

Division of Medicaid Services

Agency 47 – Activity 4710

Presented to House Finance Division III
March 14, 2019
Henry Lipman, Medicaid Director



Agenda

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- ▶ **Overview of Division of Medicaid Services**
- ▶ **Key Programs / Functions**
- ▶ **Population Services / Caseloads**
- ▶ **Staffing**
- ▶ **Key Challenges**
- ▶ **Financial Summary**



Overview – Division of Medicaid Services

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- ▶ Publicly funded health insurance program for low-income and categorically needy.
- ▶ New Hampshire Medicaid serves 180,000 residents of the state.
- ▶ Offering a Medicaid program is elective for states. All fifty states currently elect to offer a Medicaid program.
- ▶ Participating states must cover select groups of people and cover select groups of services that are known as **mandatory**.
- ▶ Participating states can elect coverage for additional services and populations that are known as **optional**.
- ▶ In return, the federal government pays a fixed percentage of the cost, known as FMAP. In New Hampshire it is always at least 50 percent of cost.



Division of Medicaid Services Strategic Plan Information

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The first aspect is as the primary interface/resource with DHHS colleagues and the Centers for Medicare and Medicaid Services (CMS) and its Center for Medicaid CHIP Services (CMCS) for the various components of policy development and operation of Medicaid that support the programmatic components utilizing Medicaid financing.

- Children and Adults Health Program
- Disabled and Elderly Health Program
- Data and Systems Group
- Financial Management Group
- Operations Group
- States Demonstration Group
- Innovation Accelerator Program
- Regional Administration

The second aspect is the organization and operation of the Medicaid Care Management (MCM) Program under contract with Managed Care Organizations (MCOs) and a fee for service program as established by the NH legislature and authorized by CMS/CMCS to provide comprehensive health coverage to eligible people.



Division of Medicaid Directly Managed Waivers

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1915(b) Mandatory Managed Care for State Plan Services: Provide Medicaid services through mandatory enrollment in a managed care delivery system for selected populations.

1115(a) Substance Use Disorder Treatment and Recovery Access Section Effective July 10, 2018 through June 30, 2023 Allows federal match for the provision of all Medicaid state plan services-including services to treat addictions to opioids and other substances for Medicaid enrollees primarily diagnosed with opioid use disorder (OUD) and/or other substance use disorders (SUD) who are short-term residents in residential and inpatient treatment facilities that meet the definition of an Institution for Mental Diseases (IMD). Increase access to, stabilizing and strengthening providers and provider networks.

1115(a) Granite Advantage Health Care Program Demonstration Waiver (1) sunset the NHHP premium assistance program; provide Medicaid to expansion individuals through the State's Medicaid managed care network (2) apply work and community engagement requirements to the expansion population; (3) provide Medicaid eligibility to expansion individuals on the date all Medicaid eligibility requirements are met (i.e., usually the date of application), rather than three months of retroactive eligibility, (4) incentivize beneficiary engagement in wellness activities and appropriate use of care.

1115(a) Building Capacity for Transformation: Delivery System Reform Incentive Payment (DSRIP) Demonstration Waiver regionally-based networks of physical and behavioral health providers as well as social service organizations that can address social determinants of health



Medicaid Covered Services – State Plan Services

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Mandatory Services

Inpatient Hospital Services	Outpatient Hospital Services	Family Planning Services
Rural Health Clinic Services	Physicians Services	X-Ray Services
Intermediate Care Facility Nursing Home	Dental Service (Children)	Laboratory (Pathology)
Home Health Services	I/P Hospital Swing Beds, SNF	Advanced RN Practitioner
Skilled Nursing Facility Nursing Home	I/P Hospital Swing Beds, ICF	
Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services for Persons < Age 21		

Optional Services

Prescribed Drugs	Optometric Services Eyeglasses	Adult Medical Day Care
Mental Health Center Services	Wheelchair Van Services	Day Habilitation Center
Ambulance Services	Crisis Intervention Services	Physical Therapy
Podiatrist Services	Psychology Services	Audiology Services
Private Duty Nursing	Speech Therapy	Occupational Therapy
Home Based Therapy	Hospice	Personal Care Services
Outpatient Hospital, Mental Health	Inpatient Psychiatric Facility Services Under Age 22	
Durable medical equipment and supplies	Nursing Facilities Services for Children w/Severe disabilities	



Overview of the MCM Program

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Medicaid Care Management (MCM) is New Hampshire's Medicaid managed care program



