Medicaid Transformation Waiver Application

Tribal Consultation

August 12, 2015
Health Care Authority

Healthier WASHINGTON

Blessing, Welcome & Introductions

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Agenda Setting & Opening Statements

Proposed Agenda

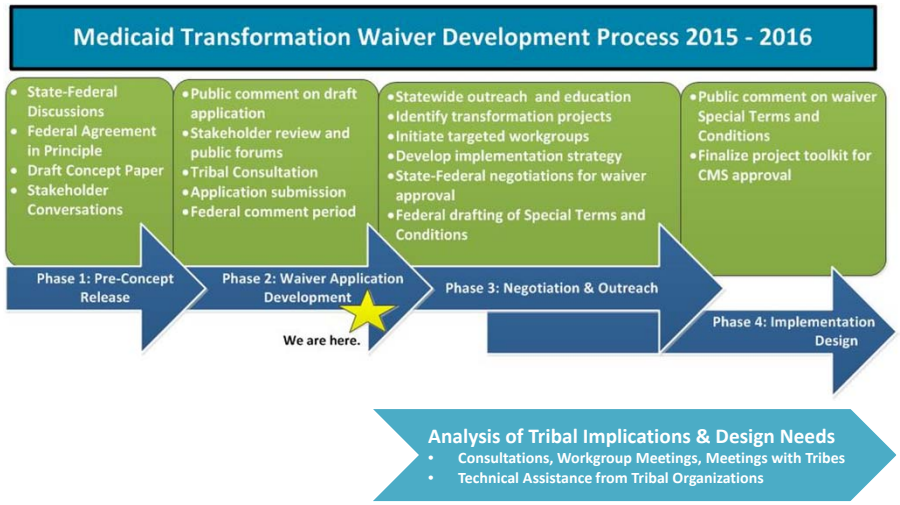
10:30 am	Blessing & Welcome/Introductions
10:35 am	Agenda Setting & Opening Statements
11:00 am	Global Waiver Timeline & Process
11:15 am	Overview of Medicaid Transformation Waiver
12:00 pm	Break for Lunch
1:00 pm	AIHC Letter - Implications of Waiver to Tribes
	1. Degradation of Fee-for-Service System
	2. Accountable Communities of Health
	3. Incentive Payments & Performance Measures
	4. Community Foundational Supports
2:15 pm	AIHC Letter - Special Terms & Conditions
2:45 pm	Closing Statements
3:00 pm	Closing

Agenda Setting & Opening Statements

- Discussion of Agenda for Today's Consultation
  - Topics to Be Discussed
  - Outcomes Sought
- Opening Statements
  - State Agency Representatives
  - Tribal and Urban Indian Health Organization Representatives

Timeline & Process

Timeline & Process



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Timeline & Process: Key Dates

Aug. 14	Public Comment Webinar – 8:00-9:30 a.m.
Aug. 23 at 5:00 pm	Deadline for public comments • Email to medicaidtransformation@hca.wa.gov or tribalaffairs@hca.wa.gov • Complete the Waiver Survey
Late Aug.	State submits waiver application to CMS
Mid-Sept. (within 15 days of submission)	CMS makes determinations on how to proceed
Mid-Sept. through Mid-Oct.	Federal public comment period
Beginning Oct.	• State negotiations with CMS • Continued engagement and consultation with Tribes

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Overview of Medicaid Transformation Waiver

Medicaid Transformation Goals: Triple Aim

- **Reduce avoidable use of intensive services**
  - such as acute care hospitals, nursing homes, psychiatric hospitals, and traditional long-term services and supports.
- **Improve population health**
  - with a focus on the prevention and management of diabetes and cardiovascular disease, obesity, smoking, mental illness, and substance abuse for Medicaid enrollees and communities
- **Accelerate the transition to value-based payment**
  - so providers are paid for higher quality and improved health outcomes.
- **Ensure that Medicaid cost growth is two percentage points lower than national trends.**

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A transformed system = transformed lives

