
CMS Direction on Bridge Program Phasing

Bridge Program Task Force

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Key terms

- **Basic Health Program (BHP)**
 - Section 1331 of the ACA creates a pathway for states to offer Medicaid-like coverage under a BHP to people <200% FPL who are not eligible for Medicaid but are eligible for Marketplace tax credits
- **BHP-like coverage**
 - Coverage similar to BHP coverage that is accomplished through a mechanism other than Section 1331
- **Optionality**
 - Enabling consumers to choose between BHP-like coverage and subsidized Marketplace coverage

Vision for Bridge Program – Member Experience

Adults with income 138-200% FPL
stay in their CCOs.

Little-to-no costs for enrollees

Plan covers
robust set of benefits

Choice between Basic Health
Program and subsidized
Marketplace coverage



HB 4035 Direction for Bridge Program

- Prioritize health equity
- Minimize costs to enrollees
- Medicaid-like coverage through CCOs
- Consider offering choice between BHP & marketplace plans
- Maximize federal funding
- Phased implementation
 - Phase 1: Coverage focused on people leaving Medicaid during PHE unwinding
 - Phase 2: Full implementation to 138-200% FPL population



House Bill 4035 requires the Oregon Health Authority (OHA) to pursue three potential options for federal authority and financing of Oregon's bridge plan.

Section 1115 Waiver

*Also known as **Medicaid Demonstration Waivers**, 1115 waivers offer states an avenue to test new approaches in Medicaid.*

Section 1331

*Section 1331 of the ACA enables states to establish a **Basic Health Program (BHP)** for individuals not eligible for Medicaid with household incomes under 200% FPL.*

Section 1332 Waiver

*Also known as a **State Innovation Waiver**, states can use 1332 waivers to waive certain ACA Marketplace requirements and capture federal savings, if any, for state purposes.*

1115 Medicaid Demonstration Waiver

State-specific changes to Medicaid are accomplished through an 1115 Medicaid Demonstration Waiver

- Requires the state to contribute 40% which is inconsistent with the budget goals of HB 4035

Section 1331

Section 1331 of the ACA provides a clear pathway for states to offer Medicaid-like coverage to people 138-200% FPL through a **Basic Health Program**.

- Per-capita funding formula maximizes federal contribution and does not put the state at financial risk for increased enrollment.
- Once approved, BHP authority remains in place unless withdrawn by the state.

