

Washington State Health Care Authority

Medicaid Monthly Meeting (M3)

October 29, 2014

Jessie Dean

Acting Administrator, Office of Tribal Affairs & Analysis

Agenda

- Introductions
- Medicaid I/T/U Payment Summary – 2011-2014
- Integration of Mental Health & Chemical Dependency Treatment with Medical Care
- Foster Care Medical Coverage
- Upcoming Change to MAGI-Based Apple Health Paper Application
- Medicaid Managed Care Plan Selection
- Medicaid SPAs and Waivers
- How to Make This Meeting Useful
- Open Time



Introductions

Office of Tribal Affairs & Analysis

- Jessie Dean,
Acting Administrator/Tribal Liaison
 - Email: jessie.dean@hca.wa.gov
 - Direct Dial: (360) 725-1649
- Mike Longnecker,
Operations & Compliance Manager
 - Email: michael.longnecker@hca.wa.gov
 - Direct Dial: (360) 725-1315

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Medicaid I/T/U Payment Summary 2011-2014

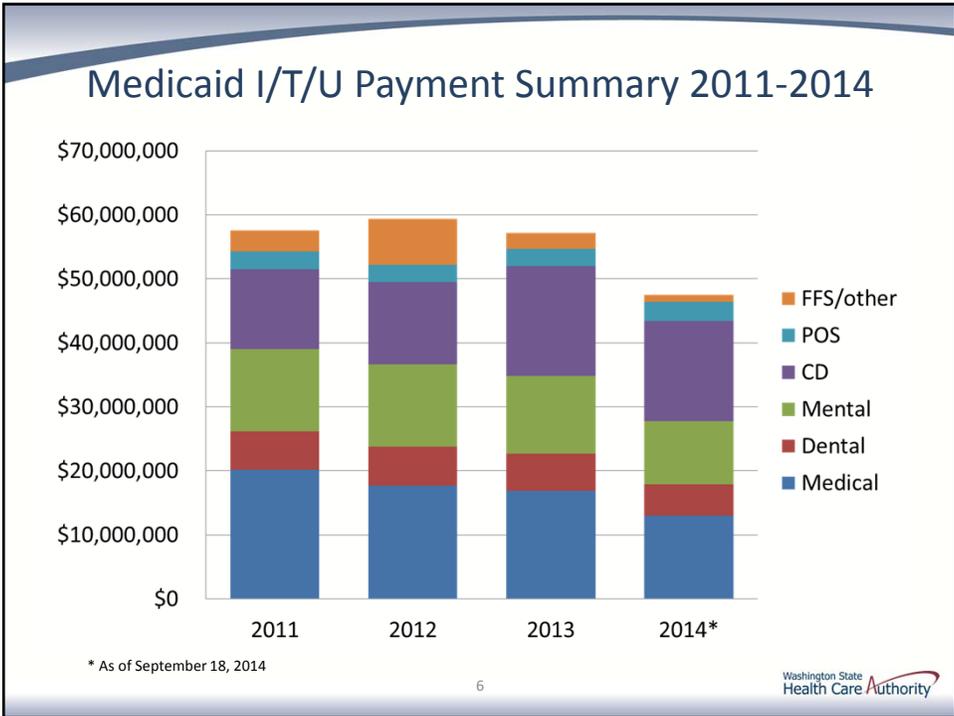
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Medicaid I/T/U Payment Summary 2011-2014

	2011	2012	2013	2014*
SUMMARY	<u>\$57,583,962</u>	<u>\$59,318,062</u>	<u>\$57,126,918</u>	<u>\$47,501,470</u>
Medical	\$20,200,967	\$17,708,031	\$16,876,446	\$13,063,496
Dental	\$5,931,726	\$6,080,725	\$5,805,454	\$4,789,910
Mental	\$12,909,541	\$12,893,503	\$12,148,685	\$9,908,230
CD	\$12,473,647	\$12,804,228	\$17,152,982	\$15,624,483
POS	\$2,814,949	\$2,664,980	\$2,725,032	\$3,010,046
FFS/other	\$3,253,132	\$7,166,595	\$2,418,319	\$1,105,305

