

Maximizing Enrollment

Transforming State Health Coverage

Medicaid's Role in the Health Benefits Exchange: A Road Map for States

Thursday, March 31, 2011 – 3:00pm – 4:15pm (ET)

Presenters:

Alice Weiss, Co-Director, Maximizing Enrollment

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Toby Douglas, Director, California Department of Health Care Services

Gregg Pane, Director, Virginia Department of Medical Assistance Services

Christopher Koller, Health Insurance Commissioner, State of Rhode Island



Agenda

- Welcome and Introductions – Alice Weiss
- Medicaid's Role in the Exchange - Deborah Bachrach
- Federal Perspective - Victoria Wachino
- State Perspectives
 - Toby Douglas, California Department of Health Care Services
 - Gregg Pane, Virginia Department of Medical Assistance Services
 - Chris Koller, State of Rhode Island
- Questions

Maximizing Enrollment

NATIONAL ACADEMY *for* STATE HEALTH POLICY

- Non-partisan, non-profit dedicated to helping states achieve excellence in health policy and practice:
 - Conducts policy analysis and research,
 - Convenes forums for problem solving, and
 - Assists executive and legislative branch officials
- Works across agencies and branches of government to advance health policy development, analysis, and solutions
- National Program Office for Maximizing Enrollment

What is Maximizing Enrollment?

- \$15 M Robert Wood Johnson Foundation initiative launched as Maximizing Enrollment for Kids in 2008
- Goal: Build more efficient and effective enrollment systems for public and publicly subsidized health coverage programs
 - Increase enrollment of eligible uninsured children
 - Ready enrollment systems for 2014
 - Share models and lessons
 - Document and evaluate what we learn
- 8 grantees receive \$1 M, peer-learning and TA



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Medicaid's Role in the Exchange