BUT

- Requires people 138-200% FPL to move from the Marketplace to the BHP

1332 State Innovation Waiver

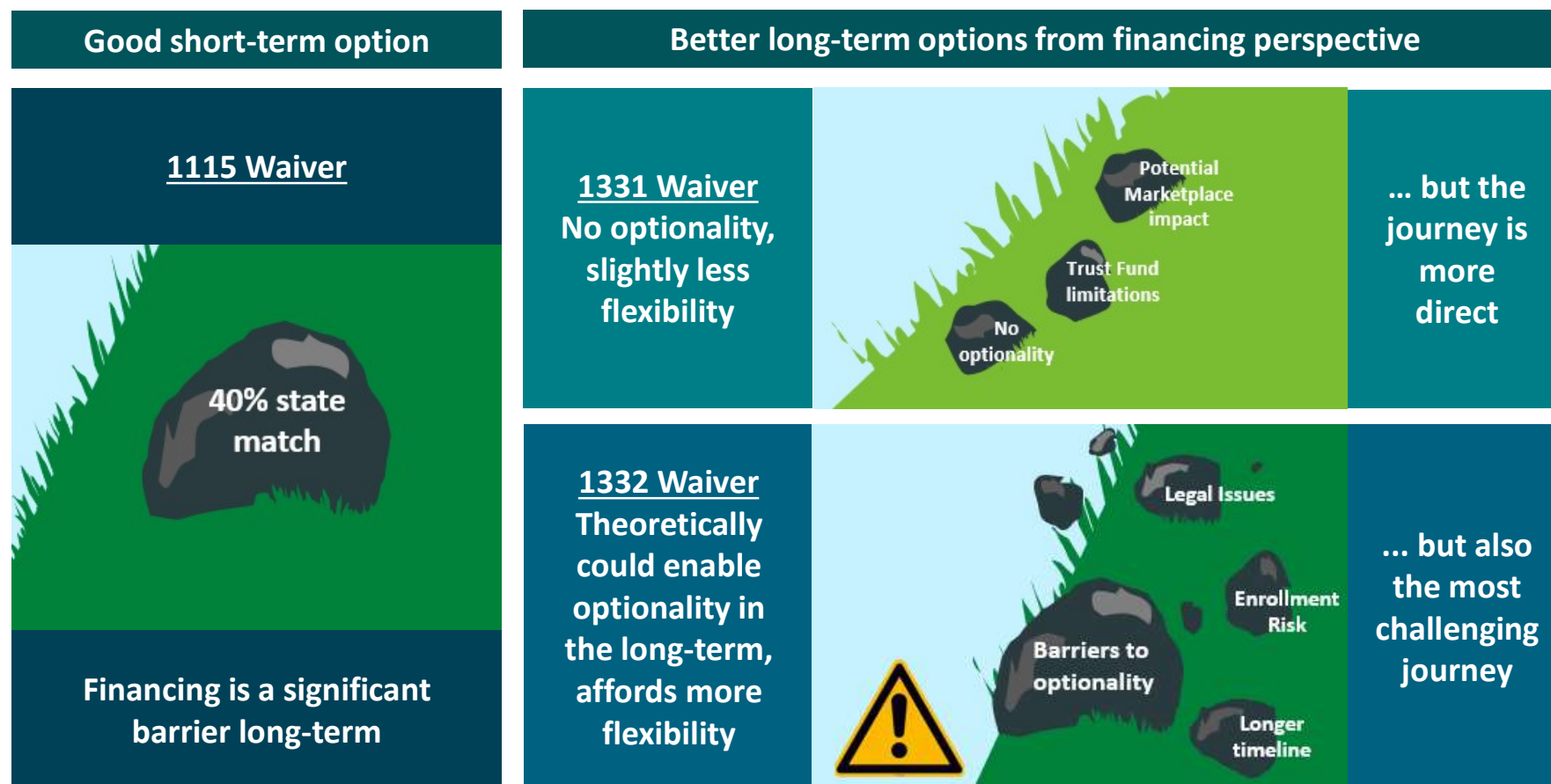
- Could allow people 138-200% FPL to choose between a Bridge Program offered by CCOs and getting Marketplace coverage with tax credits

BUT

- Requires a state-based marketplace which is not feasible before 2025
- Places onus on consumer to determine their churn-point
- Aggregate spending cap creates financial risks to state
- Legal issues may preclude OR from limiting the program to 138-200% FPL
- Waiver must be renewed every 3-5 years

