



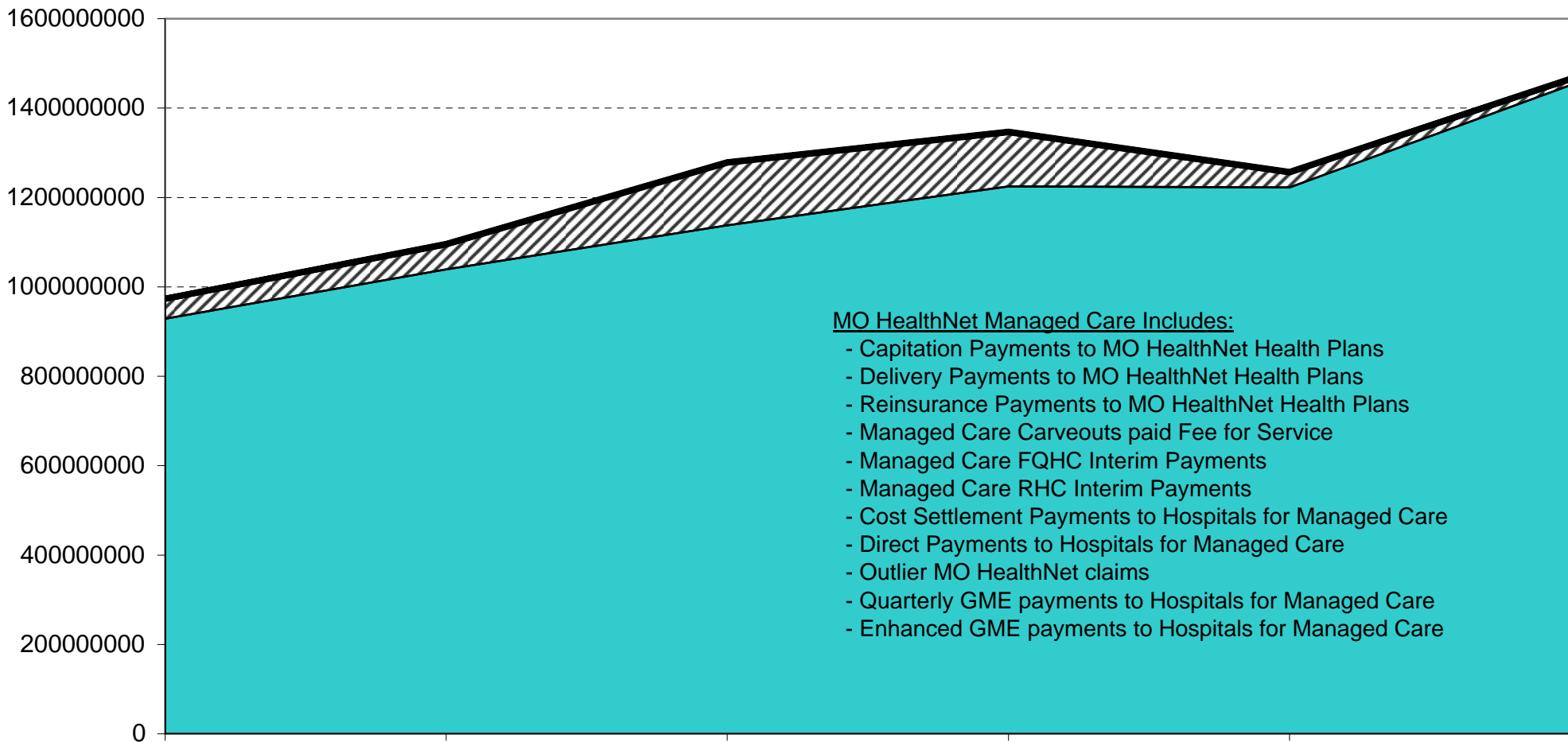
**MO HEALTHNET OVERSIGHT COMMITTEE
Follow-Up Information to
November 18, 2008 Meeting**

As a result of requests made during the November 18, 2008 meeting, the following information was provided to Committee members and is included in this packet.

1. A graph depicting the cost avoidance attributable to MO HealthNet managed care.
2. The costs of increasing eligibility from current TANF limits to varying percentages of the Federal Poverty Level as well as current eligibility criteria.
3. Information on the relationship between Missouri Care/Aetna and Community Health Plan/Heartland Hospital. The state has contracted with Missouri Care for the northwest Missouri ASO implementation. Attachment 3 details the relationship of Missouri Care with Community Health Plan/Heartland Hospital. The state award and contract is with Missouri Care alone; the state does not have a contract with Community Health Plan for the NW ASO implementation. The state agency, in a fashion similar to that practiced in our relations with managed care plans, does not require direct review and oversight of sub-contracting relationships and in fact believes that Missouri Care would hold such contracts out as proprietary. Missouri Care, of course, will be held accountable to the terms of the award.
4. Expenditure Data for MO HealthNet CCIP and ASO Programs.
5. Telemedicine Claim Volumes 2005 – 2008.
6. FY 2008 MO HealthNet Expenditures by Large Eligibility Groups matrix.
7. Schedule of meetings conducted by the MO HealthNet managed care plans in the expansion counties to address behavioral health questions.
8. Timeline for MO HealthNet managed care rebid.

