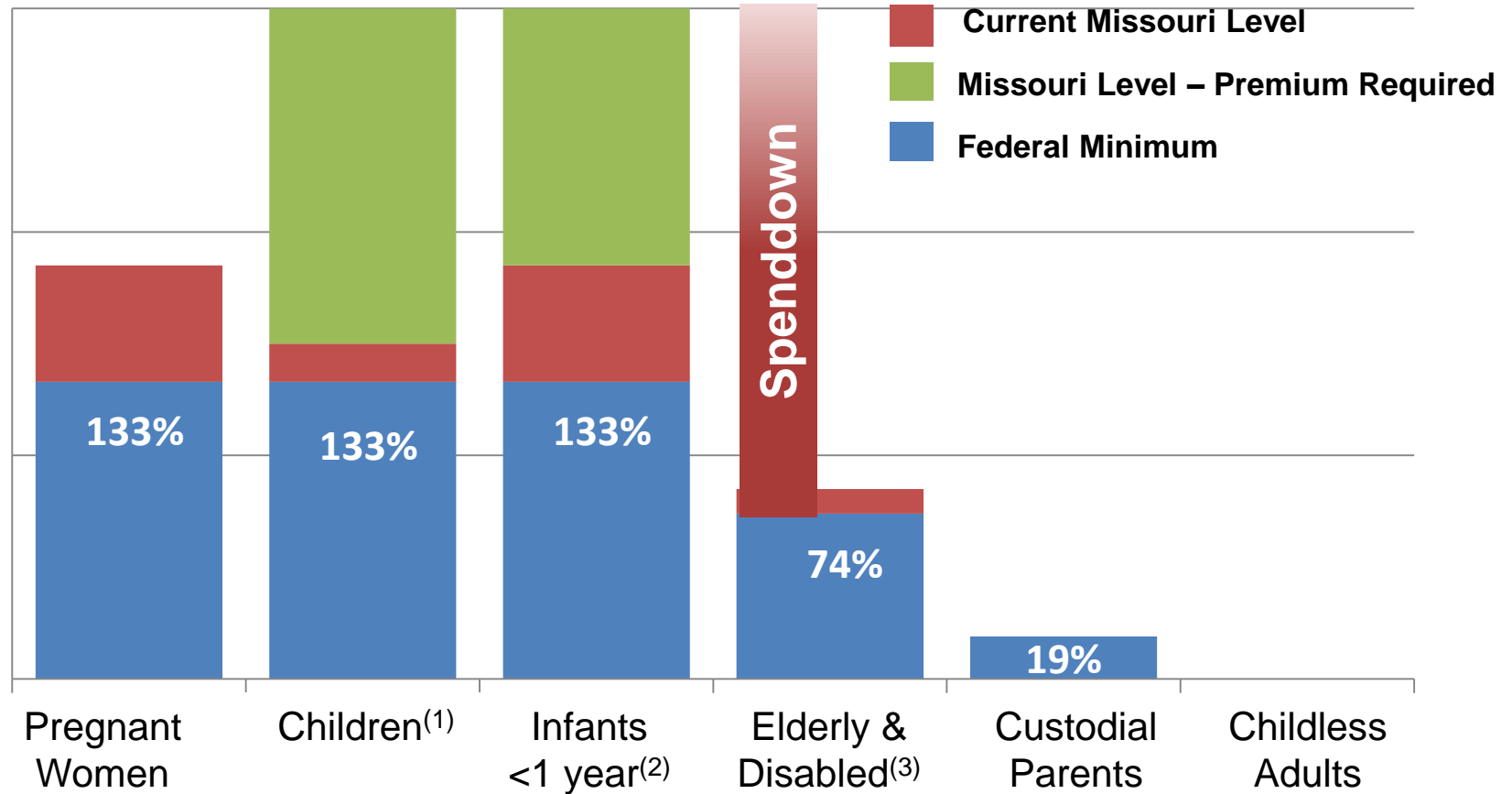


MO HealthNet Program Overview

Jay Ludlam, Acting MHD Director
January 31, 2017

Current Missouri Income Eligibility Levels Compared to Federally-Mandated Levels



(1) Families at incomes above 150% FPL pay a premium.

