



# The Affordable Care Act ruling and what it means for Kansas

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  - The individual mandate
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  - New rules that require insurers to provide coverage to everyone, even those with pre-existing conditions
- The one portion of the law that was limited was the Medicaid expansion
  - This expansion required states to offer Medicaid to anyone earning less than 133% of the Federal Poverty Level (roughly \$30,000 for a family of four)



# What does this mean in Kansas?

- Many of the law's provisions will move forward without any action on the state's part
- But two major questions are before the state
  - Whether or not to expand the state's Medicaid program
  - Whether to use a federal health insurance exchange or build a more state-based model



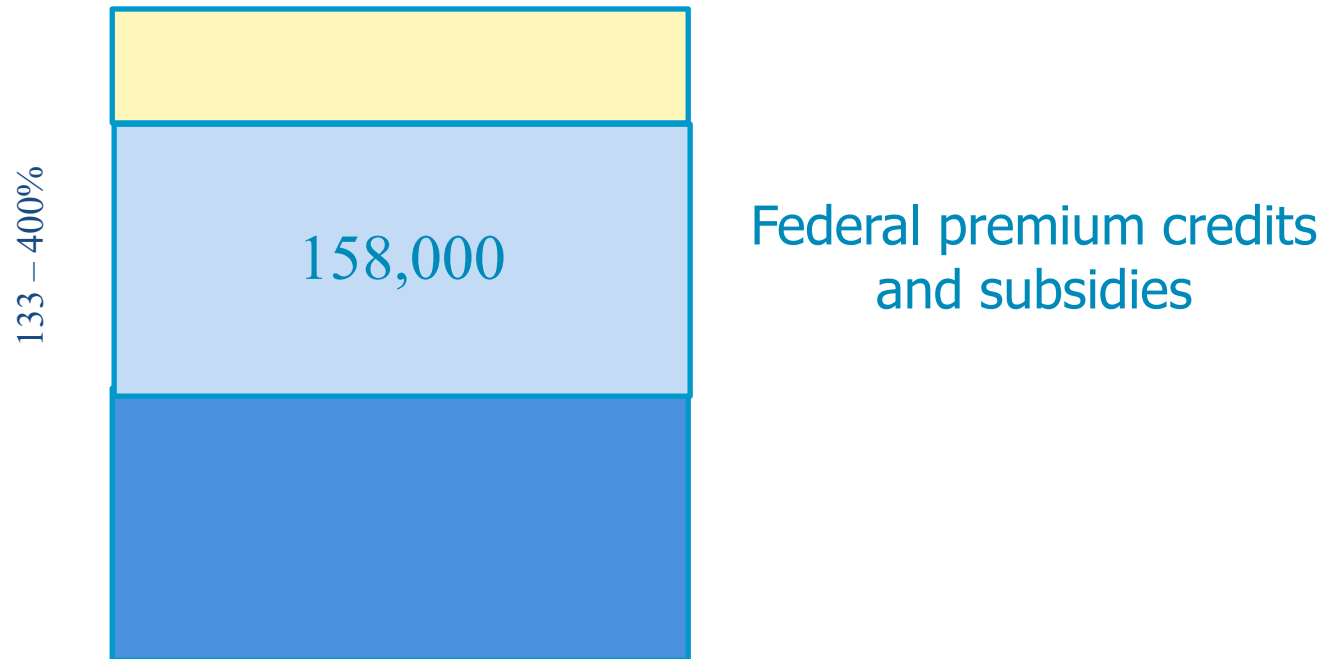


# Uninsured in Kansas

351,000

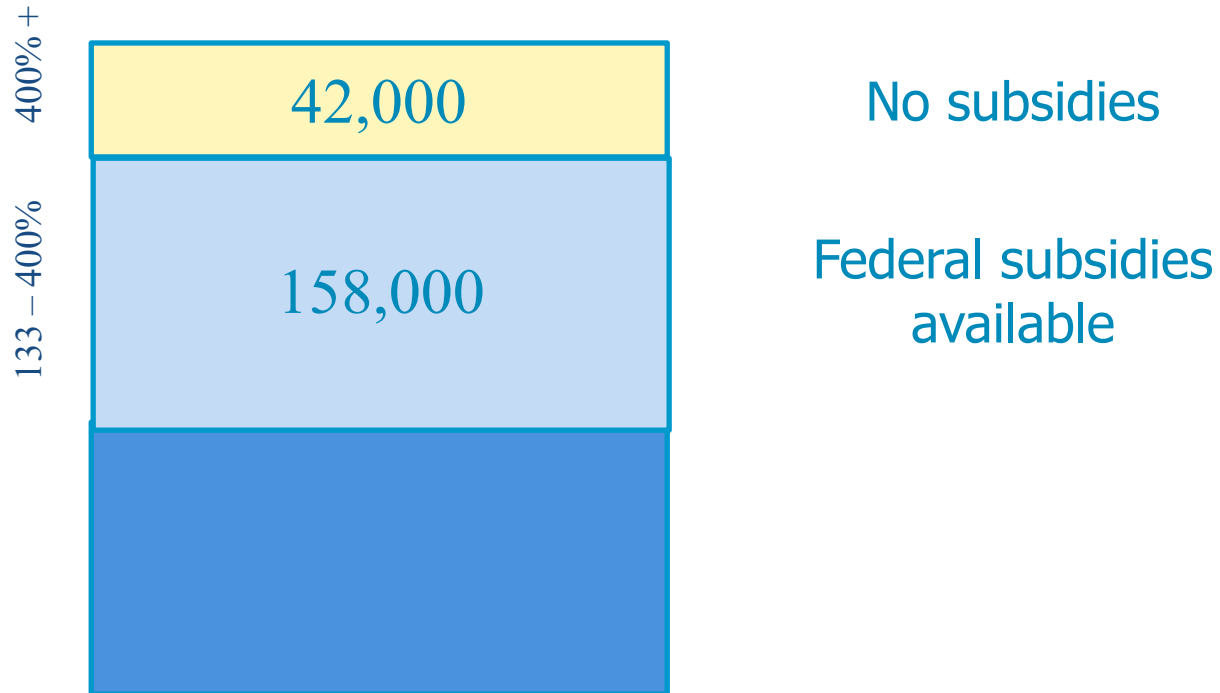


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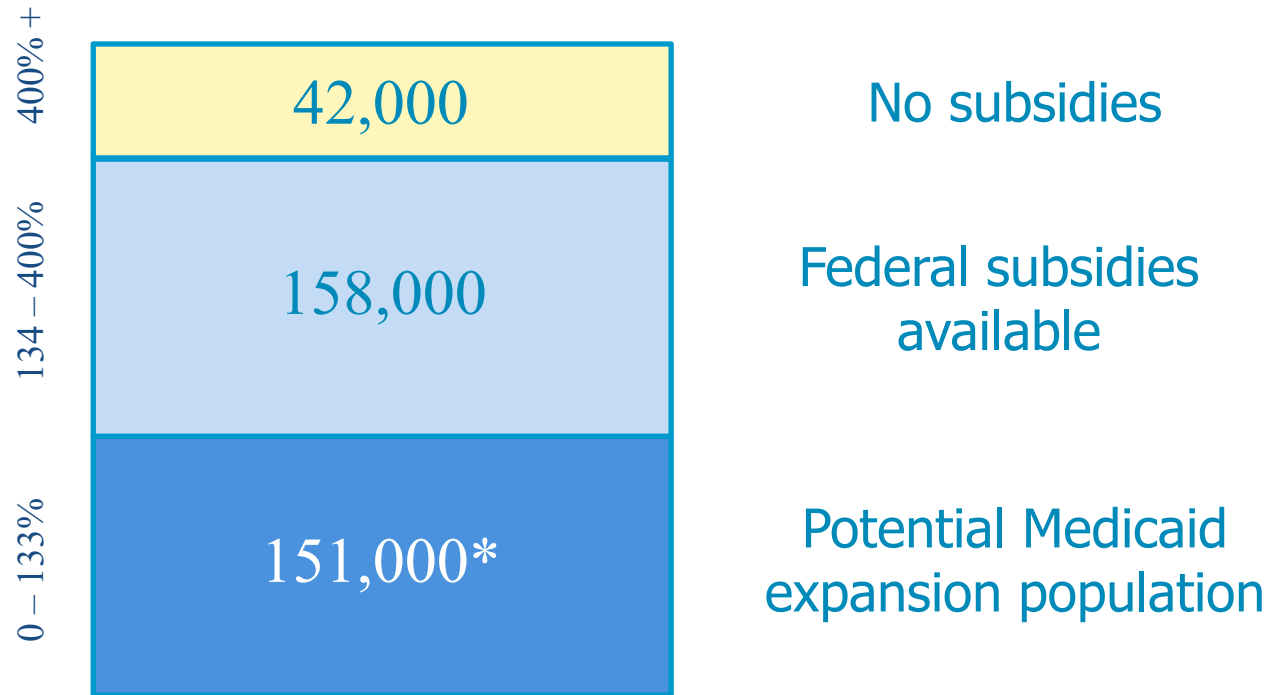


# Uninsured in Kansas





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\*25,000 of these are children



# Medicaid Expansion?

Year	Federal share	State share
2014	100%	0
2015	100%	0
2016	100%	0
2017	97%	3%
2018	95%	5%
2019	93%	7%
2020 and beyond	90%	10%