National Academy for State Health Policy

March 31, 2011

Deborah Bachrach

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Introduction

Eligibility and Enrollment

Health Plan Contracting, Standards and Requirements

Benefits Package Design

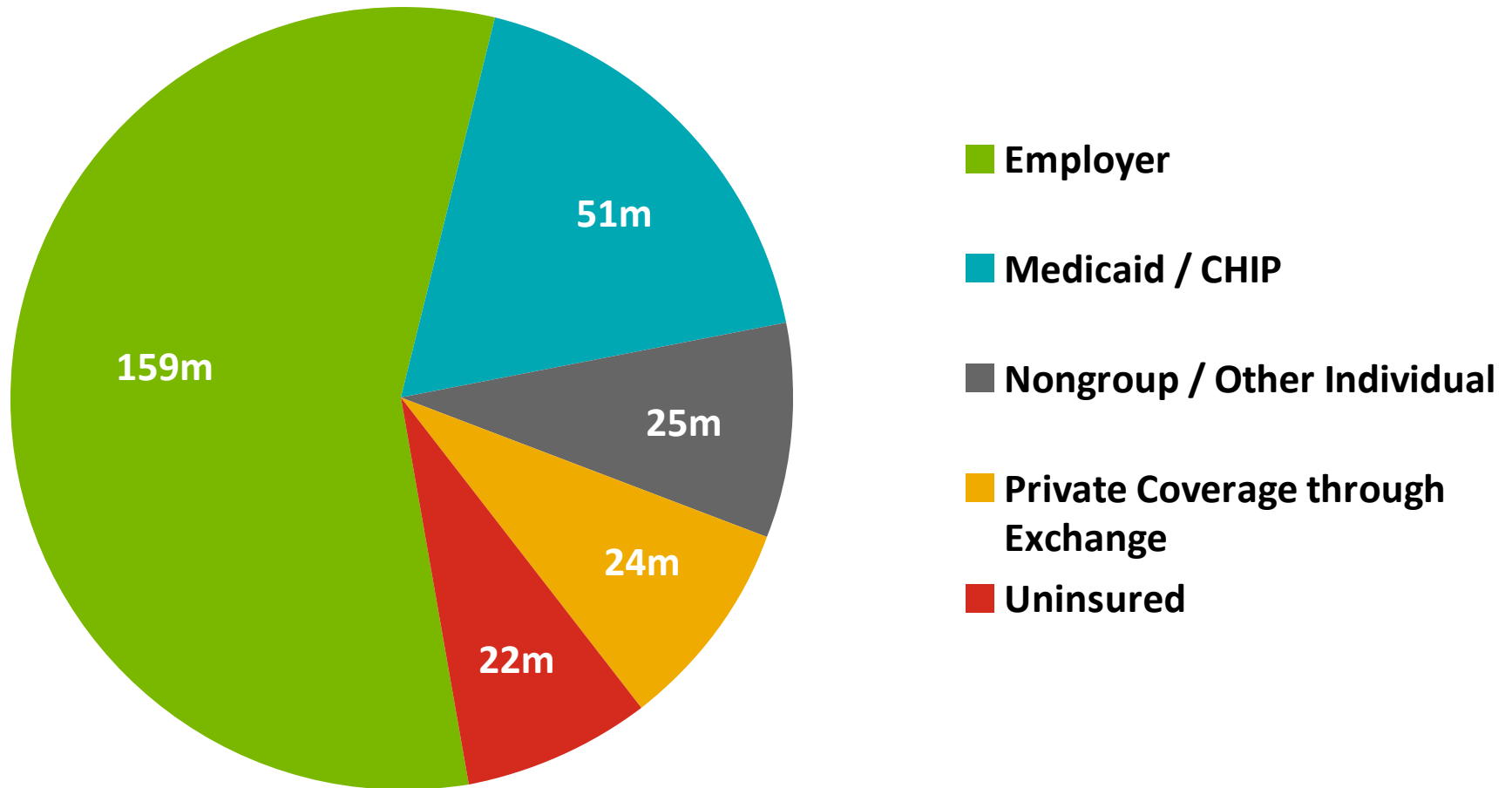
Exchange Infrastructure: Governance, Operations and Finance

Medicaid: From Welfare Program to Health Insurer

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- **1965: Medicaid authorized as welfare-related program**
- **1996: Medicaid delinked from cash assistance**
- **2011: Medicaid covers over 40 million people under age 65**
 - Most are in working families
- **2014: Medicaid is 1 of 4 “State Health Subsidy Options” under ACA; 16 million more people eligible**
 - Medicaid for individuals < 139% FPL
 - CHIP for children in families between 139% FPL and state ceiling
 - Basic Health Program for individuals between 139% & 200% FPL (optional)
 - Qualified Health Plans (QHPs) offering products for individuals with incomes between 139% and 400% FPL
- **2019: Medicaid is 2nd largest source of coverage for < 65**

Medicaid in the Continuum of Coverage in 2019



Total = 280 million people < 65

Source: The Kaiser Commission on Medicaid and the Uninsured
Data: Congressional Budget Office estimates, March 18, 2010

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Eligibility & Enrollment for State Health Subsidy Options

Coordinated, Streamlined, Technology-Enabled, 1st Class Experience

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- “Collaborative, intensive partnership between CMS, OCIO and states responsible for implementation of the Exchanges...Medicaid and CHIP....”

CMS/OCIO Guidance for Exchange and Medicaid Information Technology Systems, 11/3/10

