



# Health Care Reform in Indian Country

Self-Governance Communication & Education

*Self-Governance Tribes Striving Towards Excellence in Health Care*

## Affordable Care Act/Indian Health Care Improvement Act Refresher

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**IHS Tribal Self-Governance Advisory Committee**  
Self-Governance Communication and Education

# The Affordable Care Act (ACA)

- Signed into law on March 23, 2010.
- Broadly, the ACA:
  - Overhauled the U.S. health system.
  - Expanded healthcare coverage for millions of Americans.
- Permanently reauthorized the Indian Health Care Improvement Act (IHCA).



## Affordable Care Act

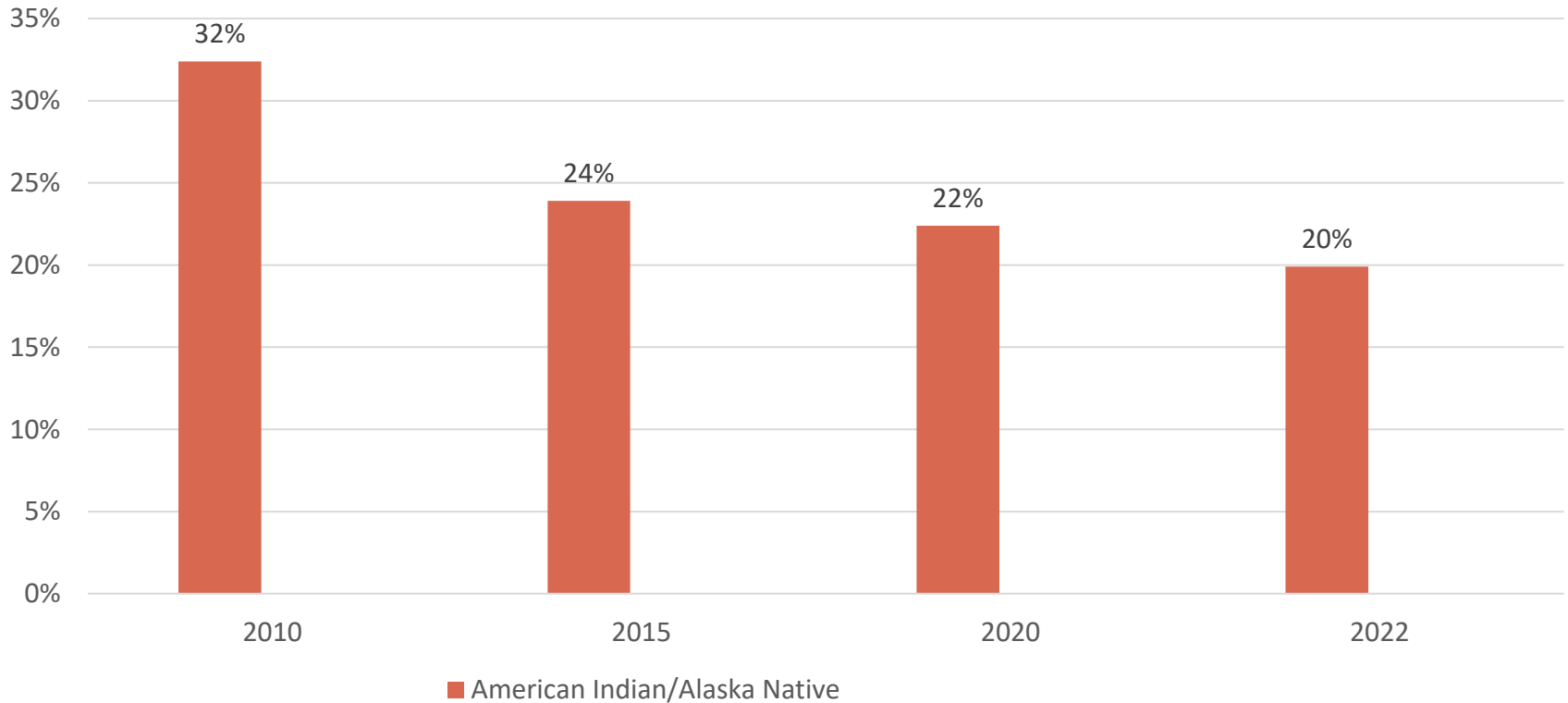
- Individual Mandate
- Health Insurance Marketplace
- Medicaid Expansion
- “Payor of Last Resort”
- Permanent Authority to bill Medicare Part B
- Tax Exemption for Health Benefits for Tribal members