* As of September 18, 2014

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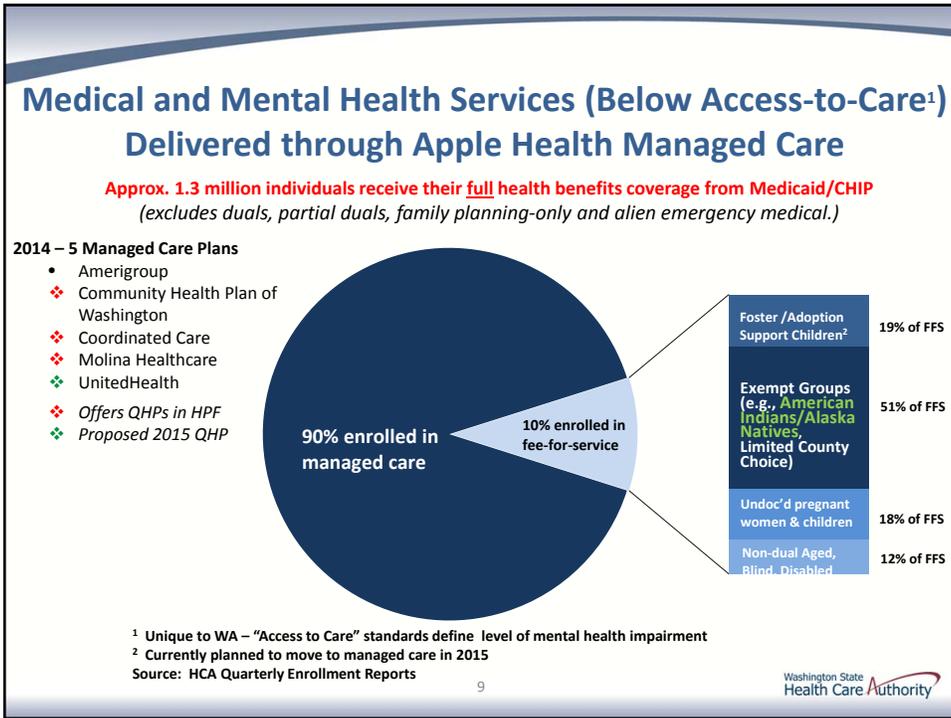
Two Paths to Statewide Integration of Mental Health and Chemical Dependency Treatment with Medical Care by 2020

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What is Apple Health (Medicaid) Managed Care?

- **Since early 1990s: Medicaid transitioning beneficiaries to health plans** – non-FFS requires CMS approval
- **Today: Over 90% of full-benefit eligibles** are served through Apple Health Managed Care Plans
- **State sends PMPM (per-member, per-month) to 5 Plans** with defined set of benefits for defined population—each Plan is fully at risk for the care of its respective population
- **Goals of Apple Health Managed Care:** Control costs, improve coordination and quality, improve population health

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How Many American Indians/Alaska Natives Are in Apple Health Managed Care?

- May 2014:
 - 1,188,222 Medicaid clients in Managed Care
 - 9,430 AI/AN Medicaid clients in Managed Care*

*AI/AN is currently reported as race code 4 or 5 in ProviderOne. Due to race being a voluntary field during enrollment there are a large number of AI/AN clients who are in the ProviderOne system as non-native. These clients will be updated to race code 4 as part of a larger clean up project this fall.

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How Does HCA Select Apple Health Managed Care Plans?

