

Public Notice

Maryland's Section 1115 HealthChoice Demonstration Waiver Renewal

The Maryland Department of Health (the Department) is providing public notice of its intent to submit to the Centers for Medicare and Medicaid Services (CMS) a written request to renew Maryland's section 1115 HealthChoice Demonstration Waiver and to hold public hearings to receive comments on the waiver renewal application.

Maryland's HealthChoice Program, now in its twenty-fifth year, was implemented in 1997 following federal approval allowing the State to move its fee-for-service (FFS) enrollees into a managed care payment system. Under the statewide health care reform program, the State enrolls individuals eligible through the demonstration into a managed care organization (MCO) for comprehensive primary and acute care, or one of the demonstration's authorized health care programs. This current five-year waiver authority expires on December 31, 2021; the Department is seeking a renewal of the section 1115 waiver to continue the demonstration as well as implement new programs. This document is a summary of the draft application as of May 4, 2021, including a full table of requested waiver and expenditure authorities.

As of March 2021, the Department provides services to 1.5 million enrolled participants. Of those, 1.3 million are enrolled in the HealthChoice program, including children enrolled in the Maryland Children's Health Program (MCHP). HealthChoice enrollees receive the same comprehensive benefits as those available to Maryland Medicaid enrollees through the FFS system.

The Department's goal through this renewal is to test and evaluate the effect of the demonstration on improving the health status of low-income Marylanders by:

- Improving access to health care for the Medicaid population;
- Improving the quality of health services delivered;
- Providing patient-focused, comprehensive, and coordinated care designed to meet healthcare needs by providing each member a single "medical home" through a primary care provider (PCP);
- Emphasizing health promotion and disease prevention by providing access to immunizations and other wellness services, such as regular prenatal care; and
- Expanding coverage to additional low-income Marylanders with resources generated through managed care efficiencies.

Subsequent to the 2016 waiver renewal application approval, the Department submitted and received approval for two waiver amendments requesting program modifications or extensions. The first amendment, approved in 2019, made the following changes to the demonstration:

- Pay for certain inpatient treatments for participants with a primary SUD diagnosis and secondary mental health diagnosis at Institutions for Mental Disease (IMDs)—an expansion of the demonstration's Residential Treatment Services for Individuals with SUD Program;
- Expand the annual cap of the Assistance in Community Integration Services (ACIS) Pilot program;
- Cover a limited adult dental benefit for dually-eligible participants who are 21 to 64 years of age;
- Cover the National Diabetes Prevention Program (National DPP) lifestyle change program services for eligible HealthChoice participants; and
- Transition the Family Planning program from the section 1115 demonstration waiver into a State Plan Amendment (SPA) for the same program with expanded eligibility requirements and services.

The second waiver amendment, approved in April 2020, allowed the Department to establish a Collaborative Care Model (CoCM) Pilot program intended to serve a limited number of HealthChoice beneficiaries by integrating physical and behavioral health services in primary care settings, beginning in July 2020.

The Department completes an annual evaluation for the HealthChoice program and makes this available to stakeholders. Since the beginning of this current waiver period in 2017, the Department has conducted five comprehensive evaluations of the program which include data from CY 2015 to CY 2019. These evaluations demonstrate the continued success of the program not only in improving access to health care services and providing quality care, but also in demonstrating savings over the time period.

Maryland HealthChoice Program – Section 1115 Waiver Renewal Initiatives

As the Department works with its provider and payer community partners to transform the healthcare system, this waiver renewal proposal will focus on maintaining high quality, cost-effective services and pilot programs initiated in the last waiver renewal period. In addition, the Department will focus on alignment with statewide efforts and measures designed for and organized around achieving success on population health measures required by the Center for Medicare and Medicaid Innovation (CMMI) for Maryland’s Total Cost of Care Model. The table below summarizes programs for which the Department is requesting approval in this renewal application.

Table 1. Summary of Changes

Existing Program/Service: Continue As Is	Existing Program/Service Continue with Modification	New Program/Service
<ul style="list-style-type: none"> ● Adult Dental Pilot Program ● Breast and Cervical Cancer Program ● Collaborative Care Pilot Program ● HealthChoice Diabetes Prevention Program ● Hospital Presumptive Eligibility Process ● Increased Community Services 	<ul style="list-style-type: none"> ● Assistance in Community Integration Services Pilot ● Home Visiting Services Pilot ● Residential Treatment for Substance Use Disorder 	<ul style="list-style-type: none"> ● Emergency Triage, Treat and Transport Model ● Expansion of Institutions of Mental Disease for Severe Mental Illness ● Maternal Opioid Misuse Model