Each Waiver Pathway Faces Different Risks and Challenges

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CMS direction on phasing

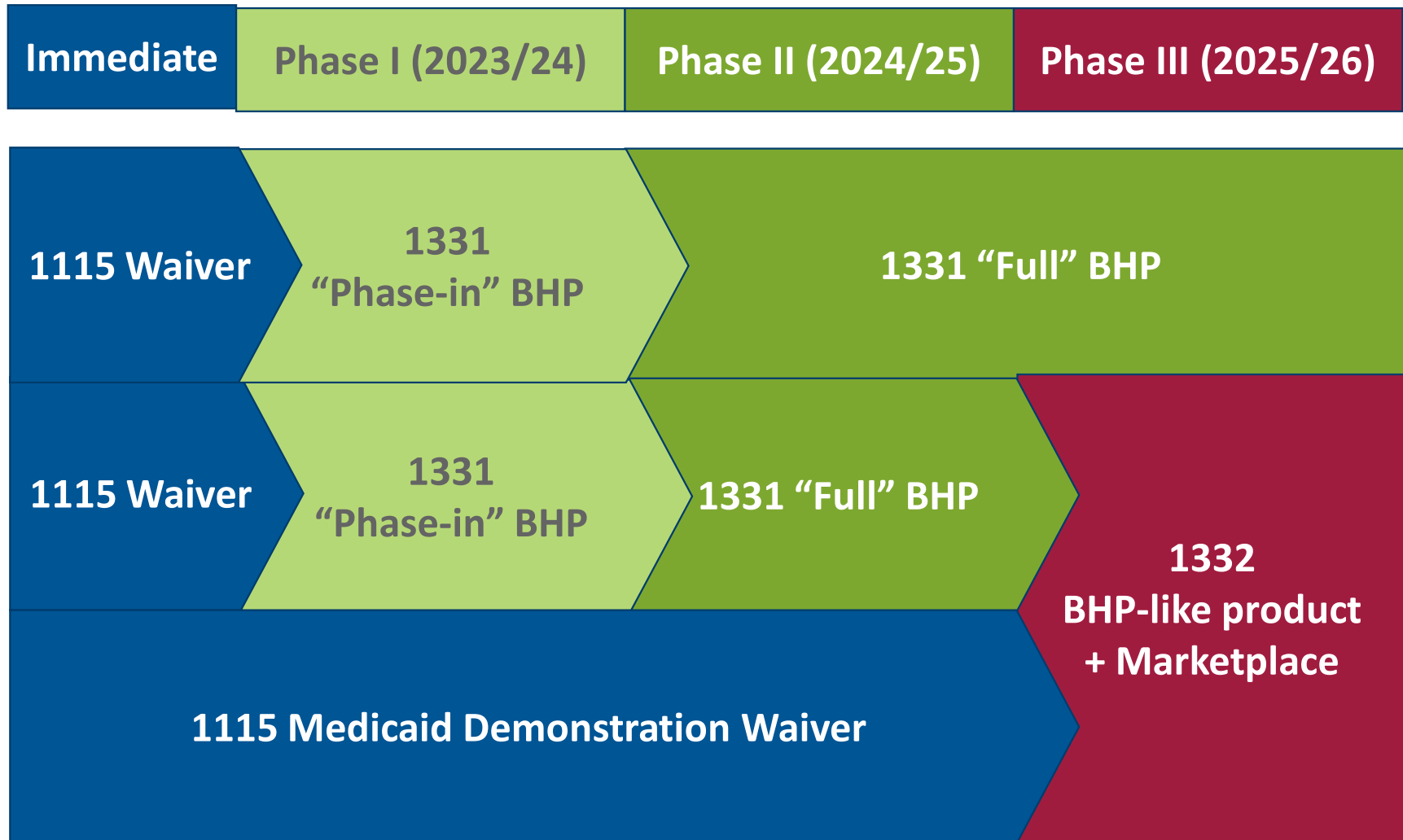
Phase 0: Expand OHP in the immediate term