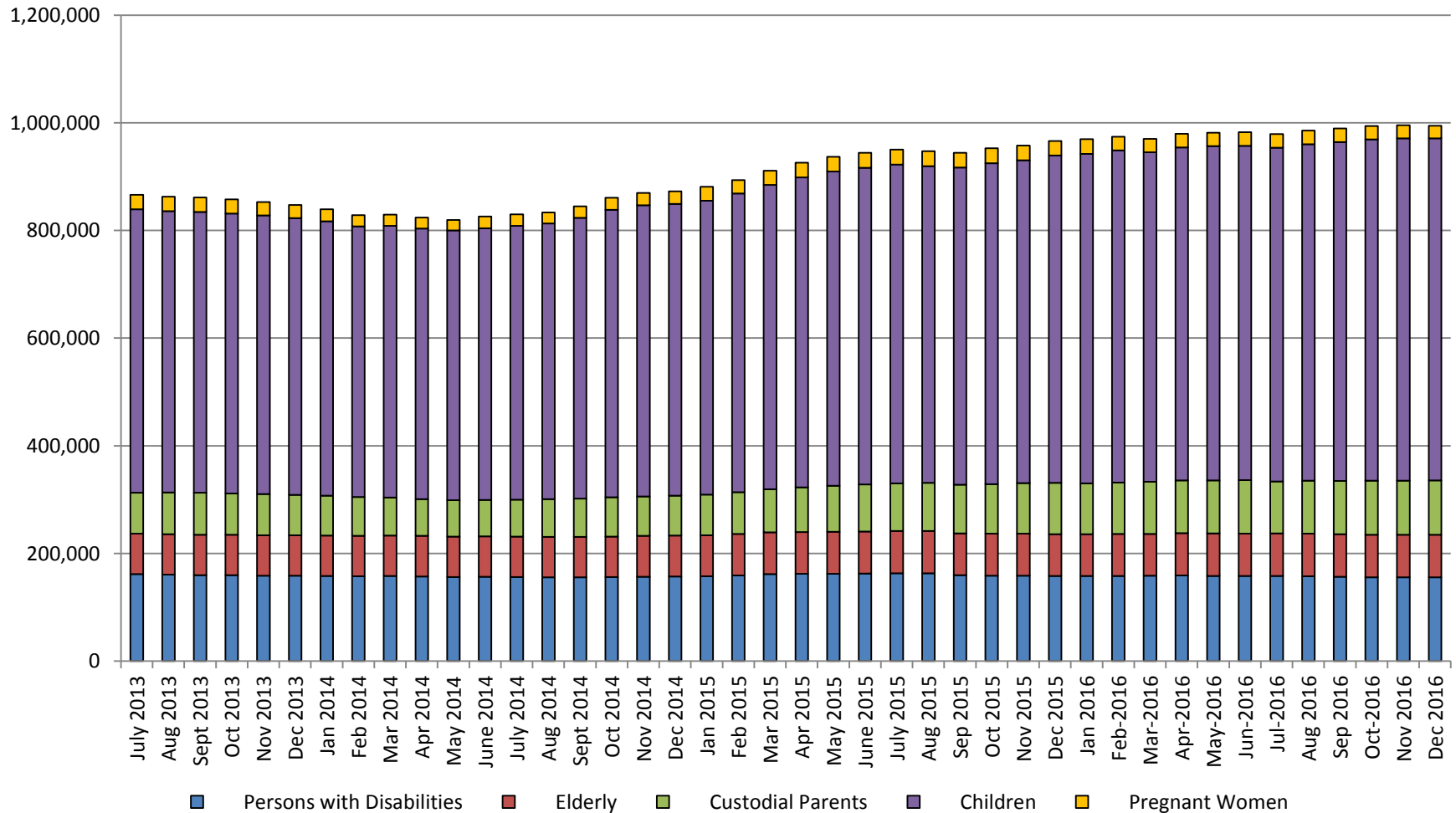
(2) Infants under age 1 includes unborn children through the Show Me Health Babies program (not subject to premiums).

(3) Elders and the Disabled who are eligible except for income may spend down excess income to qualify.

Enrollment

July 2013 to December 2016

Medicaid Caseload



Enrollees and Expenditures

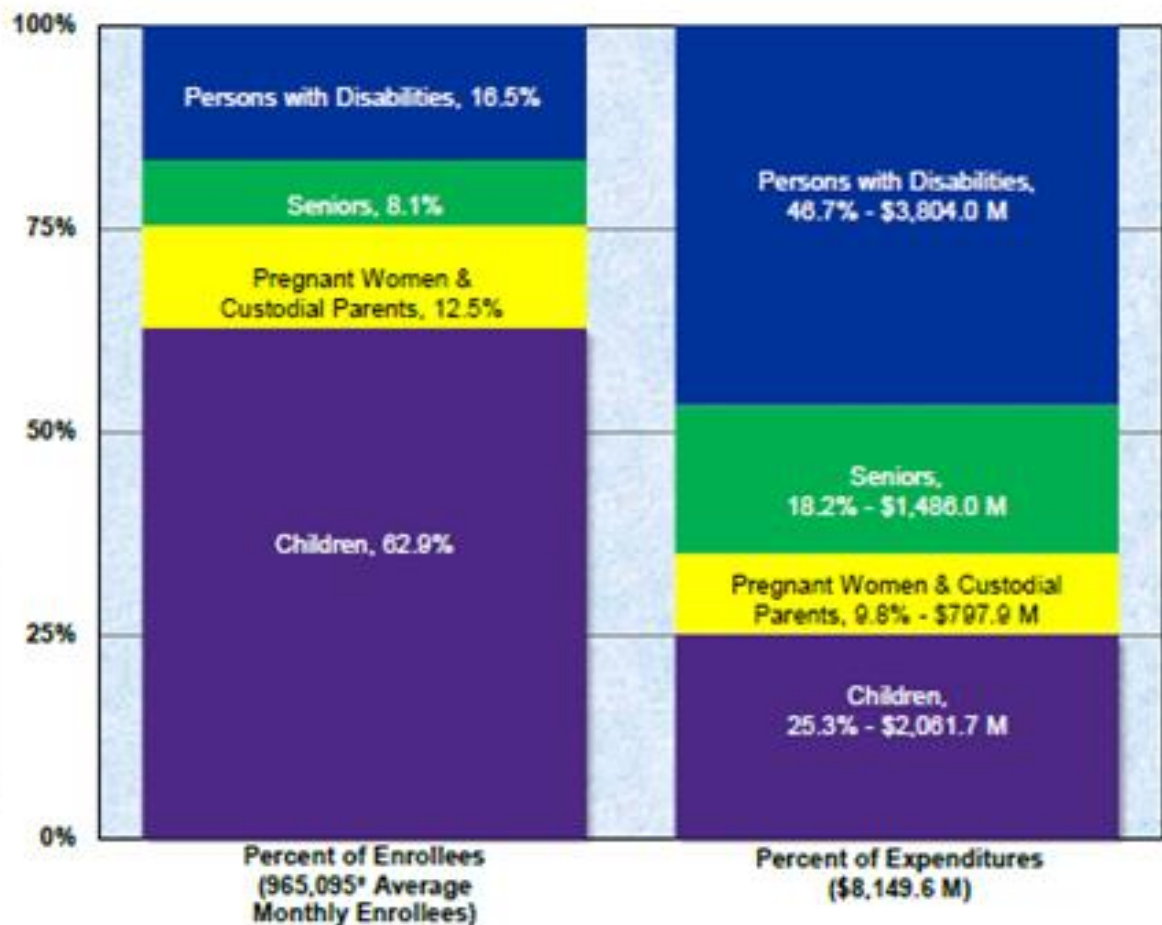
In SFY-2016, seniors and persons with disabilities comprised of 25% of enrollees, however, they accounted for 65% of MO HealthNet expenditures.

