Health Law PA News

Newsletters of the Pennsylvania Health Law Project
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adultBasic Costs To Increase Significantly on March 1st

Starting March 1st, thousands of adultBasic enrollees and many on the waiting list will pay much higher costs for their health care coverage. There are currently about 41,000 individuals enrolled in adultBasic, a limited benefit heath insurance program funded through Pennsylvania's settlement with the tobacco companies and contributions from the Pennsylvania Blue Plans as dictated by the Community Health Reinvestment Agreement. The program provides health insurance coverage to uninsured Pennsylvanians between 19 and 65 years of age who have income below 200% of poverty level and who are not eligible for Medical Assistance. The cost for this coverage is $35.00 per month, per person. That monthly premium for enrollees will increase $1 per month—from $35 to $36; however, co-payments for doctor visits and emergency room care will **double**. Also, adultBasic members will begin to pay 10% coinsurance for all other services they previously received at no charge (including inpatient hospital care, chemotherapy, home health care and diabetic supplies) until they reach the $1,000 annual coinsurance maximum.

The hardest hit by the cost increases will be the 3,500 people paying for the adultBasic coverage at cost while on the waiting list for subsidized coverage. On March 1st, the monthly premiums for those individuals will increase from an average of $330 to $600. Many of these individuals purchase adultBasic coverage at cost because they have a health condition that needs treatment, and they are unable to obtain any other insurance. Doubling the monthly premium will make it extremely difficult for these individuals to continue to afford adultBasic health coverage and as a result many will lose access to necessary health care services.

Pennsylvania Insurance Commissioner Joel Ario cited inadequate state funding, coupled with increased demand for the program, as the reason for the substantial increase in adultBasic cost-sharing. The adultBasic waiting list has increased dramatically. Fifteen months ago the waiting list was 118,270. Today 369,000 Pennsylvanians are on the waiting list from every county in the Commonwealth. The two largest counties, Philadelphia and Allegheny, have waiting lists of 56,655 and 30,814 respectively. In Berks, Bucks, Delaware, Erie, Lancaster, Lehigh, Luzerne, Montgomery, Westmoreland and York counties, the list ex-

(Continued on Page 2)

INSIDE THIS EDITION

(Continued from Page 1)

ceeds 10,000. More than 7,500 await health care coverage in Northampton County. The list exceeds 5,000 in Beaver, Blair, Chester, Dauphin, Fayette, Lackawanna, Monroe, Schuylkill, and Washington counties. Only three counties, Cameron (248), Forest (184), and Sullivan (236) have fewer than 500 people on the waiting list.

Last summer, the state House of Representatives passed House Bill 1, which would have expanded adultBasic coverage to 130,000 working-age adults and added benefits to the program, including prescription coverage, chronic disease management, preventive and wellness care, and behavioral health care. That bill did not win approval in the Senate.

For more information on adultBasic benefit changes and cost increases, visit www.insurance.pa.gov or call the PA Insurance Department's consumer hotline at 1-877-881-6388.

HealthChoices Consumers in Central and SE PA Will Soon Have More Plan Options

Medical Assistance recipients in Central and Southeastern Pennsylvania will soon have more choice in health plans. The Department of Public Welfare's Office of Medical Assistance Programs (DPW), which oversees the physical health component of the HealthChoices Program, is adding two more managed care plans in these areas. DPW is mailing an enrollment package in mid-February to all HealthChoices consumers in the Southeast and the Lehigh/Capital HealthChoices Zones to inform them of the new Physical Health Managed Care Organizations (PH-MCOs) that will be available beginning April 1st. HealthChoices consumers always have the option to stay in their current Physical Health plan or switch to another plan operating in their area by calling PA Enrollment Services at 1-800-440-3989.

The enrollment package will inform consumers that they have two new plans in addition to the choices already available. If consumers want to remain in the plan they are in, they do not need to take any action. If a consumer wants to switch to one of the other available plans operating in their region (listed below), they must take action and are given information on how to proceed. DPW has concluded that all the plans have adequate provider networks. In other words, each health plan has a sufficient number of doctors, hospitals and health care staff to meet the needs of the members who get their health care through the plan.

