipated needing **3,500** licensed behavior specialists to meet the need for services. Families having difficulty accessing authorized Behavioral Specialist Consultant services from a licensed provider should contact PHLP’s Helpline at 1-800-274-3258.

Aetna and Coventry Health Plans To Merge

The Department of Public Welfare has announced the upcoming merger of two Medicaid managed care plans. Coventry Cares is merging into Aetna Health Plan effective October 1, 2014. This is a direct result of events at the national level last year when Aetna bought Coventry Health Care. Coventry Cares currently operates as a Medicaid managed care plan in four HealthChoices Zones-New West, Southwest, New East and Southeast. Aetna has been a Medicaid managed care plan in only two zones-Southeast and Lehigh/Capital.

As a result of this merger, Aetna Health Plan will be operating in **all** HealthChoices zones as of October 1st. Three of these zones will be new to Aetna – Southwest, New West and New East. Advocates have expressed concern that Aetna will not have adequate provider networks in place by October – particularly in the zones in which it has never operated a Medicaid plan.

DPW is requiring Coventry Cares to send out letters to all their members notifying them that Aetna has bought out the plan and that as of October 1st they will be enrolled into Aetna Health Plan. So far, this letter has only been mailed out to Coventry Cares members in the **HealthChoices Southeast zone**. The letter cautions Coventry members that some of their current doctors and/or hospitals may not take Aetna and that they should check with their providers to see if that is the case. If a member's provider will not take Aetna, the member can choose to either change providers to one who takes Aetna or switch to a different health plan in the zone that their provider will accept.

Additional Opportunities to Provide Input to LTC Commission

Individuals interested in submitting comments or other feedback to the Long Term Care Commission now have until August 14th to do so! Comments are being accepted by e-mail at ra-LTCCommission@pa.gov or via US mail at PO Box 8025, Attn: OLTL POLICY, Harrisburg, PA 17105.

An additional public meeting is scheduled for **July 14th** in Philadelphia from 10am-1pm in the Main Council Chambers at City Hall (1401 John F. Kennedy Boulevard). Individuals wishing to provide verbal comments or to attend the public meeting are asked to register either [online](#) or by calling 717-425-5719 or 1-800-654-8957 (TDD users) and providing their name and telephone number. Individuals are given five minutes to present their comments and are asked to submit a written copy to the Commission.

As a reminder, the Commission is particularly interested in feedback in the following areas: prevention and caregiver support, accessibility, provision of service, and quality outcomes and measurement. More information about the Long Term Care Commission and submitting comments can be found [here](#).

Our Mission

Founded in the mid-1980s and incorporated in 1993, PHLP protects and advances the health rights of low-income and underserved individuals. Our talented staff is passionate about eliminating barriers to health care that stand in the way of those most in need.

We seek policies and practices that maximize health coverage and access to care, hold insurers and providers accountable to consumers, and achieve better outcomes and reduce health disparities.

PHLP advances its mission through individual representation, systemic litigation, education, training, and collaboration.

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For the Capital Region, go to uwcr.org and pledge a donation to PHLP.

For the Pittsburgh Region, go to unitedwaypittsburgh.org and select agency code number 11089521.

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