Cost Avoidance Attributable to MO HealthNet Managed Care

■ MO HealthNet Managed Care
 ▨ Cost Avoided
 ■ Fee for Service



MO HealthNet Managed Care Includes:

- Capitation Payments to MO HealthNet Health Plans
- Delivery Payments to MO HealthNet Health Plans
- Reinsurance Payments to MO HealthNet Health Plans
- Managed Care Carveouts paid Fee for Service
- Managed Care FQHC Interim Payments
- Managed Care RHC Interim Payments
- Cost Settlement Payments to Hospitals for Managed Care
- Direct Payments to Hospitals for Managed Care
- Outlier MO HealthNet claims
- Quarterly GME payments to Hospitals for Managed Care
- Enhanced GME payments to Hospitals for Managed Care

SFY 03
\$44.1 Million
Cost Avoided

SFY 04
\$56 Million Cost
Avoided

SFY 05
\$139.7 Million
Cost Avoided

SFY 06
\$121.7 Million
Cost Avoided

SFY 07
\$33.4 Million
Cost Avoided

SFY 08
\$13.6 Million
Cost Avoided

MO HealthNet Medical Assistance for Families Income Limits

Est. New
Eligibles

Increase Eligibility from TANF Limits to 100% FPL

Base: FY 2009 Estimate
Plus: 4.5% Inflationary Adjustment
FY 2010 Estimate

GR	Annualized Cost	
	FF	Total
\$157,296,934	\$281,834,653	\$439,131,587
\$7,078,362	\$12,682,559	\$19,760,921
\$164,375,296	\$294,517,212	\$458,892,508

GR	First Year Projected Cost	
	FF	Total
\$145,623,026	\$260,918,084	\$406,541,110
\$6,553,036	\$11,741,314	\$18,294,350
\$152,176,062	\$272,659,398	\$424,835,460

100,649

Increase Eligibility from TANF Limits to 75% FPL

Base: FY 2009 Estimate
Plus: 4.5% Inflationary Adjustment
FY 2010 Estimate

GR	Annualized Cost	
	FF	Total
\$115,862,629	\$207,595,297	\$323,457,926
\$5,213,818	\$9,341,788	\$14,555,607
\$121,076,447	\$216,937,085	\$338,013,533

GR	First Year Projected Cost	
	FF	Total
\$107,265,843	\$192,192,123	\$299,457,966
\$4,826,963	\$8,648,646	\$13,475,608
\$112,092,806	\$200,840,769	\$312,933,574

74,138

Increase Eligibility from TANF Limits to 50% FPL

Base: FY 2009 Estimate
Plus: 4.5% Inflationary Adjustment
FY 2010 Estimate

GR	Annualized Cost	
	FF	Total
\$54,386,366	\$97,446,034	\$151,832,400
\$2,447,386	\$4,385,072	\$6,832,458
\$56,833,752	\$101,831,106	\$158,664,858

GR	First Year Projected Cost	
	FF	Total
\$50,350,041	\$90,214,005	\$140,564,046
\$2,265,752	\$4,059,630	\$6,325,382
\$52,615,793	\$94,273,635	\$146,889,428

34,800

Increase Eligibility from TANF Limits to 40% FPL

Base: FY 2009 Estimate
Plus: 4.5% Inflationary Adjustment
FY 2010 Estimate

GR	Annualized Cost	
	FF	Total
\$32,369,265	\$57,997,191	\$90,366,456
\$1,456,617	\$2,609,874	\$4,066,491
\$33,825,882	\$60,607,065	\$94,432,947

GR	First Year Projected Cost	
	FF	Total
\$29,966,955	\$53,692,886	\$83,659,841
\$1,348,513	\$2,416,180	\$3,764,693
\$31,315,468	\$56,109,066	\$87,424,534

20,712

Increase Eligibility from TANF Limits to 30% FPL

	Annualized Cost			First Year Projected Cost		
	GR	FF	Total	GR	FF	Total
Base: FY 2009 Estimate	\$14,127,952	\$25,313,568	\$39,441,520	\$13,079,436	\$23,434,901	\$36,514,337
Plus: 4.5% Inflationary Adjustment	\$635,758	\$1,139,111	\$1,774,868	\$588,575	\$1,054,571	\$1,643,145
FY 2010 Estimate	\$14,763,710	\$26,452,679	\$41,216,388	\$13,668,011	\$24,489,472	\$38,157,482

9,040

Notes and Assumptions

- Base: FY 2009 calculation for increase to 75% FPL is consistent with the "\$265 million cost to restore" sheet prepared by DSS.
- The cost per eligible assumes the current benefits package (e.g., no dental benefit except for trauma or otherwise approved case by case situation).
- GR/FF split updated for SFY 2010 FMAP @ 64.18%.
- Adjustments to FY 2009 Base
 1. 4.5% inflationary adjustment calculated on FY 2009 base. This is the standard MO HealthNet annual inflationary factor used for fiscal notes and other cost estimates.
- The First Year Projected Cost column assumes 12 months of Pharmacy expenditures and 11 months of all other expenditures.
- The difference between the Annualized Cost column and First Year Projected Cost column would be a cost to continue the second year.
- These costs assume that plan amendments will be filed with an effective date of July 1. If CMS does not approve the plan amendments by July 1, the eligibility changes could take effect and be paid by 100% state funds until the plan amendment is approved and the state can draw (earn) federal funds. Federal funds can be drawn retroactive to the effective date of the plan amendment (July 1 in this case).

