

UPDATE:

Medicaid Expansion, Implementation of HB 2572, Medicaid Managed Care

Joint Select Committee on Health Care Oversight

July 17, 2014

Bob Crittenden, MD, MPH, Senior Health Policy Advisor, Governor's Office

Dorothy Teeter, Director, Health Care Authority

Nathan Johnson, Policy, Planning & Performance, Health Care Authority

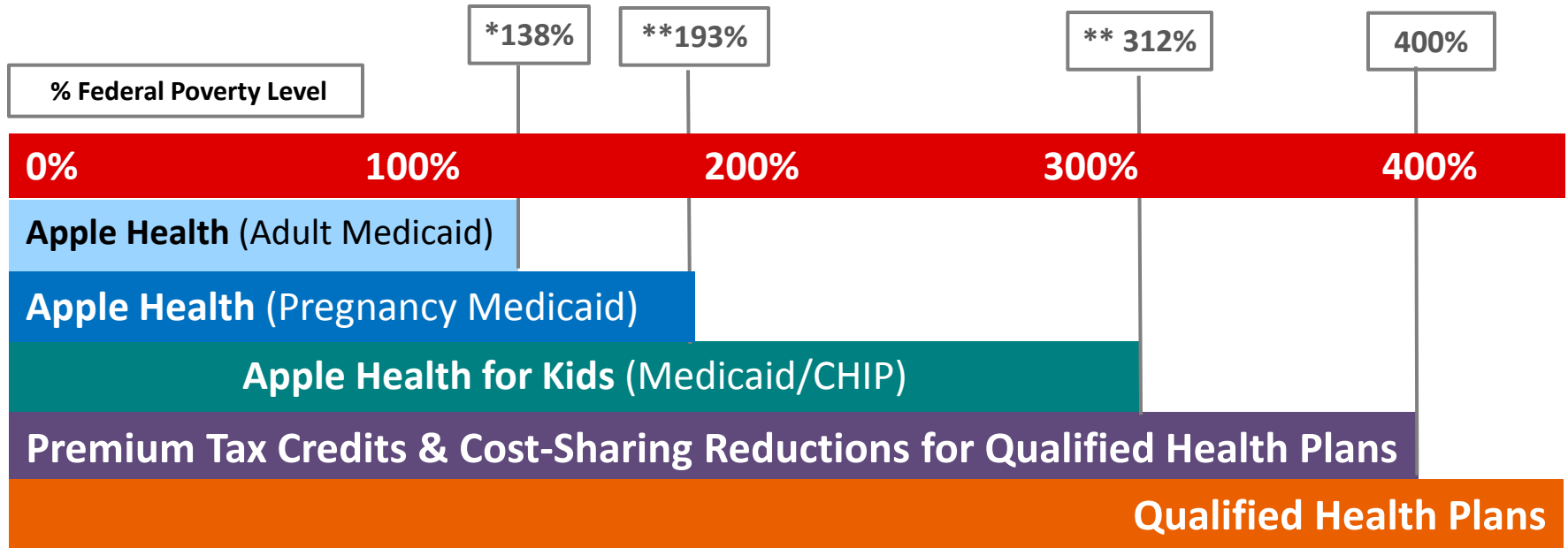
Overview of Today's Topics



- **Medicaid Expansion**
 - Background
 - Enrollment
- **Implementation of HB 2572**
 - CMMI Grant Opportunity
 - The Work Toward a Healthier Washington
- **Medicaid Managed Care Costs**

Medicaid Expansion—Background

Apple Health – Foundation of the 2014 Coverage Continuum



* The ACA's "133% of the FPL" is effectively 138% of the FPL because of a 5% across-the-board income disregard

** Based on a conversion of previous program eligibility standards converted to new MAGI income standards

Medicaid Eligibility Overview

- **“New Eligibles”** - Medicaid expansion to 138% of the FPL for adults under age 65 not receiving Medicare*
 - **Modified Adjusted Gross Income (MAGI) methodology** defines how income is counted, and how household composition and family size are determined
 - **MAGI** will determine eligibility for children, pregnant women, parents and all adults in the new adult category
- **Washington’s new Medicaid adult group** includes:
 - **Childless adults** with incomes below 138% of the FPL
 - **Parents** with incomes between ~54% and 138% of the FPL (based on MAGI)
- **Medicaid eligibility standards** did not change for aged, blind, disabled, SSI, and foster children

* The ACA’s “133% of the FPL” is effectively 138% of the FPL because of a 5% across-the-board income disregard

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<http://www.wahealthplanfinder.org/>

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More people than ever before are now eligible for low-cost or free health insurance. Middle-income and low-income individuals and families generally qualify. Healthplanfinder is the only way you can access these savings.

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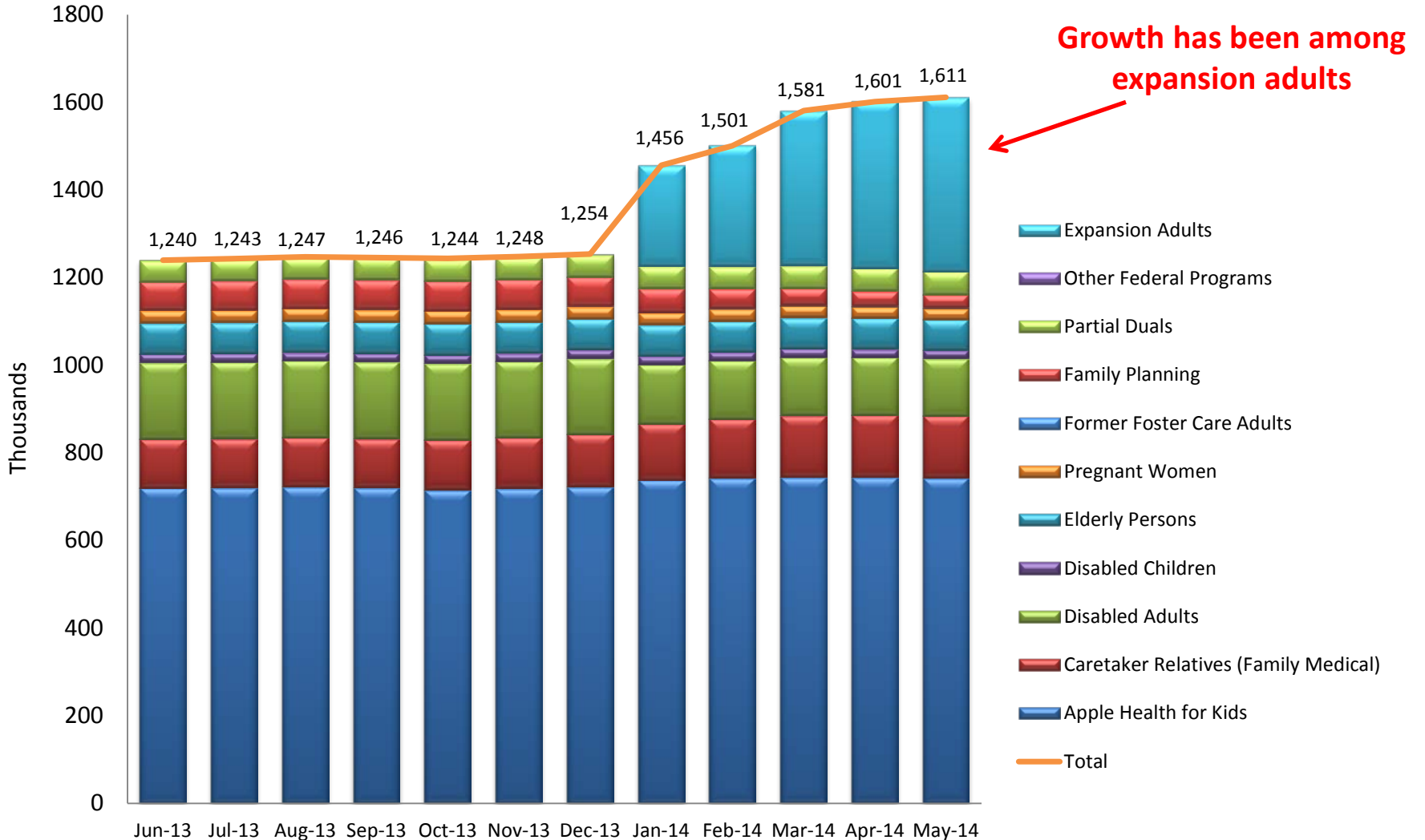
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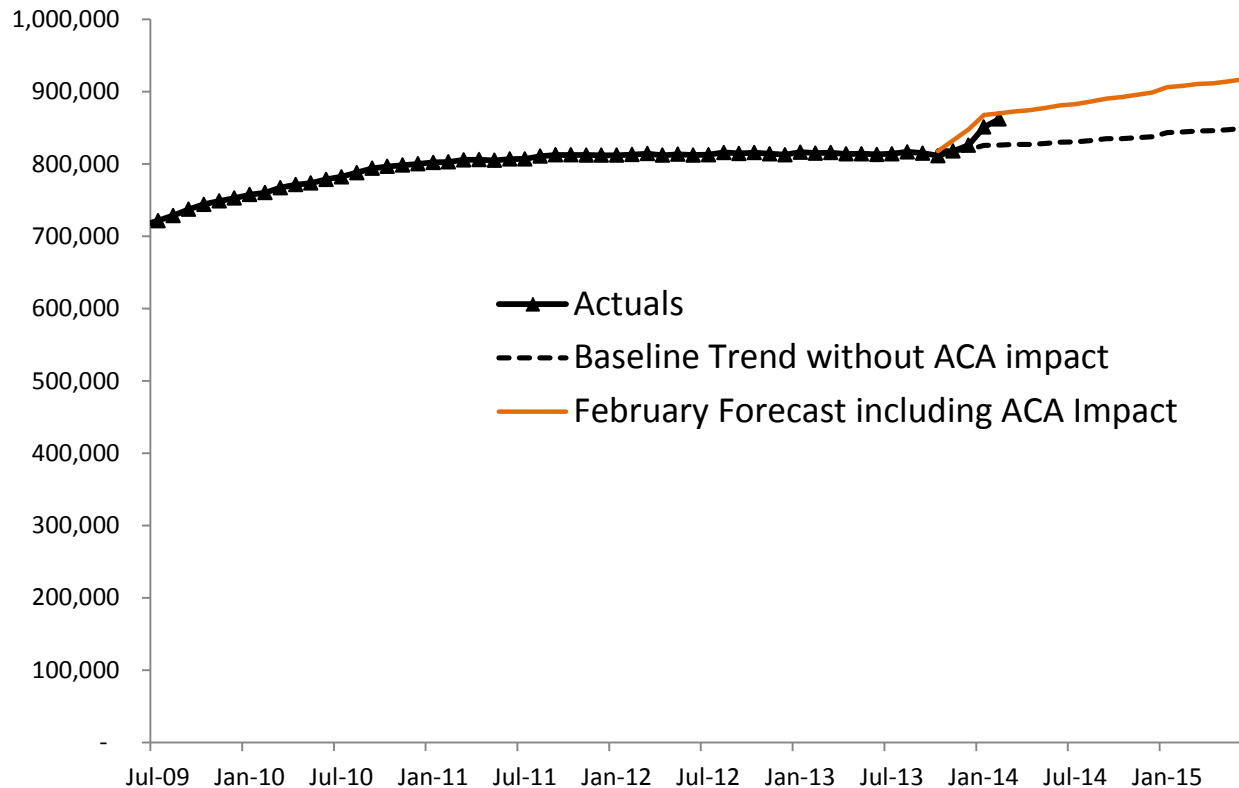
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Medicaid Expansion—Enrollment

