Individuals with income up to 133% FPG who are:
  - Age 19 to 65
  - Not pregnant
  - Not entitled to or enrolled in Medicare and
  - Not otherwise eligible for Medicaid

Will use Modified Adjusted Gross Income (MAGI)

No asset test

Benchmark Benefit Set

Effective January 1, 2014, or earlier at State option
Medicaid Expansion – New Optional Adult Group

- The new adult group would include:
  - Childless Adults (0% to 133% FPG)
  - Parents (100% to 133% FPG)
  - 19 and 20 year olds (100% to 133% FPG)

- Minnesota is currently covering each of these populations in either MA or MinnesotaCare and receiving 50% federal match.
## Income Limits
### Current vs. 2014

<table>
<thead>
<tr>
<th>Group</th>
<th>Current MA Income Limit</th>
<th>Current MinnesotaCare Income Limit</th>
<th>Possible MA Income Limit Jan. 1, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pregnant Women</td>
<td>275% FPG</td>
<td>275% FPG</td>
<td>275% FPG</td>
</tr>
<tr>
<td>Infants (0–2)</td>
<td>280% FPG</td>
<td>275% FPG</td>
<td>280% FPG</td>
</tr>
<tr>
<td>Children (2–18)</td>
<td>150% FPG</td>
<td>275% FPG</td>
<td>275% FPG</td>
</tr>
<tr>
<td>Children (19–20)</td>
<td>100% FPG</td>
<td>275% FPG</td>
<td>133% FPG</td>
</tr>
<tr>
<td>Parents</td>
<td>100% FPG</td>
<td>275% FPG</td>
<td>133% FPG</td>
</tr>
<tr>
<td>Adult Group</td>
<td>75% FPG</td>
<td>250% FPG</td>
<td>133% FPG</td>
</tr>
<tr>
<td>Elderly &amp; Disabled</td>
<td>100% FPG</td>
<td>N/A</td>
<td>100% FPG</td>
</tr>
</tbody>
</table>
# Annual Income Limits
(Effective 7/1/2012 – 6/30/2013)

<table>
<thead>
<tr>
<th>Family Size</th>
<th>75% FPG</th>
<th>100% FPG</th>
<th>133% FPG</th>
<th>275% FPG</th>
<th>280% FPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$8,388</td>
<td>$11,172</td>
<td>$14,859</td>
<td>$30,720</td>
<td>$31,284</td>
</tr>
<tr>
<td>2</td>
<td>$11,364</td>
<td>$15,132</td>
<td>$20,126</td>
<td>$41,616</td>
<td>$42,372</td>
</tr>
<tr>
<td>3</td>
<td>$14,340</td>
<td>$19,092</td>
<td>$25,392</td>
<td>$52,512</td>
<td>$53,460</td>
</tr>
<tr>
<td>4</td>
<td>$17,316</td>
<td>$23,052</td>
<td>$30,659</td>
<td>$63,408</td>
<td>$64,548</td>
</tr>
</tbody>
</table>

Income limits increase for additional family members.
U.S. Supreme Court ruling on the Affordable Care Act

- The individual mandate and all other provisions are constitutional.
- State expansion of Medicaid is voluntary.
- Expansion for low-income adults in Minnesota is optional.
- Two program solution to the application of CMS penalties for non-compliance with federal rules.
Medicaid Expansion Options

- Full vs. Partial Medicaid Expansion
  - Currently covering childless adults up to 75% FPG
  - Currently covering parents and young adults up to 100% FPG
  - ACA assumed a mandate up to 133% FPG
  - Not clear that CMS would allow federal funding for partial expansions

- Opt-in and Opt-out
  - CMS has clarified that states that choose to pick up the expansion option can drop the option at a later date
  - States may also elect to begin the expansion after January 1, 2014.
Coverage Expansion Effects

- Early Expansion for childless adults to 75% FPG
  - 84,000 Minnesotans including those previously enrolled in GAMC and MinnesotaCare.