Current System	Transformed System
Fragmented clinical and financial approaches to care delivery	**Integrated** systems that deliver whole person care
Disjointed care and transitions	**Coordinated** care and transitions
Disengaged clients	**Activated** clients
Capacity limits in critical service areas	**Optimal access** to **appropriate** services
Individuals impoverish themselves to access long term services and supports (LTSS)	**Timely supports** delay or divert need for Medicaid LTSS
Inconsistent measurement of delivery system performance	**Standardized performance measurement** with **accountability** for improved health outcomes
Volume-based payment	**Value-based** payment

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Better Health, Better Care, Lower Costs

What the Medicaid Transformation waiver does for Washington State:

- Gives Medicaid the flexibility and expenditure authority to achieve our goals.
- Builds connections between the health care systems, including the Indian health system, and community services – to enable whole-person care.
- Allows us to test, scale, and spread successful models of care and recovery supports.
- Supports providers in building capacity to deliver integrated care.

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Federal Requirements

- **Five-year demonstration waiver**
  - With year zero as opportunity for planning and startup.
- **CMS must not spend more federal dollars with the waiver than they would have spent without the waiver**
- **Evaluation of waiver hypotheses**
  - Technical assistance from CMS on evaluation design.
- **Transformation must be sustainable after the demonstration period ends**
  - The State and its partners must develop plans to sustain Medicaid transformation after federal waiver investments end.

Three Medicaid Transformation Initiatives

Initiative 1: Transformation through Accountable Communities of Health

Initiative 2: Targeted Long-Term Services and Supports for At-Risk Individuals

Initiative 3: Targeted Foundational Community Supports

Investing in Transformation

Initiative 1

The State will work with ACHs, Tribes, and other partners to build a portfolio of system transformation projects.

Health Systems Capacity Building	Delivery System Transformation	Population Health Improvement
Workforce Development	Bi-directional integrated delivery of physical & behavioral health services	Prevention Activities for targeted populations and regions
System infrastructure, technology & tools	Transitional care focused on specific populations	
Provider system supports to adopt value based purchasing and payment	Alignment of care coordination & case management to serve the whole person	
	Outreach, engagement & recovery supports	

Parameters for projects will be established by the State. Some statewide projects may be required.

Targeted Long-Term Services and Supports

Initiative 2

Washington will tailor long-term services and supports benefits to meet the diverse needs of our aging population by:

- Providing two new benefit packages, one with a new eligibility category to ensure that individuals receive the services and supports they need to avoid or delay more intensive services
- Revising eligibility criteria for nursing home services so that people with the lowest needs do not qualify for these services.

Individuals currently served in nursing facilities will continue to be eligible for this level of care.

Targeted Foundational Community Supports

Initiative 3

Washington will provide targeted supportive housing and supported employment to clients that meet criteria set by the State.

The criteria will target those individuals most likely to benefit from these services.

Clients will receive supportive services; Medicaid funds will not be used to provide housing or jobs.

Lunch

AIHC Letter - Implications of Waiver to Tribes

AIHC Letter - Implications of Waiver for Tribes

The following slides are based on the AIHC letter to the Health Care Authority, dated August 11, 2015, and comments from the Tribal forum on August 5, 2015 and the Tribal workgroup on August 7, 2015, to facilitate discussion in-person and via webinar.

AIHC Letter - Implications of Waiver for Tribes

- Some components could have positive impacts
  - Long-term services and supports
  - Targeted foundational community supports
- Some components could have unintended consequences
  - Degradation of the Medicaid fee-for-service system
  - Ineffective and inefficient design and implementation of transformation projects by entities lacking knowledge and competence in the Indian Health Service, Tribal 638 Health Programs, and Urban Indian Health Programs (ITUs)
  - Poor coordination between ACHs and member Tribes and urban Indian organizations

AI/ANs and ITUs

- Every AI/AN has a treaty right to health care provided by the federal government (part of the federal trust responsibility)
- As a result, Indian health care providers effectively operate under global budgets
- AI/ANs have the highest rates of chronic health conditions
- IHS is funded at 55% of AI/AN need
- ITUs are required to report on numerous performance measures under the Government Performance and Results Act (GPRA measures) to IHS