- **In 2012, HCA Launched New Procurement:**
Two incumbent plans (Community Health Plan of Washington & Molina) and three new plans (Amerigroup, United Health Care, Coordinated Care) were awarded contracts
- **Between Procurements:** State provides opportunities for new plans to apply; HCA decides whether new plans are offered
- **2SSB 6312 - Regional Service Areas (RSAs) for Medicaid:** HCA determining next steps for April 2016 in collaboration with DSHS

Apple Health Managed Care Plan Rate Setting

- **State works with an actuary** to ensure that capitated rates reflect the population characteristics, benefits and service delivery expectations placed on health plans
- **Centers for Medicare and Medicaid Services (CMS) requires actuarial soundness & must approve the rates**
- **State process** for building rates:
 - *Review historical utilization patterns*
 - *Examine policy, benefits, eligibility, and trends, including medical inflation, new drugs & technologies, changes in health care practice*
 - *Based on research, assumptions made about plan performance and the impact of care coordination on overall health care spending*
 - *Rates set with clear communication among HCA, OFM, Legislative fiscal staff and the State's contracted actuary*
 - *Rates paid out monthly to plans reflecting their enrolled population.*
 - *Rates adjusted to control for demographic differences and health risk characteristics of enrollees served. Adjustment is cost-neutral to state.*

Payments to Apple Health Managed Care Plans in July 2014

- **Number of Managed Care Plans: Five**
- **Number of Managed Care Enrollees: 1.26 million**
- **Total Paid to Managed Care Plans: \$437.5 million**

How Much Does HCA Pay Apple Health Managed Care Plans?

Apple Health Managed Care Plans September 2014		
<i>Population</i>	<i>Avg. PMPM</i>	<i>Admin. Rate</i>
Children and Families	\$ 151.01	13.5%
New Adults	\$ 634.37	12.5%
Blind/Disabled	\$ 798.40	9.4%

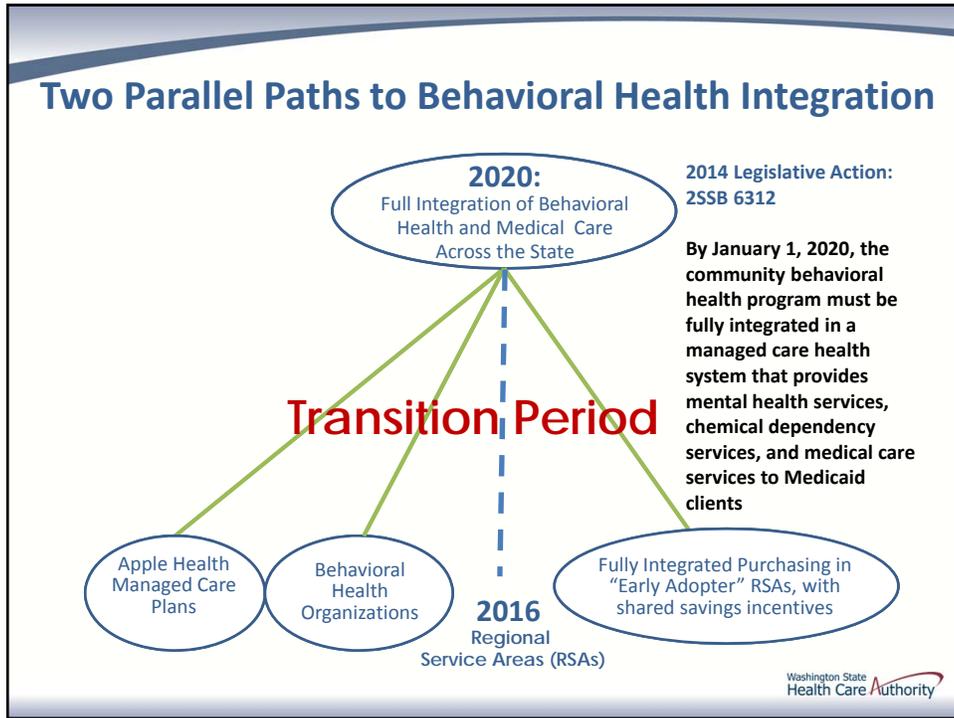
- **By law, HCA is required to provide actuarially sound rates.**
- **Year-to-year trend for managed care contracts** determined on the basis of: Medical inflation, utilization changes and policy changes

How Does HCA Hold Apple Health Managed Care Plans Accountable?

