

**01/27/2017**

**Presentation:**

**Update on**

**Medicaid**

**Reform**

<TARGET><BILL></BILL><SUBJECT>01-27-2017 Presentation  
Update on Medicaid  
Reform</SUBJECT><COMM>SHSS30</COMM></TARGET>



# MEDICAID REDESIGN IMPLEMENTATION

Senate Health & Social Services Committee

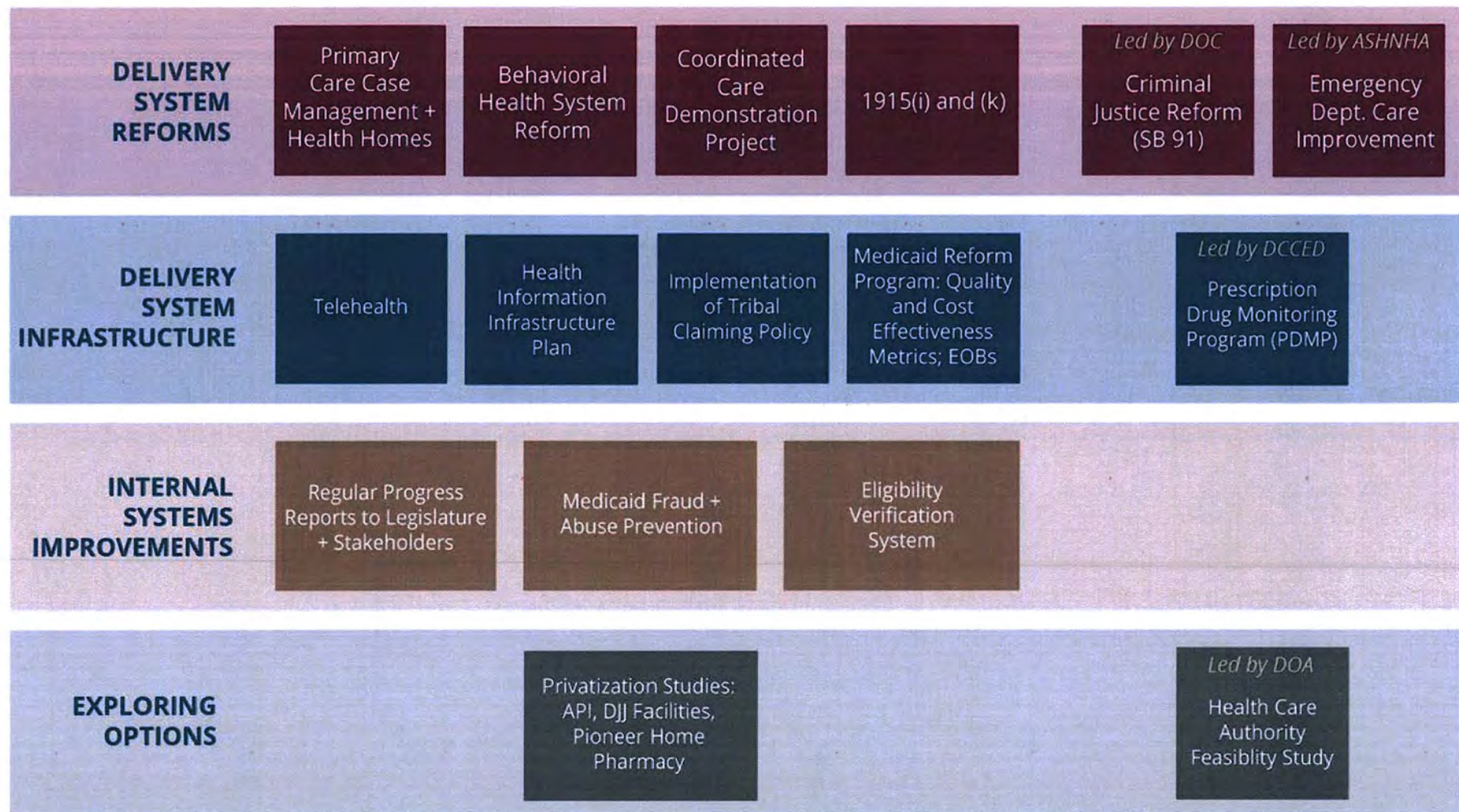
January 27, 2017

# MEDICAID REDESIGN

## Topics to cover today

- Senate Bill 74 Implementation
  - Implementation progress
- Medicaid Expansion Update
- Federal Landscape

# Alaska Medicaid Redesign: Components of SB 74



## Acronyms List

API: Alaska Psychiatric Institute | ASHNHA: Alaska State Hospital and Nursing Home Association | DCCED: Alaska Department of Commerce, Community and Economic Development | DHSS: Alaska Department of Health and Social Services | DJJ: Alaska DHSS, Division of Juvenile Justice  
DOA: Alaska Department of Administration | DOC: Alaska Department of Corrections | EOB: Explanation of Benefits

# Vision for Medicaid Redesign

The Alaska Medicaid Program improves health and pays for value.



