

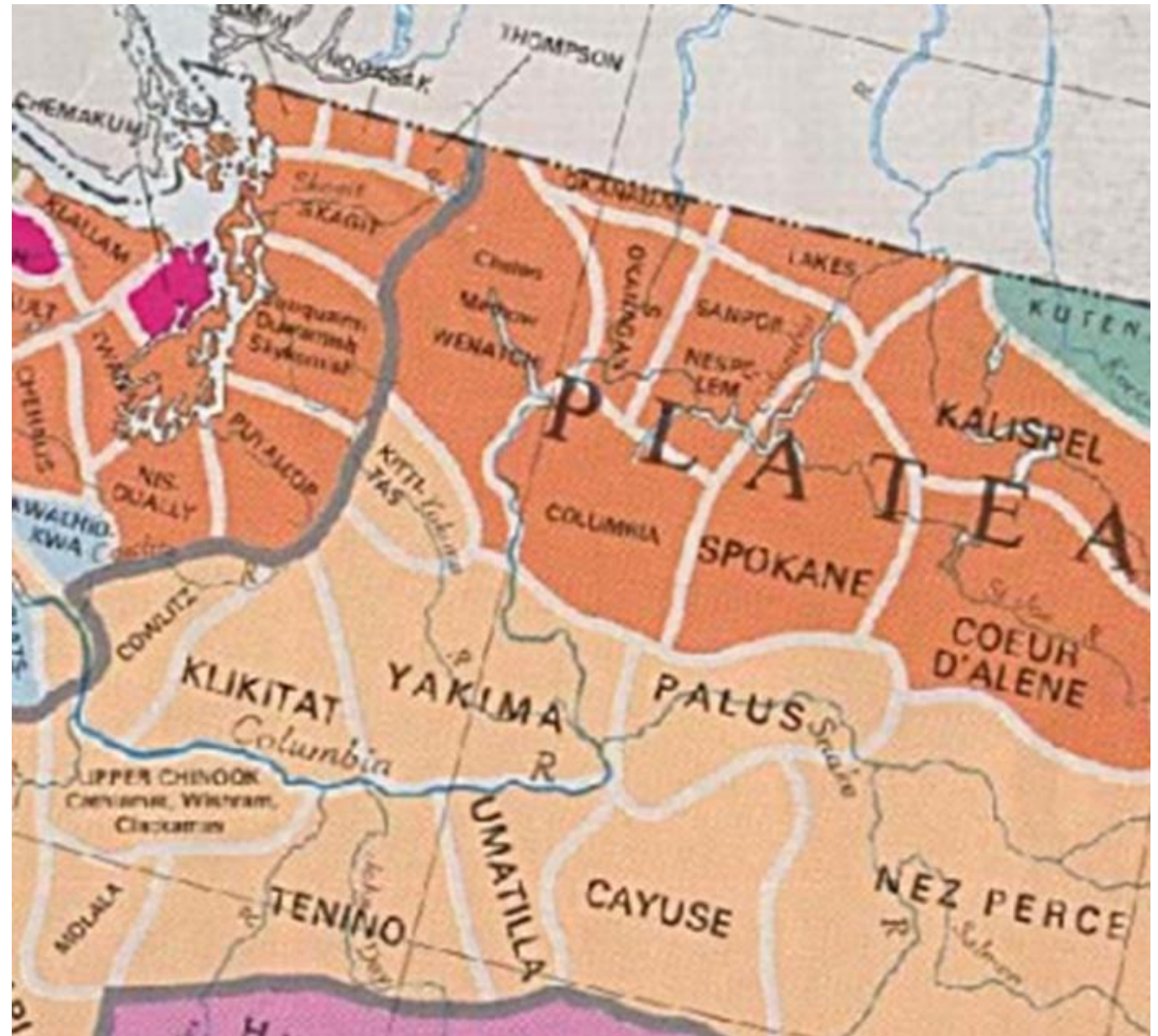
Possibilities for the Future of Health Care Purchasing in Indian Country

Medicaid Transformation Project
Learning Symposium
October 9, 2019

Presented by:

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Agenda

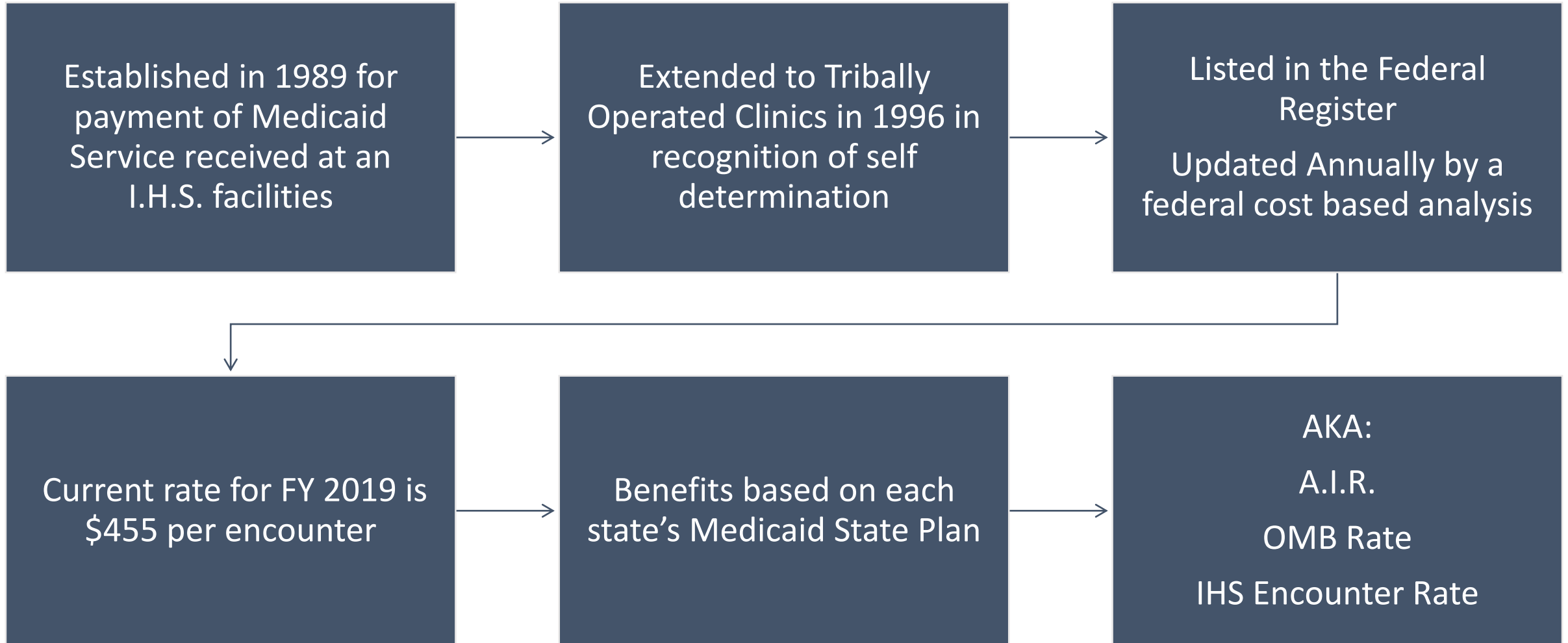
- I. Review Foundational Concepts
- II. Care Coordination Agreements – Services “Received through” an IHS/Tribal Facility
- III. New Alternative Payment Methodology - Tribal Federally Qualified Health Centers
- IV. Next Steps

I. Review Foundational Concepts

Foundational Concepts

- I. IHS All-Inclusive Encounter Rate
- II. FMAP
- III. Washington Indian Health Improvement Act

I.H.S. All – Inclusive Encounter Rate



Federal Medical Assistance Percentages- FMAP



The Federal Medical Assistance Percentages (FMAPs) are used in determining the amount of Federal matching funds for State expenditures for assistance payments for certain social services, and State medical and medical insurance expenditures.

These percentages are different for each state and calculated each year.