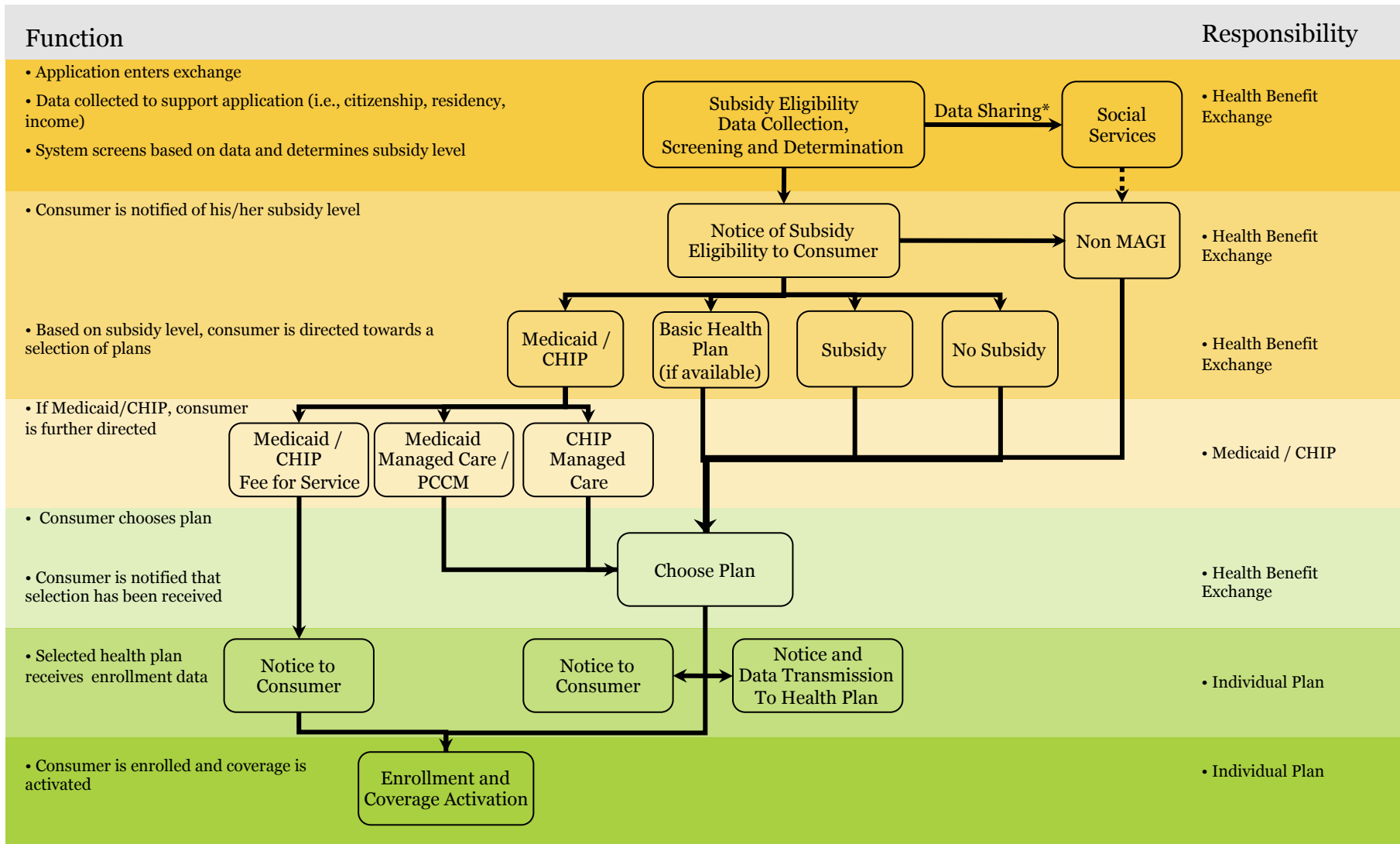
- “...[S]ystem transformations should be undertaken in full partnership with Exchanges in order to meet coverage goals, ... produce seamless enrollment for consumers, and ensure accuracy of program placements. Extensive coordination and collaboration would be required between Exchanges and Medicaid.”

NPRM for Federal Funding for Medicaid Eligibility Determination & Enrollment Activities, 11/8/10

- “...the Exchange will need to work closely with Medicaid, CHIP, and other Health and Human Services Programs in order to ensure seamless eligibility verification and enrollment processes.”