Phase 1: Basic Health Plan for OHP enrollees losing coverage

Phase 2: Full Basic Health Plan for everyone 138-200% FPL

Phase 3: Enable choice between BHP and Marketplace

Potential implementation pathways per CMS feedback



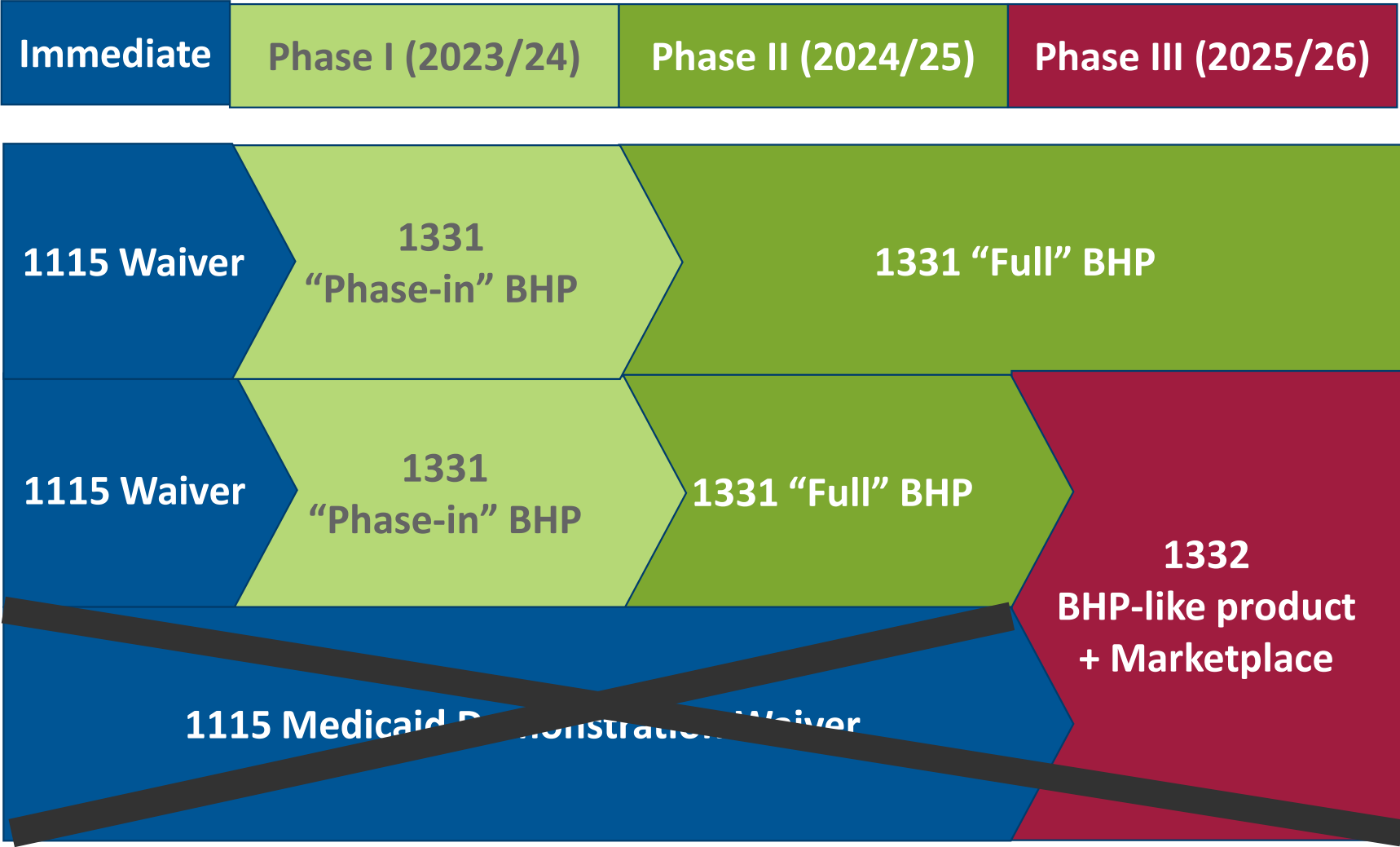
0. Expand OHP in the immediate term

- Temporarily cover OHP enrollees 138-200% FPL losing coverage during redeterminations (2022)
- Coverage through CCOs with OHP benefit
- Temporary 1115 waiver in the immediate short term
 - 40% state match included in 2021/2022 budget

