CHANGING
Maryland
for the Better

Medicaid Update – FY 2017 Goals and Activities

Shannon M. McMahon,
Deputy Secretary, Health Care Financing

Maryland Medicaid Advisory Committee
July 28, 2016

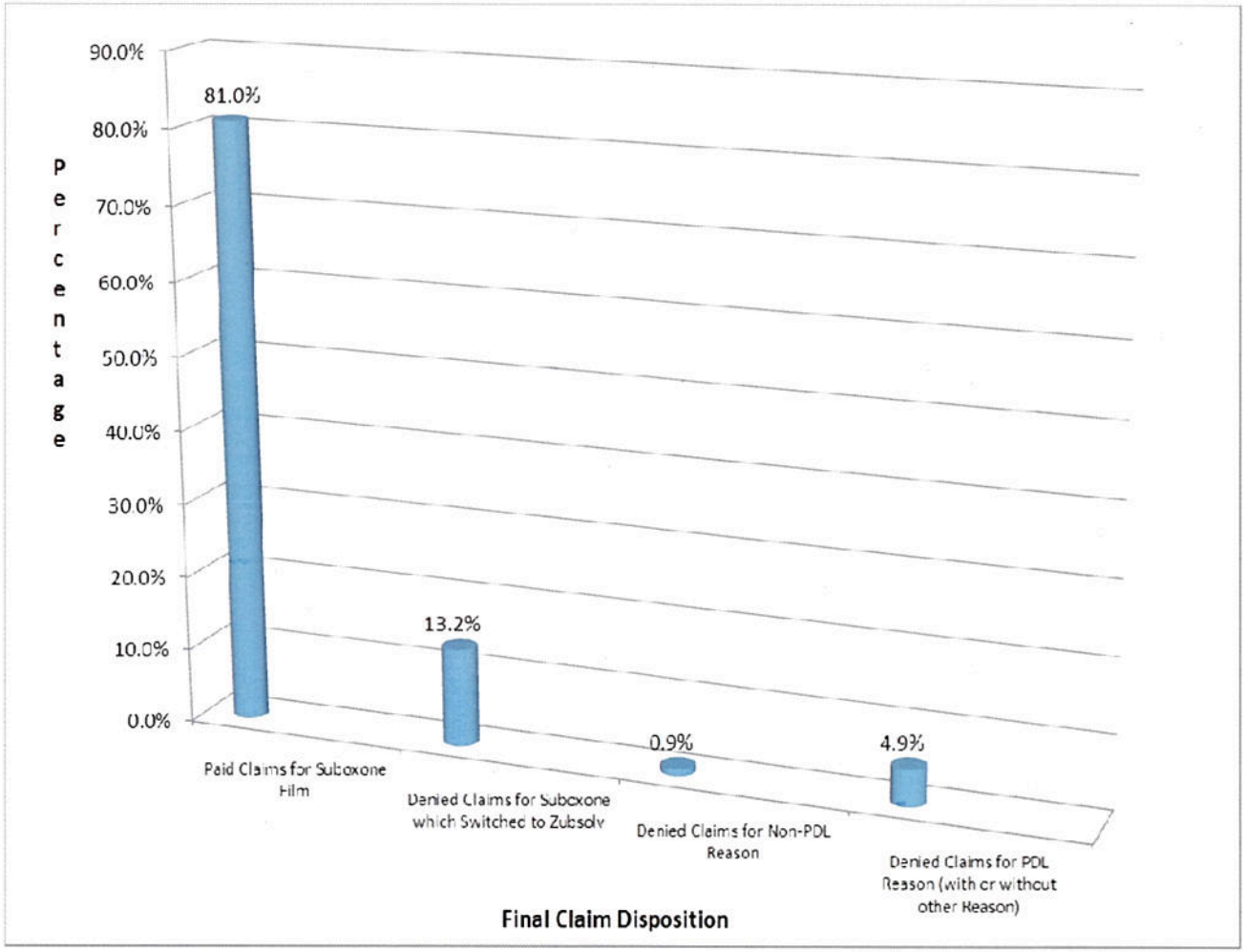
Maryland Medicaid and You

Celebrating 50 Years of Impact

PRIOR AUTHORIZATION PROCESS: SUBOXONE FILM

- Effective July 1, 2016, Zubsolv sublingual tablets became preferred and Suboxone film became non-preferred on Maryland Medicaid's Fee-for-Service (FFS) Preferred Drug List (PDL)
- The Maryland Medicaid FFS PDL Prior Authorization (PA) Process is quick and easy.
  - Prescribers can obtain prior authorization for the non-preferred medication by calling 800-932-3918 or submitting a completed PA form via fax to 866-440-9345.
  - Called-In PA requests are reviewed and approved REAL-TIME.
  - Completed PA forms which are faxed in are reviewed and approved within 24 hours. To date, all clean claims that were faxed in have been approved in this timeframe.

SUBOXONE FILM PRIOR AUTHORIZATION PROCESS: FINAL CLAIMS DISPOSITION



Budget

CELEBRATING SUCCESS: OVERVIEW OF THE FY 2017 MEDICAID BUDGET

- Provides for a 7.3 percent MCO rate increase:
  - Original January increase of 5.9 percent
  - Authorized 2 percent increase ($13.9 million GF) in the traditional HealthChoice populations

- Funds provider rate increases:
  - 2 percent for nursing homes, medical day care, and private duty nursing
  - 2 percent for mental health and substance use providers