MO HealthNet Income Eligibility for Elderly and Disabled

Increase Eligibility from 85% FPL to 100% FPL

	Annualized Cost			First Year Projected Cost		
	GR	FF	Total	GR	FF	Total
Base: FY 2009 Estimate	\$33,989,341	\$51,485,680	\$85,475,021	\$32,134,732	\$48,162,707	\$80,297,439
Plus: 4.5% Inflationary Adjustment	\$1,529,520	\$2,316,856	\$3,846,376	\$1,446,063	\$2,167,322	\$3,613,385
Plus: 4.29% PTD Caseload Growth Factor	\$1,102,823	\$1,769,242	\$2,872,065	\$1,039,092	\$1,655,052	\$2,694,144
Plus: Increase in Ticket to Work Caseload	\$1,078,835	\$1,932,988	\$3,011,823	\$1,009,205	\$1,808,230	\$2,817,435
FY 2010 Estimate	\$37,700,519	\$57,504,766	\$95,205,285	\$35,629,092	\$53,793,311	\$89,422,403

Increase Eligibility from 85% FPL to 95% FPL

	Annualized Cost			First Year Projected Cost		
	GR	FF	Total	GR	FF	Total
Base: FY 2009 Estimate	\$19,006,172	\$29,387,570	\$48,393,742	\$17,947,578	\$27,490,846	\$45,438,424
Plus: 4.5% Inflationary Adjustment	\$855,278	\$1,322,441	\$2,177,718	\$807,641	\$1,237,088	\$2,044,729
Plus: 4.29% PTD Caseload Growth Factor	\$635,635	\$1,025,617	\$1,661,252	\$598,691	\$959,421	\$1,558,112
Plus: Increase in Ticket to Work Caseload	\$719,223	\$1,288,659	\$2,007,882	\$672,803	\$1,205,486	\$1,878,290
FY 2010 Estimate	\$21,216,308	\$33,024,287	\$54,240,594	\$20,026,713	\$30,892,841	\$50,919,555

Increase Eligibility from 85% FPL to 90% FPL

	Annualized Cost			First Year Projected Cost		
	GR	FF	Total	GR	FF	Total
Base: FY 2009 Estimate	\$7,386,190	\$11,852,047	\$19,238,237	\$6,959,258	\$11,087,096	\$18,046,354
Plus: 4.5% Inflationary Adjustment	\$332,379	\$533,342	\$865,721	\$313,167	\$498,919	\$812,086
Plus: 4.29% PTD Caseload Growth Factor	\$242,811	\$401,070	\$643,881	\$228,363	\$375,185	\$603,548
Plus: Increase in Ticket to Work Caseload	\$359,612	\$644,329	\$1,003,941	\$336,402	\$602,743	\$939,145
FY 2010 Estimate	\$8,320,992	\$13,430,788	\$21,751,780	\$7,837,190	\$12,563,943	\$20,401,133

Notes and Assumptions

-- Base: FY 2009 calculation is consistent with the "\$265 million cost to restore" sheet prepared by DSS.

-- The cost per eligible assumes the current benefits package (e.g., no dental benefit except for trauma or otherwise approved case by case situation).

-- GR/FF split updated for SFY 2010 FMAP @ 64.18%. There is a clawback cost that is 100% GR.

-- Adjustments to FY 2009 Base

1. 4.5% inflationary adjustment calculated on FY 2009 base. This is the standard MO HealthNet annual inflationary factor used for fiscal notes and other cost estimates.
2. 4.29% anticipated increase in the PTD population. DSS's FY 2010 October budget request includes an NDI to fund an anticipated 4.29% in the PTD population under the current program.
3. Anticipated increase in the current Ticket to Work program if the MAWD program is not reinstated. There is a relationship between spend down amounts and the income guidelines under the current Ticket to Work program. As the amount a person needs to spend (spend down) to qualify for MO HealthNet benefits declines (as it does when income eligibility is increased), individuals have to have a lesser income amount to qualify for Ticket to Work.

-- The First Year Projected Cost column assumes 12 months of Clawback and Pharmacy expenditures and 11 months of all other expenditures.

-- The difference between the Annualized Cost column and First Year Projected Cost column would be a cost to continue the second year.

-- These costs assume that plan amendments will be filed with an effective date of July 1. If CMS does not approve the plan amendments by July 1, the eligibility changes could take effect and be paid by 100% state funds until the plan amendment is approved and the state can draw (earn) federal funds. Federal funds can be drawn retroactive to the effective date of the plan amendment (July 1 in this case).

MO HealthNet for Families (MHF)

(Formerly Medical Assistance for Families (MAF))

MO HealthNet for Families (MHF) provides healthcare coverage for families with income that does not exceed the July 16, 1996 Aid to Families with Dependent Children (AFDC) income standards otherwise known as Temporary Assistance for Needy Families (TANF). TANF standards are used instead of Federal Poverty Limit (FPL) guidelines.

Eligibility Criteria

Children under age 19 and their parent(s), or other caretakers, with whom they live must:

- apply for a social security number;
- live in Missouri and intend to remain;
- be United States citizens or eligible legal immigrants;
- cooperate with Child Support Enforcement (CSE) in the pursuit of medical support; and
- have countable family income for household size that does not exceed the July 16, 1996 AFDC income standards.
- Countable income is the family's gross income minus overhead expenses of producing income for self-employed people, and then minus child care expenses and a \$90 standard work expense for each employed person. Active recipients receive another disregard for earnings for a specified time period when they become employed.

Income Guidelines

- If family size equals 2 then income limit equals \$234.
- If family size equals 3 then income limit equals \$292.
- If family size equals 4 then income limit equals \$342.
- If family size equals 5 then income limit equals \$388.

Participants

- Average monthly number of participants in SFY08 was 267,339 (192,823 children; 74,516 adults).
- Most recent (November, 2008) number of participants was 279,257 (207,503 children; 71,754 adults).

MO HealthNet Services

Health screenings, medical exams, immunizations, and other medically necessary treatment are among the covered services. Each service is subject to certain limitations. Examples of covered services include:

- primary, acute and preventive care;
- inpatient hospital care;
- outpatient hospital services, including diagnostic services rendered through a hospital outpatient department or clinic;
- laboratory and x-ray services when prescribed by a physician, and provided by either physicians, clinics, x-ray facilities, or laboratories;
- physical, occupational and speech therapy **;
- dental, hearing and vision care **;
- home and community-based services such as nursing and personal care **;
- medical equipment and supplies;
- non-emergency medical transportation *;
- pharmacy; and
- mental health services such as outpatient counseling and inpatient psychiatric treatment **.

