

MEDICAID REDESIGN AND EXPANSION TECHNICAL ASSISTANCE INITIATIVE

Round 2 Project Update Webinar

October 21, 2015, noon to 1 p.m.

presented by

Department of Health and Social Services

Agnew::Beck Consulting

Health Management Associates

Milliman, Inc.

A Few Reminders for Participants

- There will be time for participants' questions at the end
- Send questions to presenters via the chat box at right →
- Can't hear us through your computer speakers?
Use the listen-only teleconference:
1 (855) 257-8693, code 199 9402 #
- A webinar recording will be available later at
<http://dhss.alaska.gov/healthyalaska>

Today's Agenda

- Project status update
- Results from stakeholder engagement to date
- Potential alternative coverage models for the expansion population
- Potential Medicaid reform initiative options
- Questions from participants

Project Status Update

DHSS Goals for Medicaid Redesign + Expansion

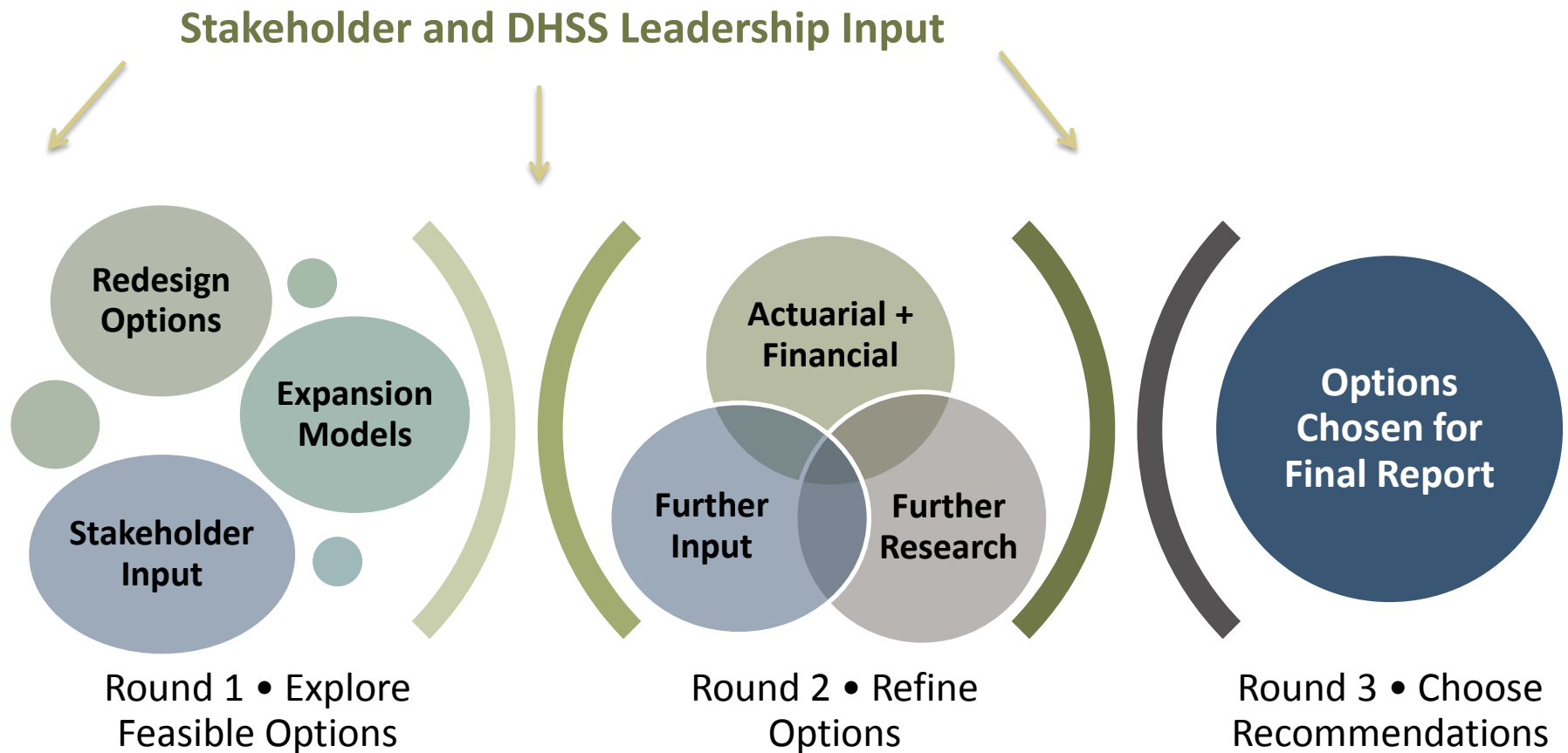
1. Improve enrollee health **outcomes**
2. Optimize **access** to care
3. Drive **increased value** (quality, efficiency, and effectiveness) in the delivery of services
4. Provide **cost containment** in Alaska's Medicaid budget and general fund spending