New Hampshire currently has full-risk, capitated contracts with 2 managed care organizations (MCOs): New Hampshire Healthy Families and Well Sense Health Plan

MCM Covered Services* Include:



Physical Health



Behavioral Health (*Mental Health and Substance Use Disorder*)



Pharmacy Services

MCM Population

- Nearly **180,000** MCM members
- Effective January 1, 2019
Approximately **50,000** Medicaid members in New Hampshire's Expansion program have transitioned from Marketplace coverage into the Medicaid Care Management program
- Covered populations include:
 - ✓ Pregnant Women
 - ✓ Children
 - ✓ Parents/ Caretakers
 - ✓ Non-Elderly
 - ✓ Non-Disabled Adults < 65
 - ✓ Aged, Blind or Disabled
 - ✓ "Granite Advantage" Expansion Adults (beginning 1/1/19)

*Long-term services and supports (LTSS) and services for select MCM exempt populations are offered through fee-for-service (FFS) outside the MCM program.



Overview of re-procurement of the MCM Contract

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Key Design Areas



Care Coordination and Care Management



Provider Friendly Environment



Behavioral Health (Mental Health and Substance Use Disorder)



Quality Management and Access



Pharmacy Management



Children with Special Health Care Needs



MCO Withhold and Incentive Program and Sanctions



Granite Advantage Members



Alternative Payment Models (APMs)



Medical Loss Ratio (MLR)



Member Cost Transparency and Incentives



QAI Medicaid Quality Management

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Key Activities and Services

Medicaid Care Management

- Bureau of Quality Assurance & Improvement (BQAI) implements the CMS required Quality Strategy to assure that members have access to quality care from MCOs
- This work is conducted by monitoring approximately 350 quality measures and reports, performance improvement activities, and oversight of the External Quality Review Organization

Medicaid Waivers

- BQAI provides structured evaluation and reporting on 1115 Medicaid Waivers:
 - Delivery System Reform and Incentive Payment (DSRIP) Waiver
 - Granite Advantage Health Care Plan Waiver
 - Substance Use Disorder/Institutions for Mental Disease Exclusion Waiver



Key Program / Services Support Teams - MMIS

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Medicaid Management Information System

Determines and issues payments to providers and plans as authorized under the Medicaid Program; manages recipient enrollment in Medicaid, Managed Care, and Premium Assistance Program Qualified Health Plans and issues ID cards; MMIS receives and adjudicates medical claims from Providers and determines payment, and the MMIS generates capitated per member per month payments to MCOs and Qualified Health Plans

MMIS must comply with federal MMIS certification requirements, federal mandates including privacy and security, and identify fraud and abuse.