- **Managed Care Plans have the full financial risk** for 1.26M clients – they must deliver the care on-time and on budget or face losses
- **State controls the Managed Care Plans' margins for administration and profit. Medical Loss Ratio:** Proportion of premiums applied to delivery of services set in contract
- **Administrative performance measures:** HCA monitors Managed Care Plans' customer service, benefit management, network adequacy
- **Quality monitoring:** CMS requires that Managed Care Plans are measured annually on basis of HEDIS scores and NCQA accreditation
- **Encounter Data:** Managed Care Plans share data with HCA , providing info on each medical encounter (allows comparison of Managed Care Plan performance, etc.)

What Was the Effect of Moving Blind and Disabled Clients to Apple Health Managed Care in Late 2012?

- **Recent evaluation :** Independent assessment required by CMS and completed by Mathematica Research showed:
 - *Total capitation payments in year 1 were smaller than projected expenditures by about \$60.8 million*
 - *Enrollees reported adequate access to care*
 - *Appropriate utilization improved:*
 - *Emergency Department use fell*
 - *Outpatient and prescription drug use increased*
 - *Quality of care not compromised*



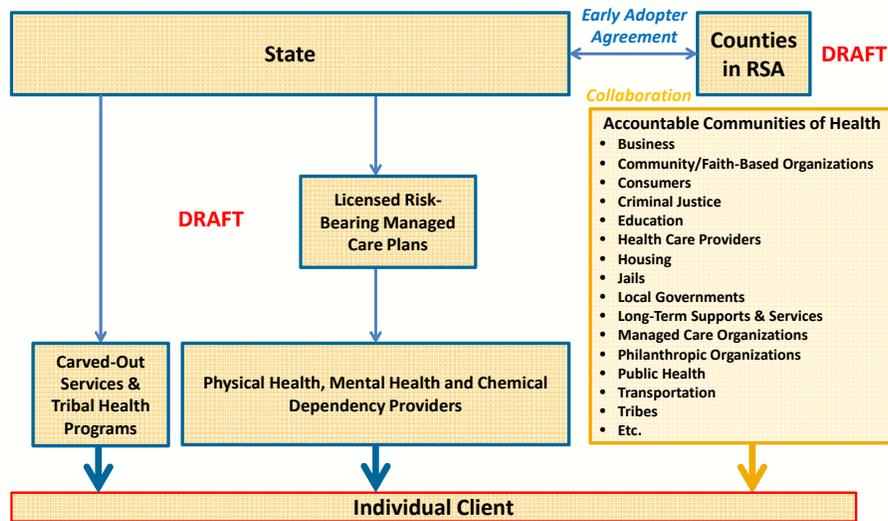
- ## 2016 Medicaid Behavioral Health Integration
- **"Early Adopter" Regional Service Areas**
 - Fully Integrated Managed Care Plans contract for physical and behavioral health services for all enrollees

