

TRIBAL FINANCE QUARTERLY

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How Will the Affordable Care Act Impact Your Tribe?

by Ryan Luetkemeyer, Senior Manager, Tribal & Gaming Services Practice, and Karl Rebay, Director, and Lori Laubach, Partner, Health Care Practice

Despite setbacks—the botched rollout of its Web site and the delay in its employer mandate, to name two—the Affordable Care Act (ACA) took effect this year, providing health care coverage to millions of previously uninsured Americans. But what about tribal members, many of whom are covered through Indian Health Service (IHS)? Will they see any benefit from the ACA?

In a word, yes.

The law includes many positives for both tribal governments and individual tribal members, since it provides more choices and creates more flexibility for tribes with members who need specialized health care. In addition, the ACA not only makes the Indian Health Care Improvement Act, and the IHS, permanent; it also provides tribes the option to purchase coverage for their employees through the Federal Employees Health Benefits Program.

The ACA will also provide tribes with new opportunities to increase revenues and reduce certain health care costs. How?

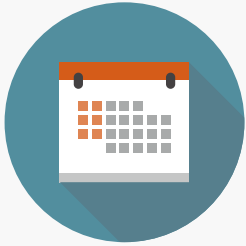
With greater numbers of tribal members and non-IHS eligible beneficiaries with some form of coverage through the ACA, third-party reimbursements to tribal IHS clinics may increase and the costs associated with tribes' Contract Health Service programs should be reduced.

In addition, the increase in third-party reimbursements will require tribal health facilities to be ready for the need to handle higher third-party claims volume and respond to patients' questions on the ACA and the marketplaces. All in all the ACA should create pipelines to bring more health care professionals to Indian Country, giving tribal members more access to services and better overall care.

The benefits don't end there. According to the IHS, as many as nine out of 10 tribal members may qualify for financial assistance with the ACA. As a result:

- They won't have to pay co-pays or deductibles if their income is below a certain level.
- They may receive tax credits to purchase coverage on the federal or a state-run health care exchange.
- They may be covered through Medicaid if their state expands eligibility, as California did effective January 1, 2014.

It's important to note that IHS eligibility for tribal members and their descendants will remain the same even though membership criteria are narrower under the ACA.



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32nd Annual Conference
 New Orleans
 April 14–15

Meet members of the Moss Adams Tribal & Gaming Services Practice at our booth.

NIGA 2014
Trade Show and Convention
 San Diego
 May 11–14

Meet members of the Moss Adams Tribal & Gaming Services Practice at booth 1746.

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Tribal members are also exempted from the tax penalty that would otherwise apply to individuals who don't obtain health insurance coverage under the ACA. And discrimination based on preexisting conditions or gender as well as annual limits on insurance are eliminated for all covered participants, including tribal members.

Also, under the ACA, tribal members' existing Medicare benefits can't be reduced or taken away. In addition to offering potentially less expensive prescription drugs, Medicare continues to cover certain preventive services and free wellness checkups.

Not-for-profit hospitals are required to perform Community Health Needs Assessments under the ACA. In doing so, they can include tribal health leaders in identifying community health needs, potentially giving tribes a good opportunity to form stronger ties with these community health care facilities.

And finally, many new grants were authorized under the ACA and are funded through mandatory spending that doesn't require further congressional approval. New grant opportunities for tribes include funding for healthy lifestyles, lowering health care costs, and reducing health disparities in tribal communities.

These are good reasons to be excited about the impact of the ACA on Indian Country. However, some tribal members may not feel the need to enroll since they already receive health care through IHS. Yet the federal requirement to ensure that IHS is the "payer of last resort" requires tribes to help tribal members seek out alternatives now available through the ACA. It will be critical that your tribe's health programs and clinics help patients navigate the law and the new health insurance marketplaces.

If you have questions about how to implement best practices for health insurance billing or redesign of your tribe's health care programs in light of the ACA, contact your Moss Adams professional.

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