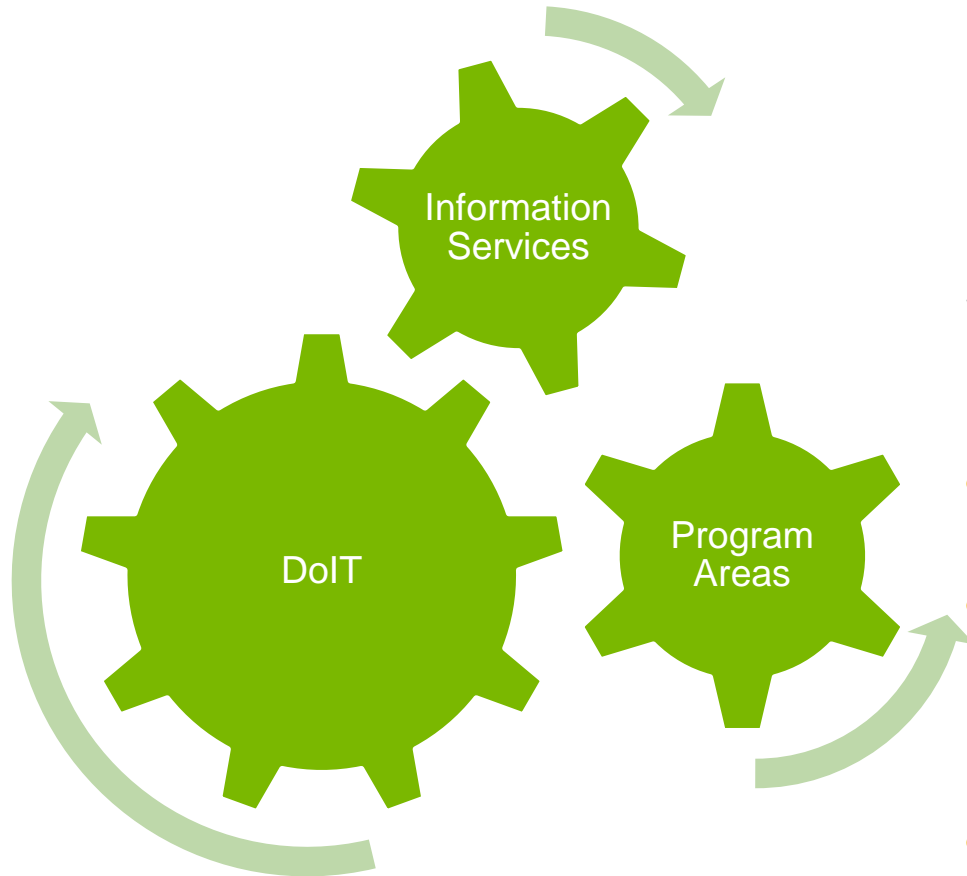
Operations and MMIS re-procurement

- Re-procurement of the MMIS system requires full collaboration with DOIT
- CMS' approval of enhanced funding for MMIS re-procurement now depends on states following a more directed re-procurement process. Large scale "big bang projects" are not being approved for enhanced funding.
- The timing of the re-procurement is still subject to developing our implementation plan with CMS guidance.
- The funding in the Governor's proposed budget is needed for operation and maintenance as well as the initial procurement steps.
- DHHS may be making further requests in the budget process depending on on-going discussions with CMS.



Overview – Collaboration and Integration Between Agencies

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In collaboration with DoIT the HHS Information Services team combined with the Program areas integrated information services teams implement:

- Technology solutions
- Leverage statewide enterprise systems e.g, Financial system – NH First, Email, data center services, etc.
- Adhere to and implement standard policies and procedures



NH Medicaid Enrollment by County – 3/1/19

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Total Enrollment: 178,734

Note: Only includes members with full Medicaid benefits; excludes 220 unknown county / out-of-state

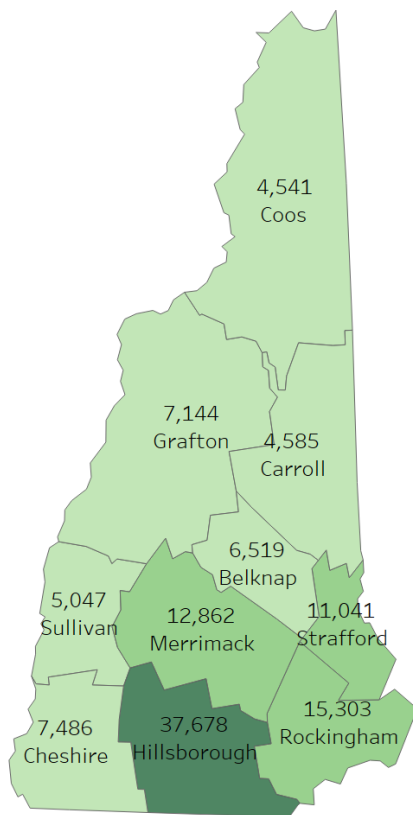
Source: NH MMIS as of 3/4/19



NH Medicaid Enrollment by County and Program – 3/1/19

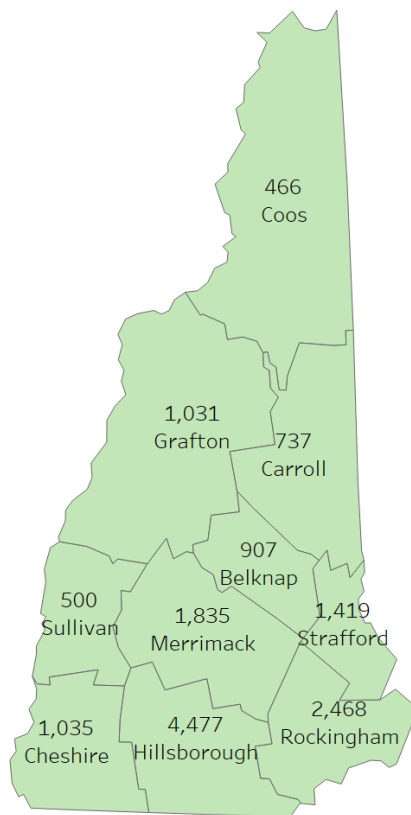
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Standard