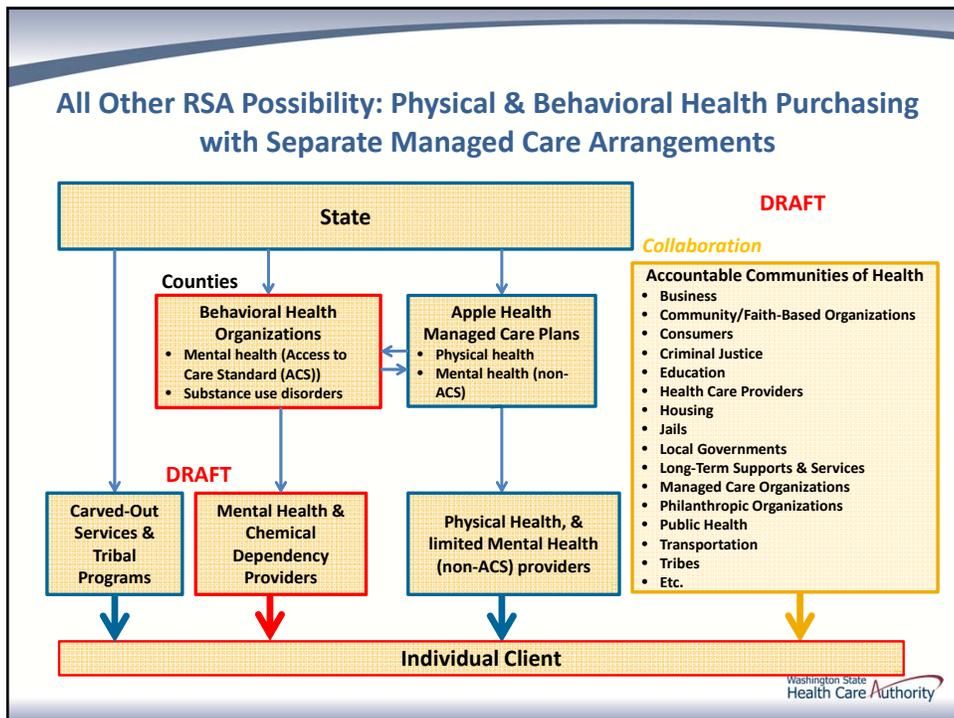
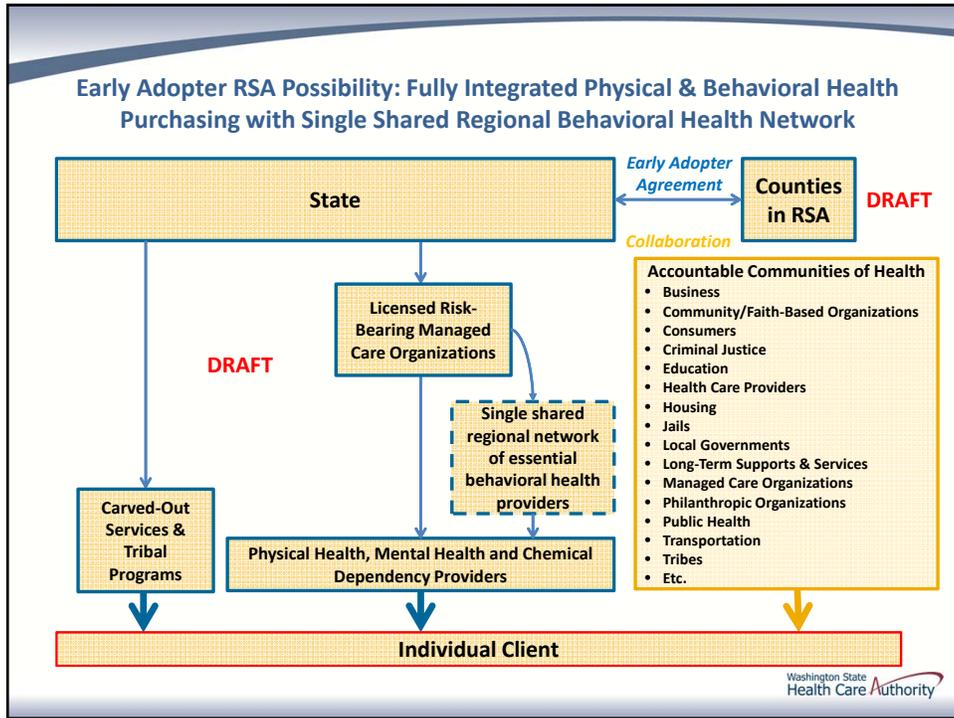
 - **"All Other" Regional Service Areas**
 - Managed Care Plans contract for physical health services for all enrollees and mental health services for enrollees who do not meet access-to-care standards
AND
 - Behavioral Health Organizations (BHOs) contract for substance use disorder services for all enrollees and mental health services for enrollees who meet access-to-care standards
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Medicaid Purchasing in “Early Adopter” RSAs