Cooperative Agreement to Support Establishment of State Operated Health Insurance Exchanges, 1/20/11

Eligibility and Enrollment Workflow for Consumers Seeking Coverage through the Exchange



* Data sharing for the purposes of determining eligibility for additional benefits.

Streamlining and Coordinating Eligibility and Enrollment

States Awaiting Federal Guidance on Some Aspects

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- **Model Application for State Health Subsidy Programs**
- **MAGI Definitions**
 - **Income counting rules**
 - **Household composition rules**
- **Income Verification**
- **Medicaid “Medical Support” Requirement**
- **Tracking Medicaid “Newly Eligible”**
- **Income Changes and Renewal Requirements**
- **Enrollment Effective Dates**
- **CHIP Waiting Periods**

Streamlining and Coordinating Eligibility and Enrollment

States are Moving Forward

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- Undertaking gap analysis comparing ACA requirements and existing state law and practice
 - ✓ Landscape scan of state eligibility and enrollment rules
 - ✓ Comparison with ACA
- Developing program and policy regulations
 - ✓ Determine what rules *must* change
 - ✓ Determine which rules *should* be changed
- Designing IT and administrative processes
 - ✓ Accessing federal financial support
- Building on Medicaid's experience

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Medicaid in the Continuum of Coverage in the Exchange

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Integration Goals

- Facilitating transitions
- Leveraging buying power



Minimal Integration

Maximum Integration

Integration Strategies

- Contracted Plans
 - Marketing Rules
 - Quality Strategies
 - Reporting Requirements
- Benefits
- Provider Networks
- Basic Health Program

Medicaid Contracting Options

**Medicaid Managed Care/
Basic Health Program**

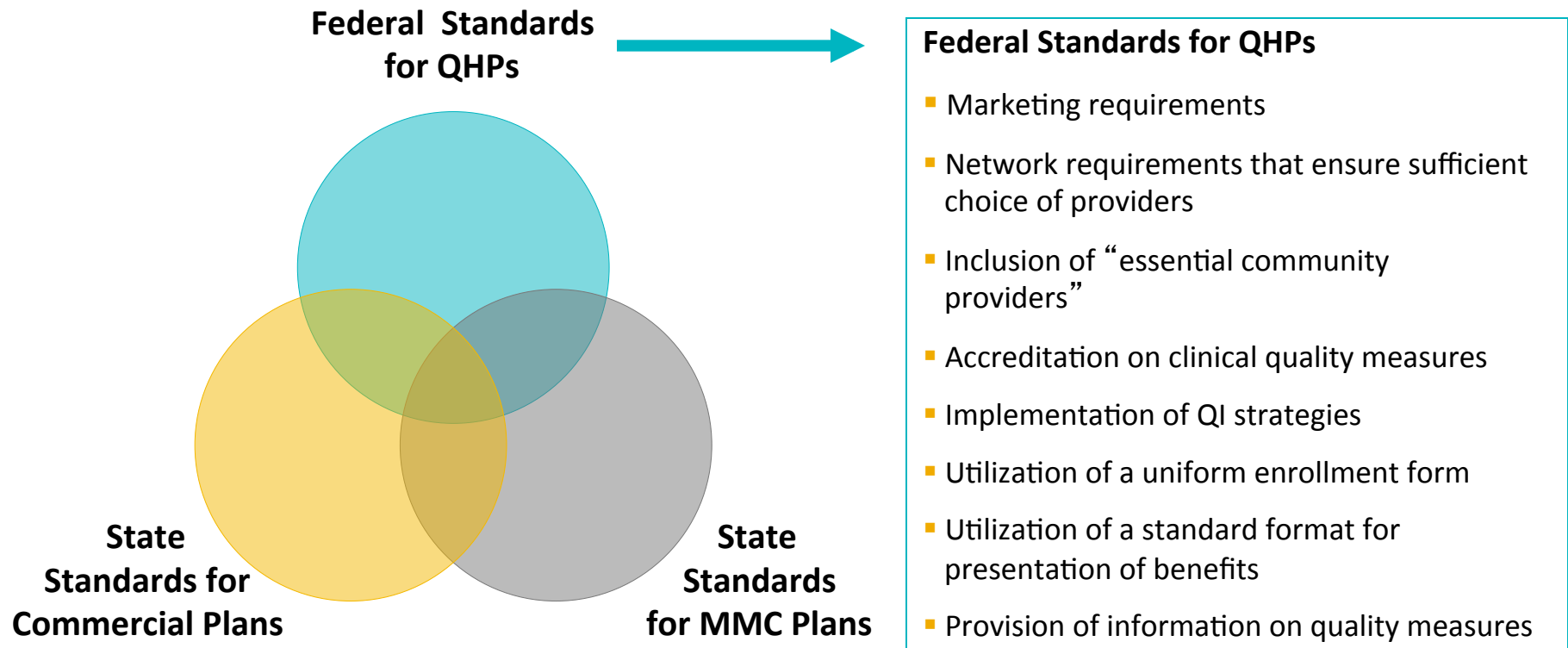
**Basic Health Program/
Qualified Health Plan**

