

A photograph of a man in a bright green sweater holding a young child in a blue jacket up in the air. The child is smiling and looking towards the camera. The background is a bright, out-of-focus outdoor setting, possibly a beach or park. The text is overlaid on the right side of the image.

Medicaid Transformation Project COVID Extension Year Concept

October, 2020

Medicaid Transformation Project

- ▶ Five-year 1115 Medicaid waiver to implement several initiatives
 - ▶ Initiative one: Delivery system transformation through Accountable Communities of Health (ACHs) and Indian Health Care Providers (IHCPs)
 - ▶ Initiative two: Long term services and supports
 - ▶ Initiative three: Foundational Community Supports
 - ▶ Initiative four: Enhanced federal funding for substance use disorder treatment
 - ▶ Initiative five (*pending approval*): Enhanced federal funding for mental health treatment

Overview of the COVID Extension Year

- ▶ One-year extension across all five MTP initiatives
- ▶ This extension would allow the state to utilize existing federal funding in the additional year (2022)
 - ▶ Difference between state appropriation and federal limits on Initiative 1
 - ▶ Program underspend within Initiatives 2 and 3
 - ▶ Initiatives 4 and 5 provide enhanced federal funding
- ▶ This sixth year would present a new opportunity to focus on essential activities and transition to a future state
 - ▶ Likely not pursuing substantial programmatic changes

Approval Process

▶ CMS

- ▶ HCA will seek approval on the extended waiver authority and program budget adjustments to account for the extension year
- ▶ CMS has not made any commitments regarding approval of the extension concept
- ▶ Negotiations to start in early 2021 after a formal application

▶ Legislature

- ▶ HCA and DSHS will seek additional spending authority to allow the state to access the federal funding for Initiatives 1-3 to support the extension year
- ▶ Related MQIP increases are likely necessary to support MTP
- ▶ The goal is to identify state share without requesting General Fund State

Timeline and next steps:

- ▶ Preliminary concept paper submitted to CMS for staff feedback – **September 1, 2020**
- ▶ MTP extension and MQIP DPs to OFM – **September 14, 2020**
- ▶ Public comment – **November 2020**
- ▶ Tribal consultation – **December 9, 2020**
- ▶ Final extension application to CMS – **December 31, 2020 (target)**
- ▶ CMS negotiations – **Final Submission and through 2021**
- ▶ Legislative engagement – **Ongoing**