Non-Lagged Medical Programs Enrollment June 2013-May 2014



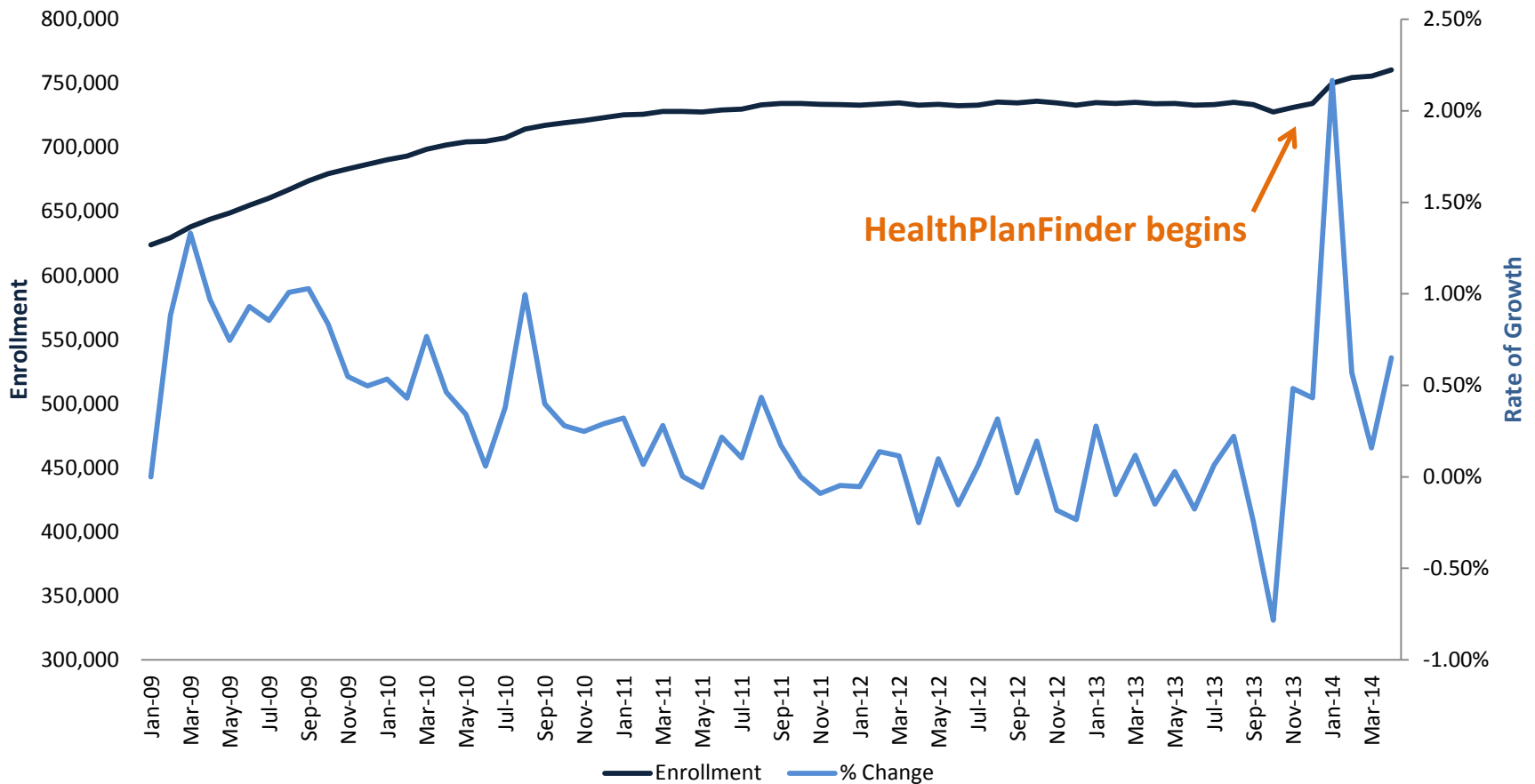
“Welcome Mat” in Line with Projections*



* The “welcome mat” includes adults and children who would have been eligible for Medicaid based on standards before the ACA implementation, but they never enrolled at that time. It specifically reflects caseload growth resulting from ACA implementation that is beyond historical growth averages. For further details on the welcome mat impact see June Caseload Forecast Council update June 18, 2014.