Number of People SFY-2016

(Average Monthly)

Persons With Disabilities	159,453
Seniors	78,121
Pregnant Women & Custodial Parents	120,729
Children	606,793
Total	965,095

MO HealthNet SFY - 2016



Basic Medicaid Program Requirements

States are not required to have a Medicaid program, but if they do, certain groups must be covered and certain services provided

- Other groups can be covered and services provided at the state's option
- The "State Plan" describes the groups covered

Groups and services not otherwise included may be included in a state's program with CMS approval

- Such groups and services are included in the program under "Waivers"
- Waivers are time limited and must be federal cost neutral

The federal government shares in the cost of the state's program as defined by its Plan and waivers

- FMAP (Federal Medical Assistance Percentage) is the federal match rate
- FMAP is adjusted annually in relation to a state's economic condition
- Failure to comply with the Plan or waiver provisions results in loss of federal funding

Single State Agency

- Responsible to CMS for the State Plan and all waivers
- Responsible for federal reimbursement claims and financial administration (MMIS)
- Department of Social Services is designated as Missouri's Single State Agency

Medicaid MANDATORY Services

- **The following services must be available to all Medicaid participants**
 - Nursing facility care
 - Hospital inpatient and outpatient services
 - Physicians Services
 - Early Periodic Screening, Diagnosis and Treatment (EPSDT)
 - EPSDT services include all medically necessary treatments and care needed to correct and ameliorate a child's health conditions
 - Home Health services
 - Lab and x-ray services
 - Family planning services and treatments
 - Transportation, including non-emergency transportation
 - Covered services provided by Federally Qualified Health Clinics (FQHC) and Rural Health Clinics (RHC)
- **Services may be limited or restricted to ensure they are provided appropriately and when medically necessary**

Medicaid OPTIONAL Services

- **Major optional services available to all eligibility groups in Missouri**
 - Pharmacy
 - Durable medical equipment and prosthetics
 - Rehabilitative and adaptive services (for persons with prosthetics and orthotics)
 - Personal care / home and community-based services
 - Mental health services
 - Hospice care
 - Care provided in state institutions
 - Podiatry
 - Optical
 - Dental
 - Intermediate Care Facility\Intellectual Disabilities (ICF\IID)

- **Major optional services restricted to certain groups**
 - Speech/Occupational/Physical Therapies (children)
 - Hearing Aids (children, pregnant women, blind)

Other State Departments and Medicaid

The Department of Health and Senior Services (DHSS)

- **The Division of Senior and Disability Services (DSDS) manages the home and community-based services (HCBS) benefits through:**
 - Medicaid state plan personal care services
 - 3 Waivers (Aged and Disabled Waiver, Adult Day Care Waiver, Independent Living Waiver)
- **The Division of Community and Public Health (DCPH) manages the:**
 - Healthy Children and Youth benefits authorized under the Medicaid State Plan
 - 2 Waivers (AIDS Waiver and Medically Fragile Adults Waiver)

The Department of Mental Health (DMH)

- **The Division of Behavioral Health covers:**
 - Substance use disorder treatment through Comprehensive Substance Treatment and Rehabilitation (CSTAR)
 - Individuals with serious mental illness or serious emotional disturbances are served through Comprehensive Psychiatric Rehabilitation (CPR) and Targeted Case Management (TCM)
- **The Division of Developmental Disabilities manages services for individuals who are determined by the Division to have a developmental disability, these include:**
 - Medicaid State Plan targeted case management
 - 5 waivers for HCBS services, including in-home and residential services
 - Services delivered in a Habilitation Center

The Department of Elementary and Secondary Education (DESE)

- **Office of Special Education manages:**
 - The First Steps program for infants and toddlers who have delayed developmental or diagnosed conditions. Medicaid helps fund some program services.
 - State Board Operated Schools for students with severe disabilities, blindness, and/or who are hearing impaired. Medicaid helps fund some school-based services.

Total State Medicaid Expenditures FY 2016

Department	GR	Federal	Other	Total
Social Services	\$1,370.5	\$3,478.5	\$2,353.2	\$7,202.3
Mental Health	\$383.4	\$750.0	\$33.2	\$1,166.6
Health and Senior Services	\$286.5	\$557.0	\$5.7	\$849.2
Elementary and Secondary Education	\$0.0	\$0.4	\$5.5	\$6.0
Total Medicaid	\$2,040.4	\$4,786.0	\$2,397.7	\$9,224.1
Total State Budget	\$9,005.4	\$7,662.0	\$7,776.7	\$24,444.2

The administrative portion of the budget comprises .2% of the MHD total budget.