## Indian Health Care Improvement Act

- National CHAP Expansion
- Tribal Sponsorship
- IHS-VA Cooperation and Reimbursement
- Data-Sharing with Tribal Epidemiology Centers
- Licensing Exemptions
- Authority to Provide Long-Term Care
- Right to Recover Directly from Third-Party Payors
- Access to Federal Insurance Benefits

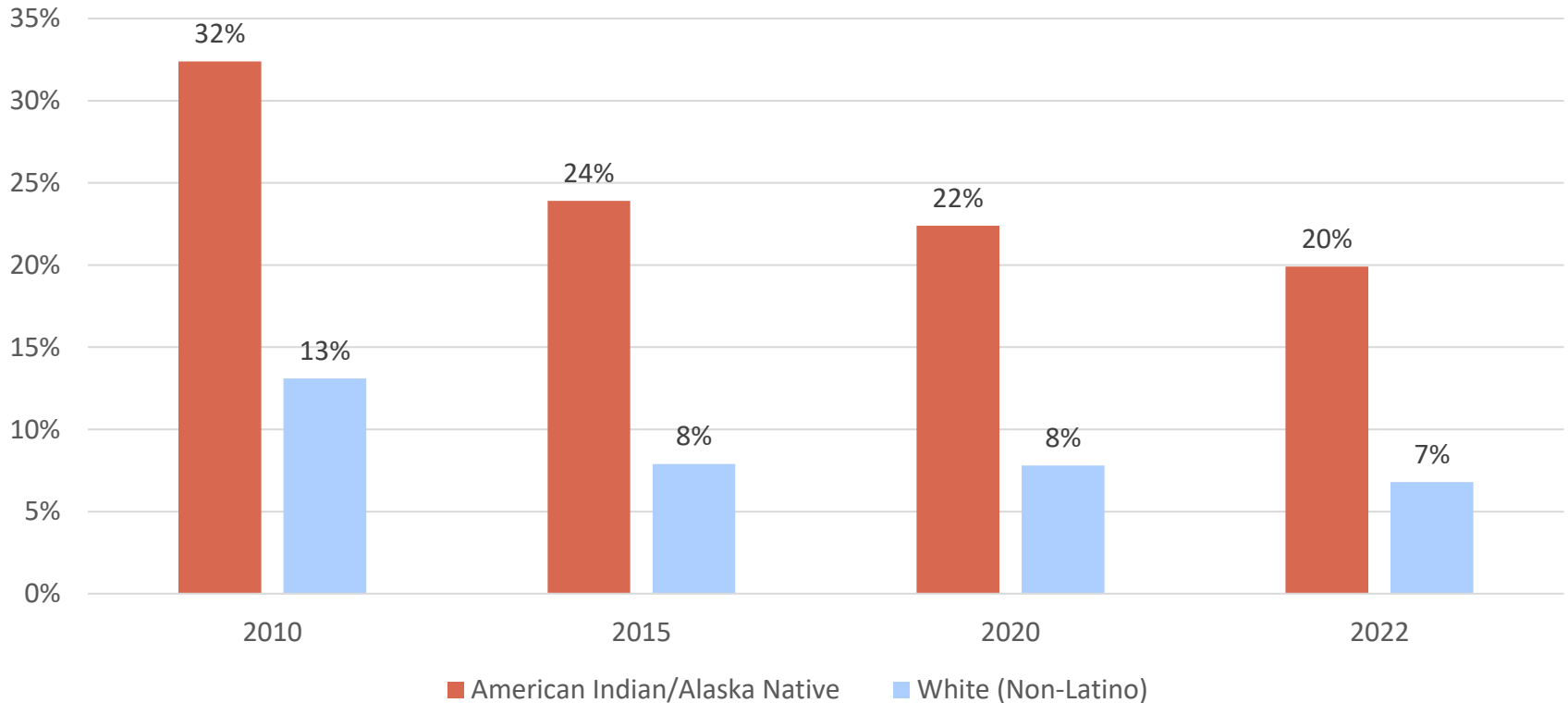
# Impacts of the ACA

Uninsured Rates (Age 0-64), 2010-2022



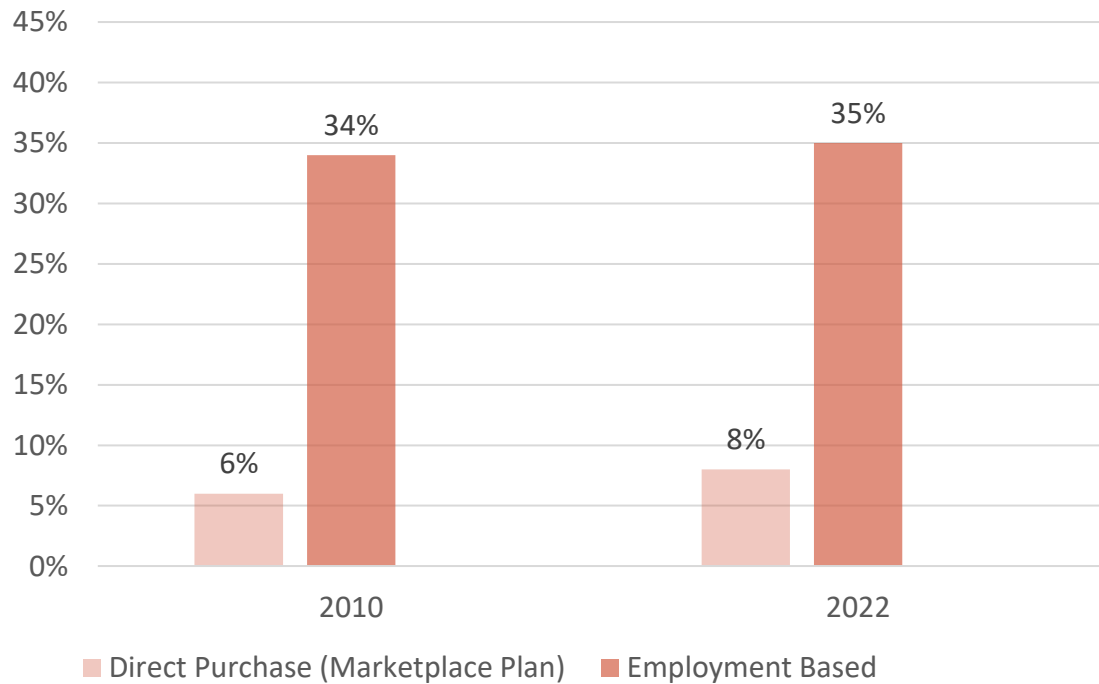
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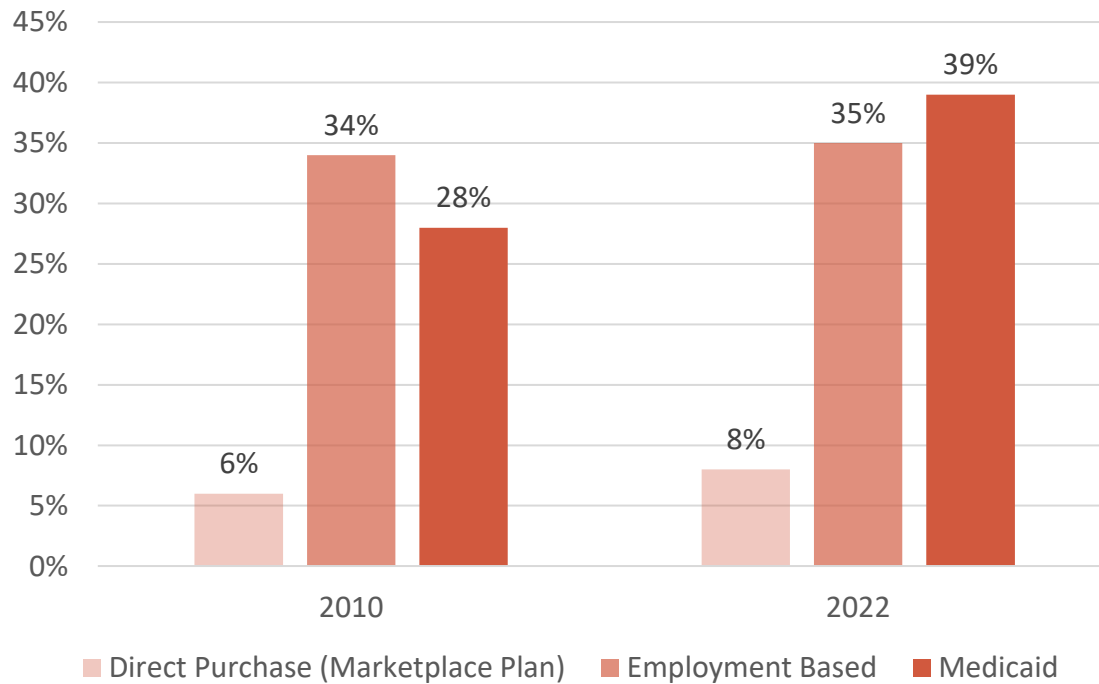
# Impacts of the ACA

Health Insurance Coverage Type Among AI/ANs (Age 0-64)