- Standards being developed jointly by the HCA and DSHS
- County authorities in Regional Service Area must agree
- Procurement process will be necessary to select Managed Care Plans
- Compliance with Medicaid and State managed care contracting requirements
- Shared savings incentives
 - Payments to Early Adopter counties targeted at 10% of savings realized by the State, based on outcome and performance measures
 - Available for up to 6 years or until fully integrated purchasing occurs statewide
- Models continuing to be discussed broadly

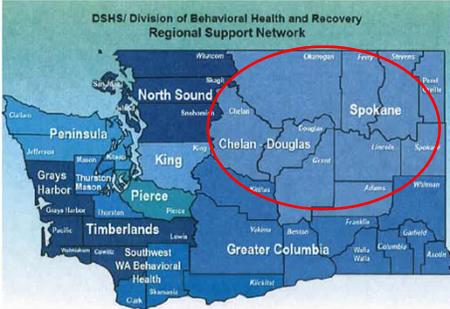
Early Adopter RSA Possibility: Fully Integrated Physical & Behavioral Health Purchasing with Standard Managed Care Arrangements



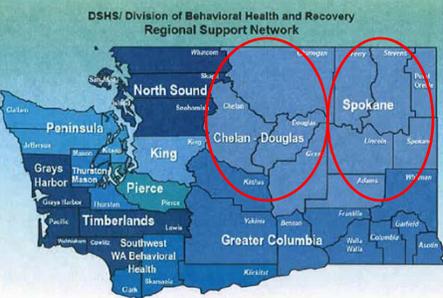


Regional Service Areas: Adult Behavioral Health Task Force to Recommend

Possibility 1:
Chelan-Douglas incorporated in Spokane RSA

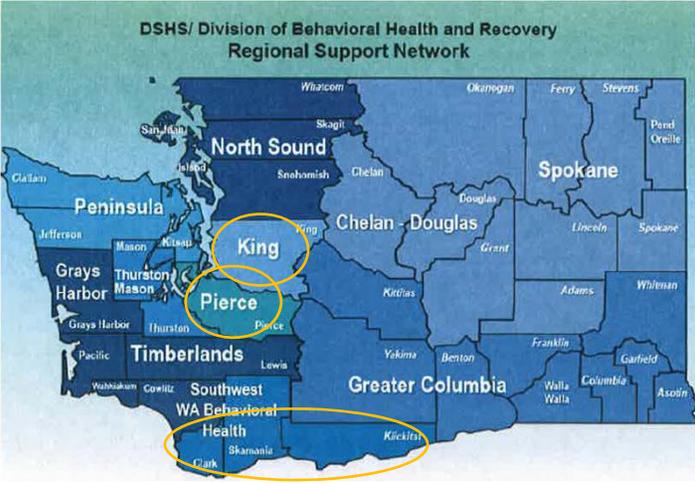


Possibility 2:
New North Central Washington RSA
& Revised Spokane RSA



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Regional Service Areas: Possible Early Adopters



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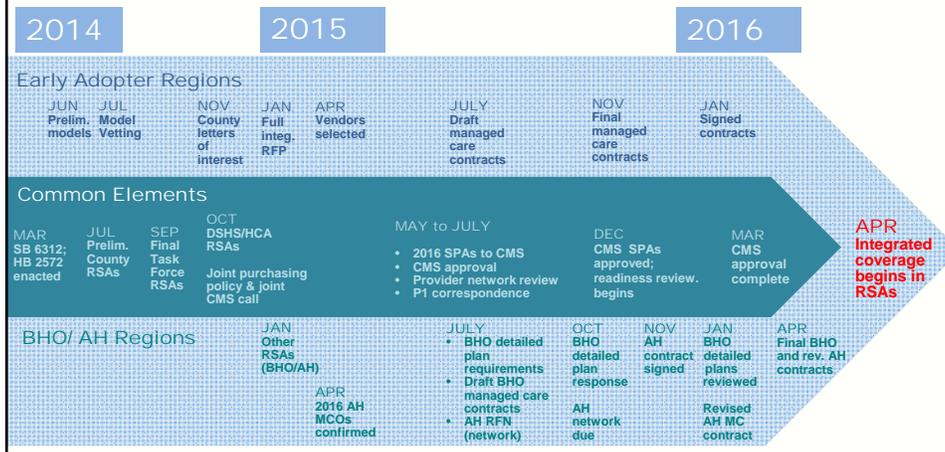
Community of Health Planning Regions (for Accountable Communities of Health)