FMAP in Washington State:

Medicaid Expansion FMAP: 90%

Presumptive SSI FMAP: 80%

Classic Medicaid/Other MAGI-Based Medicaid FMAP: 50%

100% FMAP Payments to IHCP

Health care is a trust (treaty) responsibility of the Federal Government but AI/AN are required to sign up for and use alternate resources (including Medicaid) before IHS Purchased and Referred Care program funds can be spent. *

Each state pays a portion of Medicaid benefits based on the program covering an enrollee.

IHS Direct facilities and Tribal 638 facilities that choose to be IHS facilities receive the IHS All-Inclusive Encounter Rate for Medicaid-covered services provided to AI/AN Medicaid enrollees.

For Medicaid-covered services provided by IHS Direct facilities or Tribal 638 facilities to AI/AN Medicaid enrollees in fee-for-service, the Federal Medical Assistance Percentage (FMAP) is 100%.**

100% FMAP payments relieve the state from paying for claims for AI/AN and reflect the trust responsibility with the Federal Government.

**42 CFR § 136.61*

***42 CFR § 1396d(b)*



WIHIA Unanimously Passes the Legislature
Signed into law on May 7, 2019

Overview of Chapter 43.71B RCW

1. Establishes the Governor's Indian Health Advisory Council
 - Voting members include a representative from each Tribe and Urban Indian Health Program, a Republican and Democratic member of each of the State Senate and House, and a representative from the Governor's Office
 - Addresses current or proposed policies or actions that have tribal implications and are not able to be resolved or addressed at the agency level
 - Provides oversight of contracting and performance of service coordination organizations or service contracting entities
2. Creates the Indian Health Improvement Reinvestment Account
 - Establishes the Reinvestment Committee which consists of Advisory Council members who represent Tribes and Urban Indian Health Programs
 - Reinvestment Committee adopts the Indian Health Improvement Advisory Plan



Washington Indian Health Improvement Act:


- Also known as Chapter 43.71B RCW
- Maximize Federal Medicaid funds to Washington State
- Capture new 100% FMAP savings received through IHS and Tribal Clinics to
 - Remove barriers created by State level decisions
 - Leverage savings to improve access to specialty care
 - Build a more robust workforce by supporting innovative provider categories such as: community health aides, behavioral health aides, dental health aide therapists
 - Support reimbursement of culturally-effective services




II. Care Coordination
Agreements – Services
“Received through” an
IHS/Tribal Facility

100% FMAP “Received through” a Tribal Facility

In March 2016, CMS extended the services eligible for 100% FMAP payments to those “received through” an IHS or Tribally operated facility.



This means for Medicaid services provided to an American Indian/Alaska Native Medicaid enrollee, referred from an IHS or Tribally operated facility, the state may receive 100% FMAP for these services.



The state savings that occur from increasing the FMAP from the standard rate (50% - 90%) to 100% go into the Reinvestment Account overseen by the Governor’s Indian Health Advisory Council.

Care Coordination Agreement: AI/AN covered **not** by Managed Care

#6 – CMS
reimburses
HCA at 100%
FMAP

CMS

#5 – HCA
submits the
necessary data
elements to
claim the 100%
FMAP

#2 – Non-tribal
provider submits the
required information
back to the Tribal or IHS
Facility

Tribal Facility or
IHS Facility

#1 – Tribal Facility
or IHS Facility
establishes a care
coordination
agreement with a
non-tribal provider