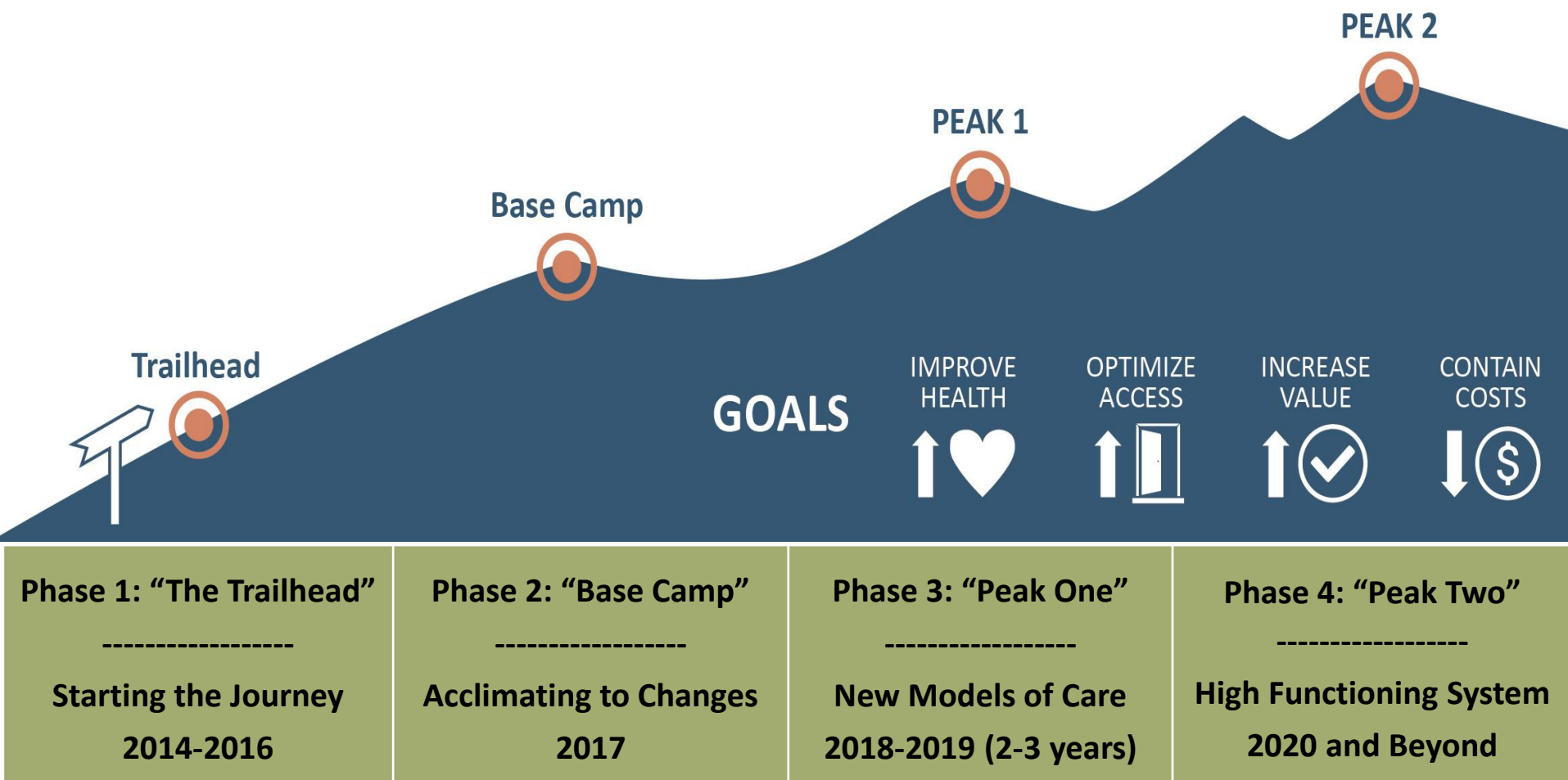
Project Overview

1. Environmental Assessment
2. 2 to 3 Alternative Models for the Expansion Population
3. 5 to 10 Medicaid Reform Initiative Options
4. Recommended Package of Reforms
5. Action Plan for DHSS
6. Evaluation Plan

Iterative Process for Selecting Medicaid Redesign Recommendations



Alaska Medicaid Redesign in Four Phases



HMA Environmental Assessment: Key Factors Shaping Alaska's Health Care System

- Reliance on a fee-for-service delivery system
- System lacks integration and supports for coordination
- Rising rates of chronic disease + co-occurring conditions
- Social determinants of health
- Lack of cost and quality data
- Complex legal + regulatory environment
- Provider shortages in some areas
- Geographic challenges
- Limited private insurance market + rising rates

Feedback from Stakeholder Meetings: Factors Shaping Alaska's Health Care System

- Delays in licensure
- Lack of access to patient history; risk and utilization data
- Need for stronger follow up care post-ED
- Small population sizes (makes finances difficult)
- MMIS system issues
- Transportation delays, lack of standard process, and costs
- Even with expansion, many people (immigrants, non-US citizens) will not be eligible for Medicaid
- Lack of rate increase for behavioral health providers
- Siloed or “carved out” nature of behavioral health system
- Gaps in the continuum of care

Vision for Medicaid Redesign

Summary of input received during stakeholder work sessions to date

August Key Partner Work Session: Vision of a High Functioning Health System

- Whole person, coordinated care
- Prioritizes prevention