- 1 Pierce County Health Innovation Partnership
- 2 North Sound Accountable Community of Health
- 3 King County
- 4 Better Health Together
- 5 CHOICE Regional Health Network
- 6 Benton-Franklin Community Health Alliance
- 7 Southwest Washington Regional Health Alliance
- 8 South Puget Intertribal Planning Agency
- 9 Yakima County Accountable Community of Health
- 10 North Central Health Partnership



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Medicaid Integration Timeline



RSA – Regional service areas
MCO – Managed Care Organization
BHO – Behavioral Health Organization
AH – Apple Health (medical managed care)
SPA – Medicaid State Plan amendment
CMS – Centers for Medicare and Medicaid Services
Early Adopter Regions: Fully integrated purchasing
BHO/AH Regions: Separate managed care arrangements for physical and behavioral health care
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Foster Care Medical Coverage

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Tribal Foster Care Forms Since April 2014

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Washington Apple Health Request for Children in Tribal Foster Care

"Out of home" placement Change in "out of home" placement Child(ren) returned home

Children in Tribal placements are eligible for Washington Apple Health Foster Care Medical. This program does not require an annual review. Please complete this form for each child. If a child is placed with a new family only one form is needed. Please complete this form for each placement. If a child is approved retroactively back to the date of placement, please indicate the date.

Date child(ren) placed: _____

Children's Information (Please print)

Name: _____

Social Security number: _____

Placement Family Information (Please print)

Adult name(s): _____

Relationship(s) to child: _____

Address: _____

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Washington Apple Health Request for Children Aging Out of Tribal Foster Care

Children who turn age 18 while in Tribal placements are eligible for Washington Apple Health Former Foster Care Medical up to age 26. This program does not require an annual review. Please complete this form to request coverage. Please include a copy of the Tribal Court Dismissal of Dependency.

Children's Information (Please print)

Name: _____ Date of birth: _____ Male Female

Social Security number: _____ Tribal Affiliation: _____

Date of Dependency: _____

(Please include current contact information)

Phone: _____ Address: _____

City: _____ State: _____ Zip Code: _____

Tribe Information (Please print)

Tribe: _____ Phone: _____

Social worker name: _____ Email: _____

Submitted by: _____ Phone: _____ Date: _____

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Medicaid Issue with Tribal Foster Care Documents

- Tribal Court documents do not always clearly indicate whether the child's dependency under the Tribal Court/Indian Child Welfare Program is retained or dismissed.
- As a result, HCA's Foster Care unit is having difficulties determining if tribal children are eligible for the foster care Medicaid program.
 - Foster care medical = Foster child is deemed eligible
 - Children's medical = Child must meet MAGI requirements

Medicaid Issue with Tribal Foster Care Documents

- We understand that each Tribes foster care program is unique.
- HCA and DSHS would very much appreciate Tribal guidance on how to determine from Tribal Court documents whether Tribal Court/ICW dependency has been retained or dismissed.

