



## **Affordable Care Act (ACA) proposals for 2013 Legislature**

Minnesota is a national leader in health care, and the Affordable Care Act (ACA) offers the state opportunities to continue this tradition by moving our publicly funded health care programs to better levels of coverage and service. Building on the recommendations of the Health Reform Task Force and using the policy tools within the ACA, Minnesota has the opportunity to begin transforming its multiple health care programs into a streamlined one.

For the past 20 years, our state has offered meaningful health insurance to low-income working families through the bipartisan creation of MinnesotaCare. While our public health programs provide needed coverage, they are too complex. We need to end the patchwork of programs that cause thousands of Minnesotans to experience disruptions in health care because of eligibility complexity or slight changes in their income levels.

The ACA provides opportunities to build the foundation for a unified public health care program, a next-generation MinnesotaCare, that will increase access to care, simplify eligibility and lower costs. These initiatives will result in an additional 145,000 Minnesotans receiving health care coverage. These additional enrollees will be covered within existing resources.

### **Affordable Care Act legislative initiatives:**

- **New MinnesotaCare demonstration waiver:** Use the funding mechanism of the Basic Health Plan to continue and improve upon MinnesotaCare for people under age 65 with incomes between 138 percent of federal poverty guidelines (FPG) and current MinnesotaCare income levels (275 percent of FPG for parents and 250 percent for adults without children) who are not eligible for Medicaid.
- **Expand Medical Assistance (MA) to 138 percent of FPG:** Expand MA coverage to adults without children with incomes between 75 and 138 percent of FPG at 100 percent federal funding, and parents and people ages 19 through 20 with incomes between 100 and 138 percent of FPG.
- **Streamline MA eligibility processing:** Streamline eligibility through use of the Modified Adjusted Gross Income (MAGI) methodology and automated annual renewals using electronic verification methods. In addition, ease program barriers by permitting hospitals to presume MA eligibility, eliminating asset tests for parents and providing coverage to children leaving foster care until age 26. These changes are required under ACA.
- **Expand MA for children to 275 percent FPG:** Raise the MA income limit for children ages 2 through 18 from 150 to 275 percent of FPG. Enroll pregnant women with incomes up to 275 percent FPG in MA instead of MinnesotaCare. This eliminates premiums for children and pregnant women.