Medicaid Enrollees  
Access Appropriate  
Level of Care

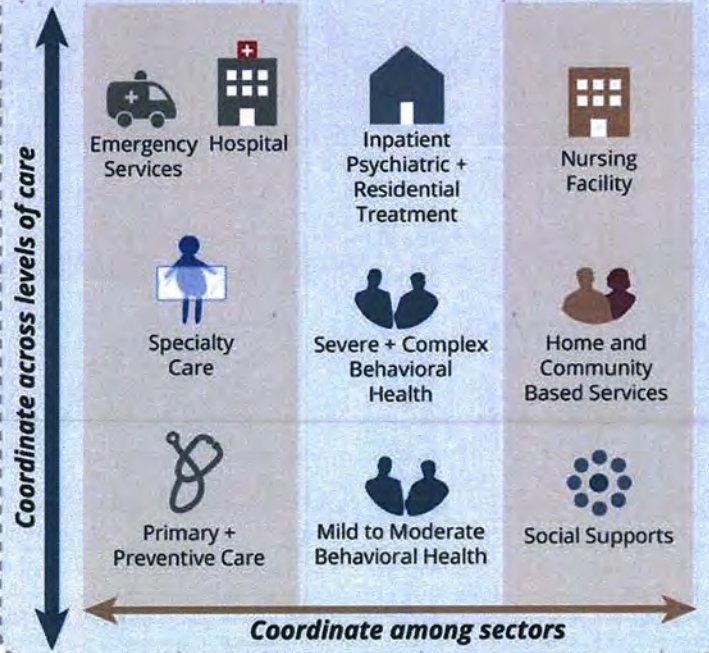
## PRINCIPLES + VALUES

- ✓ Collaborate for whole person, high quality integrated care
- ✓ Focus on health promotion, prevention, maintenance and recovery
- ✓ Coordinate care across providers and integrate across service types
- ✓ Meet the needs of various life stages
- ✓ Ensure culturally and community appropriate services
- ✓ Reduce administrative burden
- ✓ Increase patient and provider satisfaction
- ✓ Increase access to services with telehealth
- ✓ Provide services in the most appropriate setting
- ✓ Reduce gaps in care
- ✓ Engage enrollees to improve health and social conditions
- ✓ Share responsibility among participants, providers and payers
- ✓ Connect providers and payers through health information infrastructure
- ✓ Use data analytics to drive effective, high-value care
- ✓ Leverage federal dollars

## A SYSTEM OF WHOLE PERSON, HIGH VALUE CARE

### Tools for High Value Care

Value-based Payments and Incentives | Care Management  
Data Analytics and Health Information Technology



**Prevention + Community Health**

**Social Determinants of Health**  
*Safe Housing, Employment, Education, Life Skills, Physical Environment, Social and Community Connections*



## DELIVERY SYSTEM REFORMS

# Primary Care Case Management & Health Homes

- Primary Care Case Management
  - Temporarily expand Alaska Medicaid Coordinated Care Initiative (AMCCI)
    - Allow Coordinated Care Demonstration Projects and behavioral health system reform to develop and test new models.
      - Then transition Medicaid recipients to appropriate program
- Health Homes
  - Planning for Health Homes = 2018
    - Scheduled implementation = July 1, 2018
  - Coordinated Care Demonstration Projects may pilot test Health Home model earlier
  - Other reform initiatives may choose to implement a Health Home model

## DELIVERY SYSTEM REFORMS

# Behavioral Health System Reform

- Comprehensive behavioral health reform
  - Alaska Mental Health Trust Authority partnership
- Section 1115 Waiver will be requested from CMS to provide flexibility in Medicaid coverage and payment policies
  - Waiver Concept Paper submitted to CMS - January 4, 2017
  - Submit Waiver application to CMS - July 2017
  - Milliman, Inc. is providing actuarial consulting and analyses.
- Contract with Administrative Services Organization (ASO) to support systems of care
  - Release ASO Request for Information - February 2017
  - Award ASO Contract - January 2018