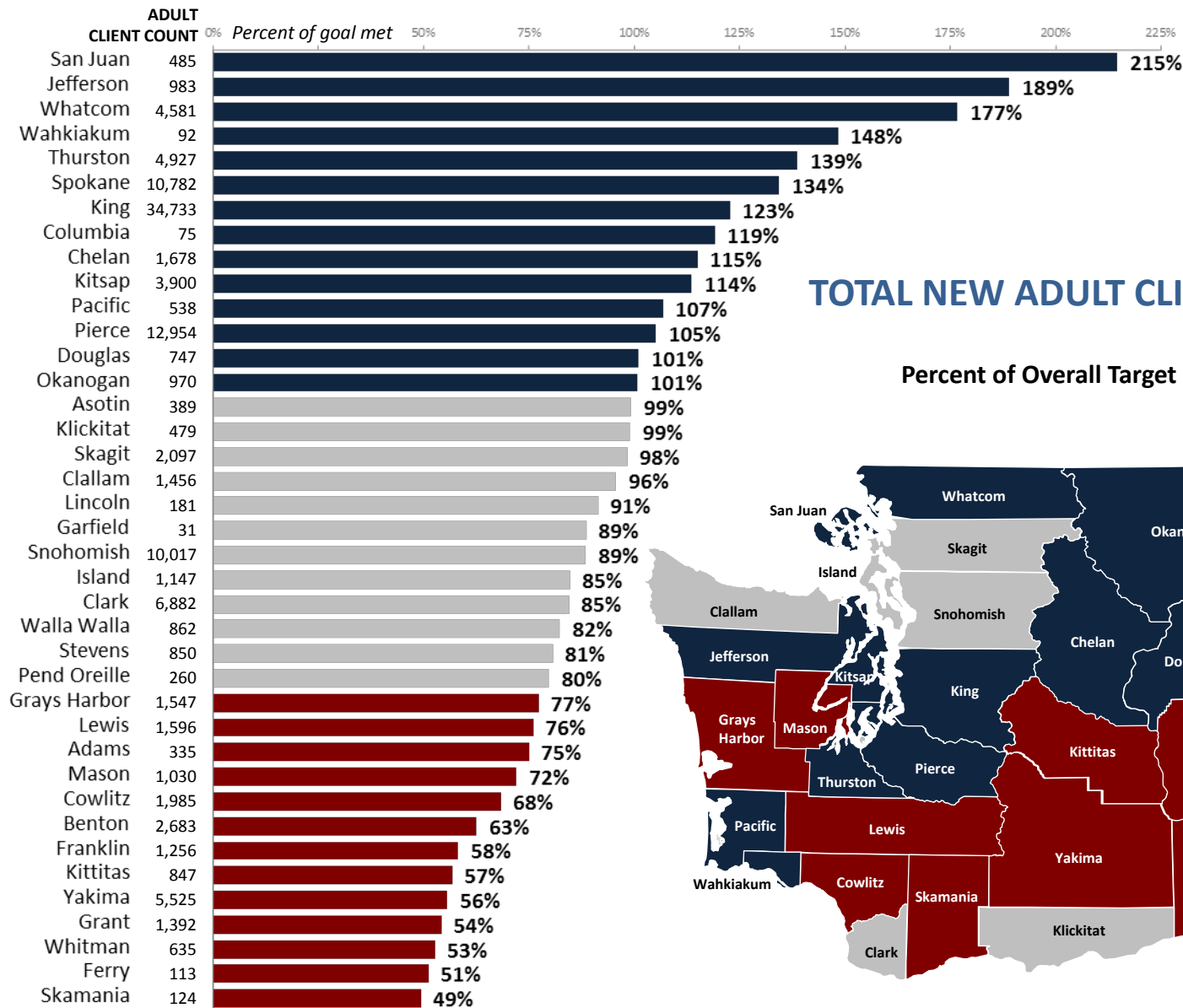
Static 4-year Trend for Children Interrupted

Apple Health for Kids
 Monthly Enrollment and Rate of Growth (Jan '09 - Mar '14)



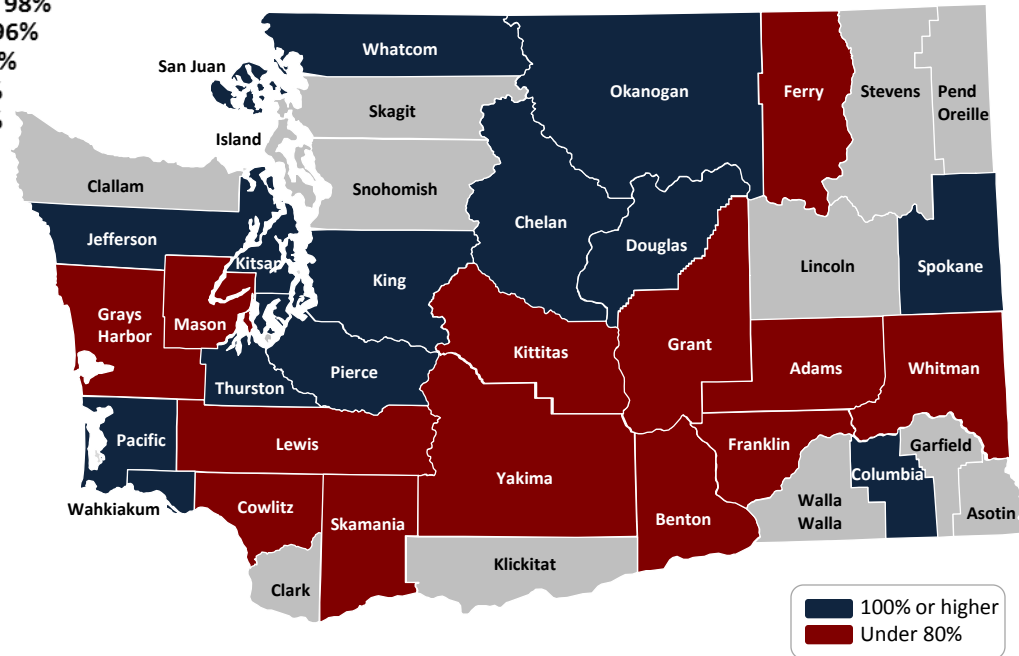
Chronology of Progress: Medicaid Expansion Reached January 2014 Goal

ON TRACK
↑
OFF PACE
↓



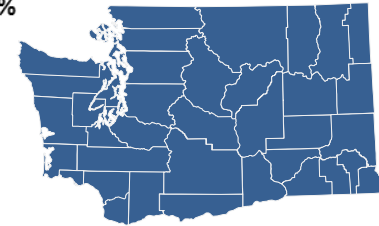
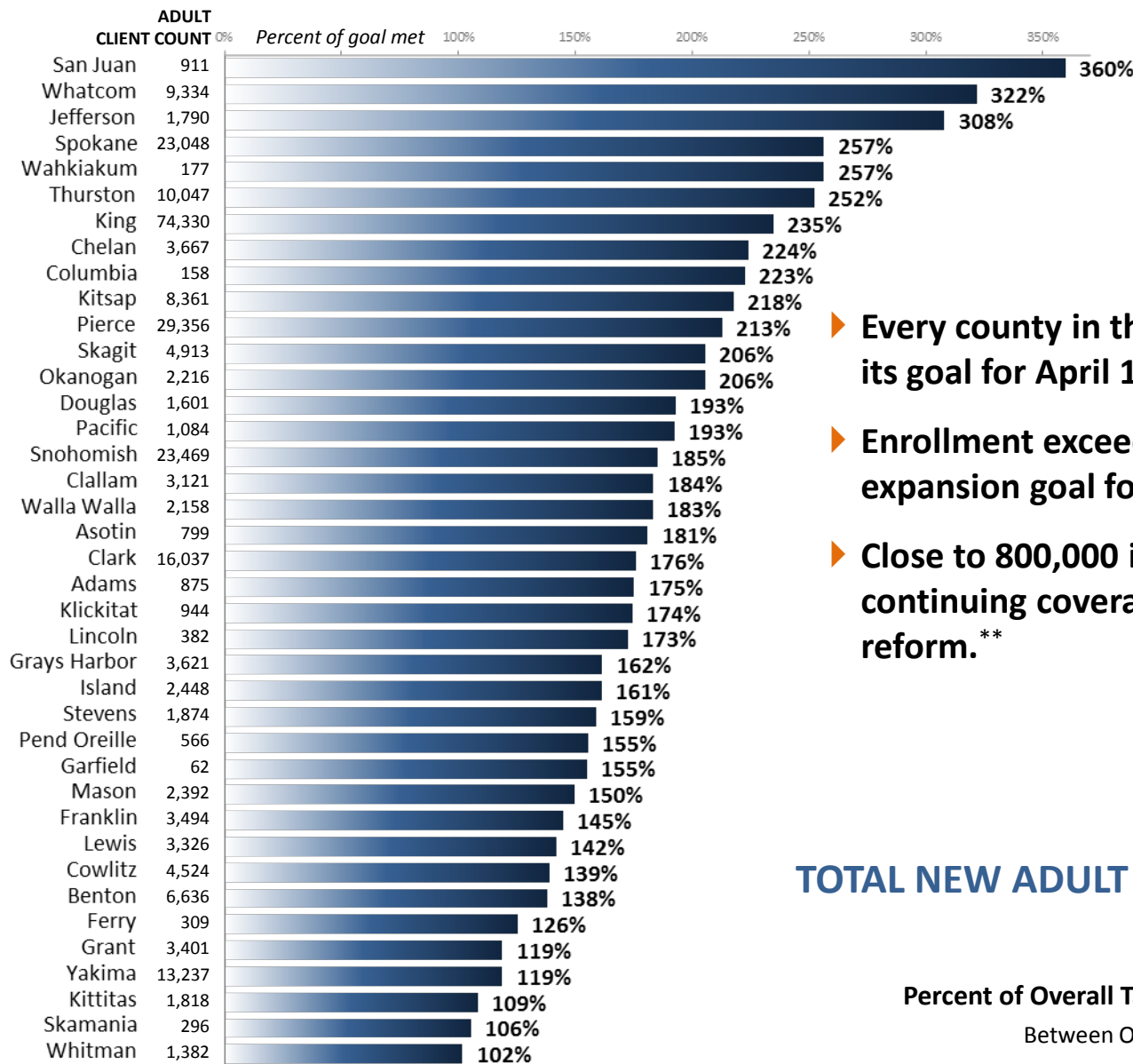
TOTAL NEW ADULT CLIENTS = 121,164*

Percent of Overall Target Met Statewide = 99.5%
As of January 2, 2014



*94 additional clients do not map to Washington counties.