#3 – Non-Tribal Provider bills P1

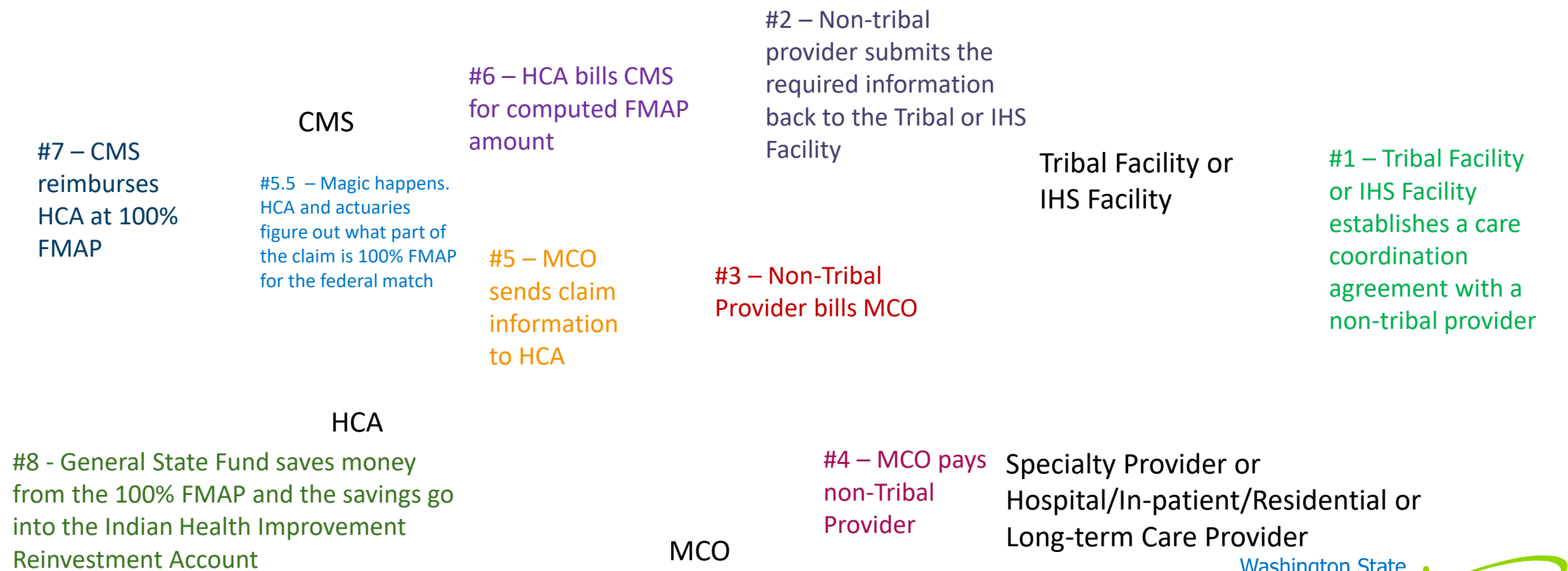
HCA

#7 - General State Fund saves money
from the 100% FMAP and the savings go
into the Indian Health Improvement
Reinvestment Account