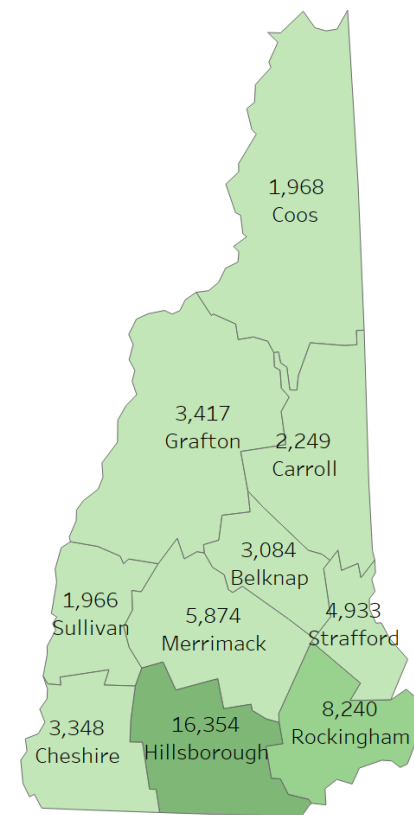
Total Standard Enrollment: 112,385

CHIP



Total CHIP Enrollment: 14,876

Expansion

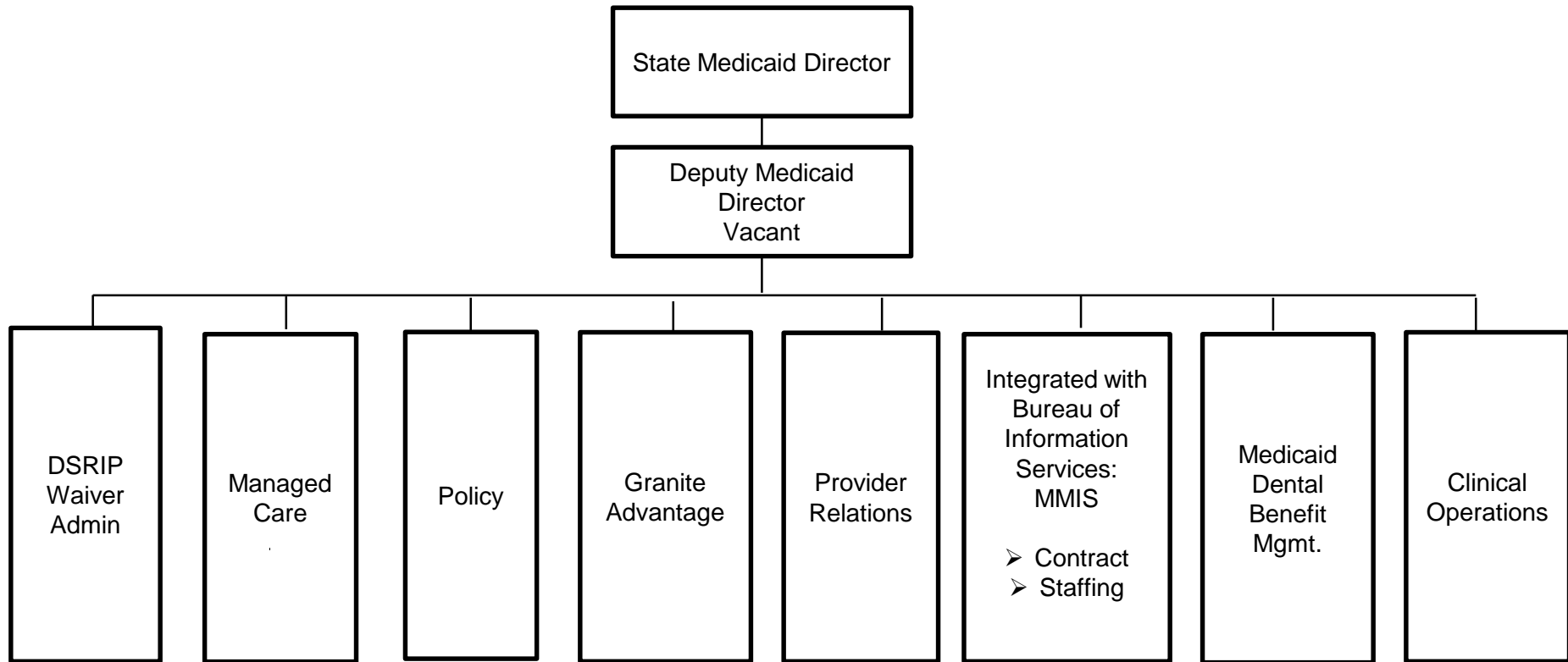


Total Adult Expansion Enrollment: 51,473

Note: Only includes members with full Medicaid benefits; excludes 220 unknown county / out-of-state; Source: NH MMIS as of 3/4/19