Chronology of Progress: Medicaid Expansion Goal Doubled by April 2014



- ▶ Every county in the state met or exceeded its goal for April 1, 2014.
- ▶ Enrollment exceeded the overall Medicaid expansion goal for January 1, 2018.
- ▶ Close to 800,000 individuals in new or continuing coverage thanks to “health care reform.”**

TOTAL NEW ADULT CLIENTS = 268,164*

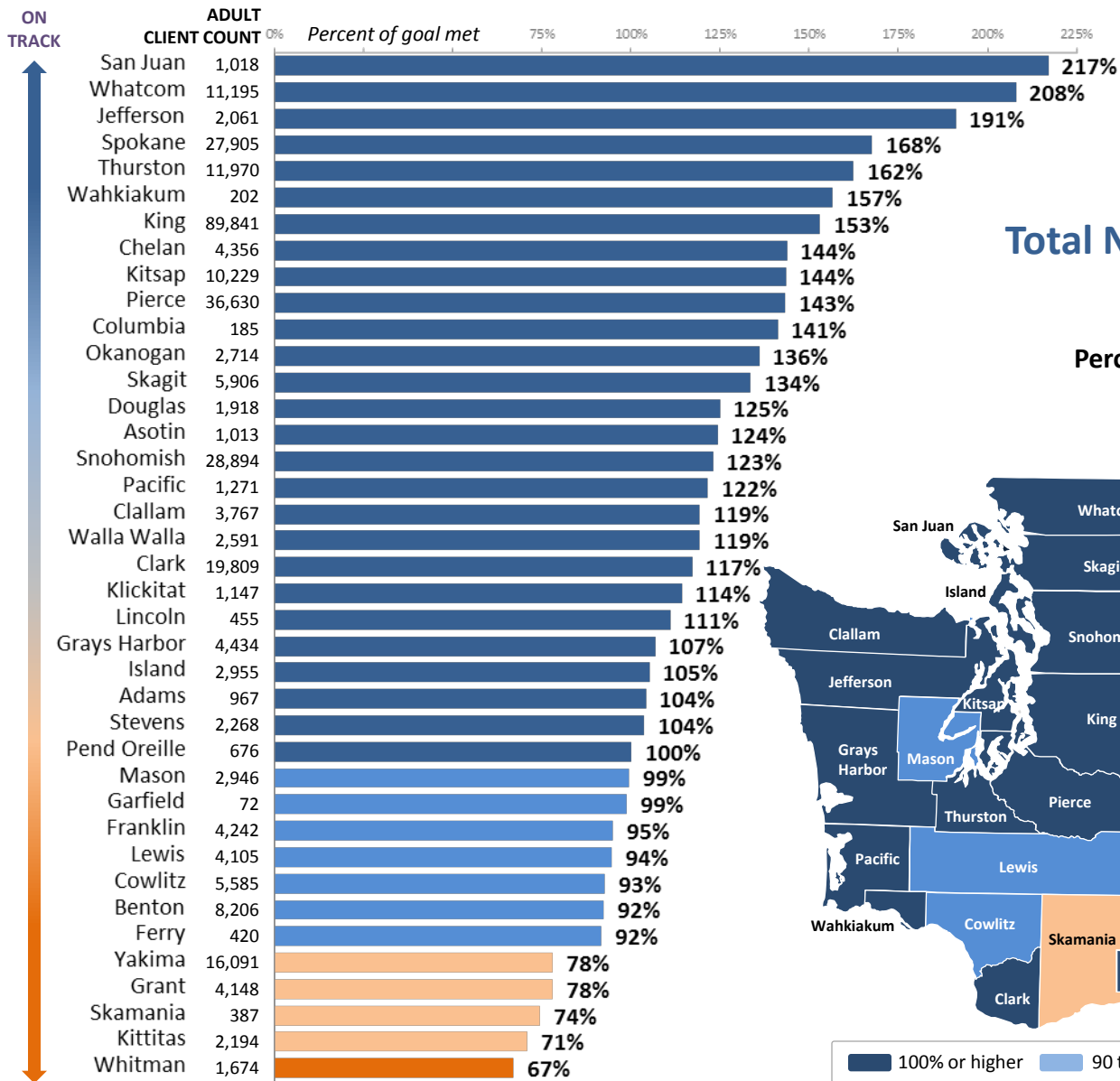
Target for April 1, 2014 = 136,220

Percent of Overall Target Met Statewide = 197%

Between October 1, 2013 and March 27, 2014

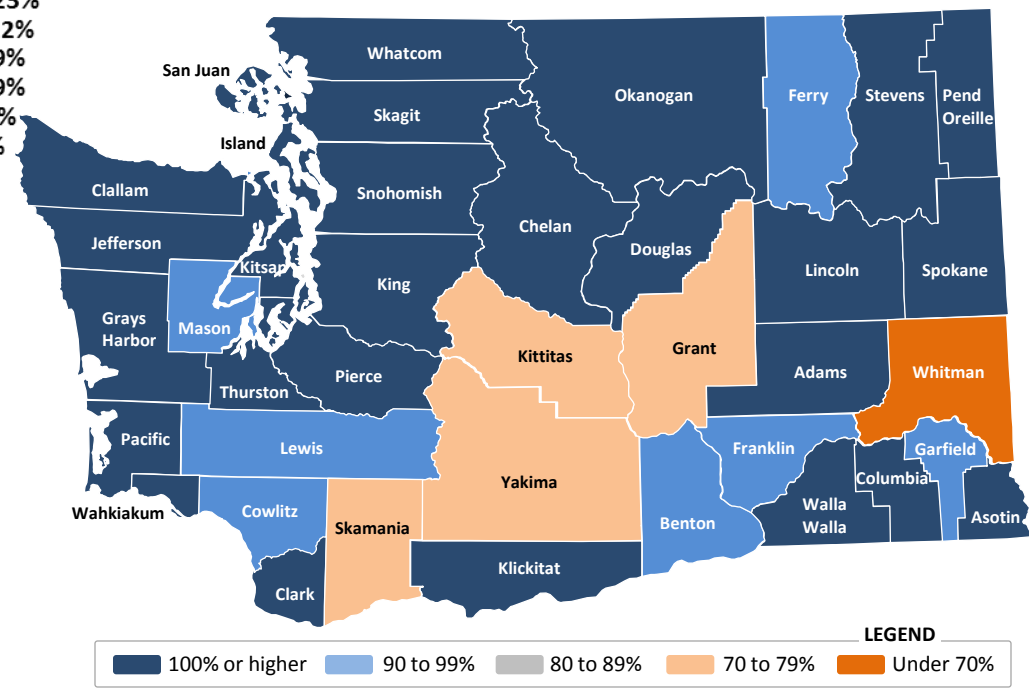
*203 additional clients do not map to Washington counties. **Includes 408,806 Apple Health (Medicaid) applications and recertifications as well as new clients.

Chronology of Progress: Medicaid Expansion Surpassed 2018 Goal



Total New Adult Clients = 326,447*

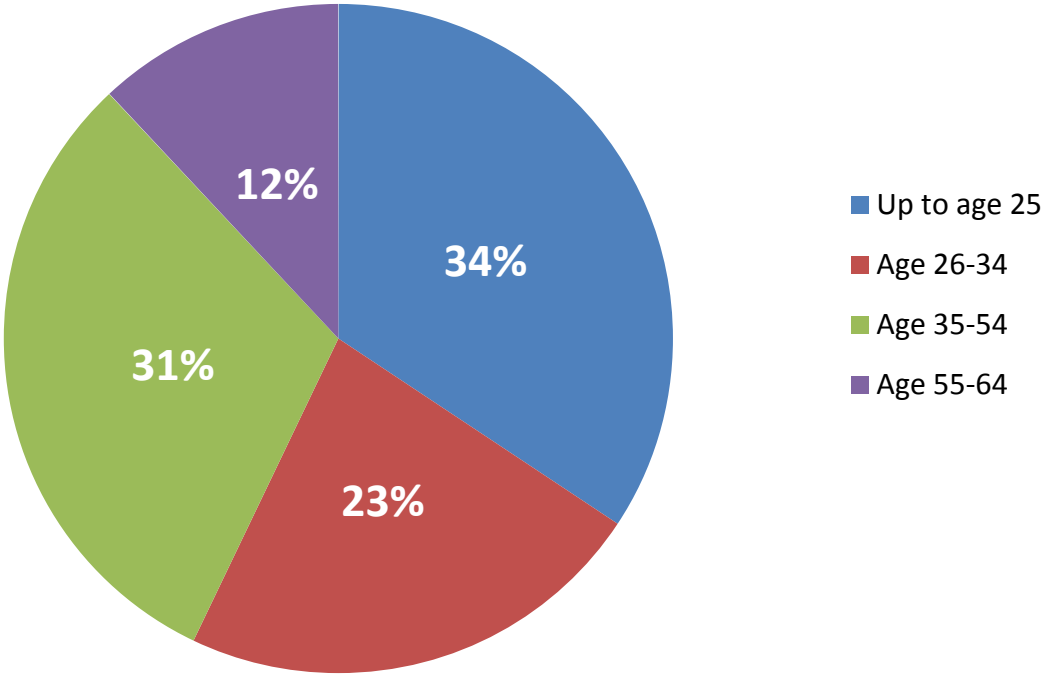
Target for January 1, 2018 = 252,576
Percent of 2018 Target Met Statewide = 129%
 Between October 1, 2013 and June 5, 2014