Beginning April 1, 2010, the PH-MCOs available in the Southeast Zone will be:

- Aetna Better Health*
- AmeriChoice of Pennsylvania, Inc.
- Coventry Cares from HealthAmerica*
- Health Partners, Inc.
- Keystone Mercy Health Plan (see the paragraph at the end of this article)

In the Lehigh/Capital Zone consumers will have these choices:

- Aetna Better Health*
- AmeriHealth Mercy Health Plan
- Gateway Health Plan
- Unison Health Plan
- UPMC for You**

*These managed care plans are contracting with the state to provide Medical Assistance services for the first time.

**UPMC for You currently contracts with the state in the Southwest Zone and will expand to the Lehigh/Capital Zone beginning in April.

Enrollment Suspended for Keystone Mercy Health Plan

In an unprecedented action, DPW is suspending new enrollments into Keystone Mercy Health Plan (KMHP) for at least six months beginning April 1st. The reasons given for the suspension are (1) to allow the new managed care plans an opportunity to build membership, and (2) to balance membership distribution in the Southeast HealthChoices Zone, where KMHP currently covers 59% of the HealthChoices population. KMHP supports the enrollment suspension.

(Continued on Page 3)

(Continued from Page 2)

The enrollment suspension will **not** affect existing KMHP members. Additionally, the enrollment suspension will **not** apply to new births or individuals added to the household of an existing KMHP member. If an existing KMHP member chooses to change to another plan, he will not be able to change back to KMHP until the enrollment suspension is lifted. Current members of KMHP are therefore advised to carefully weigh their options before choosing another managed care plan.

If you have any questions about your health plan choices, contact PA Enrollment Services at 1-800-440-3989. You can also contact PHLP's Helpline (1-800-274-3258) if you need additional assistance or have questions and concerns about the new plans or have problems changing plans.

Alert! State Cuts Its Supplemental Payments to SSI Recipients

The Department of Public Welfare (DPW) recently announced it is reducing the supplement it pays to low-income older adults and individuals with disabilities who are unable to work and who receive federal Supplemental Security Income (SSI) benefits. Effective February 2010, the state supplement will be reduced from $27.40 per month to $22.10 per month for individuals and from $43.70 per month to $33.70 per month for married couples (when both spouses are on SSI).

Currently a full SSI grant (before the State Supplement) for single individuals on SSI is $674 per month. Full SSI benefits (before the State Supplement) for a married couple (when both spouses are on SSI) are $1,011 per month. Given this very limited income, many SSI recipients struggle to make ends meet. Reducing the state's supplemental payment by even $5 per person will place even greater financial hardship on these already vulnerable individuals.

The cuts are a result of the Commonwealth's failure to include appropriate funds in the current budget (2009-2010) to support the supplement at its previous level. It's possible that these cuts can be stopped, and the state supplemental payments returned to their previous level, but DPW needs to hear from interested individuals. Written comments regarding these cuts must be **received by February 14, 2010** and can be sent to:

Edward J. Zogby
Bureau of Policy, Room 431
Health and Welfare Building
Harrisburg, PA 17105

You can also comment via e-mail to Edward J. Zogby at ezogby@state.pa.us. Individuals with a disability who require accommodation can submit comments using the PA Relay Service at 1-800-654-5984 (TDD users) or 1-800-654-5988 (voice users).

Allentown State Hospital To Close at the End of the Year

The Department of Public Welfare (DPW) recently announced that Allentown State Hospital in Lehigh County will close by December 31, 2010. Allentown State Hospital currently serves approximately 175 residents with severe mental illness. It has a staff of approximately 379 people, and a budget of $35.3 million. The hospital serves Lehigh, Northampton, Carbon, Monroe and Pike counties.