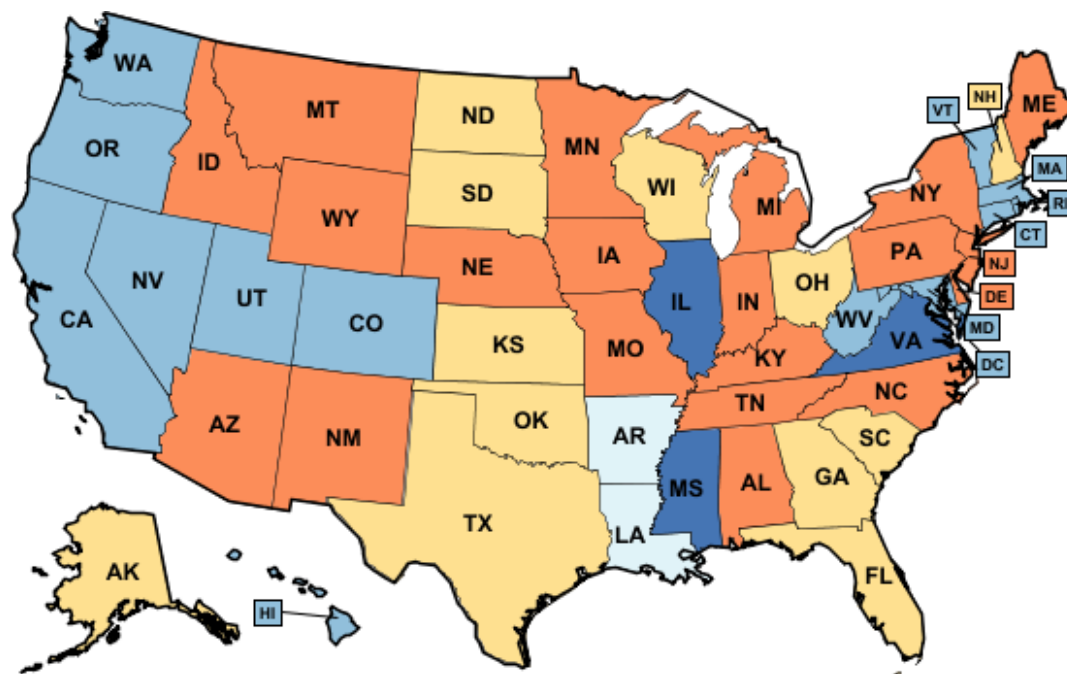
# Medicaid Expansion?

- How many of the 130,000 Medicaid expansion population would be subject to the individual mandate?
- How will DSH payment reductions apply?
- Federal high risk pool ends in 2014; can state high risk pool accommodate more people?
- Are there other mechanisms for covering the 130,000?



# Federal vs. State Health Insurance Exchange

State Action Toward Creating Health Insurance Exchanges, as of March 1, 2012



- Studying Options
- No Significant Activity
- Decision Not to Create

- Established Exchange
- Plans to Establish



# Federal vs. State Health Insurance Exchange

- At this point in time, it seems highly unlikely that a purely state-based exchange could be created in Kansas
- “Partnership Model” may be an option
- Kansas “Work Groups” discussed several exchange ideas





# Looking Forward

- Medicaid expansion and health insurance exchange decisions



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  - “Guaranteed issue” and “community rating” provisions
  - Individual mandate



# Already in place...

Provision	Impact in Kansas
<b>Dependent coverage to age 26</b>	As of June 2011, 22,000 young adult Kansans were covered through this provision—and that number has likely grown
<b>Preventive services at no cost</b>	529,000 Kansans in private plans and 313,000 Kansans in Medicare have received free preventive care through this provision
<b>Early Retiree Reinsurance Program</b>	62 Kansas employers including Koch Industries, Sprint, City of Topeka, and Wolf Creek enrolled in this program which provides federal payments to help offset the cost of providing health insurance coverage to retirees
<b>Federal grants</b>	Around \$88 million has been awarded to Kansas to both public and private recipients for an array of functions from public health efforts to employer tax credits



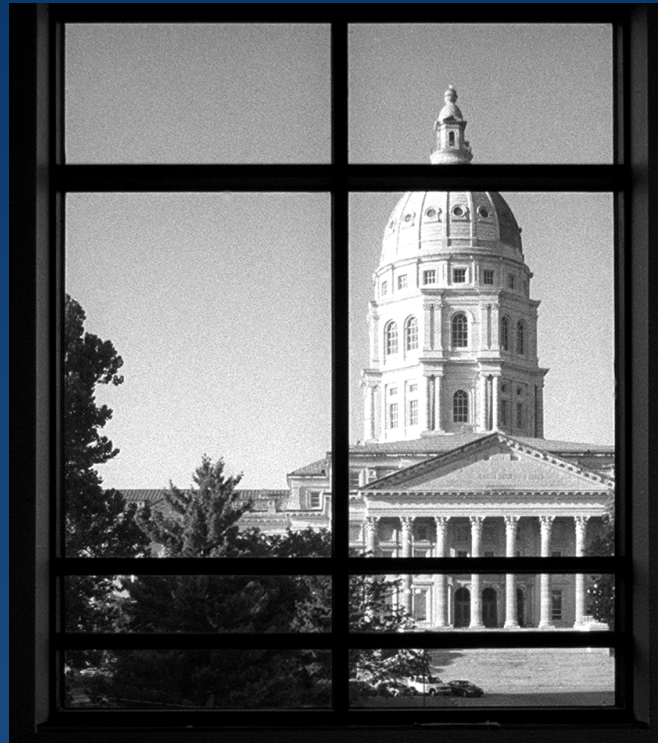
# Conclusion

- Although the Supreme Court has upheld the law, there is still widespread opposition
- The November elections will surely have an impact on how the ACA is implemented
- Federal and state budgets also continue to play a major role in how health reform is handled



# Kansas Health Institute

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