Per Member Per Month Cost of Care

	FY12	FY13	FY14	FY15	FY16
Persons with Disabilities	\$1,692	\$1,754	\$1,861	\$1,961	\$1,988
Elderly	\$1,311	\$1,397	\$1,541	\$1,566	\$1,585
Custodial Parents	\$456	\$463	\$495	\$507	\$496
Children	\$272	\$274	\$298	\$298	\$283
Pregnant Women	\$556	\$570	\$610	\$671	\$748
Average (All Groups)	\$653	\$671	\$729	\$735	\$704
		<i>2.8%</i>	<i>8.6%</i>	<i>0.8%</i>	<i>-4.2%</i>

Missouri Medicaid Management Information System (MMIS) Replacement

- **The MMIS encompasses computer systems responsible for ensuring MHD providers are paid on-time and consistent with MHD clinical and program policies**
- **Some of these systems date back to 1978 and are past due for being replaced with more modern systems**
- **MHD intends to procure modern systems which will permit the use of new, potential cost-savings healthcare payment models and reduce the programming time necessary to implement payment and program reforms**
- **The Centers for Medicare and Medicaid (CMS) have emphasized a desire for modularity and vendor competition**

Missouri Medicaid Management Information System (MMIS) Replacement

- **The first two components currently in the process of being procured:**
 - An enterprise data warehouse with advanced analytic tools – known as Business Intelligence System/Electronic Data Warehouse - BIS/EDW
 - Case Management Solution
 - Both RFPs are in evaluation
- **Over the next 3 to 5 years MHD, in coordination with the Office of Administration (OA) Purchasing and OA Information Technology Services Division (ITSD) will develop and procure additional components of the system**

Managed Care Update

Calendar of Events

Current Members and Extension Members

Date	Activity
October 14, 2016	Awarded to three health plans
Beginning December 14, 2016	Open enrollment packets mailed
January 20, 2017 to April 3, 2017	Open enrollment period
April 3, 2017	Begin auto assignment
April 2017	Share new participant history and active prior authorization files with health plans
May 1, 2017	Geographic extension services begin

Health Plans

**Current –
through April 30**

aetnaSM



home state health.

missouricare SM
A WellCare Company

**Effective
May 1, 2017**

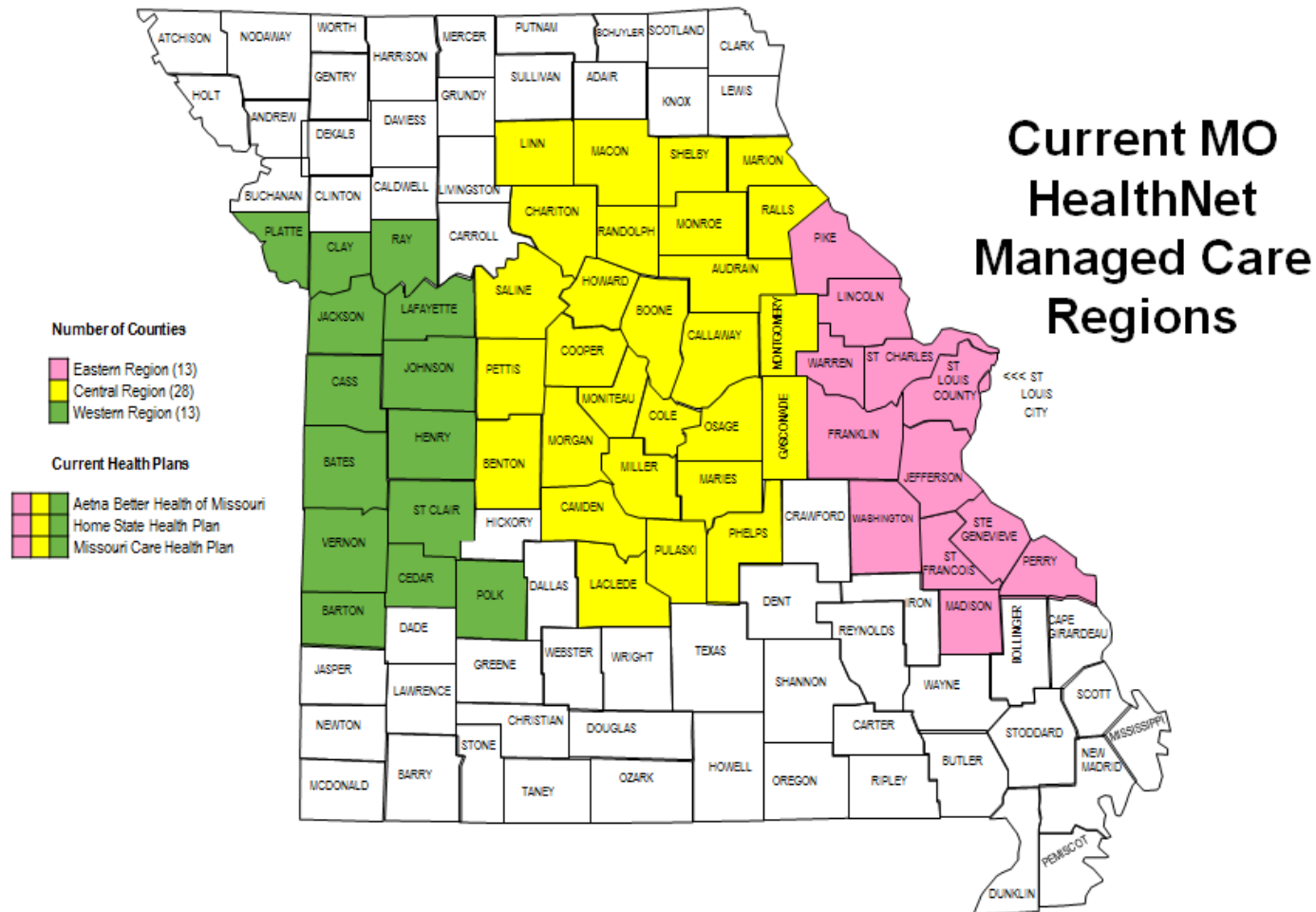
 **UnitedHealthcare**[®]