Modifications to Existing Programs

- **Assistance in Community Integration Services (ACIS) Pilot (Eff. Date: July 1, 2017).** The Department seeks to expand the number of available places from 600 to 900. Through an open process, local governmental entities would apply to deliver ACIS services to a proposed number of individuals either as an expansion of a current ACIS pilot program, or under a new application. All other provisions of the program, including the local governmental entity provision of the non federal share of payment, would remain the same.
- **Evidence-Based Home Visiting Services (HVS) Pilot for High Risk Pregnant Women and Children (Eff. Date: July 1, 2017).** The Department seeks to expand the allowable time-frame of eligibility in the Healthy Families America (HFA) evidence-based home visiting model program from age two to age three. This change aligns with the current guidelines of the HFA model. All other provisions of the program, including the local governmental entity provision of the non federal share of payment, would remain the same.
- **Residential Treatment for Substance Use Disorder.** The Department seeks to modify its coverage of ASAM Level 4.0 to include not only providers located in Maryland, but also those based in contiguous states. During the COVID-19 pandemic, transferring patients across state lines for the purposes of residential treatment for SUD was disallowed for the safety of patients, treatment providers, and the community at large.

New Programs

- Expansion of Institutions of Mental Disease (IMD) Services for Adults with Serious Mental Illness (SMI).**
 The Department is requesting expenditure authority to cover Medicaid adults aged 21 to 64 that have an SMI diagnosis who are residing in a private IMD for up to 15 days in a month, beginning on January 1, 2022. The days authorized would be based on medical necessity, but would not exceed 15 days per month and would be limited to in-state facilities only.
- Maternal Opioid Misuse (MOM) Model (Eff. Date: July 1, 2021).** Implemented in response to Maryland’s opioid epidemic, the MOM Model is a pilot initiative designed to reduce the burden of neonatal abstinence syndrome (NAS) and its associated costs, and improve maternal health outcomes, by providing case management along with somatic and behavioral care to pregnant people diagnosed with an opioid use disorder (OUD). Initially established in St. Mary’s county, the pilot will transition to becoming available statewide. In this submission, Maryland seeks funding for PMPM payments for participating MCOs to cover these services during pregnancy and the postpartum period.
- Emergency Triage, Treat and Transport (ET3) Model.** ET3 is a voluntary, five-year payment model that provides greater flexibility to ambulance care teams to address emergency health care needs following a 911 call by allowing for payment for ground transports to alternative destinations such as urgent care providers in addition to the ED.

Estimated Effect on Enrollment and Expenditures

The Department’s proposed changes to the section 1115 waiver are not expected to have a material impact on Medicaid enrollment or associated expenditures. Please see Tables 2 and 3 for historic and current information.

Table 2. Actual and Projected Member Months and Expenditures by Calendar Year (Prior Waiver Period)

Prior Waiver Period					
	2017	2018	2019	2020	2021 (projected)
HealthChoice Enrollment in Member Months*	13,103,311	13,437,823	14,438,136	15,394,492	16,470,142
HealthChoice Expenditures	\$7,730,969,828	\$7,836,523,747	\$7,444,837,437	\$7,385,370,611	\$8,372,298,762

* Inclusive of: TANF Adults 0-123; Medicaid Children; Medically Needy Adult; Medically Needy Children; SOBRA Adults; SSI/BD Adults; SSI/BD Children; New Adults.

Table 3. Actual and Projected Member Months and Expenditures by Calendar Year (Current Waiver Period)

Current Waiver Period					
	2022 (projected)	2023 (projected)	2024 (projected)	2025 (projected)	2026 (projected)
HealthChoice Enrollment in Member Months*	16,526,109	16,182,874	16,344,703	16,508,150	16,673,232
HealthChoice Expenditures	\$8,988,005,009	\$9,026,954,699	\$9,344,656,659	\$9,673,543,935	\$10,014,010,402

* Inclusive of: TANF Adults 0-123; Medicaid Children; Medically Needy Adult; Medically Needy Children; SOBRA Adults; SSI/BD Adults; SSI/BD Children; New Adults.

The Department intends to build upon its existing approved evaluation design (from the 2017-2021 waiver period) for continuation programs and will develop an evaluation design for new programs in accordance with the demonstration’s state goals and with CMS guidance and timelines.

Waiver and Expenditure Authorities

Table 4 contains a list of the waiver and expenditure authorities requested as part of this waiver renewal.

