

December 2014 | Fact Sheet

## Proposed Medicaid Expansion in New Hampshire

In November 2014, New Hampshire submitted to the Centers for Medicare and Medicaid Services (CMS) a Section 1115 waiver proposal to continue implementation of the Medicaid expansion in the Affordable Care Act (ACA)<sup>1</sup>. In accordance with state legislation authorizing the Medicaid expansion, the state had to seek waiver authority to mandatorily enroll individuals in Qualified Health Plan (QHP) Premium Assistance Coverage.

On March 27, 2014, Governor Hassan signed the New Hampshire Health Protection Program into law.<sup>2</sup> The New Hampshire legislation has several components:

- Mandatory Health Insurance Premium Payment Program (HIPPP) for individuals with access to cost-effective employer-sponsored insurance;
- A bridge program to cover the new adult group in Medicaid managed care plans through December 31, 2015, and
- A mandatory individual qualified health plan (QHP) premium assistance program beginning January 1, 2016.

The HIPPP program and the bridge program are in effect. To implement the QHP Premium Assistance program for adults in the new adult group, New Hampshire had to submit a waiver to CMS. The legislation requires that a premium assistance waiver be approved before March 31, 2015 for implementation in January 2016. If the waiver is not approved by March 31, 2015, the Voluntary Bridge to Marketplace program that went into effect in July 2014 cannot be continued. The proposal is now open for public comment and subject to CMS approval. Key components of the waiver are discussed in Table 1.

To date, CMS has approved waivers in Arkansas, Iowa, Michigan and Pennsylvania to implement the ACA Medicaid expansion. Similar to waivers approved in Arkansas and Iowa, New Hampshire seeks approval to implement mandatory QHP premium assistance for new adults. New Hampshire also seeks authority to waive retroactive coverage (a provision that has not been approved in other states) and proposes to make changes to the appeals process. Although not included in the waiver application, the state is working with CMS to develop wellness programs as part of the premium assistance program and also includes a referral for job counselling services for applicants who are unemployed. Unlike other waivers approved, New Hampshire does not seek waiver approval to impose premiums or to restrict mandatory benefits.

**Table 1: New Hampshire QHP Premium Assistance § 1115 Medicaid Expansion Demonstration Waiver Proposal**

Element	New Hampshire Proposed Waiver Provision
<b>Overview:</b>	On March 27, 2014, Governor Hassan signed the New Hampshire Health Protection Program into law. The New Hampshire legislation has several components: Mandatory Health Insurance Premium Payment Program (HIPP) for individuals with access to cost-effective employer-sponsored insurance; a bridge program to cover the new adult group in Medicaid managed care plans through December 31, 2015, and a mandatory individual qualified health plan (QHP) premium assistance program beginning January 1, 2016. To implement the mandatory QHP Premium Assistance Program, the state needed to submit a waiver request to CMS.
<b>Duration:</b>	Seeking a one year waiver for calendar year 2016 as authorized in state legislation. If the legislature reauthorizes the program, the state would seek a waiver extension.
<b>Demonstration Goals:</b>	Promote continuity of coverage for individuals as they transition across different sources of coverage ensuring consistent access to providers, rationalize provider reimbursement and create uniform provider access, enhance integration and efficiency of public and private coverage, and create a more competitive market by adding 45,000 persons to the Marketplace.
<b>Eligible Populations:</b>	<p>Childless adults 19-65 with incomes up to 138% FPL (who are not eligible for Medicare or incarcerated); parents with incomes between 38% FPL (non-working parents) or 47% (working parents) and 138% FPL. Certain groups are exempt from the demonstration including: dual eligibles, medically frail, and adults eligible for the New Hampshire Health Insurance Premium Assistance Program for persons with access to cost-effective employer sponsored coverage. An estimated 45,000 are expected to enroll in the demonstration which reflects 90% of newly eligible enrollees and 10% exempt because they self-identify as medically frail because they have a physical, mental or emotional condition that limits daily activities or reside in a medical facility or nursing home).</p> <p>The state seeks to waive retroactive coverage (although they anticipate that most individuals new to Medicaid in 2016 will be transitioning from other coverage).</p>
<b>Cost- Sharing:</b>	There will be no cost-sharing for beneficiaries with incomes below 100% FPL. Cost-sharing for those from 100-138% FPL will be consistent with Medicaid cost-sharing requirements. Statutory exemptions to cost-sharing apply. Demonstration participants will not face a deductible or premiums.
<b>Delivery Systems and Benefits:</b>	<p>Mandatory enrollment in QHPs. QHP Premium Assistance enrollees will receive an Alternative Benefit Plan through a QHP. The state is providing the statutorily required benefits package - the ABP will be the same across state plan and demonstration coverage. Beneficiaries will choose between at least 2 high-value, silver QHP plans. The state will provide wrap-around coverage for non-emergency transportation, adult vision, limited adult dental benefits and EPSDT (for 19 and 20 year olds).</p> <p>State seeks waiver to allow for prior authorization for drugs to be addressed within 72 hours, instead of 24 hours to better align with QHP requirements (a 72 hour supply of medication can be provided in an emergency).</p> <p>While not part of the waiver application, the state intends to work with CMS to include wellness programs as part of its premium assistance program. The state will also refer applicants who are unemployed to the state agency for job counseling services.</p>
<b>Appeals Process:</b>	New Hampshire proposes changes to the Medicaid appeals process for beneficiaries receiving premium assistance, although it does not seek waiver authority to do so. For

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	appeals related to decisions about benefits provided by a QHP, beneficiaries would have access to an internal plan level review and an external review by a state insurance department qualified independent review organization, instead of a Medicaid fair hearing. Beneficiaries would continue to use the Medicaid fair hearing process for appeals of wrap-around benefits.
<b>Next Steps:</b>	The state seeks approval of the waiver by March 31, 2015. Plan shopping and enrollment would begin October 15, 2015 with demonstration coverage to begin on January 1, 2106.

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<sup>1</sup> <http://www.dhhs.state.nh.us/pap-1115-waiver/index.htm>

<sup>2</sup> New Hampshire Chapter 3 (SB412), Laws of 204, codified at RSA 126-A:5, XXIII-XXVI.