- Patient education and shared responsibility
- Timely access to appropriate type and level of care
- Care close to home
- Leverages resources to contain costs and drive value
- Information infrastructure for sharing and analyzing health data
- Easier to manage
- Innovation and strategic alignment
- Strong workforce development and retention
- Quality care

Feedback from Stakeholder Meetings: Vision of a High Functioning Health System

- Primary care as foundation of functioning health system
- Behavioral health integrated and accessible
- Focus on outcomes not just process
- Allow regions to meet health needs in different ways
- Timely access to appropriate care and care setting
- Address social determinants of health
- Participants, providers, and payers share responsibility for promoting and incentivizing health well-being
- Collaborate and build on existing strengths
- Leverage telehealth to drive down costs and improve care
- Robust management of high utilizers and high risk patients

Alternative Medicaid Expansion Coverage Models

Medicaid Expansion

The Patient Protection & Affordable Care Act

- Provides **Opportunity & Funding** to increase access to Medicaid through Expansion via two authorities:
 - State Plan Amendment, or
 - 1115 Demonstration Waivers
- State of Alaska expanded Medicaid in September through a State Plan Amendment
- Considering alternative coverage options as part of the Redesign initiative

Four Alternative Coverage Options

1. Wellness Benefit Package

2. Shared Responsibility Benefit Package

3. Minimum Essential Benefit Package

4. Private Insurance Option

1) Wellness Benefit Package (page 2)

