# Medicaid Transformation Waiver Overview

Chronic Homeless Policy Academy
*October 27, 2015*

Healthier WASHINGTON

## Topics for Today

- The Healthier Washington Connection
- Medicaid Transformation waiver overview
- Proposed need for workgroup support
- Workgroup discussion on:
  - Key policy design – who, what, how and when
  - Implementation design and planning scope
- Confirm next steps, timing and who

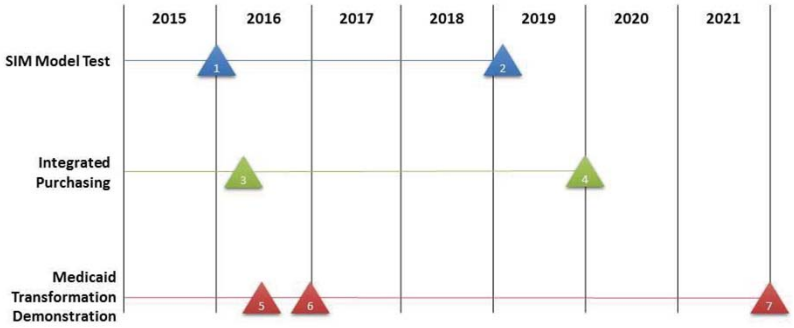

**Washington's vision for creating healthier communities and a more sustainable health care system by:**

- **Building healthier communities through a collaborative regional approach**
- **Ensuring health care focuses on the whole person**
- **Improving how we pay for services**

Healthier WASHINGTON



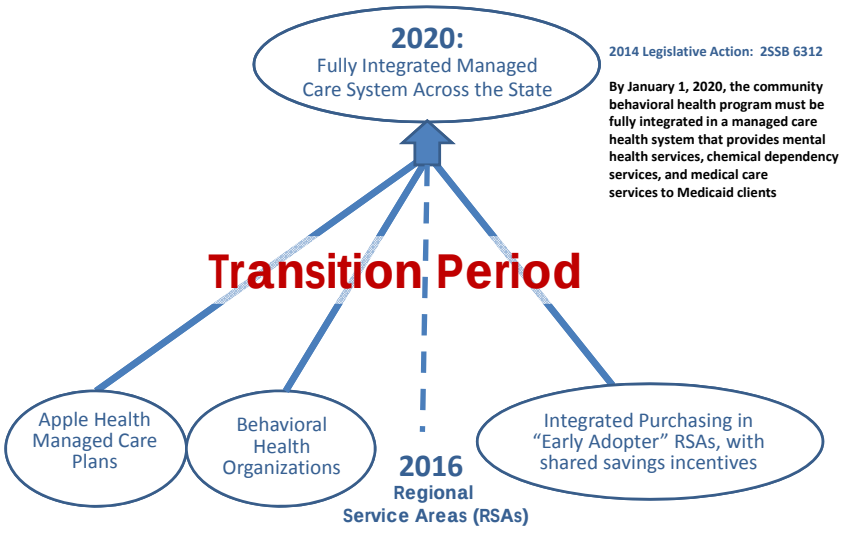
## Healthier Washington = Multiple Initiatives




1 ACHs designated
2 SIM evaluation complete
3 Fully integrated managed care in SW WA; BHOs in other regions
4 Fully integrated managed care health systems statewide
5 Proposed waiver approval; transformation demonstration start-up
6 Transformation investments begin
7 Medicaid transformation evaluation demonstration complete

Healthier WASHINGTON

## Medicaid Integrated Purchasing Transition




Healthier WASHINGTON



## Medicaid Transformation Waiver Basics

- **Five-year Demonstration project**
  - *—"Section 1115" contract between federal and state governments, bound by special terms and conditions, to leverage federal savings for investment in delivery system reform*
  - *— This is not a grant program. Funding is performance-based.*
  - *— Investments cannot fund business as usual—waiver funding must be linked to implementation of the Medicaid Transformation vision.*
  - *— Investments can't supplant current state/local funding.*
- **Budget neutrality**
  - *—The state must not spend any more federal dollars than they would have spent without the waiver.*
- **Comprehensive evaluation**
  - *—Required to assess the degree to which waiver investments achieve goals.*
- **Transformation must be sustainable beyond the demonstration**
  - *—Sustainability plans required for continuing transformation without ongoing federal waiver investments.*

***Note: A waiver is not guaranteed.***

Healthier WASHINGTON

## Medicaid Transformation Goals: Triple Aim

- **Reduce avoidable use of intensive services and settings**
  *—such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional LTSS and jails*
- **Improve population health**
  *—focusing on prevention and management of diabetes, cardiovascular disease, pediatric obesity, smoking, mental illness, substance use disorders, and oral health*
- **Accelerate the transition to value-based payment**
  *—while ensuring that access to specialty and community services outside the Indian Health system are maintained for Washington's tribal members*
- **Ensure that Medicaid per-capita cost growth is two percentage points below national trends**



## Medicaid Transformation Initiatives

**Initiative 1** **Transformation through Accountable Communities of Health**

*Each region, through its Accountable Community of Health, will be able to pursue transformation projects focused on health systems capacity building, care delivery redesign, and population health improvement.*