* Not available to children in higher income families receiving MO HealthNet for Kids.

** Services are limited for adults age 21 and over.

MO HealthNet Eligibility and Services for Aged, Blind and Disabled Participants (MHABD)

The MO HealthNet for the Aged, Blind and Disabled program provides medical care for persons who are aged, or permanently and totally disabled, or who are blind.

Basic Eligibility Criteria

Any person who:

- has a Social Security number;
- who lives in Missouri and intends to remain;
- who is a United States citizen or an eligible qualified non-citizen;
- is permanently and totally disabled, or is 65 years of age or older, or is 18 years of age or older and is determined by law to be blind;
- elderly and disabled available resources
 - individual – less than \$1,000
 - couple - \$2,000 or less
- elderly and disabled net income limit (85% FPL)
 - individual - \$737
 - couple - \$992
- real and personal property for blind
 - individual - \$2,000 or less
 - couple - \$4,000 or less
- blind net income (100% FPL)
 - individual - \$867
 - couple - \$1,167
- spenddown participants must meet all of the requirements as non-spenddown participants except there is no maximum income
 - each month must meet a spenddown equal to the amount by which income exceeds the non-spenddown limit.

Specific Eligibility Criteria

For additional specific eligibility criteria for each program in this category please see eligibility document attached.

Services

MO HealthNet covered services are available but subject to certain limitations. Examples of covered services include:

- inpatient hospital care;
- outpatient hospital services, including diagnostic services rendered through a hospital outpatient department or clinic;
- laboratory and x-ray services when prescribed by a physician, and provided by either physicians, clinics, x-ray facilities, independent diagnostic testing facilities or laboratories;
- nursing home services for person who are in a home which has professional license from the Missouri Department of Health and Senior Services, or who are in the extended care facility of a licensed hospital. Each such facility must also meet federal nursing home standards;
- physician's services whether furnished in the office, home, hospital, nursing home, or elsewhere. The only physicians who can receive payment are those licensed as M.D.'s or D.O.'s;
- dental services **;
- drugs and medicines that have been prescribed by a physician, dentist, or podiatrist, and that are obtained from a licensed pharmacy (or certain dispensing physicians where pharmacies are not available);
- emergency ambulance services;
- audiology services and hearing aids **;
- podiatry services;
- ambulatory surgical services;
- personal care and adult day health care services provided in the home as an alternative to nursing home care;
- durable medical equipment and certain prosthetic and orthotic devices **;
- home health care services;
- optometric services and eyeglasses;
- family planning services;
- rehabilitative services as therapies for adaptive training in the use of prosthetic and orthotic devices, braces, and artificial larynxes;
- nurse midwife services in the office, hospital;
- hospice services;
- case management services for pregnant women;

- services provided at a Federally Qualified Health Center (FQHC) or at a Rural Health Clinic (RHC);
- community psychiatric rehabilitation services;
- comprehensive day rehabilitation services for head injured **;
- comprehensive substance treatment and rehabilitation (C-STAR);
- transplant services;
- certified nurse practitioner services;
- other home and community based services through MO HealthNet waivers to person 65 and older, persons with AIDS, or mentally retarded/developmentally disabled individuals;

** Services are limited for adults who are not in a category of assistance for pregnant women or the blind.

MHD pays only the deductibles and co-insurance when any of the above items are covered by Title XVIII (Medicare) of the Social Security Act. MHD also pays the monthly premium for Medicare supplementary medical insurance for eligible assistance recipients age 65 or older and for certain blind or disabled persons. If an eligible person has other medical insurance, that insurance company must be billed before Medicaid is billed.

MO HealthNet Eligibility for Persons who are Aged (age 65 and over), Blind, or Disabled, or Need Treatment for Breast or Cervical Cancer

PROGRAM	SERVICES	ELIGIBILITY REQUIREMENTS
MO HealthNet for the Aged, Blind, and Disabled (MHABD) Non-Spenddown	MO HealthNet Covered Services	<ul style="list-style-type: none"> • Social Security Number • Live in Missouri • US Citizen or Eligible Qualified Non-Citizen • Elderly (65 and over), Blind or Permanently and Totally Disabled • Available resources for elderly and disabled: Individual - less than \$1000 Couple - \$2000 or less • Real and Personal Property for blind: Individual - \$2000 or less Couple \$4000 or less • Net Income limit for Elderly and Disabled, 85% of the federal poverty level: Individual - \$737, Couple - \$992 • Net Income limit for Blind, 100% of the federal poverty level: Individual - \$867, Couple - \$1,167
MO HealthNet for the Aged, Blind, and Disabled (MHABD) Spenddown	MO HealthNet Covered Services that exceed the spenddown amount.	<ul style="list-style-type: none"> • All eligibility requirements are the same as MHABD non-spenddown, except there is no income maximum. • Each month meet a spenddown equal to the amount by which income exceeds the non-spenddown limit. The spenddown may be met by incurring medical expenses or paying in to MO HealthNet Division.