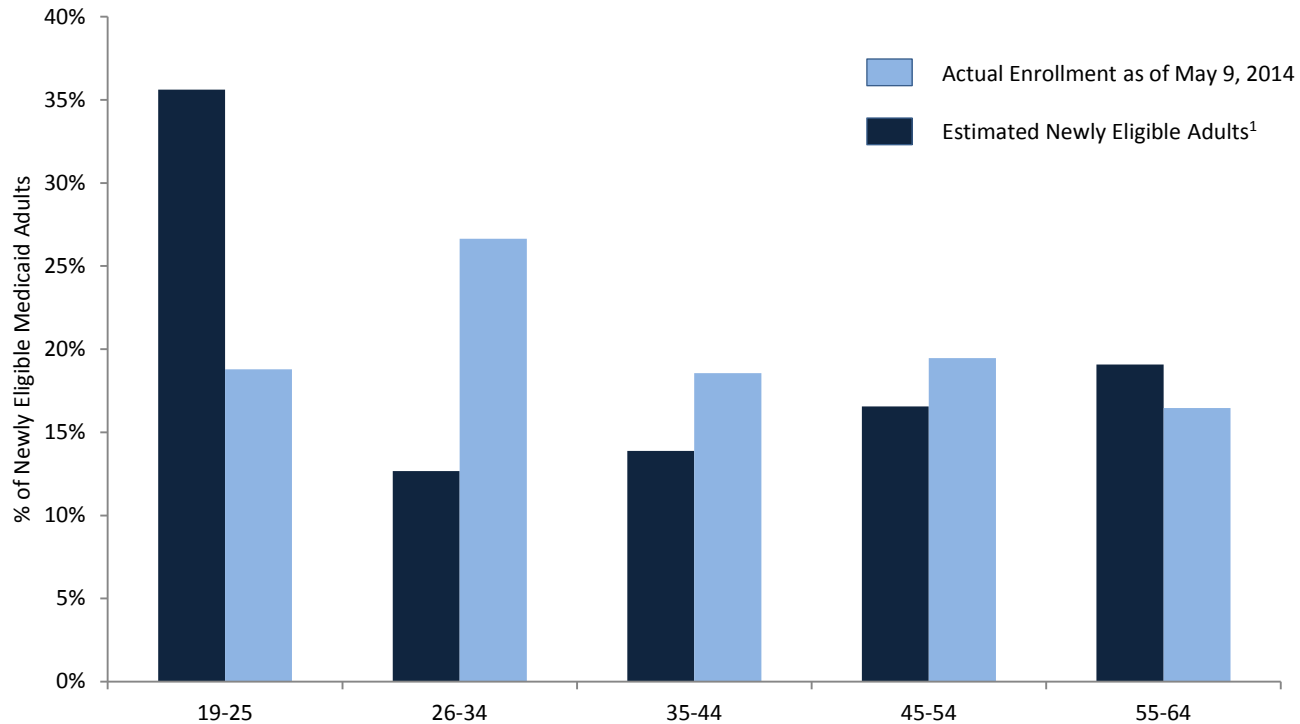
OFF PACE *109 additional clients do not map to Washington counties.

Nearly 60% of Newly Eligible Adults Under Age 35

**Distribution of Newly Eligible Medicaid Adults by Age
(May 2014)**

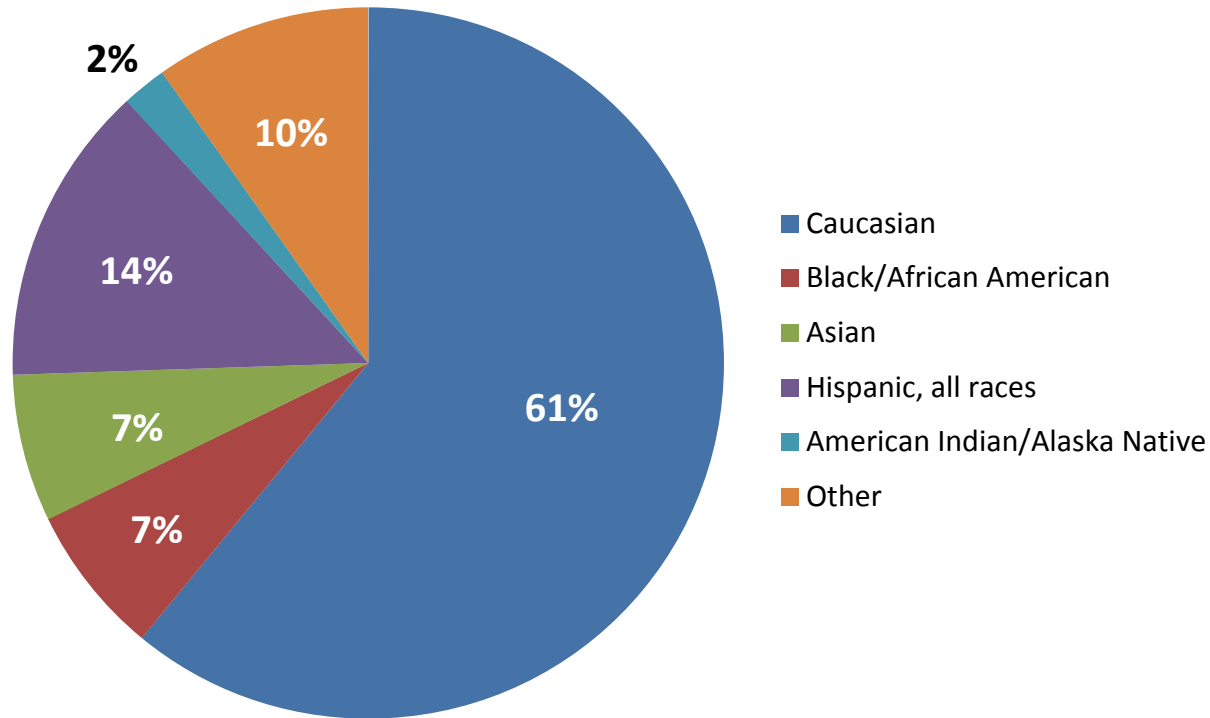


Apple Health New Adults Enrollment by Age (May 2014)



¹ Source: Urban Institute estimates assuming full take up rate and the Medicaid expansion in effect in 2011
(http://www.hca.wa.gov/hcr/me/documents/ACA_Medicaid_Expansion_WA_State.pdf)

Apple Health New Adults Enrollment by Race/Ethnicity (May 2014)



* The Hispanic category includes all enrollees who indicated they are of Hispanic origin regardless of their race.

Success Factors for Medicaid Expansion



HCA Training & Education Resources

Website: http://www.hca.wa.gov/hcr/me/Pages/training_education.aspx

HCA Community-Based Training

Check here to see how HCA community partners can apply to receive enhanced access in the Healthplanfinder web portal. This option is provided through a short online training program and application for enhanced access to Healthplanfinder.

Resources

This section provides current handouts for processing Medicaid, helpful tips in navigating the Healthplanfinder web portal, how to locate assistance in your local area and past training and educational webinars and presentations.

This includes the following:

Medicaid Enrollment

- Adding a Newborn in Healthplanfinder
- AEM Process
- Homeless Teen Process
- KO1 Application Process
- Managed Care Workaround

Reference

- Customer Support Center – Referrals
- First-timers' Guide to Washington Apple Health
- HCA Area Representatives
- HCA Community-Based Specialists
- Medical Income and Resource Standards – April 2014

HCA Medicaid Update Webinars

Located here are the HCA bi-weekly webinars which began in February 2014. Topics include general Medicaid updates, AEM, MAGI Income, Newborns, Retroactive Coverage Requests and Classic Medicaid. Future webinars will be scheduled based on demand on a monthly or bi-monthly schedule. Join the HCA Area email distribution list in your area by contacting your representative to be sure to receive an invitation.