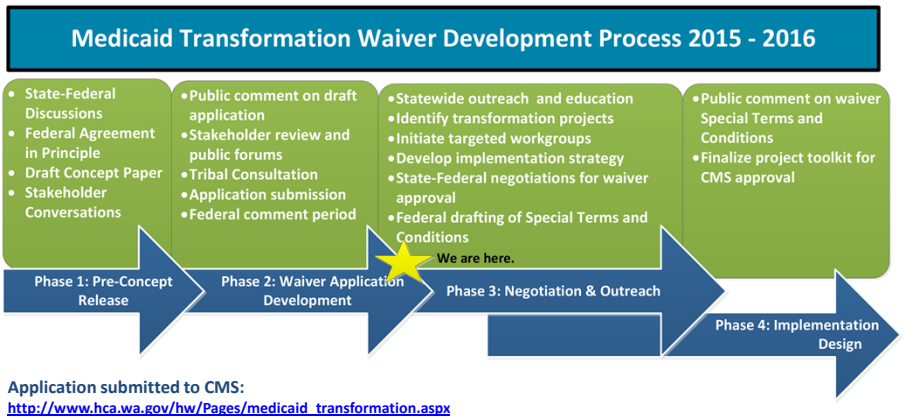
**Initiative 2** **Service Options that Enable Individuals to Stay at Home and Delay or Avoid the Need for More Intensive Care**

*A broadened array of Long Term Services and Supports (LTSS).*

**Initiative 3** **Targeted Foundational Community Supports**

*Targeted **supportive housing** and supported employment services will be offered to Medicaid beneficiaries most likely to benefit from these services.*

## Waiver Timeline & Process




**Application submitted to CMS:**
http://www.hca.wa.gov/hw/Pages/medicaid_transformation.aspx

**What's next:**
- 30-day federal comment period now ended
- Negotiations with CMS begin
- Ongoing development of demonstration

Healthier WASHINGTON



## Overview of Workgroup Support Anticipated

- Inform priority policy design elements
  - —*Eligibility: refinements – frequency, length and acuity*
  - —*Benefits: quality assurance re evidence based practice; coordination with other housing initiatives*
  - —*Ramp-up: options*
- Inform implementation design and planning
  - —*Capacity building (including licensing, training, and Indian Health links)*
  - —*Data/IT support*
  - —*Effective marketing/outreach/education strategies*
  - —*Quality assurance/fidelity monitoring*
  - —*Cross-system partnerships (e.g., Commerce; Councils on Homelessness)*
  - —*Rate development – link with shared savings and reinvestments*
  - —*Evaluation – based on CMS expectations*
  - —*Sustainability (including alignment with reinforcing initiatives)*
- Support initiative implementation

Healthier WASHINGTON

## Eligibility Criteria – frequency, length & acuity (pages 33-34)

**Medicaid enrollees age 18 and older***, who require tenancy supports to access and maintain community housing and **meet one or more of the following criteria**:

1. Meet HUD definition of chronically homeless (see next slide)

Or

2. Have frequent or lengthy institutional contacts (emergency room visits, nursing facility stays, hospital, psychiatric hospital stays, jail stays). Frequency, length and acuity to be determined.

Or

3. Have frequent or lengthy adult residential care stays: Adult Residential Treatment Facilities (RTF), Adult Residential Care (ARC), Enhanced Adult Residential Care (EARC), Assisted Living (AL), Adult Family Home (AFH), Expanded Community Services (ECS)) or Enhanced Service Facilities (ESF). Frequency, length and acuity to be determined.

Or

4. Have frequent turnover of in-home caregivers or providers. Frequency, length and acuity to be determined by ALTSA CARE assessment.

Or

5. Meet specific risk criteria (PRISM risk score of 1.5 or above.)

**** Predominantly adults, but also includes transitioning youth – those coming out of foster care, homelessness, or JRA facilities for example.***



## Eligibility Criteria – HUD definition

The definition of "chronically homeless" currently in effect for the CoC Program is defined in the CoC Program interim rule at 24 CFR 578.3. A chronically homeless person is:

**(a)** An individual who:

**i.** Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and

**ii.** Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and

**iii.** Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

**(b)** An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition [as described in Section I.D.2.(a) of this Notice], before entering that facility; or

**(c)** A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition [as described in Section I.D.2.(a) of this Notice, including a family whose composition has fluctuated while the head of household has been homeless.

## Population Estimates - page 27

**Population:**

Washington intends to offer access to supportive housing and supported employment, to a **targeted** group of individuals. Preliminary modeling suggests:

~**7,500** individuals eligible
→ ~3,000 (40%) **engaged on a monthly basis**
→ ~1200 (40%) Medicaid expansion **new adults**

*Modeling being revised as we learn more about populations, issues, benefits, financing, and realistic ramp-up options*



## Benefits

- Page 33 - Housing-related activities (Individual Housing Transition Services, Individual Housing and Tenancy Sustaining Services) include a "to be defined" range of flexible services and supports
- See Appendix 5 – Benefit Specifications and Provider Qualifications – 5 hours per month

## Ramp-Up Considerations

- When should services be implemented to eligible populations?
- Where might there be need to build capacity for providers to deliver services? (page 37)
- What are the implications for refining modeling of engaged populations and costs for initiative 3?
- Where might initiative 3 enhance other regional transformation?
- ***Other questions?***



## Recap and Next Steps Planning

- Confirm critical work ahead
- ***Who's missing from the conversation?***
- Sub-committees needed

**THANK YOU!**

**For more information, contact:**

**Healthier Washington Team:**
**healthierwa@hca.wa.gov**

**Website:**
**www.hca.wa.gov/hw**

# Thank you