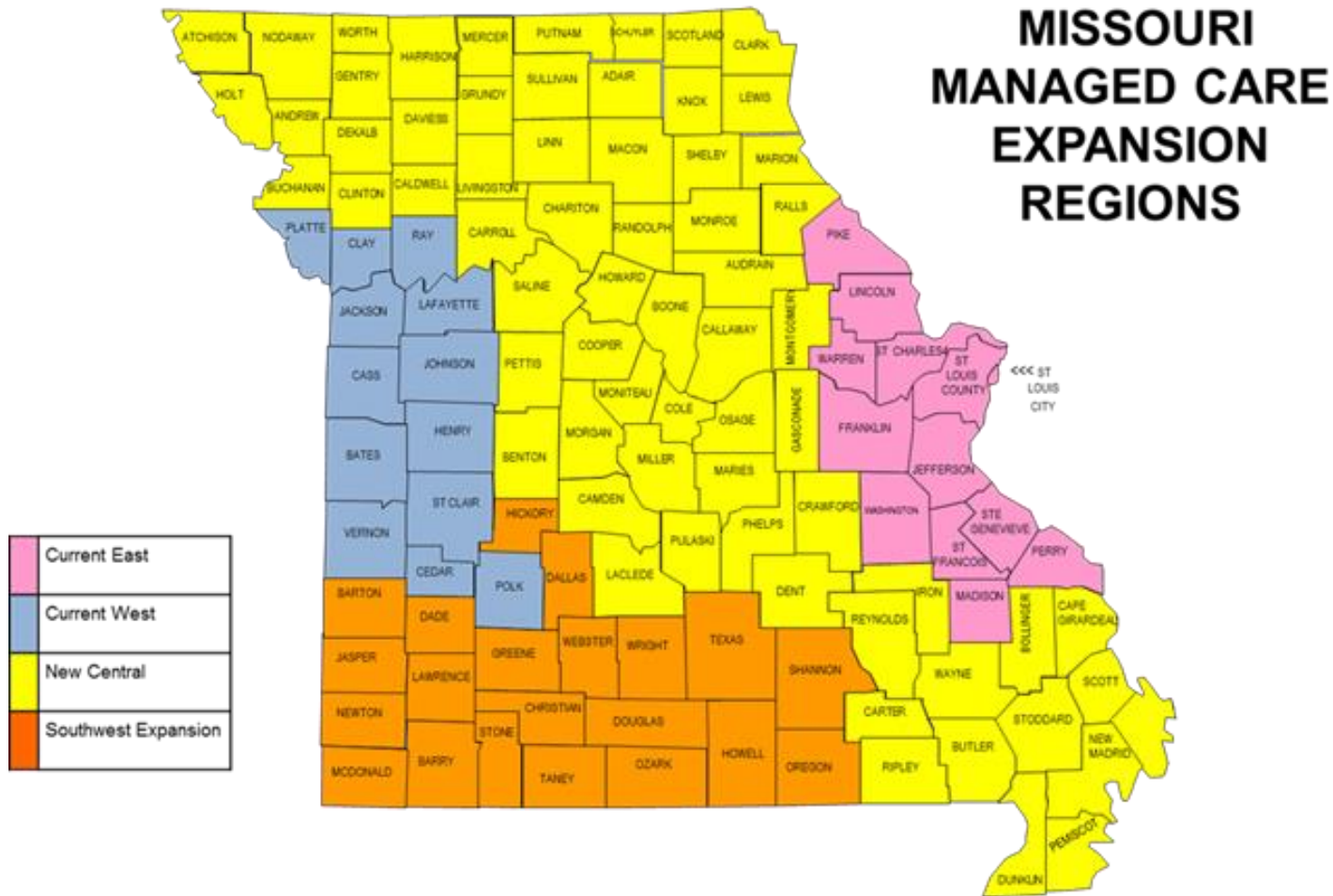
home state health.

missouricare SM
A WellCare Company

Health Plan Regions - Current



Health Plan Regions After Geographic Extension



Current Enrollment by Plan

Managed Care Health Plans	Total	% of Total
Aetna Better Health of Missouri	278,472	55.01%
Home State Health (Centene)	106,145	20.97%
Missouri Care (Wellcare)	<u>121,621</u>	24.02%
Total	506,238	

Enrollment

- **278,472 Aetna members are in process of selecting a new plan.**
 - If the member does not make a selection by the end of open enrollment (April 3rd), they will be automatically assigned to a health plan in accordance with the automatic assignment algorithm defined in the contract.
- **227,766 current members who were enrolled with Missouri Care or Home State Health also must select a plan during open enrollment.**
 - If the member does not make a selection during open enrollment, they shall be assigned to the health plan he/she was previously enrolled in.
- **250,267 Missourians in the geographic extension are in the process of selecting a plan**
 - If the member does not make a selection by the end of open enrollment (April 3rd), they will be automatically assigned to a health plan in accordance with the automatic assignment algorithm defined in the contract.
- **Starting May 1 – 756,505 Missourians will be enrolled in Managed Care**

Pre-Enrollment Flyer



Important Updates



Sign up to receive important
MO HealthNet Managed Care
information by email at:
dss.mo.gov/mhd/participants/mc

The way your MO HealthNet (Medicaid) coverage is provided to you and/or members of your household will change beginning Spring 2017



Why is this change happening?