  - 1.1 percent for both personal day care and home and community-based waiver services
- Maintains physician Evaluation and Management rates at 92 percent of Medicare rates
- Fully funds ACA expansion which decreased from 100 percent to 95 percent federal match in January 2017 ($57M GF impact)
- Initiates funding for coverage of federally-mandated services for those with Autism Syndrome Disorder
- Fully funds increased expenditures for Medicare Part B premium cost sharing for Qualified Medicare Beneficiaries and Specified Low Income Medicare Beneficiaries
- Funds MMIS II improvements as well as assessment of infrastructure

JOINT CHAIRMAN'S AND LEGISTIAVELY MANDATED REPORTS

- JCRs:
  - Independent Review on the Organization of Entry Points for Health and Social Services (12/15/16)
  - Lead Screening for Children in Medicaid (11/15/16)
  - Impact of Federal Managed Care Organization Regulatory Changes on Health Choice (12/1/16)
  - Collaborative Care Initiative (12/15/16)
  - Impact of the Substance use Disorder Carveout on HealthChoice (12/15/16)
- Other Legislatively Mandated Reports
  - Telemedicine (due 10/1/16)
  - Termination of MHIP and Transfer of SPDAP (due 6/30/17)
  - Determinations of Eligibility for Long-Term Care Services (quarterly reports starting 10/1/16)

Eligibility and Enrollment

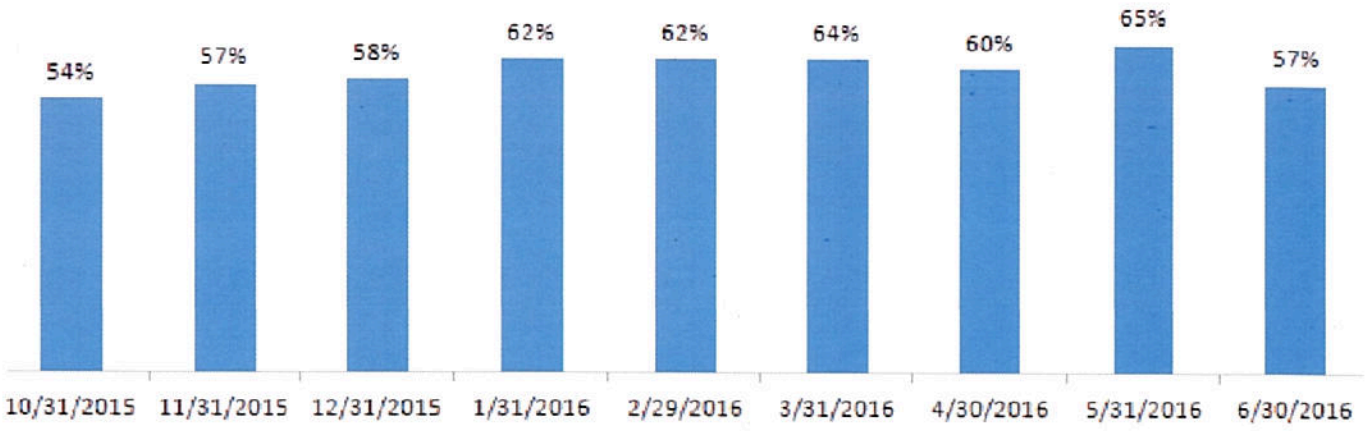
ACCOMPLISHMENT & GOALS: CONVERSION OF MAGI ENROLLEES TO MARYLAND HEALTH CONNECTION