#4 – HCA pays non-Tribal Provider

Specialty Provider or
Hospital/In-patient/Residential or
Long-term Care Provider

Care Coordination Agreement: AI/AN covered by Managed Care



Care Coordination Agreements

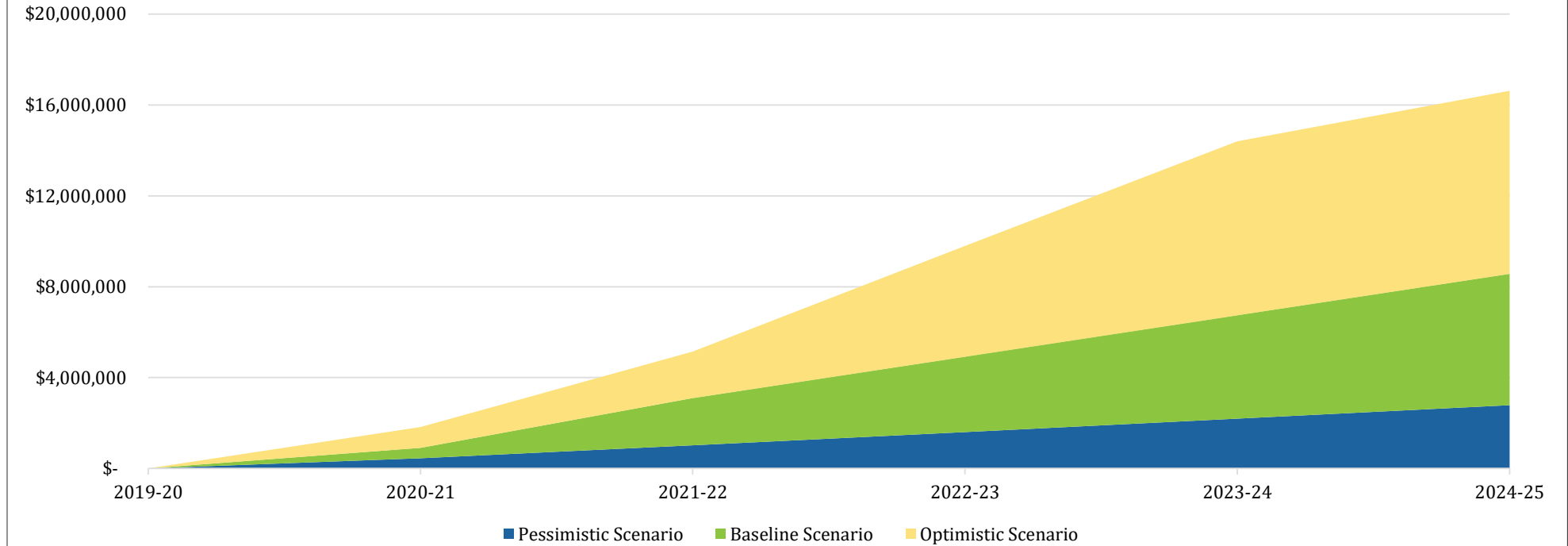
What we know

- IHS clinic, Tribal clinic, or Tribal 638 FQHC can use these agreements with non-tribal providers to ensure care coordination
- Non-tribal provider bills either ProviderOne or the Apple Health plan for the service and receives standard fee-for-service or managed care rate(s) for the service
- Can apply to all Medicaid services, including inpatient
- CMS requirement to exchange health information
- State receives 100% federal match for services provided to AI/AN clients

What we think we know

- Potentially the majority of funds for the reinvestment account from hospital/in-patient stays

Anticipated Savings to State General Fund by Year



| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|-------------|---------|-------------|-------------|-------------|--------------|--------------|
| Pessimistic | \$- | \$455,095 | \$1,014,725 | \$1,604,995 | \$2,195,265 | \$2,785,534 |
| Baseline | \$- | \$910,191 | \$2,081,717 | \$3,314,524 | \$4,547,331 | \$5,780,137 |
| Optimistic | \$- | \$1,820,381 | \$5,141,201 | \$9,791,255 | \$14,400,751 | \$16,626,635 |

Data generated from 2017 HCA Medicaid claims applied to three penetration rate models.

III. New Alternative Payment Methodology - Tribal Federally Qualified Health Centers

The “Four Walls” Issues

- On January 18, 2017, CMS issued a document clarifying that “clinic services” include only services that are within the scope of the “clinic services” benefit and that are either furnished within the four walls of an enrolled Medicaid clinic or are furnished off-site to homeless individuals by clinic personnel.
- CMS also offered that a solution for this issue is for Tribal Clinics to change their designation for Medicaid to Federally Qualified Health Center (FQHC) as FQHCs do not have this “four walls” limitation