Acting Secretary of Public Welfare Harriet Dichter, who announced the closure, said the action is in line with Pennsylvania's commitment to reducing its reliance on institutional care and improving access to home and community-based services for Pennsylvanians living with mental illness. Closing Allentown State Hospital is part of the Department's plan to create a more unified approach to funding community services and supports for those living with mental illness. The department will reinvest the millions of dollars saved to further develop and sustain clinically-based, recovery-oriented services in the affected counties and continue to improve the mental health service delivery system.

In past years, other state hospitals have closed including Harrisburg State Hospital in Central Pennsylvania in January 2006 and Mayview State Hospital in Southwestern Pennsylvania in December 2008. As with those closures, residents of Allentown State Hospital will participate in a series of assessments prior to their discharge to determine their level of need for services and supports as they look toward a successful life within a more integrated setting, such as a group home, public housing or living with family. The assessment process will ensure that safe and appropriate placements are made. In addition, DPW will create a community advisory team made up of interested stakeholders in the Allentown service area who will monitor and assist with the closure process. The advisory team will include family and friends of impacted residents as well as advocates, mental health providers, county representatives, and community residents.

DPW has established a toll-free number for family members of Allentown State Hospital residents to use during the closure process. Family members will be able to speak with staff from 8 a.m. to 4 p.m., Monday through Friday, by calling 1-877-695-7462.

DPW will hold a **public hearing** from 9 a.m. to 9 p.m. on **Monday, Feb. 22, 2010** at the Four Points by Sheraton Hotel & Suites, 3400 Airport Road, Allentown, to accept comments about the closure from stakeholders, officials and the broader community. Those wishing to provide comments are asked to register by contacting Beth Neston at (610) 740-3409.

H1N1 Flu Vaccine Update

Last fall, when H1N1 flu rates were high all over Pennsylvania, there was a concern raised by consumers and advocates regarding a shortage of available vaccine to prevent the flu. Advocates sought to make sure that the vaccine was available in community clinics and doctor's offices.

Right now, there is a good supply of vaccine available free to everyone. Those who are particularly likely to get sick from H1N1 should make sure they get the vaccine. This includes: pregnant women; children 6 months to 24 years old; parents, household members, or caregivers of children less than 6 months of age; and anyone with a chronic underlying medical condition. Health professionals warn that H1N1 can be severe and people can get very sick or even die from this virus.

Your doctor should have a supply of free H1N1. If you don't have a doctor or you don't have health insurance, and you want to find out where in Pennsylvania you can get the vaccine, you can call 1-877-PA HEALTH or go to http://www.h1n1inpa.com/vaccines/h1n1-vaccine-locations-in-pa/.

Potential Hospital Contract Terminations Threaten Access to Care For HealthChoices Consumers

A potential contract termination between one Medical Assistance (MA) managed care plan and a vital hospital system in Southeastern PA continues to threaten the ability of HealthChoices consumers to access care from their current health care providers. PHLP also recently learned of another potential contract termination between a HealthChoices managed care plan and a hospital system in Central PA.

Keystone Mercy Health Plan and Crozer Health System

The current contract between Keystone Mercy Health Plan (KMHP) and Crozer Health System (Crozer) is scheduled to terminate on March 31, 2010. Crozer Health System includes the Crozer-Chester Medical Centers (2), Delaware County Memorial Hospital, Crozer Hospice, and Taylor Hospital. KMHP and Crozer have now twice extended the contract termination date, and are still negotiating to avoid the termination (this potential contract termination was discussed in the January and September 2009 editions of this newsletter).

The potential contract termination affects only KMHP's contract with the hospitals and not the physician groups working in those hospitals (as long as the physician also has an affiliation with another hospital in KMHP's network). A KMHP member whose PCP is employed by Crozer, or whose only affiliation is with a Crozer hospital, would need to choose a new doctor that accepts their managed care plan should the contract terminate. Currently, 9,560 KMHP members are assigned to primary care physicians (PCPs) owned by Crozer.

Other KHMP members who have a PCP affiliated with a Crozer hospital, *but who is also affiliated with another non-Crozer hospital in KMHP's network*, could stay with that PCP. If the Crozer contract is terminated, though, a member in this situation would not be able to use the facilities of the Crozer health system for any services, such as hospitalization, lab work, or x-rays and other diagnostic tests.