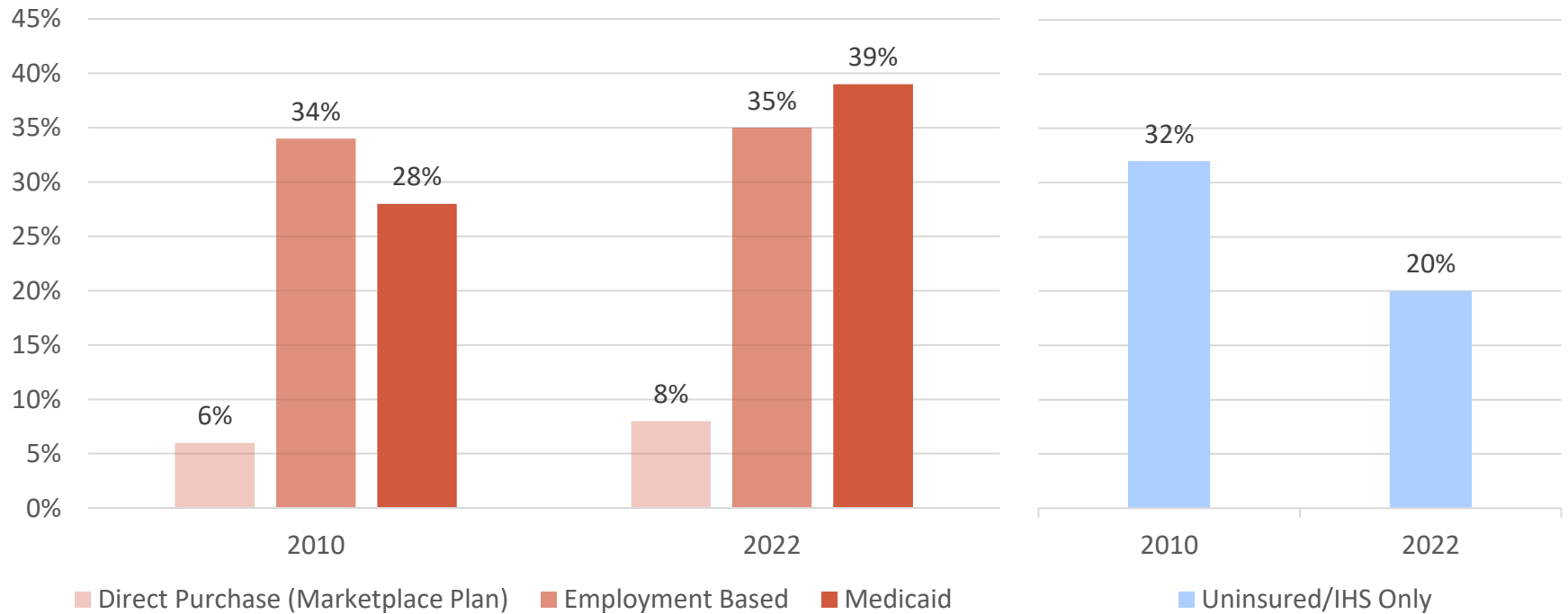
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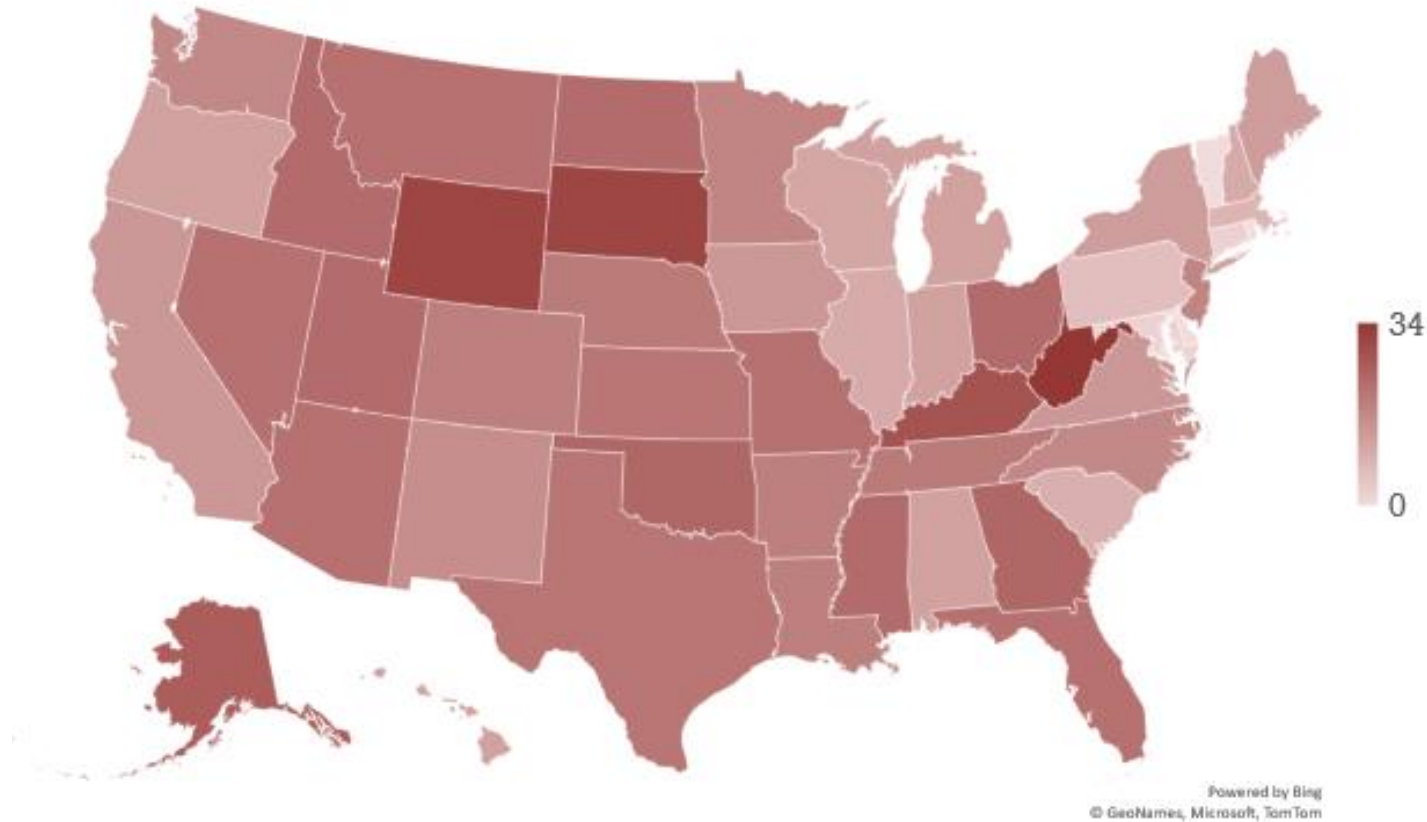