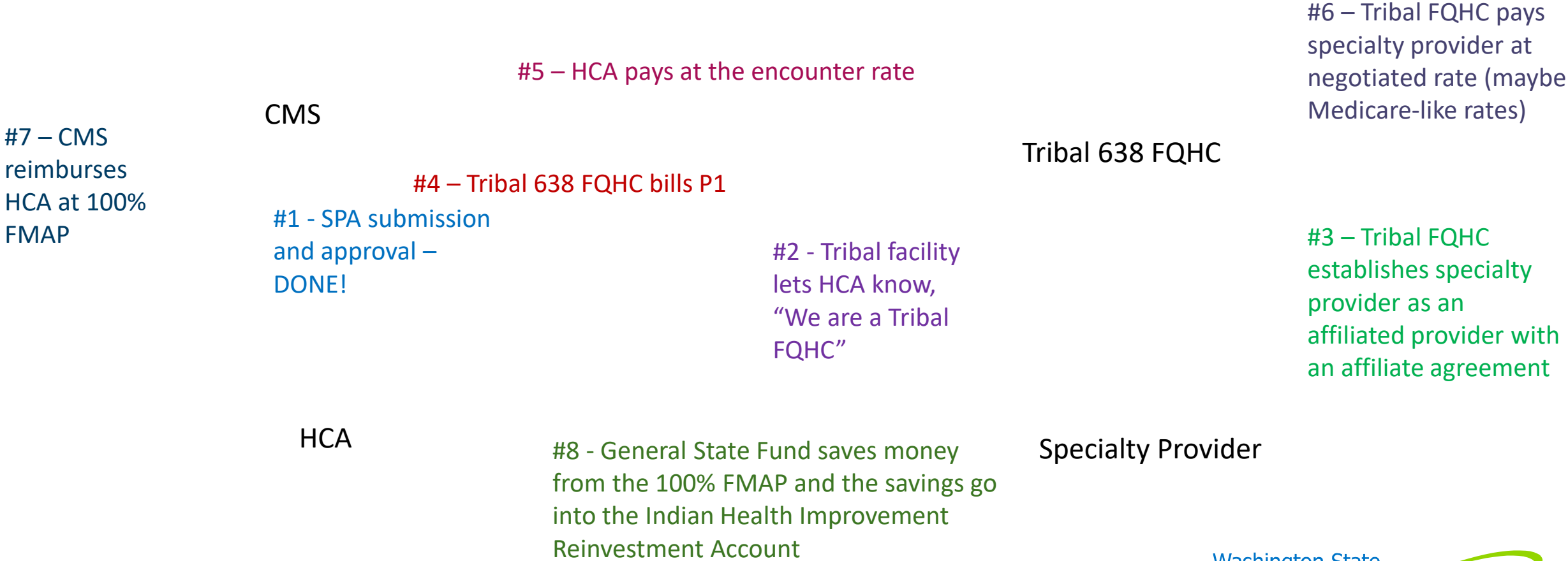
Washington State Efforts to create Tribal FQHC

Following CMS's suggestion, HCA and the Tribes submitted a Medicaid State Plan Amendment establishing an Alternative Payment Methodology for Tribal FQHCs.

Authorizes the All-Inclusive Rate instead of a cost-based rate for Tribal FQHCs for the same outpatient services and the same 5 encounters per day as for Tribal Clinics.

CMS approved this Medicaid State Plan Amendment on June 13, 2019.

FQHC Affiliate Agreement: AI/AN covered **not** by Managed Care



Advantages of Tribal FQHC

- Tribe can receive the all-inclusive rate (AIR) for FQHC services (outpatient services), including those outside the “four-walls”
 - Tribe can receive AIR for Tribal services in clinically appropriate settings
- Tribe can receive AIR for non-Tribal services that are provided under FQHC Affiliate Agreement
- Tribe can receive AIR for FQHC services to non-AI/AN
 - See Social Security Act § 1902(bb)
- Exception: Outpatient Substance Use Disorder Treatment – Tribal government responsible for state match

FQHC Affiliate Agreements

- Tribal FQHCs can use these agreements with non-tribal providers
- Agreement applies to referrals to non-tribal provider with care coordination
 - Tribal FQHC and non-tribal provider negotiate the rate(s) and terms for the non-tribal provider to deliver care
 - Tribal FQHC pays the non-tribal provider the negotiated rate(s)
 - Tribal FQHC bills either ProviderOne or the Apple Health plan for the service and receives the all-inclusive encounter rate
 - State receives 100% FMAP for services provided to AI/AN clients
 - Only for FQHC services (i.e., outpatient services)

Care Coordination Agreement vs. FQHC Affiliate Agreement

Similarities

- Standing agreements
- Both require sharing health records and coordinating care

Differences

| Care Coordination Agreement | FQHC Affiliate Agreement |
|---|---|
| <ul style="list-style-type: none">• Non-tribal provider must be participating in Medicaid | <ul style="list-style-type: none">• Non-tribal provider may choose not to participate in Medicaid directly but still needs to enroll with HCA as a non-billing provider |
| <p>Who bills Medicaid?</p> <ul style="list-style-type: none">• Non-tribal provider bills Medicaid (ProviderOne or MCO) directly and receives standard Medicaid rate | <p>Who bills Medicaid?</p> <ul style="list-style-type: none">• Tribal FQHC bills Medicaid for non-tribal provider's service; non-tribal provider does not bill Medicaid |

Thank you!



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