MMC / BHP **BHP / QHP**

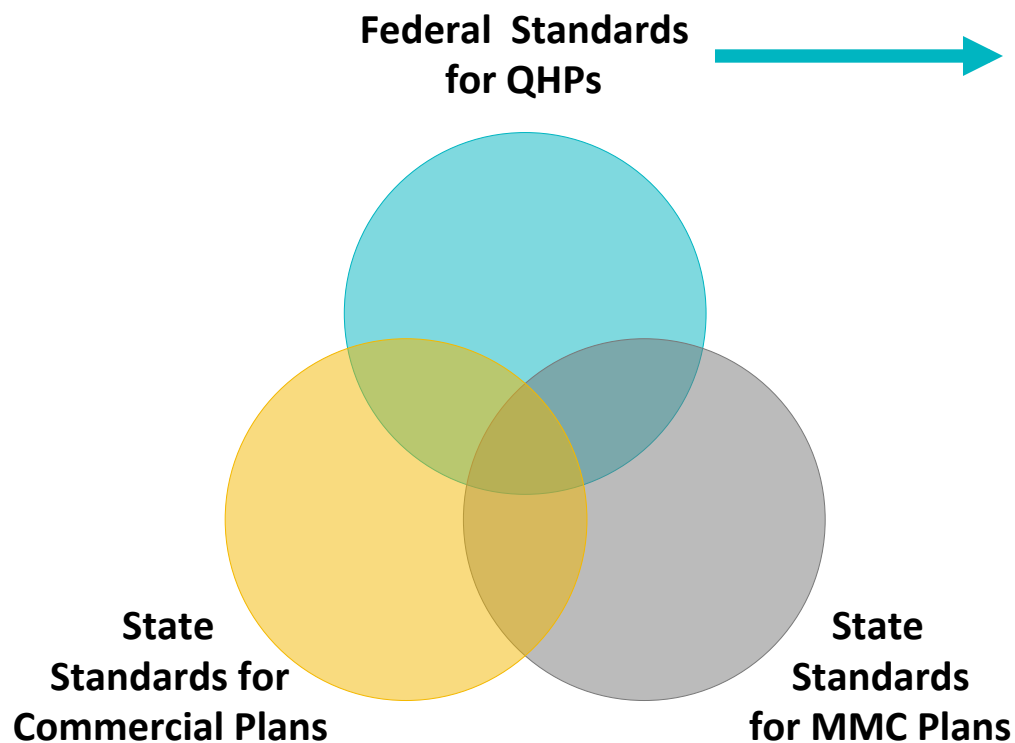
MMC / BHP / QHP

Certification of QHPs and Medicaid Managed Care Plans

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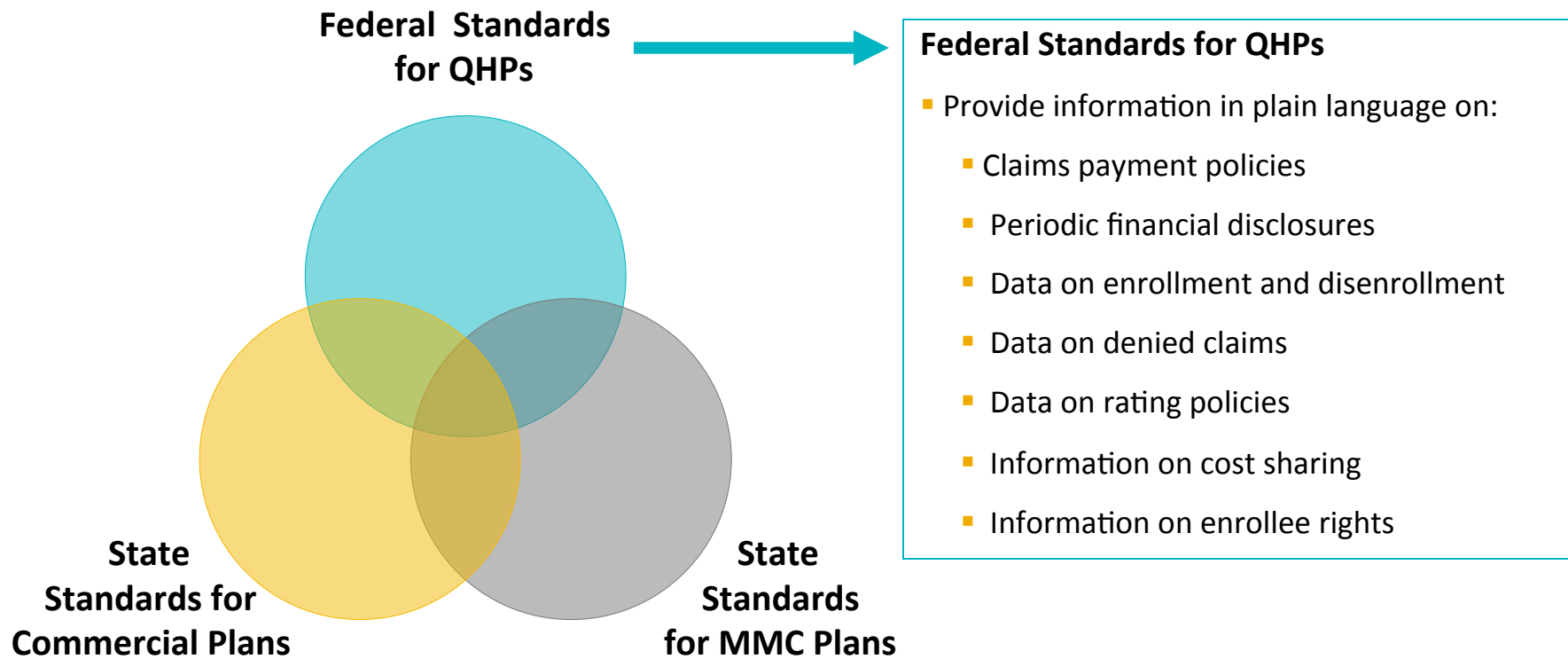
Quality Strategies and Reporting



Federal Standards for QHPs

- Increased reimbursement or other incentives for and reporting of
 - Implementing activities to improve health outcomes, including use of medical homes
 - Implementing activities to prevent readmissions
 - Implementing activities to improve patient safety and reduce medical errors
 - Promotion of wellness and health
 - Reduction of disparities
- As of Jan. 2015, a QHP may only contract with a hospital that
 - Utilizes a patient safety evaluation system
 - Assures patients receive comprehensive plan for hospital discharge
 - Implements a health care QI program