Outreach Toolkit

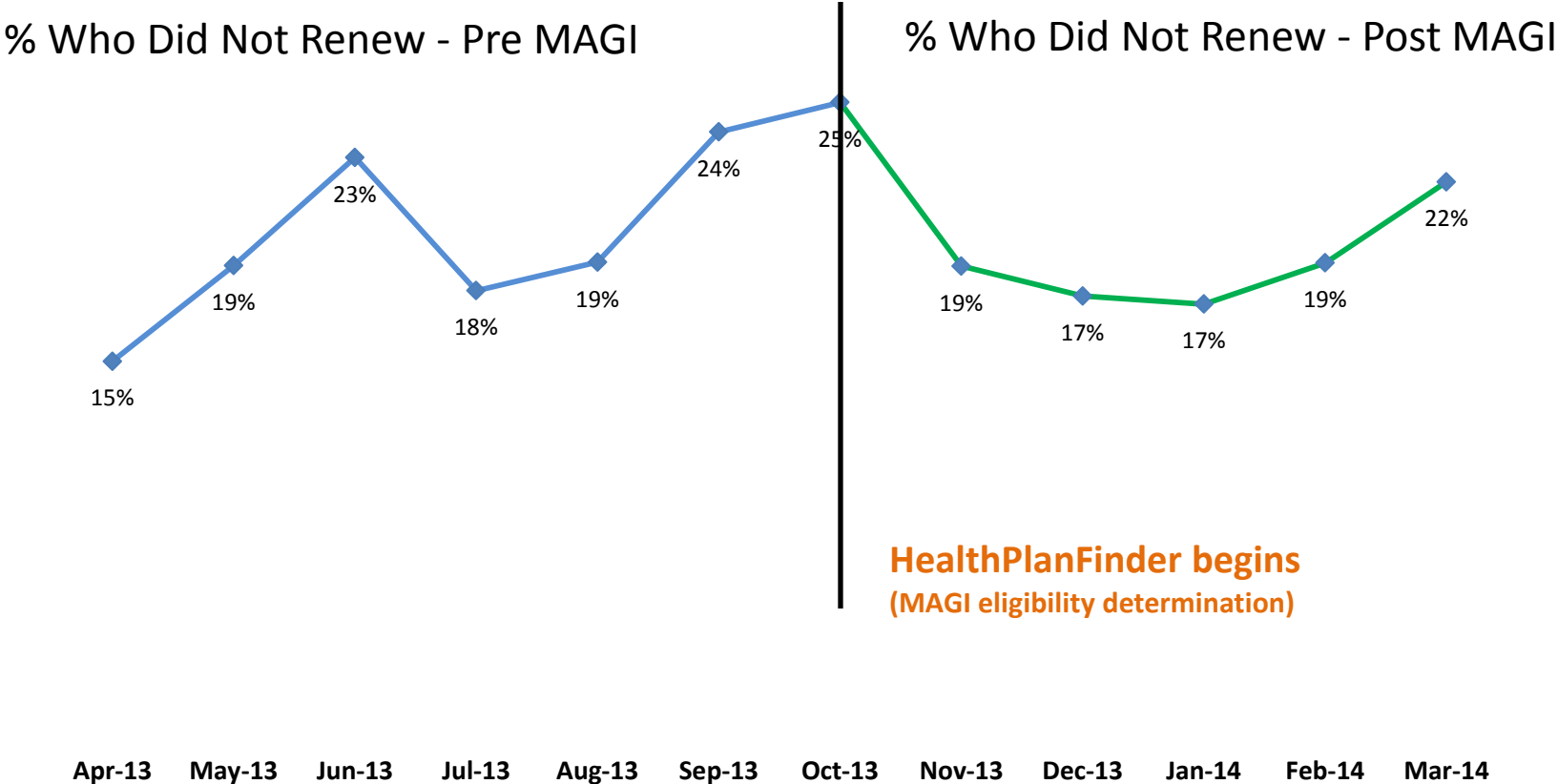
Here you'll find links to HCA Publications for Washington Apple Health, many revised in May 2014. These tools will assist with informing your clients and new applicants about Washington Apple Health and the new Healthplanfinder web portal.

Outreach, marketing, education & collaboration

- Healthplanfinder online portal
- Community-based volunteers & partners
- Community-based specialists in every county (~50)
- Specialized HCA regional representatives
- Resources
 - *Training modules*
 - *Enrollment process descriptions*
 - *Customer support referral guides*
 - *General webinars & training*
 - *Outreach toolkit*
 - *Guide to Apple Health coverage*

http://www.hca.wa.gov/hcr/me/Pages/training_education.aspx

Apple Health – 12 Month Look at Renewal Rates



**HealthPlanFinder begins
(MAGI eligibility determination)**

Implementation of HB 2572— CMMI Grant Opportunity

Center for Medicare and Medicaid Innovation (CMMI) State Innovation Models (SIM) Testing Grant

- **Round 1 – Test and Design Grants:** \$250 million to Arkansas, Oregon, Maine, Massachusetts, Vermont (*\$50 million max*)
- **Round 2 – Test and Design Grants:** \$700 million to up to 12 states (*\$20 to \$100 million per state, based on scope and population distributed over four years*)
- **ROUND 2 TIMELINE:**

■ <i>Mandatory Letter of Intent</i>	June 6, 2014
■ <i>Application Due</i>	July 21, 2014
■ <i>Announcement of Awards</i>	October 31, 2014
■ <i>Period of Performance</i>	January 1, 2014 – December 31, 2018

Washington's Grant Application to CMMI

SIM FOA DOMAINS:

- Plan for population health
- Health care delivery system transformation approach
- Quality measure alignment
- Payment and/or service delivery system model
- Leverage regulatory authority
- Health information technology
- Stakeholder engagement

WASHINGTON'S APPROACH TO INNOVATION

STRATEGIES:

- 1) Healthy communities
- 2) Integrated care & social support
- 3) Pay for value — State as first mover

INVESTMENTS:

- 1) Community empowerment & accountability
- 2) Practice transformation support
- 3) Payment redesign
- 4) Information exchange & performance measures
- 5) Project management

GOALS:

- **Improve** population health
- **Transform** delivery systems
- **Reduce** per capita spending

**A HEALTHIER
WASHINGTON**

Legislative Support: • HB 2572 • SB 6312

Implementation of HB 2572— The Work Toward a Healthier Washington

10 Regional Awards from Washington State for Communities of Health Planning Grants

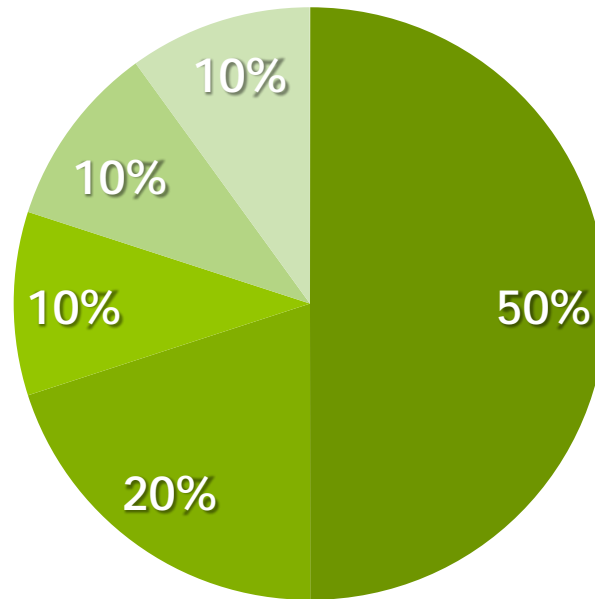
- 1 Pierce County Health Innovation Partnership
- 2 North Sound Accountable Community of Health
- 3 King County
- 4 Better Health Together
- 5 CHOICE Regional Health Network
- 6 Benton-Franklin Community Health Alliance
- 7 Southwest Washington Regional Health Alliance
- 8 South Puget Intertribal Planning Agency
- 9 Yakima County Accountable Community of Health
- 10 North Central Health Partnership