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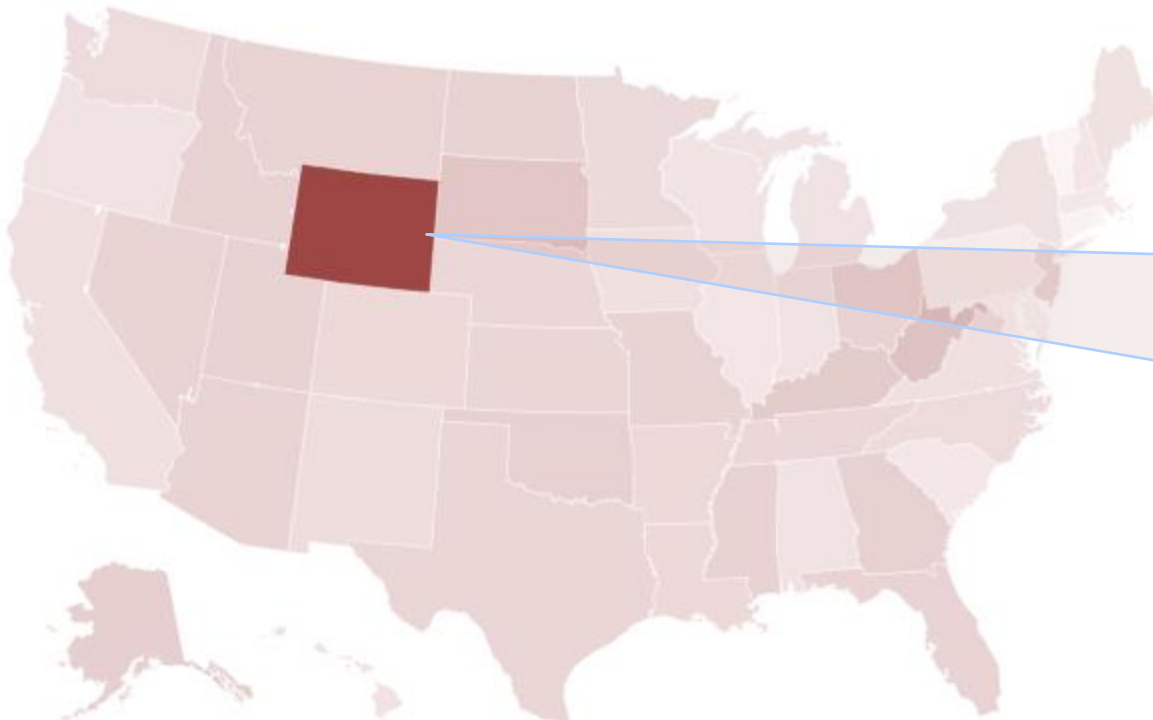


