



# Preparing for the Affordable Care Act's Health Care Coverage Expansion:

## Key Terms

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Open enrollment in the Medicaid expansion and the health insurance Marketplaces begins October 1, 2013, for health coverage that takes effect January 1, 2014. This document is a reference for information on common terms related to the Affordable Care Act's (ACA) health care coverage expansion.

**AIDS Drug Assistance Program (ADAP) Insurance Purchase Program:** Under these programs, ADAPs use funds to purchase insurance for Ryan White clients. Eligible plans must offer drug coverage that, at a minimum, is comparable to the ADAP drug formulary. A list of states with insurance purchase programs is available from the National Alliance of State and Territorial AIDS Directors ADAP [Monitoring Report](#) (see Table 21). *Many states are expanding their programs to be able to purchase **Marketplace** plans.*

**Active Purchaser Marketplace:** An insurance Marketplace model where the state Marketplace may set higher standards and certification requirements for health plans and negotiate with insurers to select the plans that will offer the best value, e.g., using a selective contracting process to negotiate better prices and higher-quality from plans. [Learn more.](#)

**Actuarial Value:** The percentage of health care costs that are covered on average by a health plan for the typical enrollee, taking into account all services the plan covers, e.g., a health plan with an 80 percent actuarial value will on average cover 80 percent of the typical enrollee's health care expenditures. [Learn more.](#)

**Benchmark Plan:** The health plan that will set the coverage standard in each state for non-**Grandfathered Plans** in the individual and small group insurance markets by defining the **Essential Health Benefits** and other covered services. [Learn More.](#)

**Center for Consumer Information and Insurance Oversight (CCIIO):** [CCIIO](#) is housed within the Centers for Medicare and Medicaid Services (CMS) and is responsible for implementing ACA provisions related to private health insurance.

**Certified Application Counselor (CAC):** Individuals who complete training and are certified to provide application and enrollment assistance. Case managers or other clinic staff may become CACs. CACs do not receive grant funding support but may be able to bill Medicaid if covered by their state program. [Learn more.](#)

**Clearinghouse (or Open) Marketplace:** Under this Marketplace model, all plans that meet basic requirements may sell products in the Marketplace. [Learn more.](#)

**Cost Sharing Subsidies:** Subsidies paid to **Qualified Health Plans** to lower out-of-pocket costs at the point of service for low income individuals. Individuals who earn between 100 percent (\$11,490 for an individual/per year) and 250 percent (\$28,725 for an individual/per year) of the federal poverty level (FPL) are eligible for the subsidies that will limit their cost sharing based on a percentage of their income. [Learn more.](#)

**Essential Community Providers (ECPs):** Medical providers who predominantly serve low income and medically underserved patients and are participating or eligible to participate in the 340b program. Ryan White-funded medical providers are ECPs. **Qualified Health Plans** are required to contract with some ECPs in their service areas. [Learn more.](#)

**Essential Health Benefits:** 10 categories of benefits that non-**Grandfathered Health Plans** in the individual and small group markets must cover. The broad categories are: ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance use disorder services, including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including oral and vision care. States have already selected a **Benchmark Plan** that will define the coverage standard for each category. [Learn more.](#)

**Federally-facilitated Marketplaces:** Marketplaces that will have all functions managed by CMS including planning, eligibility and enrollment, financial management and consumer support. [Learn more.](#)

**Grandfathered Health Plans:** Health plans in existence on March 23, 2010, the date the ACA became law, which are exempt from some of the new consumer protections created by the ACA. Plans lose their grandfathered status if they make significant changes to their coverage. [Learn more.](#)

**In-Person Assistors:** Organizations funded in state-run and partnership Marketplace states to provide application and enrollment assistance. [Learn more.](#)

**Marketplace (also referred to as an Exchange):** A portal to purchase health insurance for uninsured and underinsured individuals and small businesses. Every state will have a Marketplace that will be run by either the state (see **State-run Marketplaces**), the federal government (see **Federally-facilitated Marketplaces**), or as a state/federal partnership (see **State Partnership Marketplaces**). Health plans available in the Marketplaces will be required to meet minimum coverage and benefits standards. [Learn more.](#)