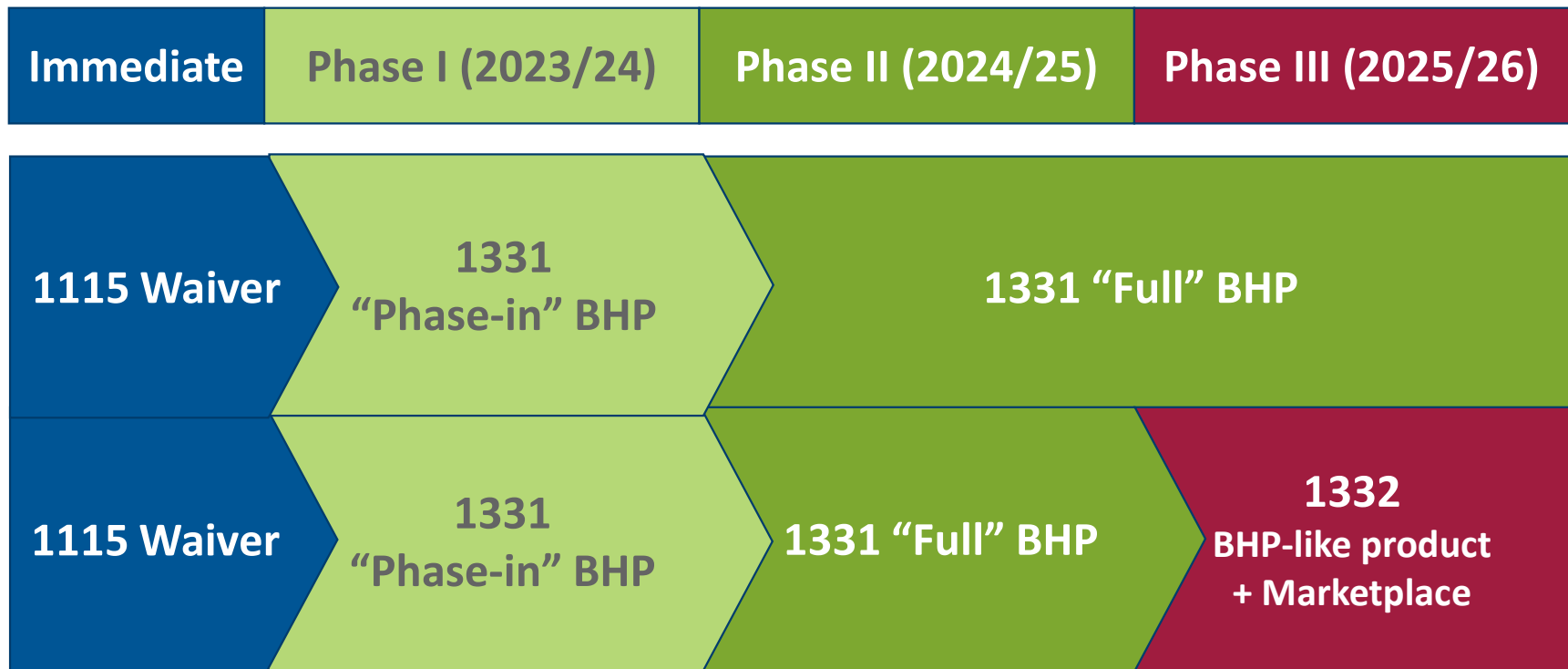
1. BHP for OHP enrollees losing coverage

- Temporarily cover OHP enrollees 138-200% FPL for a transitional period following redeterminations (2022 – 2023)
- Implement a temporary Basic Health Plan (BHP) through section 1331
 - This would only be permitted with a state commitment to implementing a full BHP in Phase 2
- Technically this could be accomplished by a longer term temporary 1115, but this is inconsistent with the budget goals of HB 4035