# Impacts of the ACA

Uninsured Rate for AI/ANs (Age 0-64), 2022



# Impacts of the ACA

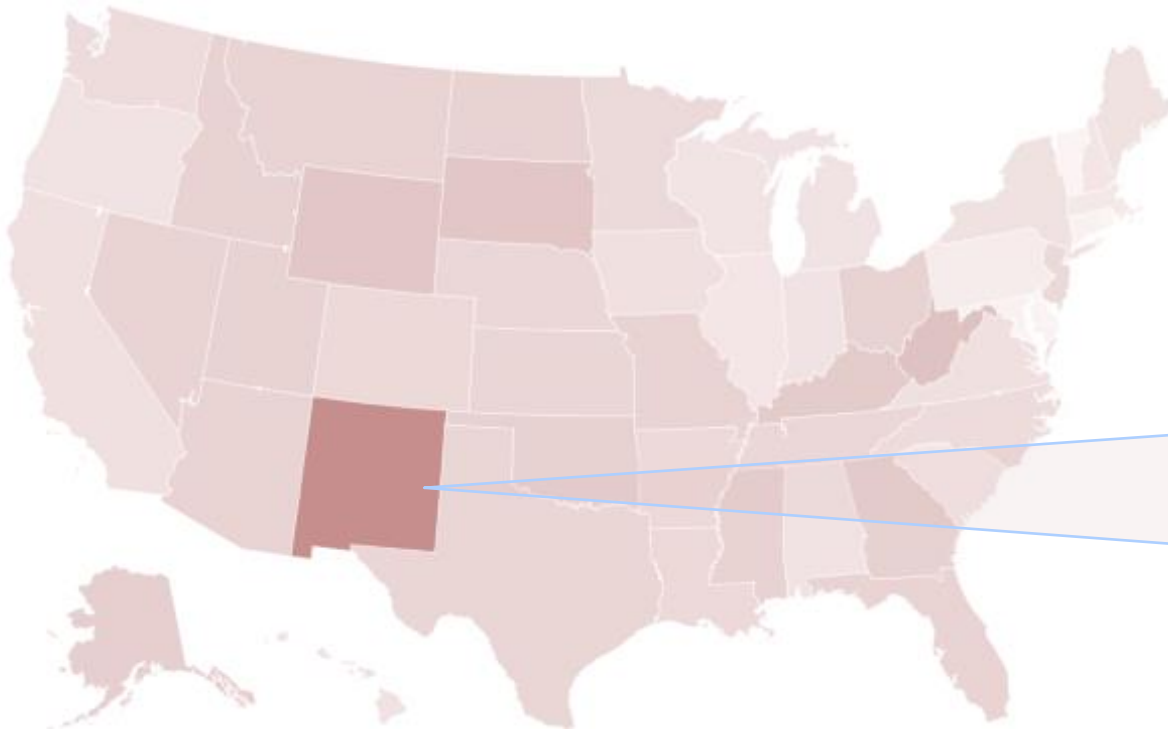


## Wyoming

- Uninsured Rate: 30.9%
- One of the highest in the country
- No Medicaid expansion