- Same benefits as current Medicaid plan
- Additional wellness and prevention incentives
 - At enrollment, every enrollee:
 - Selects a Primary Care Provider
 - Gets orientation + education about using benefits
 - Health Risk Assessment to identify high needs
 - Incentives and patient engagement:
 - Preventive screenings and care, appropriate use of care
 - Health promotion activities
 - Chronic disease self-management

2) Shared Responsibility Benefit Package (page 4)

- Alternative Benefit Plan
 - Benchmarked to Alaska State Employee Health Plan
- Cost sharing (copays and premiums)
- Health Savings Accounts
- Wellness incentives
- Work Supports

3) Minimum Essential Benefit Package (page 6)

- Use benefit based on Qualified Health Plan (QHP) sold on Federal Marketplace
- Must cover:
 - 10 Essential Health Benefits (EHBs)
 - Early and Periodic Screening, Diagnosis and Treatment (EPSDT) for enrollees under 21
 - Mental health parity; family planning; non-emergency transport; access to FQHC, rural health center services
- Wellness incentives, cost sharing requirements
- Not required to include optional Medicaid benefits received by pre-expansion enrollees (e.g., adult dental care)

4) Private Insurance Option (page 8)

- Medicaid funds used to purchase plan on the federal Marketplace
 - Pays for member premiums and cost sharing beyond enrollee contribution
- Additional mandatory Medicaid services provided as “wrap around” via fee-for-service
- “Arkansas model” was also implemented in Iowa and New Hampshire
 - AR: parents at 17-138% FPL, childless adults 0-138% FPL
 - IA: all Expansion eligible, income 101-138% FPL
 - NH: parents as low as 38% FPL - 138% FPL, childless adults 0-138% FPL

Round 1 Analysis: Potential Medicaid Reform Initiative Options

New Care and Financing Models

Coordinated Care + Value-Based Purchasing

Reward value: Align payment with desired outcomes, such as paying providers to improve an individual's overall health

Improve outcomes: Adopt more effective, efficient models of care delivery to improve quality and reduce costs

Reform Initiatives Under Consideration

Delivery System Reforms

**Wellness +
Prevention
Initiative for
All Enrollees**

**Primary Care
Improvement
Initiative**

**Behavioral
Health Access**

**“Emergency
Room is for
Emergencies”
Initiative**

**Accountable
Care
Organization
(ACO)**

Payment Reforms

**Bundled
Payment
Demonstration**

**Pre-paid
Ambulatory Health
Plan (PAHP)
Demonstration**

**Pre-paid Inpatient
Health Plan (PIHP)
for Critical Access
Hospitals**

**Full-Risk Managed
Care**

Process and Infrastructure Improvements

Telemedicine Initiative

**Medicaid Business Process
Improvement Initiative**

**Data Analytics + IT
Infrastructure Initiative**

1) Wellness and Prevention Initiative for All Enrollees (page 10)

Strengthens the role of primary care as the foundation for enrollee health and well-being and emphasizes prevention, education, and wellness for all enrollees

Wellness and Prevention Initiative Key Features

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| <ul style="list-style-type: none">• Enrollee education and orientation• Assignment to Primary Care Provider• Health risk assessment | <ul style="list-style-type: none">• Ongoing enrollee navigation support• Strategic adjustments to co-pays• Wellness incentives |
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2) Primary Care Improvement Initiative (page 13)

Primary Care Case Management (PCCM) for all enrollees and Health Homes for people with behavioral health and chronic conditions.

Primary Care Improvement Initiative Key Features

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| <ul style="list-style-type: none">• Primary Care Case Management, including:<ul style="list-style-type: none">• Per Member Per Month payment• Assignment to Primary Care Provider upon enrollment• Care coordination• Referrals for non-emergent specialty and inpatient services• Targeted case management for high risk groups | <ul style="list-style-type: none">• Health Homes, including:<ul style="list-style-type: none">• Care coordination for individuals with multiple chronic conditions• A team-based approach to clinical care• Linkage to community supports and resources• Integration of primary and behavioral health care |
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3) Behavioral Health Access Initiative (page 16)

Promote integration and increase access to a comprehensive continuum of care of behavioral health services.