Your MO HealthNet coverage will be provided by a MO HealthNet Managed Care health plan beginning Spring 2017 due to a change in law.



What do I need to do?

You will choose a Managed Care health plan and Primary Care Provider (PCP). A PCP is your doctor, nurse practitioner, or clinic. If you don't choose a health plan and a PCP (doctor), one will be chosen for you.



When will I need to choose a MO HealthNet Managed Care health plan and PCP (doctor)?

The enrollment period is January - April 2017. You will soon receive your enrollment packet in the mail. Your Packet will have information about your Managed Care health plan choices, how to choose a health plan and PCP (doctor) and how to enroll.



Can I keep my current doctor?

You may be able to keep your doctor if they are a Managed Care provider with one of the MO HealthNet Managed Care health plans. You can ask your doctor if they are a MO HealthNet Managed Care provider or you call our Enrollment Helpline at 1-800-348-6627 and they can check for you.



Will my benefits change?

Your health care benefits will stay the same.



Important Dates

January 2017
Enrollment begins

April 2017
Enrollment ends

Spring 2017
New MO HealthNet Managed Care
coverage begins

Questions?

Enrollment Helpline
1-800-348-6627
Open 7 a.m. to 6 p.m.
Monday-Friday

?Necesita información en Español?
Lláme al 1-800-348-6627

Hearing or Speech Impaired
Relay Missouri
1-800-735-2466 Voice, or
1-800-735-2966 Text Phone

Translator Services
1-800-348-6627

Transition of Care

- **Health Plans are expected to coordinate care for incoming and out-going members**
 - Health Plan to Health Plan
 - Fee for Service to Health Plan (or vice versa)
- **In part, expected to:**
 - Coordinate prescheduled health services, preventive and specialized care & care management
 - Reach out to providers to transfer records
 - Allow members in third trimester of pregnancy to continue to receive services from their existing provider

Transition of Payment for Services

Key Dates

Old Plans

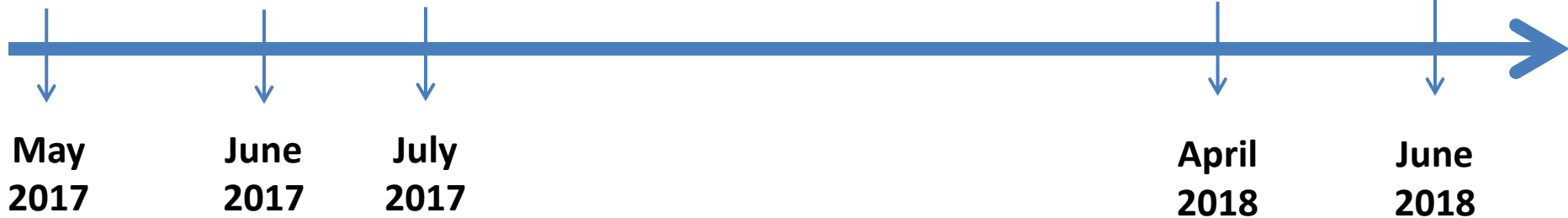
Non-Extension: Monthly capitation payment for current Managed Care members under new plans, paid 1 month in arrears