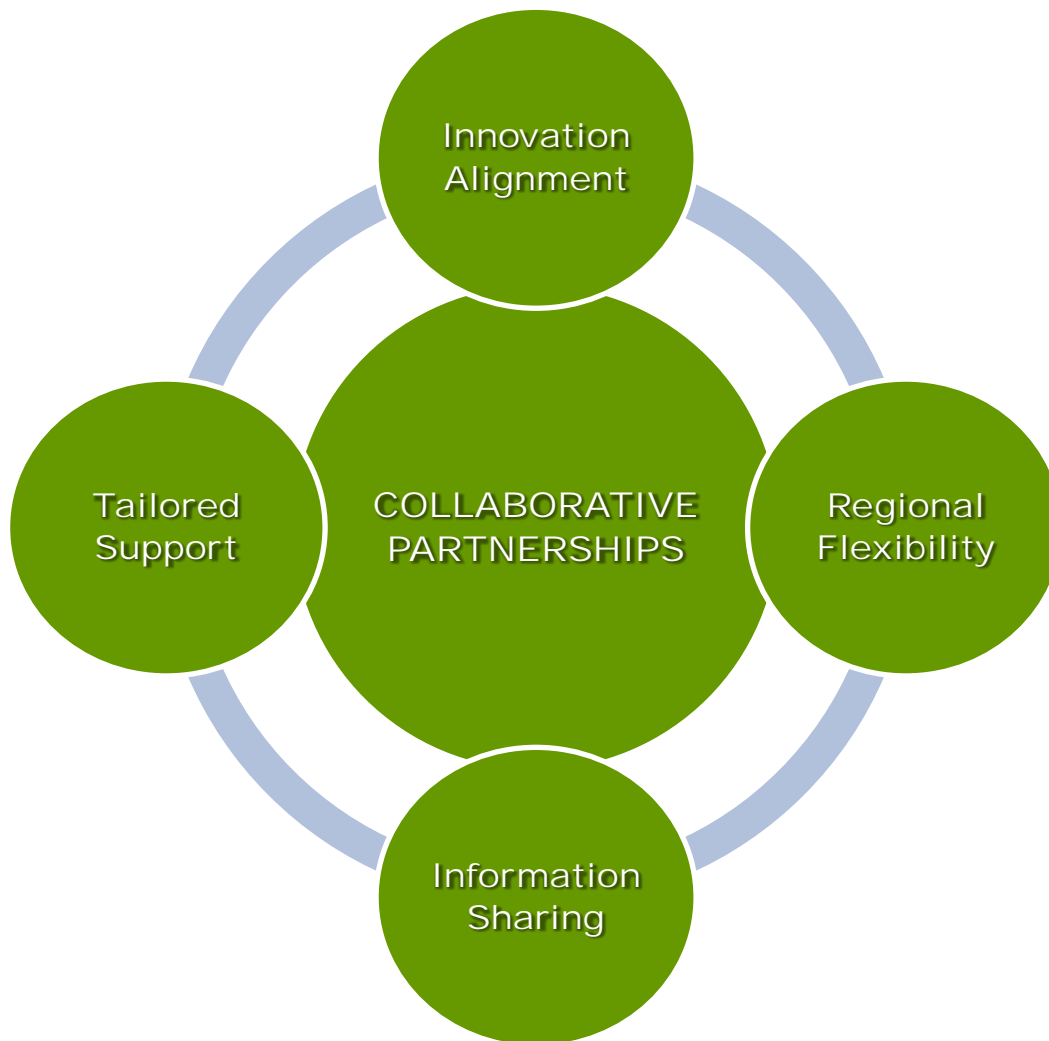
- 10 regions received up to \$50,000 each
- Regions proposed by the 10 awardees
- Accountable Communities of Health (ACHs) have not yet been officially designated in Washington

Communities of Health Planning Grant Awardees

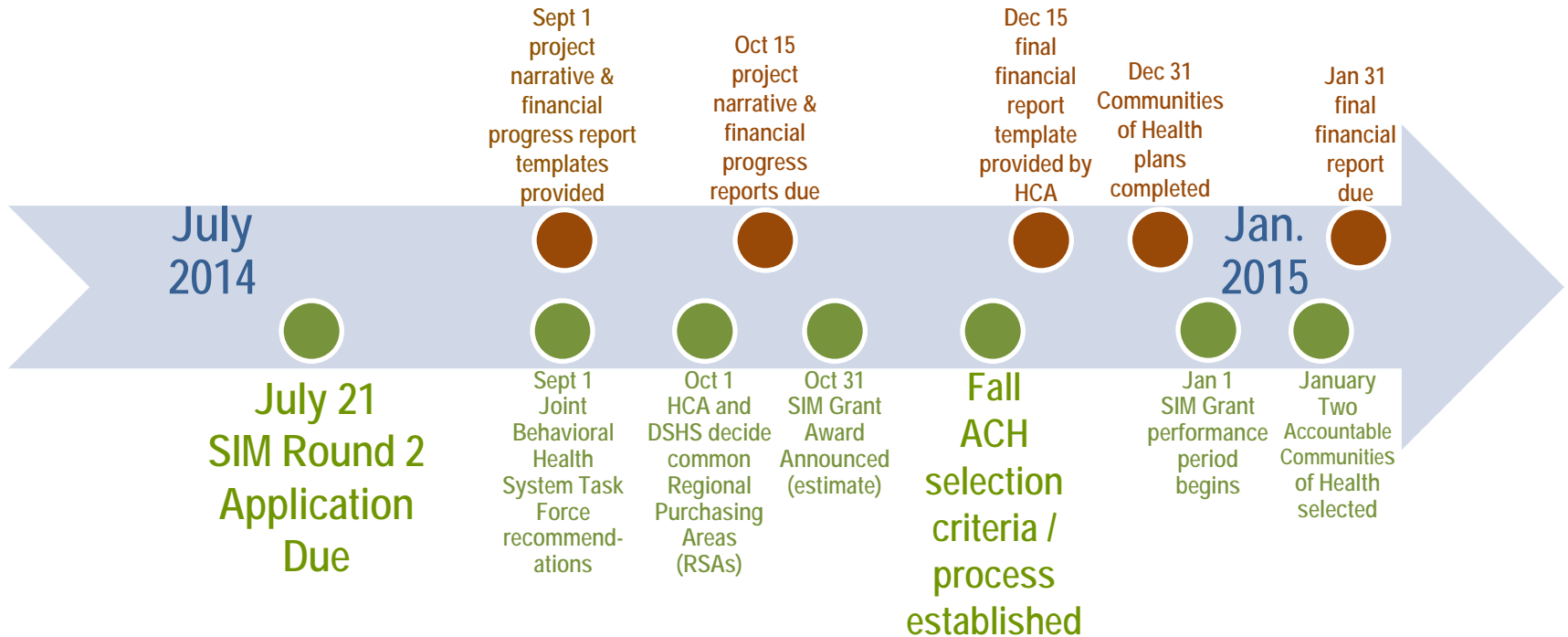
- Pre-Existing Health Collaborative Organization
- New Entity Created Specifically for this Project
- Pre-Existing Health/Social Service Provider
- Accountable Care Organization
- Public Health Department/County Based Entity