AI/ANs and ITUs

- Federal law requires Indian health care providers to utilize all resources, including Medicaid, before accessing Purchased and Referred Care (PRC) funds
- The Indian health system in Washington is not comprehensive; AI/ANs must seek specialty care (and primary care in some instances) from outside the Indian health system
- Medicaid reimbursement is the second largest source of funding for ITUs

1. Degradation of the Medicaid Fee-for-Service System

- Access to certain categories of specialty care is a statewide problem for all patients, regardless of payer
- The transition to Medicaid managed care, however, has created a severe lack of access to specialty and primary care in the Medicaid fee-for-service system
- AI/ANs have an elective exemption from Medicaid managed care; many choose to remain in fee-for-service
  - Highly mobile AI/AN clients may be better served by ITUs and Medicaid fee-for-service
  - ITUs manage care for their AI/AN clients

1. Degradation of the Medicaid Fee-for-Service System: AIHC Recommendations

1. Careful and thoughtful planning in coordination with Tribal leaders and Tribal health experts
2. Special measures to improve access to fee-for-service primary and specialty care (e.g., renting a network)
3. Full faith and credit for referrals from ITUs to managed care network providers, as if the ITUs were in network
4. Special Terms and Conditions to require stronger enforcement of federal rules
5. Implement the Tribal-Centric Behavioral Health Workgroup recommendations
6. Create a mechanism to coordinate planning activities between the workgroup, the Healthier Washington team, and HCA and BHSIA staff

2. Accountable Communities of Health

- Accountable Communities of Health (ACHs) may be responsible for several functions:
  - Setting priorities for their regions
  - Leading and overseeing transformation projects in their regions
  - Acting as the fiscal intermediaries for funding of transformation projects

2. Accountable Communities of Health

- Global waiver-supported transformation projects will be significant to Tribes and ITUs
- Tribes and ITUs have extensive experience building connections between health care systems and community services – to provide whole-person care.
  - Tribes have multifaceted roles in public health, public safety, social service, education, health care delivery
  - Tribes have experience working with other governmental entities and community organizations
  - Tribes and Urban Indian Organizations have expertise in performance measures for population health outcomes

2. Accountable Communities of Health

- Medicaid transformation projects are intended to improve population health outcomes
- AI/ANs have an alarming degree of disparities in health outcomes
- To address health disparities, the State will need to target the AI/AN population (among others)
- By creating Tribal/Urban Indian Organization-led efforts to address the AI/AN health disparities and reduce costly medical interventions, the State will more effectively use its limited resources.

2. Accountable Communities of Health: AIHC Recommendations

1. The State should include in the waiver application that it will support the formation of one or more Tribal/Urban Indian Organization ACH(s), comprised of Tribal representatives and Tribal health experts to provide competent analysis, planning, and technical assistance. These Tribal ACHs will:
   - Preserve the Indian health care delivery system
   - Improve managed care organization compliance with federal legal protections for AI/ANs and ITUs and coordination with ITUs
   - Determine and implement AI/AN Medicaid transformation projects
   - Ensure that the non-Tribal ACHs are designed and implemented in a parallel, complementary and coordinated manner with the Indian health care system
2. Non-Tribal ACHs need to be educated about the Indian health care delivery system in order to effectively engage Tribes and Urban Indian Organizations.
3. Every non-Tribal ACH should have membership from each of the Tribes and Urban Indian Organizations within their regions.
4. As sovereign entities, Tribes should have the option of participating within the non-Tribal ACHs for their regions.

3. Incentive Payments & Performance Measures

- The State intends to provide incentive payments to plans, providers, and community-based organizations.
- The State will use common performance measures that apply across ACHs, MCOs, and BHOs to determine eligibility for, and amount of, quality-based supplemental payments for high-performing ACHs and providers.
- The State will use its integrated Client Database to assess quality and cost metrics for the waiver demonstration's three initiatives.

3. Incentive Payments & Performance Measures: AIHC Recommendations

1. The State should afford Tribes and Urban Indian Organizations the same opportunity as other providers and ACHs to receive incentive payments for transformation activities.
2. The State needs to coordinate with Tribes and Urban Indian Organizations to develop a separate measures methodology to determine supplemental payments to Indian health care providers.
3. The State should ensure within the waiver that Tribes and Urban Indian Organizations will continue to use their GPRA measures and will not be required to report on additional performance measures
4. The State will not require Tribes or Urban Indian Organizations to participate in the value-based payment system.