Potential implementation pathways per CMS feedback



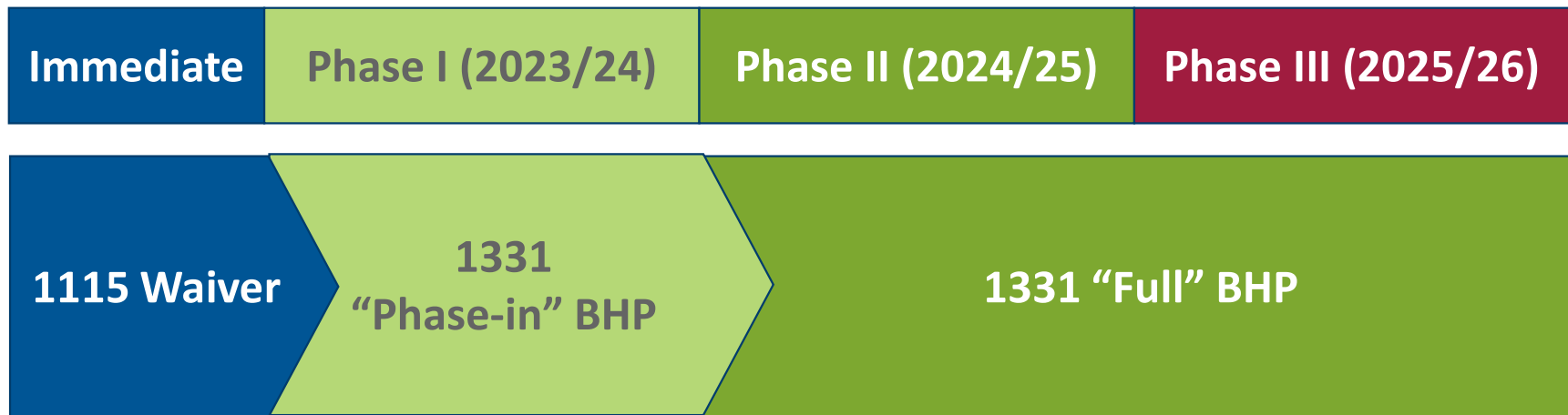
Viable pathways to a Bridge Program



2. Full Basic Health Program

- Full BHP implementation means eventually requiring people 138-200% FPL to move from the Marketplace to the BHP (2024 – 2025)
- The fully implemented BHP could be temporary, but it needs to be fully implemented in Phase 2 before pursuing Phase 3
- This would NOT require development of a state-based marketplace
 - The Federally Facilitated Marketplace could support a full BHP

Full Basic Health Program



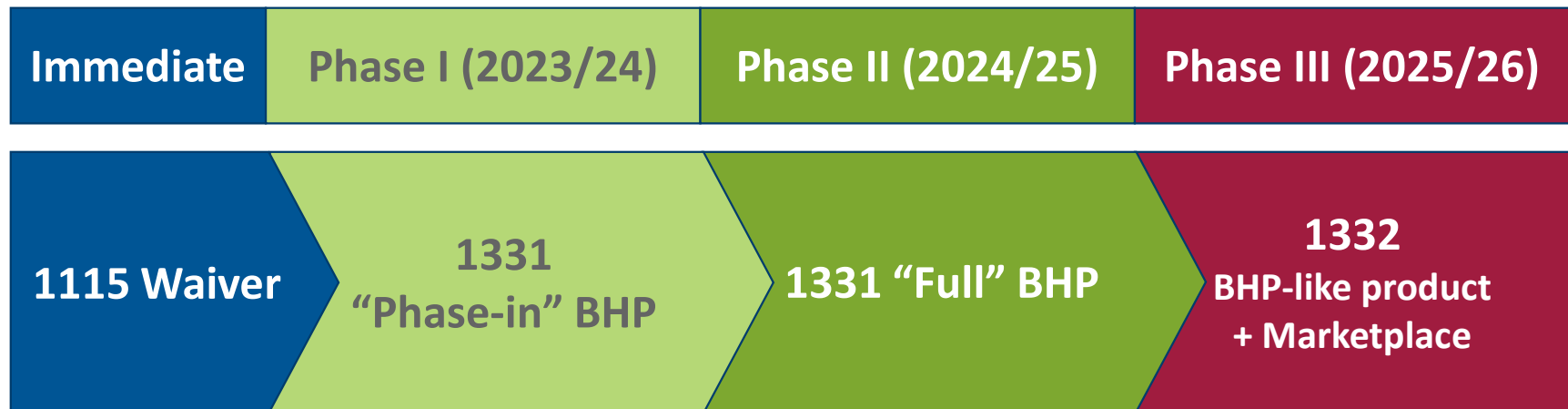
Who is covered by the BHP?