State & Communities of Health Awardee Relationship



Communities of Health Planning Grant Milestones

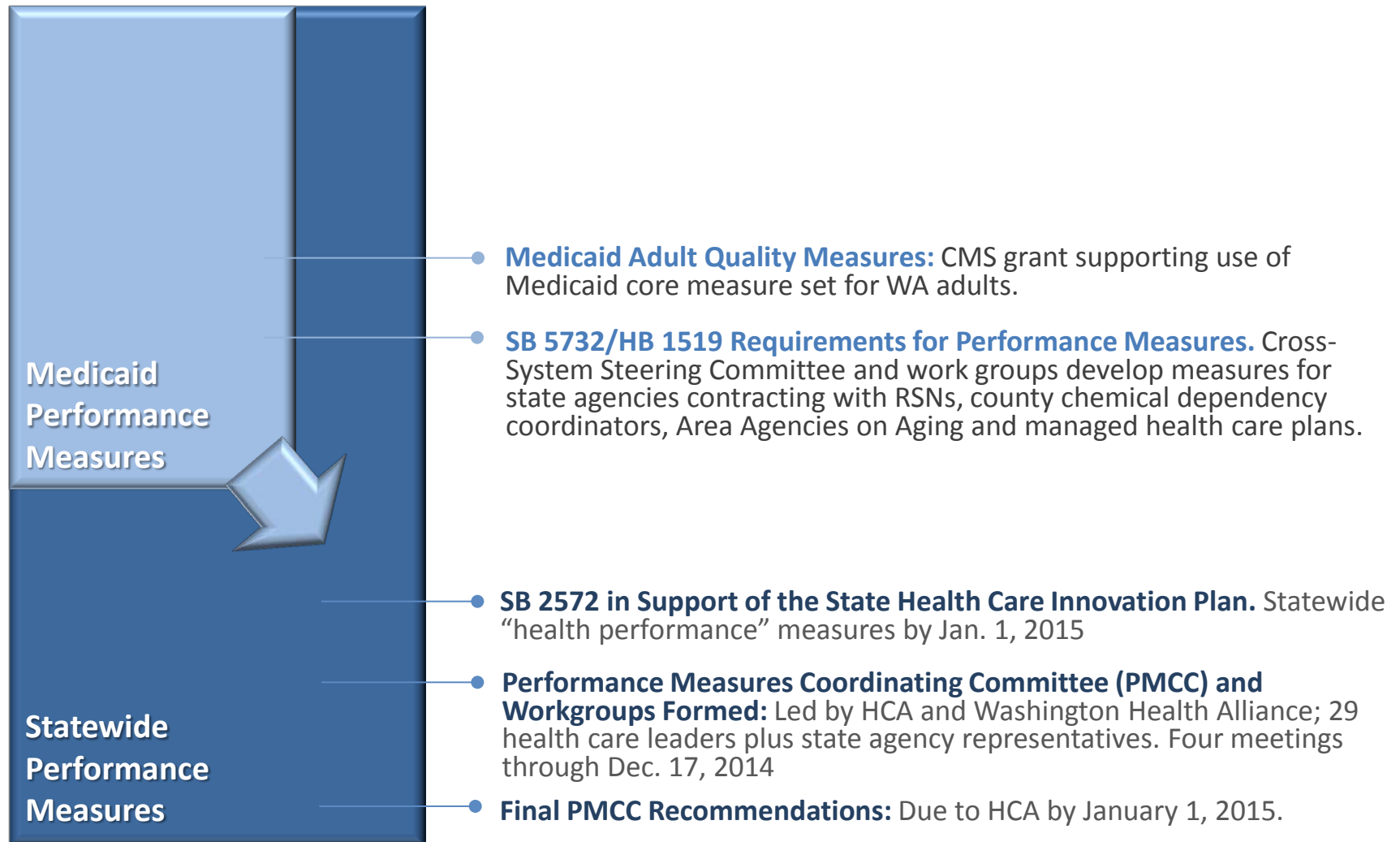


Key:

Brown - Specific to Communities of Health Planning Grants

Green - SIM Round 2, Innovation Plan and "Other"

Performance Measures: Evolution of Common Measure Sets in WA



HCA/King County Joint Request for Information (RFI) – April 2014

Current and Future Accountable Delivery and Payment Models and Strategies

- To obtain details on providers and health plans' current capacity and readiness to test accountable delivery and payment models
- Based on the Washington Health Alliance Purchaser Expectations for Accountable Care Organizations
- **Results**
 - 34 responses, representing over 98% of public and private covered lives in Washington
 - All responders already moving away from fee for service toward adoption of value-based reimbursement (VBR) models
 - Barriers to implementing VBR models: current claims payment systems, lack of clinical data to measure outcomes, inability to share data across health care settings
 - Health plans as well as providers are eager to partner with HCA and further test different value-based models such as Shared Savings

Medicaid Managed Care Costs

Medicaid Services Delivered through Managed Care

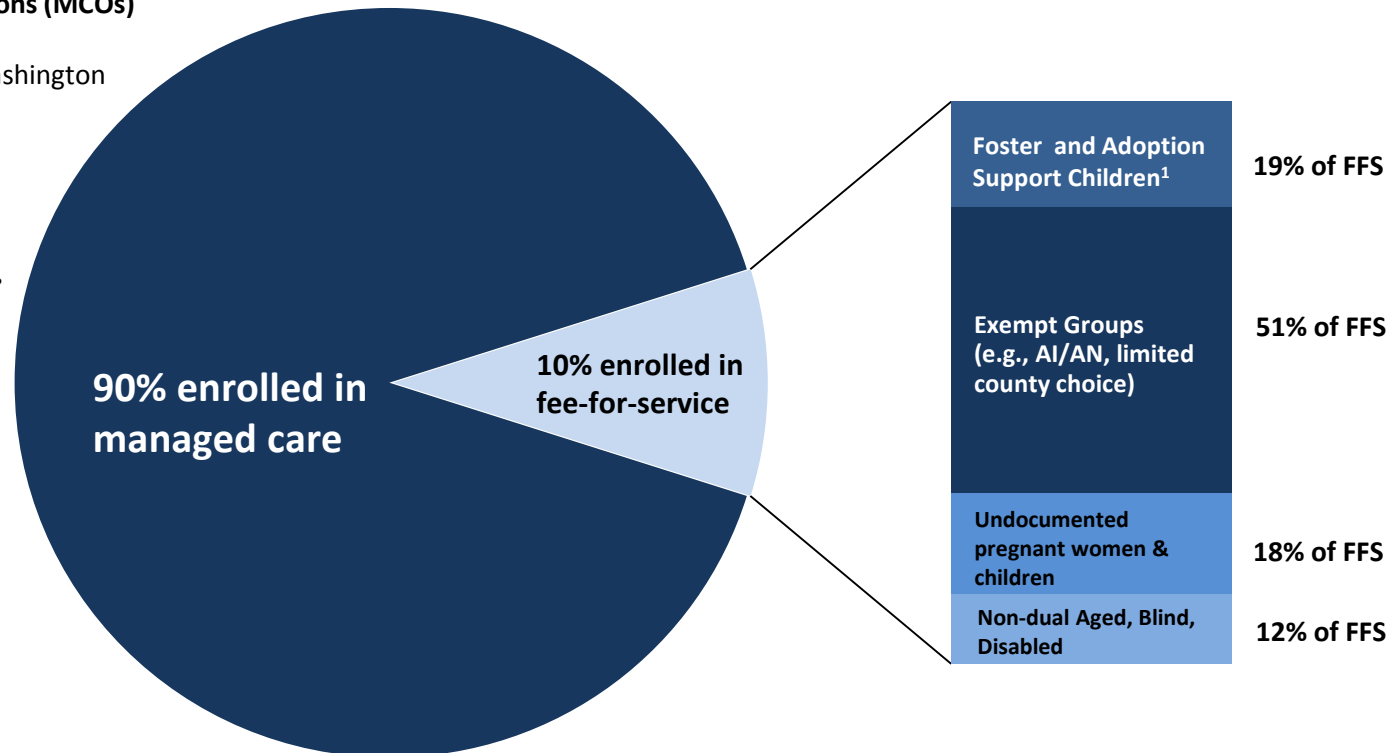
Approx. 1.4 million individuals receive their full health benefits coverage from Medicaid/CHIP
(excludes duals, partial duals, family planning-only and alien emergency medical.)

2014 – 5 managed care organizations (MCOs)

- ❖ Amerigroup
- ❖ Community Health Plan of Washington
- ❖ Coordinated Care
- ❖ Molina Healthcare
- ❖ UnitedHealth

Key:

- ❖ Offers QHPs in 2014 Exchange
- ❖ Proposed 2015 QHPs



¹ Currently planned to move to managed care in 2015
 Source: HCA Quarterly Enrollment Reports

Managed Care Expenditures FY 2014 To-Date

Source: May 2014 MFSR

(Dollars in
Thousands)

Managed Care Expenditures FY2014 To-Date	Fiscal Year 2014 Total Projected Expenditures			Per member, per month (PMPM) *
	State Dollars	Federal Dollars	Total Cost	
Apple Health Family	\$ 704,729	\$ 803,969	\$ 1,508,698	\$ 145
Apple Health Blind/Disabled	\$ 447,845	\$ 460,368	\$ 908,213	\$ 818
Medicaid Expansion	\$ 30,952	\$ 1,114,092	\$ 1,145,044	\$ 618
Other (WMIP, PACE, WMIP, HPW)	\$ 28,297	\$ 34,303	\$ 62,601	\$ 514
Total Managed Care	\$ 1,211,823	\$ 2,412,732	\$ 3,624,555	

*PMPM does not include carve-out benefits.

Managed Care Forecast – Includes Expansion

(Dollars in
Thousands)

Source: February 2014 Forecast D6 & Supplemental 2014

Managed Care Forecast - Includes Expansion	Total Funds		
	Total 13-15	FY14	FY15
Apple Health Family	\$ 3,066,576	\$ 1,532,051	\$ 1,534,525
Apple Health Blind/Disabled	\$ 2,015,836	\$ 996,868	\$ 1,018,967
Medicaid Expansion	\$ 2,183,313	\$ 743,548	\$ 1,439,765
Other (WMIP, PACE, WMIP, HPW)	\$ 205,046	\$ 88,510	\$ 116,536
Total Managed Care	\$ 7,470,770	\$ 3,360,977	\$ 4,109,793

Factors Impacting Future Costs:

- WA Caseload Forecasts
- Hepatitis C Treatment/Sovaldi
- State Health Care Innovation Plan

Contacts for More Information

- **Bob Crittenden, Senior Health Policy Advisor
Governor's Office**
robert.crittenden@gov.wa.gov | 360-902-0557
- **Dorothy Teeter, Director
Health Care Authority**
dorothy.teeter@hca.wa.gov | 360-725-1523
- **Nathan Johnson, Policy, Planning & Performance
Health Care Authority**
nathan.johnson@hca.wa.gov | 360-725-1880