- Accomplishment: Coordinated outreach effort to renew MAGI enrollees into Maryland Health Connection
  - MCO and provider partnerships
  - Text messaging, social media, stakeholder engagement, new resources for enrollee education

- Fewer than 10,000 MAGI enrollees remain to be converted from the legacy eligibility system (CARES) to the State Based Marketplace (Maryland Health Connection)

- Performed administrative renewals for the first time in September 2015 with an average success rate to date of approximately 60%

- **Goals:** Continued monitoring of call center performance and engage in single-point of entry study recommendations (see next slide)



FUTURE GOALS & PROJECTS: SINGLE POINT OF ENTRY STUDY & RELATED REFORMS

- In conjunction with DHR, MHBE, and other interested state agencies, an independent review will be solicited by DBM on how to best organize entry points for health and social services.

- The study will focus on:
  - Maximizing access to health and social services;
  - reducing duplication, inefficiency, and costs; and
  - maximizing federal fund participation.

GOAL: ENHANCING CORRECTIONS-MEDICAID CONNECTIONS

- Medicaid is actively working to strengthen the linkages between the DPSCS and Medicaid to preventing new incarcerations and lower recidivism, saving costs, and reducing the social burdens of crimes in communities

- **Goal - Improve Eligibility and Enrollment Processes/data analytic capabilities between programs:** The current data matching from DPSCS systems is inconsistent or in some cases non- existent.

- **Goal - Improve Post-Release Care and Coverage Connections:** Convene key stakeholders to evaluate various Medicaid enrollment and care coordination strategies at the front and back end of an individuals' involvement in the justice system. Work with national consultants to better understand the scope of current initiatives, current gaps and challenges, and state officials' priorities for the future; and identify and implement best practices for state implementation.

Initiatives with Fee-for-Service Populations

UPDATE: HCBS WAIVER RENEWALS

- Three HCBS waivers are up for renewal this year:
  - Community Options Waiver: Provides home-based or assisted living facility services to older adults and individuals with physical disabilities.
  - Waiver for Individuals with Brain Injury: Provides community-based services to qualified individuals ages 22-64 who previously resided in psychiatric hospitals, state-operated facilities, and accredited chronic hospitals.
  - Medical Day Care Waiver: Offers services in a community-based day care center for individuals ages 16 and older, up to seven days per week, for at least four hours per day.

ACCOMPLISHMENTS AND GOALS: MEDICAID OVERDOSE ACTIVITIES

- **Accomplishments:** MCO Lock in program; MAT Access

Goals:

- DUR Activities: Development of minimum standards for Drug Utilization Review activities

- SUD waiver: Aims to allow Medicaid to pay for substance use treatment services in an IMD; Medicaid is working with CMS and technical assistance providers with goal of amendment approved in July 2017.

- Rebundling: The Department has solicited stakeholder input to rebundle the weekly rate for methadone services to improve access to counseling services. A revised draft proposal was circulated at the end of April.

- P&T Committee: Use P&T Committee as a forum for overdose education and drug access/contraction

ACCOMPLISHMENTS AND GOALS: TELEHEALTH PROGRAM IMPROVEMENTS

- **Accomplishment:** Reduced administrative burden for providers - Medicaid has simplified the administrative burden for providers by simplifying the telehealth application process and have added additional provider types, and services, most recently SUD/Buprenorphine counseling

- **Goals:** During the 2016 legislative interim, in consultation with MHCC and with the advice of PHS, Medicaid will be assessing the telehealth policies of select Medicaid programs in other states, including reimbursement for telehealth services provided in a home setting; and planning enhancements to our current program.