4. Foundational Community Supports

- Initiative 3 will provide foundational community supports to improve and maintain vulnerable beneficiaries through supportive housing and supported employment services.
- This initiative will have significant implications for Tribes and Urban Indian Organizations.
- AI/ANs have the highest rate of poverty in Washington.
- Indian health care providers work with Tribal housing and local community housing programs to stabilize their patients' living conditions.
- Many Tribal housing programs provide similar supportive services to their residents.

4. Foundational Community Supports: AIHC Recommendations

1. Tribes and Urban Indian Organizations can provide key strategies for effective implementation of Initiative 3 for the AI/AN population, including ensuring that the reimbursement methodology is compatible with Indian country.
2. The State should provide an AI/AN exception to the provision in the application that provides for the integration into MCO and BHO rates of the cost of the benefit and delivery of foundational community support services.

AIHC Letter – Special Terms & Conditions

AIHC Letter - Special Terms and Conditions

The following slides are copied from the AIHC letter to the Health Care Authority, dated August 11, 2015, to facilitate discussion in-person and via webinar.

AIHC Letter - Special Terms and Conditions

1. **Tribal consultation**

As required by both federal and state law, HCA will consult and coordinate with the Indian health care delivery system in the design and implementation of its Global Waiver. In meeting its requirement to consult and coordinate with the twenty-nine tribes and two urban Indian health programs, the state will invest in competent analysis, planning and technical assistance to assure that HCA adequately addresses the needs of AI/AN and the Indian health delivery system in Washington. Under the HCA's consultation requirements, I/T/Us and tribes will be provided the opportunity and resources to be fully informed of Healthier Washington and ACH implementation and their impacts on the Indian health care delivery system and tribal and urban Indian communities. I/T/Us will have sufficient information in order to determine whether to function as their own ACHs or how they will function with Regional ACHs.

AIHC Letter - Special Terms and Conditions

2. **State will enforce American Indians/Alaska Natives exclusion from mandatory managed care per Section 1932(a)(2)(c).**

Individuals identified as AI/AN shall be excluded from this demonstration unless an individual chooses to opt into the demonstration and access coverage pursuant to all the terms and conditions of this demonstration. Individuals who are AI/AN and who have not opted in to a managed care plan will receive the health benefits generally available to enrollees of the managed care plan in which they are enrolled.

AIHC Letter - Special Terms and Conditions

3. **State will enforce of ARRA 5006(a) Cost Sharing, Premium, and Reimbursement Protections.**

AI/AN individuals who receive services directly by an I/T/U or through referral under Purchased/Referred Care services shall not be imposed any enrollment fee, premium, or similar charge, and no deduction, copayment, cost sharing or similar charges, and payments to an I/T/U or a health care provider through referral under Purchased/Referred care services for services provided to an eligible AI/ AN shall not be reduced by the amount of any enrollment fee, premium, or similar charge, and no deduction, copayment, cost sharing or similar charges. Under Section 206 of the Indian Health Care Improvement Act, (IHCIA), I/T/U facilities are entitled to payment notwithstanding network restrictions.

AIHC Letter - Special Terms and Conditions

4. **State will improve Managed Care Plan Network Adequacy, Contracting, Reimbursement, and Coordination of Care.**
   a. MCOs will be required to contract with all I/T/Us and use the Indian Addendum
   b. MCO coordination of care and prior authorization requirements must be consistent with I/T/U system's coordination of care requirements (e.g. referrals). Full faith and credit will be given for referrals from I/T/Us as if all I/T/U providers were authorized in any given managed care entity
   c. Increased access to specialty and primary care
   d. Improved wraparound supplemental payment system
   e. Requirement that MCOs participate in Indian health care delivery system training and tribal roundtables
   f. Utilize the tribal assister program model used by the Washington Health Benefit Exchange and the Office of Insurance Commissioner to assist with coverage and access questions for AI/AN beneficiaries

AIHC Letter - Special Terms and Conditions

5. **Managed Care Organization compliance with the following ARRA 5006(d) protections.**