Upcoming Change to MAGI-Based Apple Health Paper Application

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Description of American Indian/Alaska Native Income Rules on MAGI-Based Apple Health Paper Application

Current Note on Page 2 of Part 2	Revised Note on Page 2 of Part 2
<p>Note: American Indians/Alaska Natives do not have to report certain income including Alaska Native Corporations and Settlement Trusts; distributions from property held in trust; distributions and payments from fishing, natural resource extraction and harvests; distributions from ownership of natural resources and improvements; payments from ownership of items that have unique religious, spiritual, traditional or cultural significance according to Tribal Law or custom; and student financial assistance from Bureau of Indian Affairs education programs.</p>	<p>Note: American Indians/Alaska Natives (AI/AN) do not have to report any AI/AN income that the Internal Revenue Service excludes from an AI/AN's taxable gross income. In addition, AI/ANs do not have to report certain types of income for Washington Apple Health (Medicaid) as described in WAC 182-509-0340.</p>



Apple Health (Medicaid) Managed Care Plan Selection in Healthplanfinder

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Apple Health (Medicaid) Managed Care Plan Selection in Healthplanfinder

- Currently scheduled for April 2015, Healthplanfinder will allow Apple Health enrollees to select a Managed Care Plan.
- Non-Natives will first be given a list of Managed Care Plans to select.
- Then, AI/ANs and others exempt from Medicaid managed care will be given a list, which will include:
 - Any Managed Care Plans available, plus
 - “Washington Apple Health coverage without a Managed Care Plan.”

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Medicaid State Plan Amendments and Waivers

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Medicaid State Plan Amendments and Waivers: Notices in the Past 60 Days

SPA # or Waiver # (Date of Letter)	Brief Description
SPA __ (10/27/2014)	Fee schedules that will be updated effective 1/1/2015: <ul style="list-style-type: none"> • Ambulatory Surgery Centers • Birthing Centers • Dental services • EPSDT services • Home Health services • Kidney Center services • Mental Health services • Outpatient Prospective Payment System • Oxygen services • Physician-Related/Professional services • School-Based services Fee schedules that may be updated effective 1/1/2015: <ul style="list-style-type: none"> • Optometry services • Telemedicine services • Tobacco Cessation services



Medicaid State Plan Amendments and Waivers: Notices in the Past 60 Days

SPA # or Waiver # (Date of Letter)	Brief Description
SPA 15-0002 (10/23/2014)	<p>Community First Choice (services in community-based settings)</p> <ul style="list-style-type: none"> • Personal care • Skills acquisition training to accomplish personal care and related tasks • Back-up systems or mechanisms to ensure continuity of services • Training on how to select, managed, and dismiss caregivers • Community transition services • Technology that would increase independence or substitute for human assistance <p>More robust and increased choice and flexibility, effective 7/1/2015.</p>
SPA 14-0039 (10/23/2014)	Applied Behavioral Analysis fee schedule updated
SPA 15-0001 (9/29/2014)	Managed Care Demonstration Program in King and Snohomish Counties for full dual-eligibles to implement the care coordination staffing model in connection with the integration of medical, pharmacy, mental health, chemical dependency, and long-term care services. AI/ANs will not be auto-enrolled but may choose to enroll. To be implemented July 2015.

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Medicaid State Plan Amendments and Waivers: Notices in the Past 60 Days

SPA # or Waiver # (Date of Letter)	Brief Description
14-0036 (9/18/2014)	Dental fee schedule updated to reduce rates for certain services billed under the procedure code D8080, which applies to orthodontic treatment of adolescent dentition, effective 9/1/2014.
14-0033/14-0032 (9/18/2014)	Clarification to policy for FQHCs and RHCs to request a rate adjustment for a change in scope of services.
1915(b) Waiver (9/18/2014)	Withdrawal of waiver renewal request; HCA will resubmit waiver renewal request.
14-0037/14-0038 (9/18/2014)	Injectable Drug and Physician-Related/Professional Services fee schedules to be updated effective 10/1/2014.
14-0035 (9/3/2014)	Hospice fee schedule update, implementing budget-related decisions approved in the 2014 legislative session, effective 10/1/2014.

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Medicaid State Plan Amendments and Waivers: Notices in the Past 60 Days

Please let me know if you would like:

- Copy of the SPA or Waiver
- More information
- Tribal Consultation

Thoughts to Make These Meetings More Useful for You

Open Time

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Thank You

For comments or questions, contact:

Jessie Dean
jessie.dean@hca.wa.gov
360-725-1649

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