DUALS CARE DELIVERY STRATEGY

- **Accomplishment:** Implemented 'agency only model' for personal assistance services to meet Department of Labor requirements; continue to streamline administrative processes and enhance access to waiver services.

- **Goal:** Developing an improved care delivery strategy for individuals dually-eligible for Medicare and Medicaid is a top priority
  - Alignment: Promote value-based payment
  - Care delivery: Increase integration and coordination
  - Health information technology: Support providers

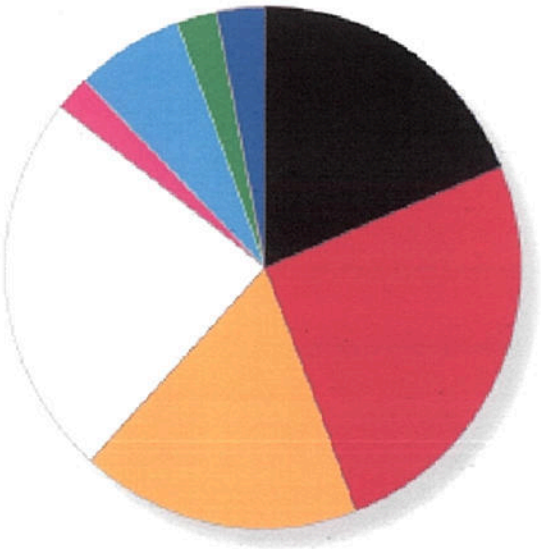
- A diverse, representative workgroup has been formed; meeting from February to December 2016

- The duals strategy will be aligned with broader statewide transformation efforts

- Medicaid selected to be in Commonwealth Fund Medicaid ACO learning collaborative; two year project that includes peer-to-peer and technical assistance learning – WA, MA, RI and NC also participating

Managed Care

MANAGED CARE ORGANIZATION MARKET SHARE



Market share is divided among the eight managed care organizations that comprise the HealthChoice landscape. Four managed care organizations account for nearly 86 percent* of market share.

- Amerigroup: 25.4 percent
- Jai Medical Systems: 2.2 percent
- MedStar: 6.6 percent
- Kaiser Permanente: 2.8 percent
- Riverside: 2.6 percent
- Maryland Physicians' Care: 18.8 percent
- UnitedHealthcare: 17.5 percent
- Priority Partners: 24.1 percent

Based on Summary of Current HealthChoice Recipients enrolled by MCO/LAA Run 11/10/15 (HMFR 6208-R001)

ACCOMPLISHMENTS & GOALS: NETWORK ADEQUACY MONITORING

- **Accomplishment:** Initiated 'secret shopping' program for MCO enrolled providers with a goal of cleaning up network data and identifying gaps
- **Accomplishment:** Implemented new MCO monitoring policies and notification requirements for network changes
- **Goals:** Use data to improve network directories and use information from effort to inform implementation of Medicaid managed care regulations and overall network monitoring; implement federal Medicaid Managed Care regulatory requirements

FUTURE PROJECTS: HEALTHCHOICE PERFORMANCE IMPROVEMENTS – VALUE BASED PURCHASING, HEPATITIS C PAYMENT POLICY AND RURAL ACCESS BONUS

- 2017 MCO rate setting began in February 2016
- CY 2014 Results – 10 HEDIS and 3 encounter-based measures
  - For the first time, funding received from disincentive payments was insufficient to cover total incentives earned by top performers
  - The majority of MCOs performed in the incentive range of 5 out of 13 measures.
- Goals:
  - New Asthma measure in 2017
  - Streamline Hep C payment policy/adapt to new clinical realities and improve administrative processes; potential carve in with risk mitigation strategy under development;
  - Working with Bailit Consulting to develop new measures and new distribution methodology that may be selected for CY17 in light of high overall MCO performance on some measures;
  - Reviewing Rural Access Incentive Program to limit anti-competitive behavior and grow the number of statewide MCOs.