The Crozer Health System does not currently have a contract with any of the other MA managed care plans in Southeastern PA. If Crozer does not extend its contract with KMHP or does not enter into a contract with another MA plan, no HealthChoices consumers will be able to use a Crozer facility or specialist or have the option of continuing to see their Crozer-affiliated provider.

Should KMHP's contract with Crozer terminate at the end of March, impacted members will receive 30 days advanced notice of the termination and information about their options. These are the options KMHP members will have:

- They can stay in KMHP and remain with their current provider if the provider has admitting privileges outside of the Crozer system with another hospital in KMHP's network;
- They can stay in KMHP and choose a new provider; or
- They can switch to another health plan and choose a new provider.

AmeriHealth Mercy and Penn State Hershey Medical Center

The contract between AmeriHealth Mercy Health Plan (AMHP) and Penn State Hershey Medical Center (Hershey) is scheduled to terminate on March 7, 2010. The parties have extended the original termination date (February 28th) by seven days and are currently negotiating to reach a new agreement. At present, 1,405 AMHP members are assigned to a PCP employed by Hershey.

Hershey currently accepts all of the MA managed care plans in Central PA. Should AMHP's

(Continued on Page 6)

(Continued from Page 5)

contract with Hershey terminate in March, impacted members will have the following options:

- They can stay with their provider and switch to another health plan; or
- They can stay in AMHP and choose a new provider in the plan's network.
- They can choose a new provider and choose a new health plan.

Notice and Continuity of Care Requirements for Plans When Plan Provider Contracts are Terminated

Affected health plan members must be notified in writing of a provider contract termination by their plan at least 30 days prior to the termination date. This means that affected KMHP and AMHP members must be sent a letter informing them of the contract terminations and explaining their options at least thirty days before the contract ends. The notice must explain, in more detail, the options available to the consumer.

Additionally, continuity of care requirements in the HealthChoices contract protects plan members affected by a contract termination who are in the middle of a treatment plan. These plan members have the right to continue with their doctor and their course of treatment for at least 60 days after the contract termination. For pregnant members who are within six months of their due date, continuity of care provisions require the plan to allow the member to stay with her doctors for the duration of her pregnancy. An update about the status of these contract negotiations will be in our next newsletter.

DPW Updates *Consumer's Guide to HealthChoices Plans*

DPW recently issued the 2009 version of its "A Consumer's Guide to the HealthChoices Health Plans" document. This guide provides consumers with a wide range of criteria on which plans are rated based on consumer satisfaction and on measurable outcomes. It is an excellent way for new and current HealthChoices enrollees to evaluate the plan options in their region. The guide allows consumers to compare plans across the state and across their region on topics such as "Satisfaction with Plan", "Satisfaction with Dental Care", "Finding Breast Cancer", and "Regular Prenatal Care".

The MAAC Consumer Subcommittee has worked with DPW to help develop and revise this annual Guide over the years to make sure the Guides focus on information that is important to consumers.

This new Consumer Guide is available at: http://www.dpw.state.pa.us/partnersproviders/medicalassistance/managedcare/003674902.htm

Consumers can also contact PHLP at 1-800-274-3258 for a copy of the Guide or to make recommendations to the Consumer Subcommittee for future versions of the Consumer Guide.

Do you currently get the Health Law PA News through the mail? Would you like to get these newsletters by e-mail?

If so, contact staff@phlp.org to change the way you get your PHLP newsletters!

MA Health Information Technology Initiative

DPW's Office of Medical Assistance Programs (OMAP) is currently developing the Pennsylvania Health Information Exchange (PHIX), a new initiative aimed at creating a statewide electronic health information exchange for medical records. OMAP recognizes health information technology as an important part of the health care delivery system now and moving forward, and that it is essential to improving the quality of health care for Medical Assistance recipients in PA.