PROGRAM	SERVICES	ELIGIBILITY REQUIREMENTS
MO HealthNet Vendor Payments for care in a Nursing Facility, Institution for the Mentally Retarded, State Mental Hospital (age 65 or older), or Psychiatric Hospital (under age 22)	MO HealthNet covered services including payment to the nursing facility above the amount the resident is expected to pay.	<ul style="list-style-type: none"> • Requires nursing facility, IMR, or MHC level of care. • A resident is expected to pay all available income, except for medical insurance premiums and a \$30 monthly personal needs allowance, to the nursing facility. However, allotment of income may allow for some or all of that spouse's income to be allotted to the community spouse or certain dependents. • Can't transfer property without receiving fair and valuable consideration, with some exceptions. • All other eligibility requirements are the same as MHABD non-spenddown, except that for a married couple (unless both institutionalized) available resources must be less than \$1000 after Division of Assets.
Division of Assets (Prevention of Spousal Impoverishment)	Division of Assets provides a way to set aside a portion of a married couple's assets when one spouse enters a nursing facility and the other spouse remains in the community. It also applies when one spouse is eligible under HCB criteria.	<ul style="list-style-type: none"> • Married couple • A spouse resides in a hospital or nursing facility that is licensed as a skilled or ICF for at least 30 days and the other spouse resides in the community • The minimum spousal share of assets is \$21,912.00 • The maximum spousal share of assets is \$109,560.00 unless higher amount is set by an administrative hearing or court decision.
Elderly and Disabled Home and Community Based Waiver Program (HCB)	MO HealthNet covered services.	<ul style="list-style-type: none"> • Age 63 or over • Require nursing facility level of care & certification by Dept. of Health and Senior Services to receive HCB waiver services • Maximum income limit of \$1,178.00 for person needing HCB (adjusted annually) • Can't transfer property without receiving fair and valuable consideration, with some exceptions <p>All other eligibility requirements are the same as MHABD non-spenddown, except that for a married couple available resources must be less than \$1000 after Division of Assets.</p>

PROGRAM	SERVICES	ELIGIBILITY REQUIREMENTS
Missouri Children with Developmental Disabilities (Sara Lopez) Waiver	MO HealthNet covered services	<ul style="list-style-type: none"> • Under age 18 • US Citizen or Eligible Qualified Non-Citizen • Live in Missouri • Social Security Number • Certified by Dept. of Mental Health to receive waiver services • Child's income cannot exceed \$1,178.00 per month • Available resources of child must be less than \$1,000
Supplemental Nursing Care	Pays a monthly cash grant to eligible persons residing in a licensed residential care facility (RCF – maximum grant \$156, ALF/RCF II – maximum grant \$292), or non-Medicaid ICF/SNF – (maximum grant \$390). A \$30.00 personal needs allowance. MO HealthNet covered services.	<ul style="list-style-type: none"> • Age 21 or over • Income less than facility's base rate • If in Non-MO HealthNet ICF/SNF must need nursing facility level of care to receive highest grant. • All other eligibility requirements are the same as MHABD non-spenddown.
Blind Pension	<p>Monthly cash grant of \$609</p> <p>State funded medical assistance which provides most MO HealthNet covered services.</p>	<ul style="list-style-type: none"> • US Citizen or Eligible Non-Citizen • Live in Missouri • Cannot be eligible for or receiving SSI • Must be 18 or older • Have total property less than \$20,000 (homestead is exempt) • Meet the state definition of blindness.
Supplemental Aid to the Blind	<p>MO HealthNet covered services</p> <p>Monthly cash grant of \$609 less any SSI received</p>	<ul style="list-style-type: none"> • US Citizen or Eligible Qualified Non-Citizen • Live in Missouri • Social Security Number • Must apply for or receive SSI • Must be 18 or older • Have available resources that do not exceed \$2,000 if single, \$4,000 if married • Income of blind individual less than \$728.00 a month • Meet the state definition of blindness.

PROGRAM	SERVICES	ELIGIBILITY REQUIREMENTS
MO HealthNet based on Section 1619 (a) of the Social Security Act	MO HealthNet covered services	<ul style="list-style-type: none"> • 1619 Status is determined by the Social Security Administration. ✓ Must continue to be blind or disabled. ✓ Continue to meet all SSI requirements other than earnings and receive SSI. ✓ Have earnings above substantial gainful activity amount but below federal benefit rate (SSI maximum grant). <p>Must have received MO HealthNet in the month prior to gaining 1619 status.</p>
MO HealthNet based on Section 1619 (b) of the Social Security Act	MO HealthNet covered services	<ul style="list-style-type: none"> • 1619 status is determined by the Social Security Administration. ✓ Must continue to be blind or disabled ✓ Must continue to meet all SSI requirements other than earnings. ✓ Not have sufficient earnings to replace SSI cash benefits, MO HealthNet benefits and publicly-funded personal or attendant care that would be lost due to the persons earnings. A threshold of \$2,573 is utilized, but an individualized threshold can be calculated if earnings exceed \$2,573. <ul style="list-style-type: none"> • Must have received MO HealthNet in the month prior to gaining 1619 status.
MO HealthNet for Women receiving Breast or Cervical Cancer Treatment	All MO HealthNet Covered Services. Coverage is NOT limited to cancer treatment.	<ul style="list-style-type: none"> • Social Security Number • Live in Missouri • US Citizen or Eligible Qualified Non-Citizen • Under age 65 • Screened for breast or cervical cancer by Missouri's Show Me Healthy Women (SMHW) Program (Note: The SMHW Program has income limits that must be met to get the screening.) • Need treatment for breast or cervical cancer • Uninsured or has health insurance that does not cover breast or cervical cancer treatment

PROGRAM	SERVICES	ELIGIBILITY REQUIREMENTS
QMB – Qualified Medicare Beneficiary	<p>Pays Medicare Part B premium, in some cases Part A</p> <p>Pays co-payments and deductibles for Medicare approved services.</p>	<ul style="list-style-type: none"> • US Citizen or Eligible Qualified Non-Citizen • Live in Missouri • Social Security Number • Must be receiving Part A Medicare • Have available resources less than \$4,000 if single, \$6,000 for a couple • Monthly income does not exceed 100% of FPL
SLMB – Specified Low Income Medicare Beneficiary	Pays Medicare Part B Premium only.	<ul style="list-style-type: none"> • Same as QMB, except monthly income does not exceed 120% of FPL.
QI – 1 Qualifying Individual	Pays Medicare Part B Premium only.	<ul style="list-style-type: none"> • Same as QMB, except monthly income does not exceed 135% of FPL.
Qualified Disabled and Working Individuals (QDWI)	Pays Medicare Part A Premium only.	<ul style="list-style-type: none"> • QDWI status is determined by the Social Security Administration <ul style="list-style-type: none"> ✓ Under age 65 ✓ Lost free Medicare Part A due to employment ✓ Remain disabled • Enrolled in Medicare Part A • Monthly income does not exceed 200% of FPL. • Have available resources less than \$4,000 if single, \$6,000 for a couple • US Citizen or Eligible Qualified Non-Citizen • Live in Missouri • Social Security Number