Behavioral Health Access Initiative Key Features

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| <ul style="list-style-type: none">• Expand provider types who can bill Medicaid for behavioral health services, regardless of settings (LPC, LMFT, Psychologists, LCSW)• Remove requirement to be a Division of Behavioral Health grantee in order to bill Medicaid for behavioral health services | <ul style="list-style-type: none">• Make statutory and regulatory changes to support the development of urgent behavioral health care centers• Explore 1115 waiver for Substance Use Disorder services• Pursue waiver of Institute for Mental Diseases exclusion to increase access to residential treatment |
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4) “ER is for Emergencies” Initiative (page 19)

Based on collaborative efforts in Washington State to reduce emergency visits, coordinate patient care, promote prescription monitoring, and improve the healthcare for homeless and people with chronic behavioral health issues who are high utilizers of the Emergency Departments.

“ER is for Emergencies” Initiative Key Features

Seven best practice features of Washington’s program:

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| 1. Tracking frequent Emergency Room users | 4. Contact primary care provider for follow-up visits |
| 2. Patient education about appropriate care settings | 5. Implementing narcotics guidelines to direct patients to Primary Care Providers or pain management services |
| 3. Designated personnel to receive and disseminate information on Medicaid clients | 6. Physician participation in Prescription Drug Monitoring Program |
| | 7. Emergency physician provides review and feedback |

5) Accountable Care Organization Demonstration (page 22)

Establish accountable care organization (ACO) demonstration sites in Alaska. ACOs are health care organizations designed to align care delivery and provider payments to meet health outcome criteria and quality metrics while reducing the total cost of care for assigned enrollees.

Accountable Care Organization Demonstration Key Features

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| <ul style="list-style-type: none">• Potential demonstration sites, being used for actuarial modeling:<ul style="list-style-type: none">• Anchorage (urban)• Fairbanks (urban)• Mat-Su (rural)• Kenai Peninsula (rural) | <ul style="list-style-type: none">• In rural areas, uses regional model (all providers and all enrollees)• In urban areas, uses provider-based model (includes a subset of providers and enrollees)• Includes primary and acute physical care, behavioral health care, and dental care |
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6) Bundled Payment Demonstration (page 24)

Explore the use of bundled payments for episodes of care.
This initiative was not prioritized for round 2 analysis.

Bundled Payment Demonstration Key Features

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| <ul style="list-style-type: none">• Provide a single payment for multiple services received during an episode of care | <ul style="list-style-type: none">• Potential care episodes for pilot testing might include:<ul style="list-style-type: none">• Labor and delivery• Substance abuse treatment• Cardiac care• Other ideas? |
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7) Pre-paid Ambulatory Health Plan (PAHP) Demonstration (page 26)

Use Pre-paid Ambulatory Health Plans (PAHP), or capitated non-comprehensive health plans, to pay for dental and/or Non-Emergency Medical Transportation (NEMT) on a Per Member Per Month basis.

This initiative was not prioritized for round 2 analysis.

Pre-Paid Ambulatory Health Plan (PAHP) Demonstration Key Features

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| <ul style="list-style-type: none">• Capitated non-comprehensive health plan, typically used by states as a managed care option for dental and NEMT (both have a discrete set of services on the ambulatory side, making them easier to adjust for risk) | <ul style="list-style-type: none">• Subject to quality and performance metrics• Must develop adequate networks to provide sufficient options |
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8) Pre-Paid Inpatient Health Plan (PIHP) for Critical Access Hospitals (page 28)

Use a Pre-paid Inpatient Health Plan (PIHP), which is a capitated non-comprehensive health plan, to fund Critical Access Hospital services provided to Medicaid enrollees on a Per Member Per Month basis.