Table 4. Waiver and Expenditure Authorities

Program/ Policy Name	Current Terms and Conditions	Proposed Changes
ACIS Pilot	<p>Waiver to section 1902(a)(10)(B)—to enable the State to provide benefits specified in the special terms and conditions to Demonstration participants enrolled in the ACIS Pilot program which are not available to other individuals under the Medicaid State Plan.</p> <p>Waiver to section 1902(a)(23)(A)</p>	Modification to request additional spaces
Adult Dental Pilot Program	Provide coverage of dental benefits for fully dually eligible individuals ages 21 through 64.	Continue with no changes
Breast and Cervical Cancer Program	For continuity of care purposes those individuals who were enrolled and in an active treatment program prior to January 1, 2014, were grandfathered into the program and receive coverage under this demonstration effective January 1, 2014.	Continue with no changes
Collaborative Care Pilot Model (CoCM) Pilot Program	Implement a CoCM pilot program for a limited number of HealthChoice beneficiaries.	Continue with no changes
Dental Expansion for Former Foster Youth	Waiver to section 1902(a) (10) (B)— to enable the State to provide benefits specified in the special terms and conditions to Demonstration participants enrolled as former foster care youth which are not available to other individuals under the Medicaid State Plan.	Continue with no changes
Disenrollment Operations for Automatic Re-enrollment into the MCO	<p>Provide an enrollee with the disenrollment rights required by sections 1903 (m)(2)(A)(vi) and 1932(a)(4) of the Act, when the enrollee is automatically re-enrolled into the enrollee’s prior MCO after an eligibility lapse of no more than 120 days.</p> <p>Send a written notice of action for a denial of payment [as specified in 42 CFR 438.400(b)(3)]</p>	Continue with no changes

Program/ Policy Name	Current Terms and Conditions	Proposed Changes
	when the beneficiary has no liability, as required by sections 1903(m)(2)(A)(xi) and 1932(b)(4) of the Act and in regulations at 438.404(c)(2)	
Emergency Triage, Treat, and Transport Model (ET3)	N/A	New Program
Expansion of IMD for SMI	Currently limited to individuals with a dual diagnosis of SUD and MH condition. Maryland seeks to maintain and expand expenditure authority under section 1115(a)(2) of the Social Security Act to claim expenditures by the State for mental health in non-public IMDs— which are not otherwise included as expenditures under section 1903—and to have those expenditures regarded as expenditures under the State’s Title XIX plan.	Expansion would cover all individuals with an SMI diagnosis, not just those with dual SUD/MH diagnosis.
Family Planning Program	Women of childbearing age who have a family income at or below 250 percent of the FPL and who are not otherwise eligible for Medicaid, CHIP, or Medicare, but had Medicaid pregnancy coverage, will be eligible for the HealthChoice family planning program for 12 months immediately following the 2-month postpartum period.	Transitioned to a State Plan Amendment, no longer needed in section 1115 demonstration
Freedom of Choice Selection 1902(a)23(A)	<p>To enable the State to restrict freedom of choice of provider, other than for family planning services, for children with special needs, as identified in section 1932(a)(2)(A)(i-v) of the Act, who are participants in the Demonstration</p> <p>To enable the State to require that all populations participating in the Demonstration receive outpatient specialty mental health and substance use services from providers with the public behavioral health system.</p>	Continue with no changes
HealthChoice DPP	Provide National Diabetes Prevention Program (National DPP) services.	Continue with no changes
HVS Pilot	Provide evidence-based home visiting services by licensed practitioners to promote enhanced health outcomes, whole person care, and community-integration for high-risk pregnant women and children up to two (2) years old.	Modification to serve children up to three (3) years old.

Program/ Policy Name	Current Terms and Conditions	Proposed Changes
	<p>Waiver to section 1902(a)(10)(B)—to enable the State to provide benefits specified in the special terms and conditions to Demonstration participants determined to be a high-risk pregnant women who are not available to other individuals under the Medicaid State plan.</p> <p>Freedom of Choice section 1902(a)(23)(A) — to enable the State to restrict freedom of choice of provider</p>	
ICS	<p>Allow the program, previously approved for 100, to continue to be capped at 100 individuals.</p> <p>Waiver to section 1902(a)(10)</p>	Continue with no changes
Inpatient Benefit for Pregnant Women Eligible through Hospital Presumptive Eligibility	Waiver of 42 CFR 435.1103(a)—to permit the State to provide the entire State Plan benefit package to pregnant women found presumptively eligible.	Continue with no changes
MOM model	N/A	<p>Waiver to section 1902(a)(10)(B)—to enable the State to provide benefits specified in the special terms and conditions to Demonstration participants enrolled in the Maternal Opioid Misuse model which are not available to other individuals under the Medicaid State Plan.</p> <p>Waiver to section 1902(a)(1)—to enable the State to limit the provision of benefits specified in the special terms and conditions for the Maternal Opioid Misuse model to a sub-state area</p> <p>Expenditure authority under section 1115(a)(2) of the Social Security Act to claim expenditures by the State for Maternal Opioid Misuse model services— which are not otherwise included as expenditures under section 1903—and to have those expenditures regarded as expenditures under the State’s Title XIX plan.</p>
Presumptive Eligibility Option section 1902(a)(47) insofar as it	To permit the State to provide presumptive eligibility for pregnant women and children using a method for determining presumptive eligibility that is not in accordance with sections 1920 and 1920A.	Continue with no changes