The managed care plans must comply with federal legal protections for AI/AN and I/T/Us and improved coordination with the Indian health care delivery system including the following provisions:

   a. Permit any Indian who is enrolled in a non-Indian managed care entity and eligible to receive services from a participating I/T/U provider, to choose to receive covered services from that I/T/U provider, and if that I/T/U provider participates in the network as a primary care provider, to choose that I/T/U as his or her primary care provider, as long as that provider has capacity to provide the services;
   b. Require each managed care entity to demonstrate that there are sufficient I/T/U providers in the network to ensure timely access to services available under the contract for Indian enrollees who are eligible to receive services from such providers;
   c. Require that I/T/U providers, whether participating in the network or not, be paid for covered Medicaid or CHIP managed care services provided to Indian enrollees who are eligible to receive services from such providers either (1) at a rate negotiated between the managed care entity and the I/T/U provider, or (2) if there is no negotiated rate, at a rate not less than the level and amount of payment that would be made if the provider were not an I/T/U provider; and
   d. Provide that the managed care entity must make prompt payment to all I/T/U providers in its network as required for payments to practitioners in individual or group practices under federal regulations at 42 CFR sections 447.45 and 447.46..

AIHC Letter - Special Terms and Conditions

6. **Preservation of FFS System within Indian Health Programs.**
   a. Those Indian health programs as defined by the Indian Health Care Improvement Act1 shall continue to be eligible for Fee-for-Service reimbursement at the established Office of Management and Budget's federal encounter rate or the established FQHC rate
   b. HCA will prevent degradation of FFS by increasing access to specialty care
   c. Community Support Foundational Support System will provide exclusion for AI/AN in managed care.

AIHC Letter - Special Terms and Conditions

7. **No Auto Assignment for AI/AN individuals.**

Auto-assignment will not apply to AI/ANs unless they have opted in to participate in a managed care plan.

8. **Notices.**

The notice must include information explaining that AI/ANs are excluded from the demonstration unless they opt-in, and that AI/ANs who have not opted in may still receive the health benefits available from the managed care plans through a FFS system, with access to covered benefits through I/T/U facilities.

9. **Health Performance Measures.**

Utilization of GPRA measures or other IHS clinical data to reduce duplication and over reporting by I/T/Us.

AIHC Letter - Special Terms and Conditions

10. **Implementation of the 2013 Tribal Centric Behavioral Health Report Recommendations and Coordination with the I/T/U Chemical Dependency in the Development of the Behavioral Health Organizations.**

The State will implement the recommendations provided in the 2013 Tribal Centric Behavioral Health Report. The State in coordination with the tribes and urban Indian organizations will provide further analysis of the complications that the integration of Substance Abuse services with the mental health managed care services may have on the tribal and urban behavioral health program service needs of American Indian/Alaska Natives of Washington. The Tribal centric behavioral health system needs to be implemented and harmonized with the medical and behavioral health integration set forth in state law and embraced in the Plan.

AIHC Letter - Special Terms and Conditions

11. **Accountable Communities of Health.**

a. Create tribal/urban ACHs for determining and implementing transformation projects and addressing tribal/urban implications for waiver transformation activities

b. Development of ACHs in a manner that is parallel, complimentary, and coordinates with the Indian health care delivery system.

   i. Ensure the design and implementation of Healthier Washington and ACHs meets the needs of the AI/AN communities in Washington state through I/T/U engagement

   ii. All Regional ACH will receive training on the Indian health care delivery system with a particular focus on their local I/T/U systems and the needs of Tribal and urban Indian populations

AIHC Letter - Special Terms and Conditions

12. **Uncompensated care waiver.**

The State will provide for a tribal uncompensated waiver to make uncompensated care payments for optional services eliminated from the state plan provided by Indian Health Service (IHS) Tribal health programs to IHS-eligible Apple Health beneficiaries.

Closing Statements

Closing

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Join the Healthier Washington Feedback Network:
healthierwa@hca.wa.gov

Send comments and questions about Medicaid Transformation to: medicaidtransformation@hca.wa.gov

Learn more and take the Medicaid Transformation waiver survey at:
http://www.hca.wa.gov/hw/Pages/medicaid_transformation.aspx