Pennsylvania hopes to increase provider access to a patient's critical medical information through tools such as electronic health records and a health information exchange. Electronic Health Records (EHRs) include health-related information on an individual that is created, managed, and viewed by authorized clinicians and staff involved in providing the individual's health care. Health Information Exchange (HIE) is the sharing of EHRs and clinical data across different institutions and between various providers and organizations. The potential uses of EHRs are to allow providers real-time access to accurate and complete information about their patients that can be universally and securely exchanged. This in turn may improve health outcomes and even save lives.

The goals of the PHIX include :

- Increasing the quality of health care provided to MA consumers through better information to support clinical decisions and through improved care coordination;
- Reducing costs by eliminating duplicative services and administrative inefficiency; and
- Providing opportunities for health care innovation.

The federal government, through the American Recovery and Reinvestment Act of 2009, gave states substantial funds to develop and implement initiatives that give Medicaid and Medicare providers' real-time access to electronic health information via electronic health records transmitted through a health information exchange . This provides Pennsylvania with a unique opportunity to obtain funding not only to expand the Commonwealth's existing efforts in implementing Health Information Technology initiatives, but also to help defray the costs of developing this technology for Medical Assistance providers.

New health information technology could transform our health care delivery system and improve the quality of care provided by bridging the information gap between different providers and between patients and their health care providers. In turn, the new technology, implemented uniformly across the state, has the potential to increase the quality of health care while decreasing costs. The Consumer Subcommittee of the Medical Assistance Advisory Committee is providing feedback to OMAP as the PHIX is created and implemented. The Consumers have raised questions and concerns about protecting patient privacy and ensuring meaningful patient use of the system in cases where patients don't have access to computers or the internet. The Consumer Subcommittee has also encouraged the state to provide information about PHIX to Medical Assistance recipients across the state and to solicit their input as it develops this project.

DPW has scheduled three public meetings seeking input on the development of the Commonwealth's Medicaid Health IT Plan. The first meeting will be held Thursday, **February 11th** at the Allegheny Medical Society in Pittsburgh. A second session will be held Friday, **February 12th** at the Meadville Medical Center. A third session will be held Friday, **February 19th** in the Zubrow Auditorium of Pennsylvania Hospital.

You can view more detailed information about this initiative online at: http://www.dpw.state.pa.us/PartnersProviders/MedicalAssistance/MAHITI/.
If you have any other questions or concerns about the PHIX, please contact the Pennsylvania Health Law Project through our toll-free helpline at 1-800-274-3258.

VA Health Care Enrollment Restrictions Relaxed for Middle-Income Veterans

The U. S. Department of Veterans Affairs (VA) has eased income restrictions on enrollment in the VA health care system. Given the high demand for VA health care services, the VA manages that demand by putting veterans into "priority groups" that dictate which veterans can access health care services. Veterans are placed in priority group 8 when they do not have a service-connected disability or special authority based on military service, and their income exceeds a geographic income threshold.* Since 2003, the VA has suspended enrollment of priority group 8 veterans into the VA health care system; however, as a result of regulations that went into effect June 15, 2009, the VA is now enrolling priority group 8 veterans whose income exceeds the VA's geographic income threshold by 10 percent or less. This change allows approximately 266,000 additional veterans across the country to access the VA health care system.

*Please note: Veterans with a service-connected disability, combat veterans within five years of discharge, and other specified categories of veterans **are not affected** by this enrollment change because they are eligible for VA health care regardless of income.

In Pennsylvania, the VA's geographic income thresholds for a veteran without dependents range from $28,850 to $41,600, depending on the county of residence. Veterans can determine if they are eligible for VA health care under the new enrollment changes using the VA's online calculator at http://www4.va.gov/healtheligibility/apps/enrollmentcalculator/ or by calling 1-877-222 VETS (8387). Veterans can apply for enrollment in the VA health care system by mail or at any VA clinic or medical center. Veterans residing in Pennsylvania who are having problems accessing care through the VA health care system should call PHLP's toll-free Helpline at (800) 274-3258.