Fee for Service claims run-out for extension managed care member

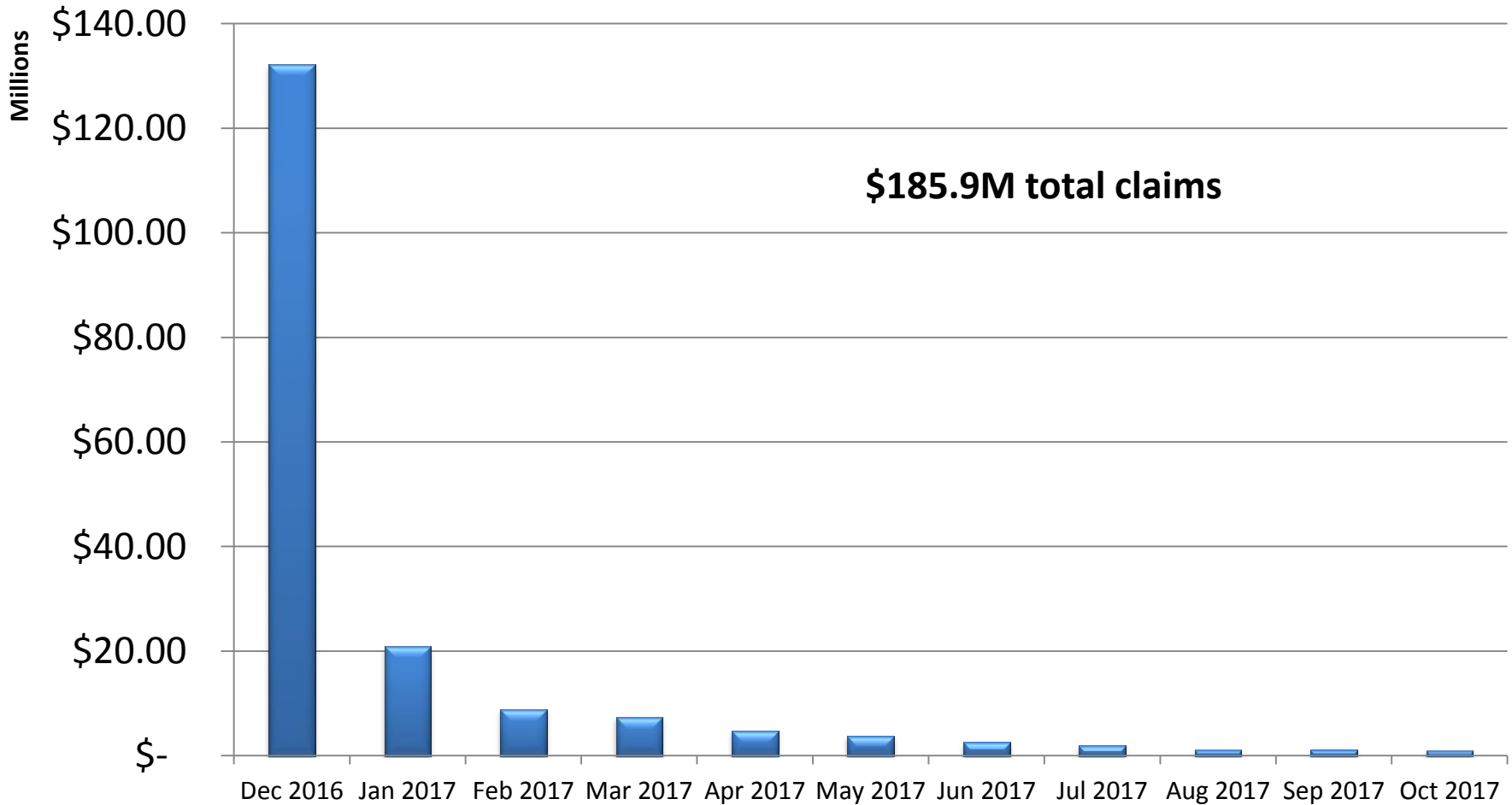
Delay
May

Extension Populations: Monthly capitation payment for extension Managed Care members, paid 1 month in arrears

Extension Populations : May capitation payment split evenly over subsequent 12 months, ending June 2018



Fee for Service Claims run-out timeline



Readiness Reviews

- Ownership and Disclosure, and Business Transactions
- Credentialing & Provider Contracting
- Provider Network
- Prior Authorization Transitions
- Provider Reimbursement & Financial Reporting
- Non-Emergency Medical Transportation (NEMT)
- Participant Call Center/ Authorized Representatives
- Certified Community Behavioral Health Clinic (CCHBC)
- Care Management & Disease Management
- Grievance & Appeals
- Third Party Liability
- Local Community Care Coordination Program (LCCCP)

Key Provisions

- Geographic extension Statewide
- Contract Period
- Medical Loss Ratio (MLR)
- Provider Credentialing Provisions
- Mental Health Parity
- Performance Withhold Program Changes
- Min/Max Enrollment Percentages
- Care Management Integration
- Accountable Care Organization (ACO) Encouragement

Carve-outs

Health Plans are responsible for coordinating the provision of services in the comprehensive benefits package with services not included within the comprehensive benefit package. Examples of carved out services include:

- Home and Community-based waivers (DHSS & DMH)
- Comprehensive Substance Treatment and Rehabilitation (C-STAR) Services
- Behavioral Health Services
- Pharmacy Services
- Transplant Services
- Public Health Programs

MO HealthNet Care Management Initiatives

Transition to Population Health Management

Care Management – Managed Care

Integrate physical health and behavioral health care coordination

Health promotion services

Comprehensive transition of care

Individual and family support activities

Disease management

Community and social supports



Care Management Initiatives

Health Home Enhancements

■ Disease State Expansion

- Adding obesity and childhood asthma as stand-alone qualifying conditions to participate in a health home due to the risk of developing a second chronic condition
- Also adding depression, anxiety, and substance use

■ Community Health Worker Pilot

- MHD is piloting a community health worker model in some primary care health homes in the Kansas City, Joplin, Springfield, and Branson areas
- The community health worker is responsible for making sure the Medicaid health home participant is keeping health care appointments; is connected to resources to help meet other social services needs that impact health and utilization of healthcare services, and can stay safe and healthy in their homes
- Missouri Foundation for Health and the Healthcare Foundation of Greater Kansas City are providing funding for this pilot
- Evaluation of outcomes is planned to evaluate for adoption of the model beyond the pilot stage

Care Management Initiatives

Perinatal Health Management Pilot

- In an effort to avoid the long-term health consequences of premature birth and reduce the costs associated with newborns who need care through the neonatal intensive care unit (NICU), MHD has contracted with Pemiscot Memorial Hospital to lead a perinatal care management pilot in Southeast Missouri in eight counties:
 - Pemiscot, Dunklin, New Madrid, Cape Girardeau, Mississippi, Scott, Stoddard and Butler
- Pemiscot Memorial contracted with Alpha Maxx, a company specializing in perinatal health management
- Alpha Maxx will be working with local health care providers to help ensure pregnant women on Medicaid deliver healthy, term babies and that those infants have preventative care and any health care needs met the first year of life
- In addition to the health care component, Alpha Maxx focuses on the social supports and economic needs of pregnant moms and families, recognizing that healthy pregnancies require all of a mom's needs to be met