PROGRAM	SERVICES	ELIGIBILITY REQUIREMENTS
Ticket to Work Health Assurance (TWHA) Program	MO HealthNet covered services	<ul style="list-style-type: none"> • Eligibility requirements are the same as MHABD with some exceptions noted below. • Age 16 through age 64. • Employed with Social Security and Medicare taxes withheld. • Exclude medical savings accounts and independent living accounts for the participant up to \$5,000/year each and earnings on such deposits. • Gross Income limit for TWHA is 300% of FPL Individual - \$2,600.00, Couple - \$3,500.00 • Net Income limit for TWHA is 85% of FPL: Individual - \$737, Couple - \$992 • The following are disregarded when determining net income limit for TWHA: <ul style="list-style-type: none"> • All earned income of the disabled worker. • The first \$65 and one-half of the remaining earned income of a non-disabled spouse's earned income. • A twenty dollar standard exemption. • Health insurance premiums. • A seventy-five dollar a month standard deduction for the disabled worker's dental and optical insurance when the total dental and optical insurance premiums are less than seventy-five dollars. If the total dental and optical insurance premiums exceed \$75, allow the actual premium. • All Supplemental Security Income (SSI) payments received. • The first fifty dollars (\$50.00) of the disabled worker's SSDI payments. • A standard deduction for impairment-related employment expenses equal to one-half of the disabled worker's earned income. The disabled worker is entitled to this deduction even if the earned income is excluded from the gross income test as sheltered workshop income.



Missouri Care[™]
H E A L T H P L A N

MO HealthNet
Attention: Jayne Zemmer
205 Jefferson St, 10th Floor
Jefferson City, MO

November 21, 2008

Dear Ms. Zemmer,

This letter addresses questions raised regarding Missouri Care's relationship with our strategic partner, Community Health Plan that is owned by Heartland Health.

Missouri Care Inc, owned by Schaller Anderson Inc., an Aetna company, submitted a response to the agency's Northwest Administrative Service Organization proposal and was awarded the bid in September, 2008. The RFP submitted described the planned delegation of services to Community Health Plan, a Heartland Health company.

In September, 2008, Missouri Care entered into a delegated contract with Community Health Plan. Community Health Plan will provide the care management services, using policies and procedures written and approved by Missouri Care. Each company brings a wealth of knowledge and experience serving the Medicaid population to the program. Schaller Anderson, in business since 1986, serves numerous states using a variety of delivery systems, including providing care management programs in four other states. Community Health Plan currently serves 16,000 Northwest Missouri residents and is well positioned to add value to the care management program.

Community Health Plan and its owner Heartland Health is well versed in assisting members / patients to be more knowledgeable about their health care options, make informed choices and self manage their care. The Community Health Plan care management staff brings years of experience within the region as well as in depth knowledge of the provider community. The partnership provides access to over 95% of the providers in the Northwest Region.



Missouri Care[™]
H E A L T H P L A N

We believe that leveraging Missouri Care's experience along with the Community Health Plan's care management staff brings an experienced and effective model to the Northwest Region.

If you need further information, please contact me,

Sincerely,

Marcia F. Albridge

Marcia Albridge

CC Linda Bahrke, Community Health Plan
Jan Stallmeyer, Schaller Anderson

Expenditure Data for MO HealthNet CCIP and ASO Programs

The following is the expenditure data, the number of enrollees and pricing information on MO HealthNet CCIP and ASO participant care coordination.

There are three coordinated care opportunities for MO HealthNet fee-for-service participants: the Chronic Care Improvement Program (CCIP); an Administrative Service Organization (ASO) for Northwest Missouri and ASO services for all other fee-for-service MO HealthNet participants outside of Northwest and Southwest Missouri, not covered by CCIP or otherwise receiving coordinated care management (participants in a nursing home or under the care of the Department of Mental Health have their care coordinated by those respective entities). The latter may also "opt out" of the ASO program if they wish, in which case they revert to the Coordinated Fee-for-Service Program.

Chronic Care Improvement Program

Following are actual expenditures for FY 2006 through FY 2008 and FY 2009 year-to-date expenditures for services through September 2008. FY 2006 expenditures and \$975,000 of FY 2007 expenditures are for start-up/implementation costs. FY 2009 planned expenditures are \$21 million (\$10.5 million General Revenue (GR) and \$10.5 million federal funds).

	Annual Expenditures		
	State	Federal	Total
FY 2006	\$487,500	\$487,500	\$975,000
FY 2007	\$1,309,188	\$1,309,188	\$2,618,376
FY 2008	\$7,561,715	\$7,561,715	\$15,123,430
FY 2009 ytd	\$4,143,187	\$4,143,188	\$8,286,375

The per member per month (PMPM) pricing under the CCIP contract is found in the following chart. The PMPM declines over the duration of the contract. There is a separate PMPM (\$77.40) for participants with sickle cell.