# Impacts of the ACA

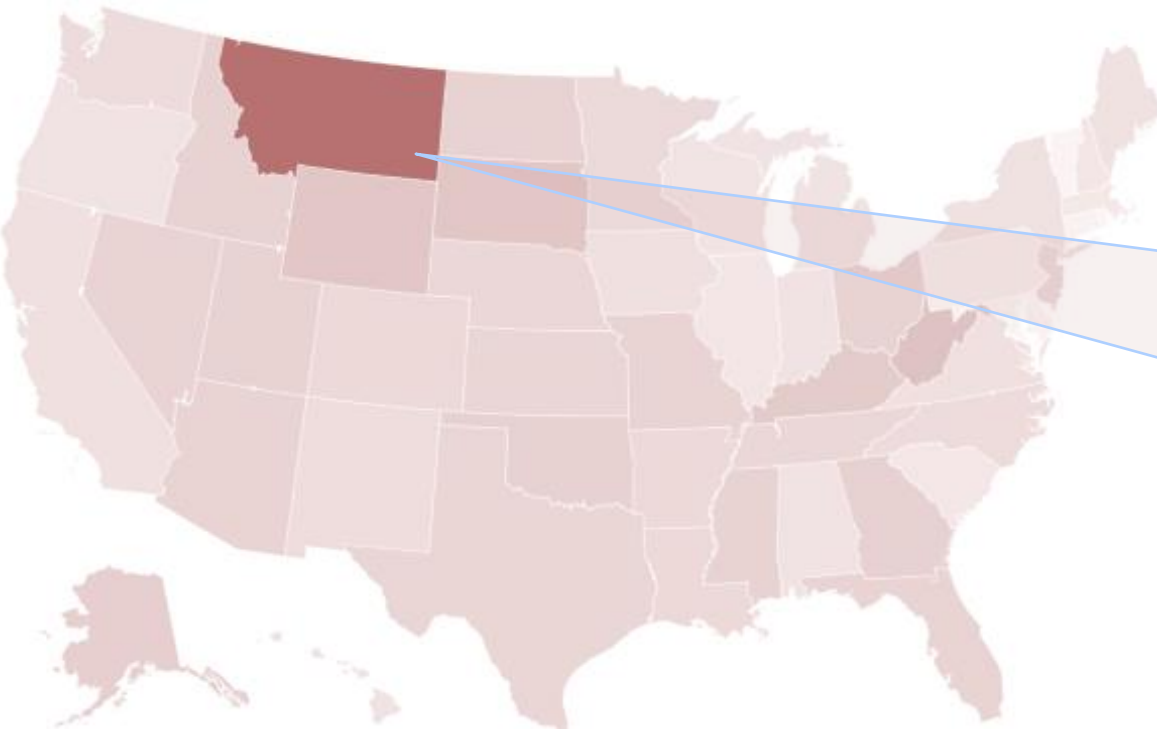


## New Mexico

- Uninsured rate: 15.9%
- One of the biggest drops since 2010 (30%)
- Implemented Medicaid expansion in Jan. 2014



# Impacts of the ACA

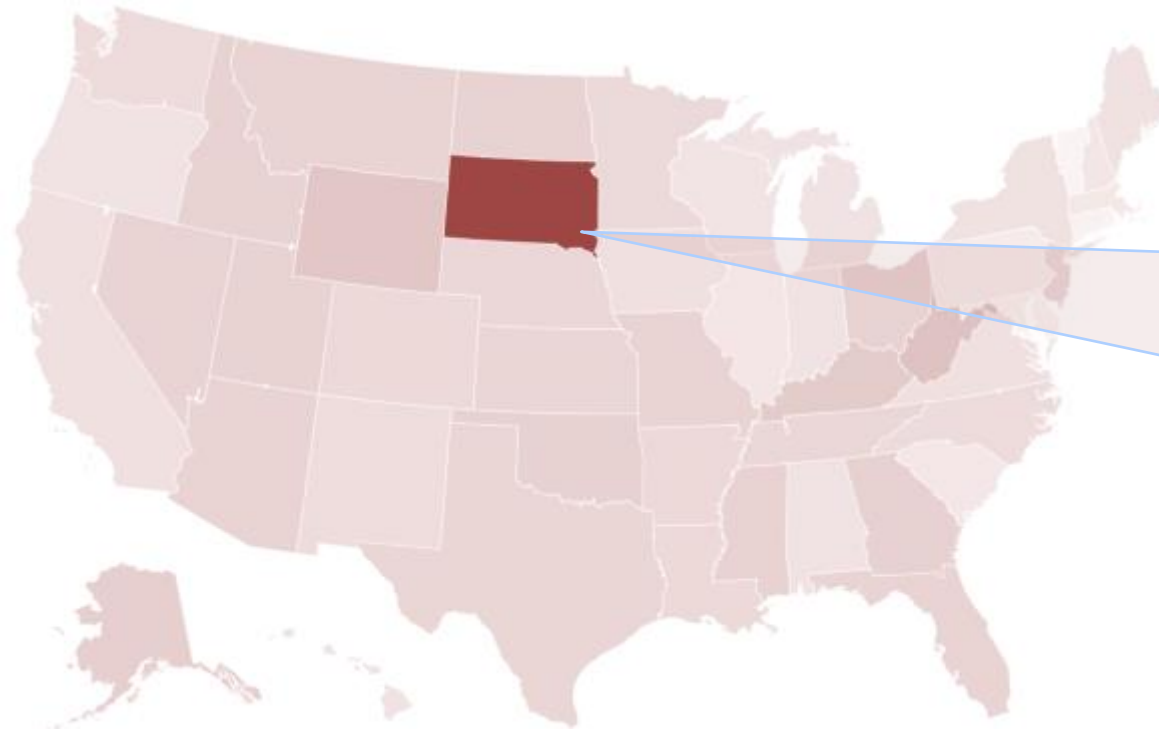


## Montana

- Uninsured rate: 21.6%
- Dropped from 45% in 2010 to 25% in 2020
- Implemented Medicaid expansion in 2016



# Impacts of the ACA



## South Dakota

- Uninsured Rate: 31.1%
- South Dakota began implementing Medicaid expansion in 2023



# Key Terms and Acronyms

- **Authorize v. appropriate:** Just because a program has been authorized does not mean it can be established. Funding must also be appropriated to the program.
- **I/T/U:** IHS, Tribal, and Urban Indian Programs.
- **FPL:** Federal Poverty Level



# Affordable Care Act



## Health Insurance Marketplace

### Description

- Creates a marketplace of Qualified Health Plans.
- Includes subsidies on a sliding scale for individuals between 100% and 400% of FPL.