## DELIVERY SYSTEM REFORMS

# Coordinated Care Demonstration Projects

- Test new delivery system and payment models
- Request for Information
  - 12 responses: regional ACO-type models to statewide full risk managed care
- Pacific Health Policy Group - technical assistance
- Milliman, Inc. - actuarial consulting and analysis
- RFP released December 30, 2016 as required by SB74
- Anticipate intensive and iterative proposal evaluation and negotiation process through-out CY 2017
- <http://dhss.alaska.gov/HealthyAlaska/Documents/RFP%20170007291%20Medicaid%20CCDP%20FINAL.pdf>

## DELIVERY SYSTEM REFORMS

# Coordinated Care Demonstration Projects

- RFP Issued – 12/30/16
- Release of Medicaid Data Book by Milliman – 2/28/17
- Receipt of Questions – 3/27/17
- Receipt of Proposals – 4/17/17
- DHSS & Actuarial Review and Analysis of Proposals Submitted to Proposal Review Committee (PRC) – 5/31/17
- PRC Evaluation Completed – 6/15/17
- Conclude Contract Term Negotiations with Successful Offerors – 8/31/17
- Notice of Intent to Award a Contract(s) – 8/31/17
- Anticipated Federal Approval Receipt Date – 12/31/17
- Anticipated Contract(s) Effective Date – 1/1/18

## DELIVERY SYSTEM REFORMS

# 1915 (i) and (k) Options

- Contracted with HMA to analyze potential opportunities, costs, and savings associated with these options

- Final report:

[http://dhss.alaska.gov/dsds/Documents/MRICC/meetings/20160930/Implementation%20Plan\\_09292016.pdf](http://dhss.alaska.gov/dsds/Documents/MRICC/meetings/20160930/Implementation%20Plan_09292016.pdf)

- HMA's Recommendations:

- Move forward with 1915(k)
  - Institutional Level of Care
- Consider other options for 1915(i)

## DELIVERY SYSTEM REFORMS

# Criminal Justice Reform (SB91 Integration)

- Dept. of Corrections (DOC) is the lead agency
- DHSS role
  - Removes the lifetime ban on food stamps for individuals with felony drug convictions, if conditions related to substance use treatment, recovery and rehabilitation are demonstrated
  - Increase access to evidence-base rehabilitation programs including drug and alcohol treatment, mental health and cognitive behavioral programs
  - Ensure those who are eligible, are enrolled in Medicaid and other available public assistance programs upon release from a correctional facility
  - Increased partnerships between DOC, DHSS and community service agencies to provide “in-reach” programming, consultation and support.

## DELIVERY SYSTEM REFORMS

# Emergency Dept. Care Improvement

- Alaska State Hospital & Nursing Home Association is the lead
  - Alaska Chapter of the American College of Emergency Physicians
- Similar to Washington state's "ER is for Emergencies" program
- Real-time information exchange is key to success
  - Emergency Department Information Exchange (EDIE) solution selected
  - Providence plans to go-live in February
    - Anchorage, Kodiak, Valdez and Seward
- Establish uniform statewide guidelines for prescribing narcotics
  - Final version are being reviewed by hospitals
  - Important tool to reduce opioid abuse in Alaska

## DELIVERY SYSTEM INFRASTRUCTURE

# Telehealth Workgroup

- Identify opportunities, barriers and solutions for expanding the use of telehealth
- Stakeholder representatives solicited in August
- Report / Recommendations - Annual Medicaid Reform Report
- Next Meeting: Feb. 9<sup>th</sup> at 9:00am
  - Public Notices for meeting announcements
    - <https://aws.state.ak.us/OnlinePublicNotices/Notices/Search.aspx>
    - Search “Medicaid Redesign”

## DELIVERY SYSTEM INFRASTRUCTURE

# Telehealth Workgroup Members

- Brooke Allen Behavior Analyst
- Connie Beemer Alaska State Hospital & Nursing Home Association
- Denise Daniello Alaska Commission on Aging
- Mark Erickson, MD Alaska Psychiatric Institute
- Brent Fisher Alaska Sleep Clinic
- Matthew Hirschfeld, MD Alaska Native Medical Center
- Philip Hofstetter Norton Sound Health Corporation
- Laura Hudson Alaska Regional Hospital
- Laura Johnston Southcentral Foundation
- Richard Kiefer-O'Donnell University of Alaska
- Ken McCarty Discovery Cove Recovery & Wellness Center
- Monique Marquis Fairbanks Memorial Hospital
- Trina McCandless Emergency medical services
- Robert Onders, MD Alaska Native Tribal Health Consortium
- Georgiana Page Alaska eHealth Network
- Patti Paris, MD Alaska Chapter of American College of Emergency Physicians
- Christopher Simon Tanana Chiefs Conference
- Mark Williams Providence Health & Services Alaska
- Thad Woodard, MD Private Practice Pediatrician