**Medicaid Expansion:** A provision in the ACA that provides 100 percent federal financial support from 2014 to 2016 for states to expand Medicaid to all low income individuals under 65 years of age with income under 138 percent of the federal poverty level (FPL) (\$15,856/for an individual/per year). After 2016, federal support for the expansion population gradually drops to 90 percent, where it will stay. The Supreme Court ruled that the funding for traditional Medicaid could not be withheld if states did not expand Medicaid, allowing states to opt out of the expansion without penalty. [Learn more.](#)

**Metal Coverage Tiers:** Metal designations assigned to **Qualified Health Plans** to help consumers identify their **Actuarial Value**. Bronze plans on average will cover 60 percent of overall medical expenses for an average enrollee; silver 70 percent, gold 80 percent and platinum 90 percent. [Learn more.](#)

**Navigators:** Organizations that will be funded in every state to assist individuals and small businesses with the application and enrollment process. [Learn more.](#)

**Open Enrollment:** The period for enrolling in the coverage available through the state Health Insurance **Marketplaces**. For 2014, enrollment will begin October 1, 2013, and end March 31, 2014. Open enrollment will be from October 15 to December 7 beginning in 2015, when enrollees will want to reevaluate their health plan options similar to the annual process that occurs for Medicare Part D.

**Premium Tax Credits:** Pre-paid tax credits paid directly to **Qualified Health Plans** that lower the monthly premium amount based on a percentage of annual income for eligible lower income individuals. Available to individuals and families with income between 100 percent of the federal poverty level (FPL) (\$11,490 for an individual/per year) and 400 percent of the FPL (\$45,960 for an individual/per year). [Learn more.](#)

**Qualified Health Plan (QHP):** A health plan that is certified by the state **Marketplace** or by CCIIO as meeting the **Essential Health Benefits**, cost sharing, provider network and other plan requirements set by the state Marketplace or by CCIIO. [Learn more.](#)

**Ryan White Payer of Last Resort Requirement:** Ryan White funds may not be used to pay for items or services that have been made or “can reasonably be expected to be made,” by any other payer, including other federal programs, state programs or private health insurance. [Learn more](#) about how it applies to Medicaid coverage.

**State Partnership Marketplaces:** States partnering with the federal government on Marketplace administration. States may assume responsibility for plan management, consumer assistance and/or outreach. [Learn more](#).

**State-run Marketplaces:** States that have created and will operate their Marketplaces. States must meet minimum federal requirements but have flexibility to set state-specific policies. To date, 17 states and the District of Columbia have elected to run their Marketplaces. [Learn more](#).

The definitions were compiled from the resources highlighted below.

**Community Catalyst**

<http://www.communitycatalyst.org/>

**Center for Consumer Information and Insurance Oversight**

<http://www.cms.gov/ccio/index.html>

**Center on Budget and Policy Priorities**

<http://www.cbpp.org/>

**Enroll America**

<http://www.enrollamerica.org/>

**Healthcare.gov**

<http://www.healthcare.gov/>

**HIV/AIDS Bureau**

<http://hab.hrsa.gov/affordablecareact/>

**HIVhealthreform.org**

<http://www.hivhealthreform.org>

**Kaiser Family Foundation**

<http://kff.org/health-reform/>

**National Academy of Social Insurance**

<http://www.nasi.org/research/2011/active-purchasing-health-insurance-exchanges-analysis-option>

**National Alliance of State and Territorial AIDS Directors**

[http://www.nastad.org/care\\_and\\_treatment/resources.aspx?category=health%20reform](http://www.nastad.org/care_and_treatment/resources.aspx?category=health%20reform)

An electronic version of this document with hyperlinks to references is available on the HIVMA website at [http://www.hivma.org/Health\\_Care\\_Reform\\_Implementation/](http://www.hivma.org/Health_Care_Reform_Implementation/).