FUTURE PROJECTS: HEALTHCHOICE WAIVER RENEWAL BY DECEMBER 31, 2016

- On June 30, Medicaid submitted the an application to CMS for the next three year cycle of the HealthChoice program by July 1, 2016 to include:
  - Continued implementation of ACA provisions;
  - Initiatives to address evaluation results and continue improving quality of care:
    - Provider Data Validation work
    - Value Based Purchasing (13 measures)
    - Colorectal Cancer Screening
- The proposed changes for the renewal period 1/2017 – 12/2019 include expanding services under the following programs:
  - Residential Treatment for Individuals with Substance Use Disorders
  - Community Health Pilots
    - Limited Housing to Support Services
    - Evidence-Based Home Visiting for High Risk Pregnant Women and Children up to Age Two
  - Transitions for Criminal Justice Involved Individuals
  - Increased Community Services

1115 WAIVER RENEWAL INITIATIVES

- Residential Treatment for Substance Use Disorders
  - Presently, CMS will not provide matching funds for state dollars that fund SUD treatment for individuals receiving care in a residential facility without a waiver.
  - The state is asking for a waiver to allow Medicaid funds to cover a continuum of SUD services.
- Transitions for Criminal Justice Involved Individuals
  - Connecting individuals to Medicaid coverage upon release is a key component of Gov. Hogan's *Justice Reinvestment Act*
  - The state is seeking a waiver to provide presumptive eligibility for Medicaid-eligible individuals leaving jails and prisons in the state

1115 WAIVER RENEWAL INITIATIVES – LOCAL PILOTS

- Limited Housing Support Services
  - The State is seeking matching funds for a pilot program that would provide federal matching funds for housing-related support services for enrollees who are at risk of our are currently homeless.
  - Through an open process, local entities would apply to deliver housing support services to up to 250 Medicaid enrollees statewide. The local entities will provide the non-federal share of payment.
- Evidence-Based Home Visiting for Pregnant Women and Children
  - Maryland is seeking federal matching funds for a pilot that would support local efforts to provide services through evidence-based home visiting model programs
  - The pilot would allow services for children up to age 2

ADDITIONAL 1115 WAIVER RENEWAL INITIATIVES

- Increased Community Services Program
  - The program allows individuals residing in institutions with incomes above 300% of the SSI to move into the community while permitting them to keep income up to 300%
  - Slots for the program are currently capped at 30, but the waiver will expand the limit from 30 to 100 over the 3-year period
- Dental Expansion for Former Foster Youth
  - DHMH seeks approval through this waiver to offer dental services available as an EPSDT benefit to former foster youth up to the age of 26
  - Under existing rules, foster youth will age out of EPSDT dental benefits at age 21

FY 2017 AND FY 2018 PRIORITIES

MMIS ENHANCEMENTS

- The Governor's 2017 Budget funds several Medicaid-lead initiatives to advance the data analytic capabilities of the program and improve existing systems with "quick wins" that require little or no software development/improvements to the existing legacy system; Medicaid has verbal commitment from CMS for 90/10 funding for these projects:
  - MITA 3.0 State Self Assessment: A national framework intended to assist state Medicaid programs in assessing current business capabilities "as-is" and mapping to a desired "to be" state.
  - Customer Relationship Management (CRM): Tool designed to manage customer interactions
  - Decision Support System/Data Warehouse (DSS): Allows the business to perform data analytics; allows staff to run reports without interfering with production system
  - National Correct Coding Initiative (NCCI): Federally mandated and designed to detect improperly coded medical claims and keep from being paid
- Related to these organizational and functional improvements, Finance, Eligibility and Systems are continuing organizational improvements to premium collection and lockbox activities

ORGANIZATIONAL PRESSURES

Federal regulatory requirements and state mandates will dominate implementation activities into FY2018

- •LTC eligibility workgroup/reporting (HB 1181)
- •Senior Rx Program Integration
- •JCRs including BH Carve-in
- •Managed care 'mega regulation'
- •Parity
- •Home health
- •Access
- •Part 2
- •Community rule

MERP Litigation

- •Private counsel to assist Office of the Attorney General
- •Significant SME involvement anticipated in FY 2017

Procurements

- •Provider enrollment/reenrollment
- •MMIS O&M

FY 2018 PRIORITIES

- Leverage Medicaid payment for expansion of substance use treatment and continue enhancing efforts to reduce opioid abuse
- All payer waiver 2.0 include more Medicaid accountability with duals at the center
- Implement key 1115 waiver provisions
- Lay groundwork for modular MMIS
- Supporting state and local government in post-release eligibility and care coordination efforts