- Continuing to 133% FPG
  - Additional 57,000 Minnesotans including some currently covered in MinnesotaCare.

- Combination of early and full expansion will save the state budget over $1 billion for 2011–2015 fiscal period.
Minnesota Coverage Options

<table>
<thead>
<tr>
<th>Federal Poverty Level (FPL)</th>
<th>Medicaid</th>
<th>Qualified Health Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>Infants to age 2*</td>
<td>280% FPL converted to a MAGI equivalent standard</td>
</tr>
<tr>
<td>100%</td>
<td>Pregnant Women and Children ages 2 - 18*</td>
<td>275% FPL converted to a MAGI equivalent standard</td>
</tr>
<tr>
<td>200%</td>
<td>Parents and Children ages 19 – 20</td>
<td>138% FPL</td>
</tr>
<tr>
<td>300%</td>
<td>Adults under age 65</td>
<td>138% FPL</td>
</tr>
<tr>
<td>400%</td>
<td>No Subsidy</td>
<td></td>
</tr>
<tr>
<td>500%</td>
<td>Basic Health Plan Option 133% - 200%</td>
<td></td>
</tr>
</tbody>
</table>

*Income standard in effect on June 1, 1997, must be maintained to comply with the CHIP maintenance of effort.
New adult group must be enrolled in a benchmark benefit set (not the EHB benchmark benefit set).

FEHBP, SEGIP, HMO or Secretary approved
- We currently use full MA benefit but need to revisit that decision if we expand up to 133% FPG.
- Several groups are exempt from the benchmark requirement and must be allowed access to full MA benefits
- Some of the exempt groups are hard to define
Benchmark Benefit Set

- Hard to Define Benchmark Exempt Groups
  - Medically frail individuals
  - Individuals with disabling mental disorders
  - Individuals with serious and complex medical conditions
  - Individuals with physical and or medical disabilities that significantly impair their ability to perform one or more activities of daily living

- Could require post-eligibility medical and functional assessments.
EHB and Benchmark Benefits

**STANDARD MEDICAID**
*(current Medicaid & Benchmark exempt population)*

**BENCHMARK**
*(Expansion population)*

**ESSENTIAL HEALTH**
*(Exchange Qualified Plans)*

- Benchmark package plus LTSS and home health services
- **Essential Health package plus** EPSDT, non emergent transport, FQHC services and family planning
- Physician, hospital, laboratory, MH/SA, rehabilitative and habilitative services
Low-income childless adults up to 75% FPG covered with a 50% federal match under early expansion option.

State also receives 50% federal match for childless adults between 75% FPG and 200% FPG in MinnesotaCare.

Authority for the federal match for MinnesotaCare childless adults is associated with the early expansion provisions of the ACA.
Up to 100% FMAP for newly enrolled individuals that:
- Are over age 18
- Not eligible under the State Plan or Federal Waiver as of December 1, 2009
- Enhanced FMAP at 100% for 2014–2016
  - phases down to 95% in 2017
  - phases down to 94% in 2018
  - phases down to 93% in 2019
  - phases down to 90% in 2020 and thereafter
Considerations

- Current law includes provisions allowing coverage in either MA or MinnesotaCare for parents and adults that are part of the optional expansion group.
- Federal funding for MinnesotaCare after January 1, 2014, is not clear.
- Federal funding for early expansion adults in Medicaid is not clear.
- Beginning January 1, 2014, individuals and families between 100% and 400% FPG who are not eligible for Medicaid can purchase coverage in the Exchange with federal subsidized premium tax credits (also cost-sharing reductions for 100%–250% FPG)
Timelines and Decision Points

- November 2012 – Federal and State elections
- Dec. 31, 2012 – Negotiations with CMS for MinnesotaCare waiver must begin; waiver expires Dec. 31, 2013
- Jan. 8, 2013 – Legislative session begins
- October 2013 – Open enrollment period for Exchange begins
- Jan.1, 2014 – Medicaid eligibility changes and/or expansions implemented