### Impact

- Tribal members are eligible for limited to no cost-sharing plans depending on income level.
  - 0-100% of FPL: no cost-sharing from any I/T/U provider or with a referral from an I/T/U provider
  - 100-300% of FPL: eligible for no cost-sharing from any provider
  - 400%+ of FPL: no cost-sharing from any I/T/U provider or with a referral from an I/T/U provider.





## Medicaid Expansion

### Description

- Expands Medicaid to cover individuals up to 133% of the federal poverty level.

### Impact

- *National Federation of Independent Business v. Sebelius*, 567 U.S. 519 (2012), made Medicaid expansion optional for states.

## Payor of Last Resort

### Description

- Makes the IHS, Tribal, and urban programs the payor of last resort for persons eligible for services through those programs

### Impact

- The payor of last resort rule means that the IHS pays only after Medicare, Medicaid, VA, CHIP and private insurance pay.



## Medicare Part B

### Description

- Permanent authority for I/T to collect Medicare Part B.

### Impact

- Increases third party revenue

## Tax Exemption for Health Benefits

### Description

- Excludes from gross income the value of health benefits provided by an IHS and Tribal program to its members.

### Impact

- Protects Tribal members from being taxed for health benefits owed by trust and treaty responsibility



# Indian Health Care Improvement Act



## Community Health Aide Program (CHAP)

Description	Impact
<ul style="list-style-type: none"><li>• Authorizes a national CHAP program.</li><li>• Prohibits lower-48 states from including DHAT services except when permitted by state law.</li></ul>	<ul style="list-style-type: none"><li>• Congress has not provided proper funding.</li><li>• An additional \$5 million was appropriated in FY 2024.</li><li>• IHS is still working on implementing the program.</li></ul>

## Long Term Care

Description	Impact
<ul style="list-style-type: none"><li>• Authorizes hospice care, long-term care, and home- and community-based care.</li></ul>	<ul style="list-style-type: none"><li>• Congress has not yet provided funding for these programs.</li></ul>

## Veterans

Description	Impact
<ul style="list-style-type: none"><li>• Allows IHS to cover a Department of Veterans Affairs co-pay</li></ul>	<ul style="list-style-type: none"><li>• Reduces financial burden on I/T/U</li></ul>



## Tribal Sponsorship

Description	Impact
<ul style="list-style-type: none"><li>Allows T/U to use federal funds to purchase health benefits for beneficiaries.</li></ul>	<ul style="list-style-type: none"><li>Gives Tribal members portable coverage</li><li>Increases third-party revenue</li></ul>

## Right to Recovery from Third Party Payors

Description	Impact
<ul style="list-style-type: none"><li>I/T have the right to recover from third-party payers for "the reasonable charges billed ... or, if higher, the highest amount the third party would pay for care and services furnished by providers other than governmental entities"</li></ul>	<ul style="list-style-type: none"><li>Increases third party revenue</li></ul>

## Direct Collection

Description	Impact
<ul style="list-style-type: none"><li>All reimbursements must be credited directly to the I/T/U program that provided the service</li></ul>	<ul style="list-style-type: none"><li>Makes third-party billing more efficient and effective</li></ul>



## Licensing Exemptions

Description	Impact
<ul style="list-style-type: none"><li>• I/T/U is eligible to participate in Federal healthcare programs without a state license so long as they meet the requirements for licensure</li><li>• A Tribal provider is not required to be licensed by the state in which the Tribal program is located as long as they are licensed in any state.</li></ul>	<ul style="list-style-type: none"><li>• Reduces administrative overhead.</li><li>• Provides more flexibility to I/T/U.</li><li>• Better honors Tribal sovereignty.</li></ul>

## Federal Health Insurance

Description	Impact
<ul style="list-style-type: none"><li>• Tribal programs operating any ISDEAA program may purchase insurance coverage for all employees (not just of the ISDEAA program) through the Federal employee health benefits program</li></ul>	<ul style="list-style-type: none"><li>• Allows Tribal programs to offer better benefits to their employees</li></ul>