Division of Medicaid Services – Organizational Chart



Staffing

AU 7937 Medicaid Admin Budget Book page # 915

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Authorized Positions SFY 18/19	Authorized Positions SFY 20/21	Unfunded positions	Bureau	Notes	
42	31 <u>+4</u> Change Requests 35	4 <u>+4</u> Change Requests 8	DMS	18/19 Budgeted Positions	42
				Classified Positions Out	-11
				Classified Positions In	3
				Unclassified Positions Out	-5
				Unclassified Positions In	1
				New Position 8T2950	1
				SFY 20/21 Position Count	31
				Change Request/ MMIS Positions	3
				Change Request/ Policy Position	1
				Adjusted SFY 20/21 Position Count	35



Division of Medicaid Services – Key Challenges:

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- 1) Implementation of a re-procured MCM MCO contract and new program elements.
- 2) Development and financing of a MMIS re-procurement.
- 3) Support 10-Year Mental Health Plan Implementation relative to waiver and SPAs
- 4) Obtain and implement Directed Payment Plan approvals from CMCS for Mental Health (CMHCs) and implementation support of DSH/MET Settlement Agreement.
- 5) Implementation of the amended and extended 1115 waiver for the Granite Advantage Program, which includes Medicaid Expansion and the Community Engagement Requirement.
- 6) State Plan and Waivers: Approvals and Management State Plan Amendments (SPAs) and Waivers, and Quality and Evaluation components of Waivers.
- 7) Proshare legislative/budget changes to obtain Proshare 1 financing approval from CMS. Overall support to the Division of Long term Support Services for the Proshare and MQIP programs.
- 8) Financing Plan transition for the Integrated Delivery Networks (IDN). Integration and leverage development for programmatic initiatives related to IDNs, Hub and Spoke Substance Use Disorder (SUD) and Mental Health plans, and strengthen program Social Determinants of Health collaboration.
- 9) Address access issues that develop in the provider network and provider rate setting challenges.
- 10) Strengthen Program Integrity collaboration.



Key Challenges - continued

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11) Pressure to increase provider rates

- Federal requirement to maintain adequate provider network to ensure access to care
- SB313 Includes sufficient rates for substance use disorder (SUD) and mental health services to address access
- Fiscal impact to Granite Advantage Health Care Trust funding – funding cap
- Current legislative session bills to address provider rates

12) Disproportionate Share Program (DSH) required Payments to be paid to New Hampshire hospitals to off-set the cost of care for which they have not been paid from the uninsured and Medicaid, known as Uncompensated Care (UCC). SFY20/21 budget is based on the Settlement Agreement – hospitals will be paid for uncompensated care costs up to 86% of the Medicaid Enhancement Tax (MET) revenue, with an additional 5% of the MET revenue directed to an increase in hospital service provider rates.

13) DSH Settlement Agreement: includes implementing increase to provider rates

- Potential Impact Granite Advantage Health Care Program – funding cap
- Community Engagement Requirements

14) Watch-list item: Proposed federal regulation changes and potential impact to Rx rebates



Financial Summary-Accounting Units

Activity-Accounting Unit	Accounting Unit Title	Division	Bureau	Budget Book Page #	Budget Briefing Book Page #
4700 - 5201	IDN Fund (DSRIP Waiver)	DMS	Medicaid	915	73
4700 - 7937	Medicaid Administration	DMS	Medicaid	915	76
4700 - 7939	State Phase Down (Medicare Part D Pharmacy)	DMS	Medicaid	916	79
4700 - 7943	Uncompensated Care Fund	DMS	Medicaid	917	82
4700 - 7945	Electronic Health Records Incentive Payments	DMS	Medicaid	918	84
4700 - 7948	Medicaid Care Management	DMS	Medicaid	919	86
4700 - 7051	Child Health Insurance Program	DMS	Medicaid	920	88
4700 - 8009	Medicaid Mgmt Info System	DMS	Medicaid	921	89