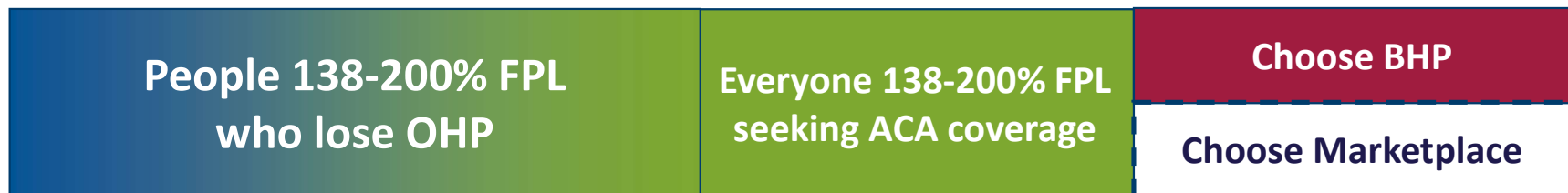
3. Choice between BHP and Marketplace

- Pursue path to enable eligible people to choose between a BHP-like product and subsidized marketplace plans (2025 – 2026)
 - Legal issues may preclude OR from limiting program to 138-200%FPL
 - Places onus on consumer to determine their churn-point
- Requires a state-based marketplace to facilitate consumer choice
 - State-based marketplace not operational before 2025
- 1332 waiver
 - Aggregate spending cap creates financial risks to state

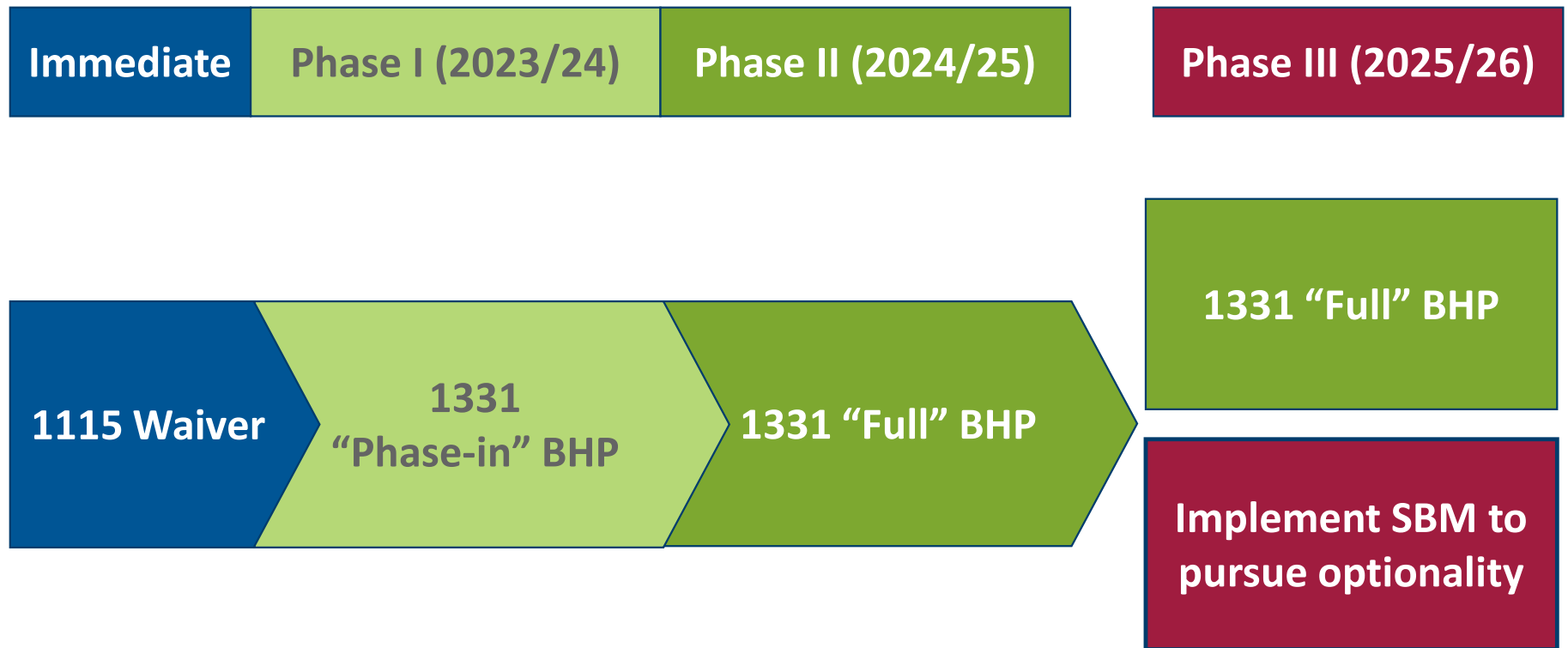
Pursuing “optionality”



Who is covered by the BHP?



What is the path forward now?



Thank You