Please support PHLP by making a donation through the United Way of Southeastern PA. Go to www.uwsepa.org and select donor Choice number 10277.

Federal Health Reform Update

The path forward on health reform is unclear following the election in Massachusetts where Scott Brown, a Republican, won the seat that late Senator Ted Kennedy held. Before this election, the House and Senate were working on merging the Senate and House bills (discussed in our previous edition of this newsletter) into a single bill that would have been voted on by both chambers. Because Senator Brown's election increases the Republican seats in the Senate to 41, Democrats no longer control the 60 seats necessary to overcome a filibuster, which Senate Republicans stated they would use to stop passage of the health reform legislation. Consequently, a single bill merging the two prior bills is no longer viewed as a viable option.

The White House and Congress are now determining their options for whether and how to move forward toward health reform. These options include:

1) The House could pass the Senate health legislation. Before this happens, the House and Senate would have to agree to changes to the original Senate bill that would address at least some of the key concerns raised by House members who indicated they would not otherwise support the initial Senate bill. These concerns include the subsidy amounts for low and middle income persons in the health insurance exchange and the tax on the most-expensive health plans (i.e., "cadillac plans"). Any agreed-upon changes would then be included in a separate budget reconciliation bill that would have to pass both the House and the Senate. The budget reconciliation process is not subject to a filibuster in the Senate, so a bill could pass with a majority vote. Once the budget reconciliation bill passes both chambers of Congress, then the House can pass the Senate health bill and send both the budget bill and the health bill to the President for signature. The President would then sign both bills and the budget bill would take precedence in areas where the two bills differ. This option - enacting the Senate bill and then amending it through reconciliation - would allow a comprehensive health reform bill to move forward; however, this strategy doesn't guarantee that comprehensive health reform will be achieved.

2) Move away from comprehensive health reform and pass one or more smaller bills with bipartisan support using a piecemeal approach to achieve health reform. Possible proposals now being discussed include: repealing an anti-trust exemption that currently applies to health insurance companies (supporters of this repeal hope it will lead to more choice for consumers and more competition for health insurance companies), and allowing young adults to stay on their parents' health insurance plan until age 26.

3) Stopping efforts at health care reform altogether for some period of time and instead focus on bills to address the economy, creating jobs, the environment and other issues.

President Obama recently announced a bipartisan health care session to be held on February 25th where Democrats and Republicans will meet to discuss their ideas for lowering health care costs and expanding coverage and to further discuss the options for moving forward. This session will be televised.

Possible Action: Congress is achingly close to passing legislation that would cover most uninsured Pennsylvanians and provide much more security for all Pennsylvanians— guaranteeing that if they lose their jobs they will be able to buy more affordable policies and can't be denied coverage because of pre-existing conditions. Without reform, the number of uninsured will keep going up and the cost of health care will continue to soar. Interested persons should contact their Congressional representatives to voice their support or opposition to the health reform proposals now under consideration. We'll continue to keep you posted about health reform efforts in upcoming newsletters.

Over 2,000 Pennsylvanians Who Were in Non-Renewing Medicare Plans Have One More Month to Get 2010 Part D Coverage

CMS announced on Monday February 2, 2010 that 20,000 people nationwide (2,227 in PA) whose Medicare Advantage plan with drug coverage (MA-PD) or Prescription Drug Plan left the Medicare market at the end of 2009 have yet to take action to enroll into another Part D plan to get drug coverage in 2010.

CMS extended the Special Enrollment Period for this group for one more month - through February 28, 2010. 2,227 Medicare beneficiaries in PA people should have received a letter recently from CMS explaining the SEP and the importance of having Medicare drug coverage. To view the letter, go to: http://www.cms.hhs.gov/partnerships/downloads/11452.pdf.

Note that anyone with Extra Help/LIS (this includes all dual eligibles) who was in a non-renewing plan should have been reassigned to another Medicare drug plan for coverage starting January 1, 2010 if they failed to join another plan on their own. The 2,227 people receiving letters this week should not be people with Extra Help/LIS.

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