Consumer Information and Reporting Requirements



Risk Adjustment

- **ACA requires the Secretary to develop, in collaboration with states, a risk adjustment program**
 - **Apply to all plans in the individual and small group market**
 - **Both inside and outside of the Exchange**
- **ACA does not require state to apply risk adjustment in Medicaid**
 - **Should state use same risk adjustment program for Medicaid?**
 - **For Basic Health Program?**

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 **Benefits Package Design**

Exchange Infrastructure: Governance, Operations and Finance

Benefit Alignment Considerations

- **Availability of enhanced FMAP**
- **Continuity of coverage**
- **Continuity of care**
- **Enrollees' medical needs**
- **Basic Health Program option**
- **Ease of administration**

Benefit Options in 2014

Benefit	Essential Benefits	Minimum Benchmark	Maximum Benchmark*	Standard Medicaid
Ambulatory services	X	X	X	X
Lab and x-ray	X	X	X	X
Inpatient hospital services	X	X	X	X
Prescription Drugs	X	X	X	X**
Pediatric services incl. oral and vision care	X	X	X	X
Mental Health & Substance Abuse	X	X	X	X
Outpatient hospital services	X	X	X	X
Rehabilitative and habilitative services	X	X	X	X**
EPSDT		X	X	X
Family planning		X	X	X
Non-emergency medical transportation		X	X	X
Federally Qualified Health Center/ Rural Health Center services		X	X	X
Nursing facility services			X	X
Home Health Care Services			X	X**

* Subject to HHS approval

** Optional



Federal Funding for Minimum Required Benefits in 2014

Population	Essential	Benchmark	Standard Medicaid	Federal Financial Participation in 2014
CURRENTLY ELIGIBLE MEDICAID				
Children		✓		Standard match rate
Parents (below state 1996 welfare level)			✓	Standard match rate
Parents (above state 1996 welfare level)		✓		Standard match rate
Pregnant women				
Aged, Blind or Disabled			✓	Standard match rate
Childless adults		✓		Expansion state enhanced match rate
NEWLY ELIGIBLE MEDICAID <65 years old				
Parents (above state income level on 12/1/09)		✓		100%
Childless adults				
Children		✓		Standard match rate
Medically frail			✓	100%
Hospice patients				
PRIVATE INSURANCE THROUGH EXCHANGE (QHPs)				
Subsidized	✓			100% of subsidies plus consumer cost-share
Not subsidized	✓			0%

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- **Governance**
 - **Role of Medicaid Agency**
 - **Role of Insurance Agency**
- **Operations**
 - **What current functions of Medicaid Agency move to/contract with the Exchange?**
 - **What current functions of Insurance Agency move to/contract with the Exchange?**

Financing the Exchange Infrastructure

Funding Opportunities	Amount	Dates	Description	Planning and Development	Operations
Planning Grant	\$49 million in grants to 49 States	Awarded on 9/30/10	Exchange research and planning	✓	
Innovator Grant	\$241 million awarded to 12 states	Awarded on 2/16/11	Development of cutting-edge technologies and models for insurance eligibility and enrollment	✓	
Establishment Grant	Will vary according to States' needs and progress	Level 1 due by 12/30/11 Level 2 due by 6/29/12	Development and implementation of Exchange operations	✓	✓
FMAP for Eligibility and Enrollment Development	90% Federal Financial Participation (FFP)	Through the end of 2015	Design, development and installation or enhancement of eligibility determination systems.	✓	
FMAP for Eligibility and Enrollment Maintenance	75% FFP	After 2015 (available prior to 12/31/15 for systems in compliance with new rules)	Maintain and operate eligibility determination systems that comply with federal standards for integrated eligibility systems		✓
Medicaid Administration	50% FFP	Available continuously	Build, maintain and operate eligibility systems that do not meet standards necessary for enhanced matching funds	✓	✓

Acknowledgements

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Comments, Questions?



For More Information

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