Program/ Policy Name	Current Terms and Conditions	Proposed Changes
incorporates sections 1920 and 1920A		
REM Demonstration Benefits	<p>Waiver to section 1902(a)(10)(B)—to enable the State to provide benefits specified in the special terms and conditions to Demonstration participants in the Rare and Expensive Case Management program which are not available to other individuals under the Medicaid State Plan.</p> <p>Waiver to section 1902(a)(23)(A)—to permit the State to selectively contract with a single entity for the provision of the Rare and Expensive Case Management (REM) benefit as authorized under this demonstration through Expenditure Authority 6. The operation of this selective contracting authority does not affect a beneficiary’s ability to select between two or more qualified case managers</p>	Continue with no changes
Residential Treatment for SUD	Maryland seeks to maintain expenditure authority under section 1115(a)(2) of the Social Security Act to claim expenditures by the State for substance use disorders in non-public IMDs—which are not otherwise included as expenditures under section 1903—and to have those expenditures regarded as expenditures under the State’s Title XIX plan.	Continue with no changes
Retroactive Eligibility section 1902(a)(34)	To exempt the State from extending eligibility prior to the date of application to optional targeted low-income children, except for infants under age one described in subsection 1902(a)(10)(A)(i)(IV), or children described in subsections 1902(a)(10)(A)(i)(VI) or 1902(a)(10)(A)(i)(VII)	Continue with no changes

Per the terms of the section 1115 HealthChoice demonstration renewal as required by 42 CFR 431.420(c), the Department must conduct a post-award forum within six months of implementing the demonstration and annually thereafter. The forum is intended to provide the public with the opportunity to offer meaningful comments on the progress of the demonstration.

Availability of the Demonstration Application and Submission of Comments

As of May 4, 2021, the State's 30-day public comment period is open. The Department will accept comments through June 4, 2021. The Department's draft section 1115 demonstration waiver application is available on the following website: <https://mmcp.health.maryland.gov/Pages/1115-HealthChoice-Waiver-Renewal.aspx>. Hard copies of the application may be obtained by calling (410) 767-5208.

Interested parties may send written comments concerning the waiver amendment via email to mdh.healthchoicerenewal@maryland.gov or via hard copy to:

Tricia Roddy, Deputy Medicaid Director, Office of Healthcare Financing, Maryland Department of Health
201 West Preston Street, Room 224
Baltimore, Maryland 21201

Public Hearing Information

The state will host two public hearings during the public comment period.

Virtual Webinar and Audio Conference #1: Section 1115 Waiver Demonstration Renewal Application

Tuesday, May 11, 2021; 10:00 AM – 12:00 PM

Maryland Department of Health

GoToWebinar Virtual Platform

To participate in the public hearing via webinar, please register via:

<https://attendee.gotowebinar.com/register/2810866705598972683>

Please note that if you desire to make a public comment, you will need to register via the link above. After registering, you will receive a confirmation email containing audio and visual information about joining the webinar.

Call-in number: (415) 655-0060

Access code: 610-004-077

The call-in number and access code presented above is for attendees who wish to join in listen-only mode.

Virtual Webinar and Audio Conference #2: Section 1115 Waiver Demonstration Renewal Application and HealthChoice Post Award Forum

Thursday, May 27, 2021; 3:00 PM – 5:00 PM

Maryland Department of Health

GoToWebinar Virtual Platform

To participate in the public hearing via webinar, please register via:

<https://attendee.gotowebinar.com/register/4831209426033221900>

Please note that if you desire to make a public comment, you will need to register via the link above. After registering, you will receive a confirmation email containing audio and visual information about joining the webinar.

Call-in number: 1 (562) 247-8321

Access code: 415-369-968

The call-in number and access code presented above is for attendees who wish to join in listen-only mode.