This initiative was not prioritized for round 2 analysis.

Pre-Paid Inpatient Health Plan (PIHP) Key Features

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| <ul style="list-style-type: none">• Could make funding more predictable for both Critical Access Hospitals and the State and help stabilize rates and related budget uncertainty | <ul style="list-style-type: none">• The State would negotiate a Per Member Per Month rate with each Critical Access Hospital to provide a specific set of inpatient services to Medicaid enrollees in that region |
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9) Full-Risk Managed Care (page 30)

A managed care organization (MCO) delivers Medicaid health benefits to enrollees.

Full Risk Managed Care Key Features

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| <ul style="list-style-type: none">• Leverages expertise and infrastructure of companies that administer managed care programs• State pays MCO a fixed per member per month payment (capitation) to deliver a broad range of Medicaid services• Capitation increases predictability of state expenditures• MCO assumes financial risk for enrollee care | <ul style="list-style-type: none">• Requires interest from a viable MCO• Enrollees receive services through a network of participating providers• Participation can be voluntary or mandatory• Would require development of an adequate network with maximum time and distance |
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10) Telehealth and Telemedicine Initiative (page 33)

Address barriers and improve supports for use of telehealth and telemedicine in Alaska

- Telehealth connects patients and providers and allows for the remote delivery of health care services
- Connects providers to providers and helps remove geographic barriers to consultation

Telehealth and Telemedicine Initiative Key Features

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| <ul style="list-style-type: none">• Allow telehealth and telemedicine to be used for a range of purposes• Ensure adequate compensation for facility and time• Build on Tribal Health System success and grow use among non-Tribal providers | <ul style="list-style-type: none">• Support goals of decreasing cost of care and providing care close to home• Take advantage of new fiber optic line that will connect northern region of state |
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11) Medicaid Business Process Improvement Initiative (page 35)

Identify and optimize important Medicaid business processes and procedures to ensure that DHSS and the Medicaid delivery system are able to operate as efficiently and effectively as possible, as well as build the system's capacity to support new care delivery and other reform models

Medicaid Business Process Improvement Initiative Key Features

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| <ul style="list-style-type: none">• May encompass a variety of process improvements | <ul style="list-style-type: none">• Potential areas of focus include:<ul style="list-style-type: none">• Strengthening the utilization management program• Improving transportation policies• Pre-authorization• Audit processes |
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12) Data Analytics + IT Infrastructure (page 37)

Supports Alaska's ability to implement health care payment and delivery reform initiatives, which will require robust data analytics capabilities and tools to measure performance

- Increases State's capacity to use the data it collects
- Supports the patient data and reporting needs of providers

Data Analytics and IT Infrastructure Improvement Initiative Key Features

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|--|---|
| <ul style="list-style-type: none">• IT systems and architecture support access to required and desired data and reduce redundancy in reporting• Federally required and other reports and advanced analytics | <ul style="list-style-type: none">• Exploration of strategies to maintain a productive and sustainable statewide Health Information Exchange to support appropriate use of patient information; interfaces to support exchange of data• Data accessible from a warehouse or repository |
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Participant Questions

Please type your question in the chat box.

If you'd like a specific person to answer, please indicate their name or organization.

If we are not able to address your question in this session or need to find more information in order to answer it, we will prepare a written response and share it back with the webinar recording.

Ways to Stay Informed about the Project

DHSS Healthy Alaska Plan

<http://dhss.alaska.gov/healthyalaska>

E-mail medicaid.redesign@alaska.gov

Sign up for the DHSS Medicaid Redesign listserv

https://public.govdelivery.com/accounts/AKDHSS/subscribe/new?topic_id=7

Participate in discussions with our key partners!

Thank You!

Please contact us at medicaid.redesign@alaska.gov with questions, feedback or a request for a presentation to your organization.

Presentations and other materials are available at <http://dhss.alaska.gov/healthyalaska>