Care Management Initiatives

Nurse Care Managers Fee-For-Service Pilot

- Pilot began in September 2014
- 38 total participants in Boone, Cole, and Calloway Counties enrolled through March 2016
- Initially enrolled by cost and subsequently based on utilization and specific chronic conditions: Asthma, Diabetes, Congestive Heart Failure, Coronary Artery Disease, COPD, Schizophrenia, Bipolar, Depression, Obesity
- Program participants have been managed by two nurses working part-time with the program since the pilot program began in 2014
- Care management was both in-person/face-to-face and telephonic and included addressing medical and other needs that impact health and healthcare services utilization

Care Management Initiatives

School Partnerships

- **School District Administrative Claiming (SDAC)**
 - Partnership individual school districts to:
 - Work together to promote access to health care for at-risk students in an effort to prevent long term or costly health problems
 - Help coordinate students' health care needs with other providers.
- **School-Based Individualized Education Plan (IEP) Direct Services**
 - Speech Therapy
 - Occupational Therapy
 - Physical Therapy
 - Private Duty Nursing
 - Personal Care
 - Audiology (Hearing Aid)
- **School-Based Individualized Education Plan (IEP) Non-Emergency Medical Transportation**

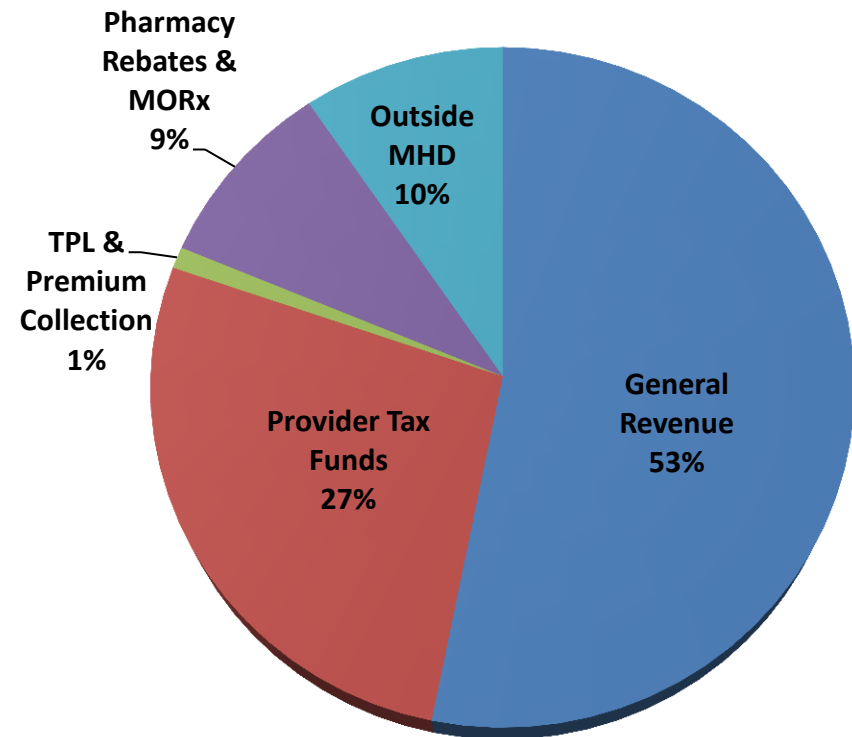
Financing

Medicaid Federal Matching Rates

Program	Federal Matching Rates
Administrative Expenditures	50%
Services – Annually identified FMAP	FY 17 – 63.228% FY 18 – 64.260%
Children’s Health Insurance Program (CHIP) & Show-Me Healthy Babies	Beginning October 1, 2016 97.33%
MMIS	System Operations – 75% Approved sytem enhancements – 90% Enrollment broker/postage/admin – 50%
Administrative Medical Staff	75%
Non-Emergency Medical Transportation	FMAP public entities – 50%
Special federal programs - Electronic Health Records - Money Follows the Person	100%

Medicaid State Share Alternatives to General Revenue

- **Provider Tax Funds (\$714M)**
 - Hospital (\$518.7M)
 - Nursing Facility (\$123.5M)
 - Pharmacy (\$62.9M)
 - Ambulance (\$8.9M)
- **Pharmacy Rebates (\$234.7M)**
- **MO Rx Plan Fund (\$7M)**
- **Third Party Liability Collections (\$16M)**
- **Premium Fund (\$10.9M)**
- **Intergovernmental Transfer (\$38.9)**
- **Generated outside MHD**
 - Health Initiatives Fund (\$25.7M)
 - Uncompensated Care Fund (\$92.8M)
 - Healthy Families Trust Fund (\$58M)
 - Life Sciences Research Trust Fund (\$32M)



FY17 State Share Funds

Flow Chart for Provider Taxes

Certain MO HealthNet providers are assessed a tax. Participating provider groups are hospital, nursing facility, pharmacy, ICF/MR, and ambulance.

Taxed provider provides Medicaid allowable services (i.e. claims payments).

MO HealthNet claims federal match on services.

MHD offsets claims and payments by assessment amount owed or providers submit tax payment.

State profit used as funding source instead of general revenue.

Hospital (1992)
Nursing Facility (1995)
Pharmacy (2002)
Ambulance (2009)

Program Integrity

Missouri Medicaid Audit and Compliance (MMAC)

MMAC Functions

- Enrollment of Fee-for-Service Providers
- Post Payment Reviews (audits) and Provider Self-Disclosures
- Provider Investigations
- Provider Sanctions

Current Initiatives

- Automated Provider Screening and Monitoring
- Enrolling, Ordering, Referring, and Prescribing Providers (OPR)
- Waiver of “RAC” – utilizing TPL contractors for audits of patient accounts

Future Initiatives

- Enforcement of “OPR” claims requirements
- Managed Care provider enrollment