Number of Participants	Year 1	Year 2	Year 3	Year 4	Year 5
	Aug 06 – Aug 07	Aug 07 – Aug 08	Aug 08 – Aug 09	Aug 09 – Aug 10	Aug 10 – Aug 11
0 – 3,999	\$111.88	\$107.29	\$90.77	\$83.34	\$83.34
4,000 – 7,999	\$59.38	\$59.38	\$48.83	\$44.08	\$44.08
8,000 – 13,999	\$32.59	\$32.59	\$28.35	\$26.45	\$26.45
14,000 – 17,999	\$25.09	\$25.09	\$21.51	\$19.90	\$19.90
18,000 – 23,999	\$21.87	\$21.87	\$18.52	\$17.02	\$17.02
24,000 – 31,999	\$19.47	\$19.47	\$16.43	\$15.06	\$15.06
32,000+	\$15.81	\$15.81	\$13.59	\$12.59	\$12.59

Number of CCIP enrollees at the end of the fiscal year or the fiscal year to date is provided below:

	CCIP Enrollees
FY 2007	5,488
FY 2008	104,447
FY 2009 ytd*	110,250

* enrollees as of October 31, 2008

A subset of approximately 25,000 participants of this population was the target for the outcomes report provided at the November 18, 2008 meeting.

"Health and Wellness" Program (ASO Services for MO HealthNet Participants residing anywhere except SW and NW Missouri)

The "health and wellness" program began in late June/early July 2008. FY 2009 year-to-date expenditures for services through September 2008 are \$4,073,224 (\$2,036,612 state share and \$2,036,612 federal share). FY 2009 planned expenditures are \$12.8 million (\$6.4 million GR and \$6.4 million federal funds).

The PMPM cost for coordinated care under the "health and wellness" program follows. Rates are tiered based on the health care needs of the MO HealthNet participant. MO HealthNet's estimated percentage of participants falling within each tier is provided beside of the pricing.

Basic Level	\$5.29 PMPM (80%)
Disease Management Services	\$15.81 PMPM (15%)
Case Management Services	\$77.58 PMPM (5%)

The number of enrollees in the "health and wellness" program as of October 2008 is 209,421.

Northwest Missouri ASO

Implementation of this program began in January 2009. No payments have been made to date. FY 2009 planned expenditures \$2.9 million (\$1.45 million GR and \$1.45 million federal funds). The PMPM cost under this program is as follows. The pricing structure is similar to that of the "health and wellness" program.

Basic Level	\$ 8.01 PMPM
Disease Management Services	\$35.59 PMPM
Case Management Services	\$92.56 PMPM

The estimated number of MO HealthNet participant enrollees for the Northwest Missouri ASO is 35,000.

The Participant Case Management budget section funds the Northwest Missouri ASO and the "health and wellness" program. The FY 2009 budget includes \$13.5 million GR and \$19.9 million in federal funds appropriated in the Participant Case Management budget section under 11.440. This budget section was created in FY 2009 by \$6.3 million GR and \$10 million federal funds transferred from other MO HealthNet budget sections and a new decision item for \$7.2 million GR and \$9.9 million federal funds. Total ASO planned expenditures for FY 2009 (NW ASO and the rest of the state ASO except Southwest Missouri) are \$15.7 million (\$7.85 million GR and \$7.85 million federal funds). FY 2009 Northwest ASO FY 2009 expenditures are for a partial year.

Telemedicine Claim Volumes 2005 to 2008

Calendar Year	Number of Claims	Number of Unique Providers	General Breakdown of Claim Types	Total Paid
2005	62	29	Dermatology Psychiatry Cardiovascular	\$49,066.10
2006	93	25	Psychiatry Dermatology Neurology *approximately half crossovers	\$79,751.80
2007	75	22	Psychiatry Dermatology Cardiovascular *crossovers continue	\$43,343.33
2008	73	21	Psychiatry Dermatology Cardiovascular *crossovers continue	\$107,281.11

**MO HEALTHNET EXPENDITURES BY LARGE ELIGIBILITY GROUPS
FISCAL YEAR 2008**

Expenditures (In Millions)	*Elderly	**Disabled	MO HealthNet for Families-Adult	MO HealthNet for Families-Child	Foster Care	MO HealthNet for Children	*** Other Children	****Pregnant Women	MO HealthNet for Kids (State Children's Health Ins)	Women's Health Services	*****All Other	Total
	Title XIX 62 / 38	Title XIX 62 / 38	Title XIX 62 / 38	Title XIX 62 / 38	Title XIX 62 / 38	Title XIX 62 / 38	Title XIX 62 / 38	Title XIX 62 / 38	Title XXI 73 / 27	1115 Waiver		
Fed/state match rate												
Nursing Facilities	\$651.2	\$203.5	\$0.1	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$854.9
Hospitals	\$55.3	\$560.3	\$54.7	\$65.5	\$11.7	\$123.5	\$27.5	\$64.4	\$14.9	\$0.1	\$7.2	\$985.1
Dental	\$0.7	\$1.3	\$0.1	\$2.5	\$0.3	\$3.2	\$0.3	\$0.8	\$1.2	\$0.0	\$0.0	\$10.5
Pharmacy	\$23.9	\$442.8	\$33.3	\$39.6	\$11.0	\$43.8	\$12.3	\$6.2	\$18.0	\$0.5	\$5.5	\$636.9
Physician	\$43.8	\$191.8	\$26.3	\$24.7	\$4.0	\$33.0	\$5.5	\$39.4	\$8.4	\$2.6	\$2.1	\$381.3
In-Home	\$183.5	\$202.0	\$0.7	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.2	\$386.6
Rehab & Spec	\$77.5	\$83.4	\$2.4	\$3.8	\$0.6	\$4.4	\$0.8	\$0.9	\$1.4	\$0.0	\$0.2	\$175.4
Buy-In	\$62.2	\$71.7	\$7.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$141.4
Mental Health	\$21.2	\$364.2	\$0.2	\$0.7	\$1.3	\$1.4	\$18.0	\$0.0	\$0.4	\$0.0	\$0.7	\$408.1
State Institutions	\$12.4	\$223.1	\$7.9	\$15.1	\$24.2	\$16.0	\$35.6	\$1.6	\$4.9	\$0.0	\$0.1	\$341.0
EPSDT	\$0.0	\$30.1	\$0.5	\$27.6	\$12.6	\$33.9	\$17.6	\$1.4	\$8.8	\$0.0	\$0.0	\$132.5
Managed Care	\$0.0	\$0.0	\$242.2	\$282.8	\$23.0	\$351.1	\$18.7	\$67.2	\$57.3	\$0.0	\$0.6	\$1,042.7
Total (In millions)	\$1,131.7	\$2,374.2	\$375.8	\$462.3	\$88.7	\$610.3	\$136.4	\$182.2	\$115.1	\$3.2	\$16.6	\$5,496.4

	*Elderly	**Disabled	MO HealthNet for Families-Adult	MO HealthNet for Families-Child	Foster Care	MO HealthNet for Children	*** Other Children	****Pregnant Women	MO HealthNet for Kids (SCHIP)	Women's Health Services	*****All Other	Total
Number of Enrollees	76,701	145,317	74,516	192,823	14,755	205,743	12,524	27,388	58,749	19,425	1,636	829,577
Annual Cost Per Person	\$14,755	\$16,338	\$5,043	\$2,397	\$6,014	\$2,966	\$10,893	\$6,651	\$1,959	\$162	\$10,151	\$6,626
Monthly Cost Per Person	\$1,230	\$1,362	\$420	\$200	\$501	\$247	\$908	\$554	\$163	\$14	\$846	\$552
Monthly State Cost Per Person	\$465	\$514	\$159	\$75	\$189	\$93	\$343	\$209	\$43	#	##	##

(Source: Table 5 for FY08)

* Elderly includes the following categories: Old Age Assistance (OAA) and Qualified Medicare Beneficiaries (QMB)

** Disabled includes the following categories: Permanently and Totally Disabled (PTD), Aid to the Blind, Blind Pension, Medical Asst. for Working Disabled (MAWD)-Premium and MAWD-NonPremium

*** Other Children includes the following categories: Children in a Vendor Institution, Child Welfare Services (CWS), Div of Youth Services (DYS), Title XIX Homeless, Dependent & Neglected (HDN), MO Children with Develop Disabilities (MOCDD), Presumptive Eligibility for Kids and Voluntary Placement.

**** Pregnant Women includes the following categories: Medicaid for Pregnant Women, Presumptive Eligibility and Medicaid for Pregnant Women Poverty

*****All Other includes the following categories: Refugee, General Relief, Women with Breast or Cervical Cancer (BCCP) and Independent Foster Care Children Age 18-21.

Most services receive 90/10 match, all other services receive 62/38 match.

State Monthly Cost per Person and Federal/State match rate vary by category of eligibility.

HealthCare USA and Molina Healthcare of Missouri Behavioral Health Forums

Date	Time	Location	
Monday, December 22, 2008	8:00 a.m. to 9:30 a.m.	Citizen's Memorial Hospital 1500 North Oakland, Community Room #3 Bolivar, MO 65613	
Monday, December 22, 2008	1:00 p.m. to 2:30 p.m.	Cowan Civic Center 500 East Elm, Room C Lebanon, MO 65536	
Tuesday, December 23, 2008	8:00 a.m. to 9:30 a.m.	Moore-Few Care Center 901 Adams, Community Room Nevada, MO 64772	Cancelled Due to Weather

Children's Mercy Family Health Partners Behavioral Health Forums

Date	Time	Location	
Monday, December 29, 2008	1:00 p.m. to 3:00 p.m.	Nevada Regional Medical Center 800 S. Ash Street Mezzanine Conference Room, 2 nd Floor Nevada, MO 64772	
Tuesday, December 30, 2008	1:00 p.m. to 2:30 p.m.	Citizens' Memorial Hospital 1500 North Oakland, Community Room #3 Bolivar, MO 65613	

Molina Healthcare of Missouri Behavioral Health Forum

Date	Time	Location	
Friday, January 16, 2009	10:00 a.m. to 11:30 a.m.	Perry Park Center 800 City Park Drive Perryville, MO 63775	

Harmony Health Plan Behavioral Health Forum

Date	Time	Location	
Thursday, January 22, 2009	5:00 p.m. to 7:00 p.m.	Perry County Memorial Hospital 434 N. West Street Perryville, MO 63775	

Missouri Care Behavioral Health Forum

Date	Time	Location	
Thursday, January 29, 2009	10:00 a.m. – 11:30 a.m.	Kenneth E. Cowan Civic Center 500 E. Elm Street, Meeting Room C Lebanon, MO 65536	
	2:00 – 3:30 p.m.	Super 8 Motel 1919 S. Killingsworth Avenue Bolivar, MO 65613	
	6:30 – 8:00 p.m.	Nevada Regional Medical Center 800 S. Ash Street, Mezzanine Conference Room, 2 nd Floor Nevada, MO 64772	

**MO HEALTHNET MANAGED CARE TIMELINE
EASTERN/CENTRAL/WESTERN REGIONS REBID
EFFECTIVE 10/01/09**

July – August 2008	Site visits at all health plans
September 1, 2008	Release rate-setting decisions to Mercer
October 24, 2008	RFP to OA
December 1, 2008	Rate Ranges Due from Mercer
January 9, 2009	RFP Released
January 20, 2009	Pre-Proposal Conference
March 3, 2009	Bids Due at 2:00 p.m.
April 7, 2009	BAFO (if needed)
April 29, 2009	Contracts awarded for all regions
May 18-22, 2009	On-Site Readiness Review (if necessary)
July 15, 2009	Open Enrollment Begins
September 15, 2009	Open Enrollment Ends
October 1, 2009	Services Begin for all Regions