## DELIVERY SYSTEM INFRASTRUCTURE

# Health Information Infrastructure Plan

- HealthTech Solutions LLC selected to support the Health Information Infrastructure Plan
- Stakeholder representatives solicited in December
  - Public Notices for meeting announcements
    - <https://aws.state.ak.us/OnlinePublicNotices/Notices/Search.aspx>
    - Search “Medicaid Redesign”
- CMS approved DHSS HITECH funding request that includes reforms support
  - 90/10 Match

## DELIVERY SYSTEM INFRASTRUCTURE

# Tribal Claiming Policy

- New Guidance
  - reinterprets services “received through” an IHS facility
- Extends service through tribal / non-tribal partnerships under certain circumstances

## Medicaid Reform Program

11 different Medicaid reforms specified

- Electronic distribution of EOBs
- Annual report to the Legislature due Nov. 15
- Quality and Cost Effectiveness Workgroup
  - Identify annual quality and cost effectiveness targets
  - Report / Recommendations - Annual Medicaid Reform Report
  - Next Meeting: Feb. 16<sup>th</sup> - 1:00pm to 5:00pm
  - Public Notices for meeting announcements
    - <https://aws.state.ak.us/OnlinePublicNotices/Notices/Search.aspx>
    - Search “Medicaid Redesign”

## DELIVERY SYSTEM INFRASTRUCTURE

### Quality and Cost Effectiveness Workgroup members

- Kathy Allely Parent of IDD Medicaid waiver recipient
- Barbara Berner School of Nursing, University of Alaska Anchorage
- Dave Branding Juneau Alliance for Mental Health
- Alan Gross, MD Petersburg Medical Center
- Andrea Gurley Alaska Regional Hospital
- Amberly Hobbs Mountain-Pacific Quality Health
- Jerry Jenkins Anchorage Fairbanks Community Mental Health Services
- Patty Linduska Alaska Primary Care Association
- Nancy Lovering Speech-language pathologist, private practice
- Rebecca Madison Alaska eHealth Network
- Jacqueline Marcus-Ledford Yukon Kuskokwim Health Corporation
- Jeannie Monk Alaska State Hospital & Nursing Home Association
- Nick Papacostas, MD American College of Emergency Physicians
- Jim Roberts Alaska Native Tribal Health Consortium
- Sharon Skidmore Physical Therapy for Kids, LLC
- Steve Tierney Southcentral Foundation

## DELIVERY SYSTEM INFRASTRUCTURE

# Prescription Drug Monitoring Program

- Dept. of Commerce, Community & Economic Development is the lead agency
- Registering with the database
  - Drug Enforcement Agency number
  - Dentists, Physicians, ANPs, Optometrists, Pharmacists
- Exemptions when prescribing or dispensing schedule II or III controlled substances
- Submit data on at least a weekly basis
- Access for tribal health practitioners
- Guidelines for the prescription of Schedule II controlled substances
- Medicaid Pharmacist has access

## INTERNAL SYSTEMS IMPROVEMENTS

# Reporting Requirements

- Annual Medicaid Reform Report – 11/15/16
- Annual Medicaid Fraud, Payment Error Rate Measurement and Eligibility Quality Control Report – 11/15/16
- Other one-time or time limited reports
  - Semi Annual Status report on MMIS – 12/15/16
- Reports available:

<http://dhss.alaska.gov/HealthyAlaska/Pages/Initiatives/Initiative-11.aspx>

## INTERNAL SYSTEMS IMPROVEMENTS

# Fraud & Abuse Prevention

- Allows the department to assess interest and penalties on any identified overpayment
- Requires providers to conduct self-audits every two years
- Completed the Fraud, Abuse and Waste, payment and Eligibility errors report to the Legislature (11/15/16)
- Fraud and Abuse Inter-Department committee
  - Audit and Provider Record Keeping Regulations near completion
- Alaska Medicaid False Claim and Reporting Act
  - <http://www.akhealthreform.org/medicaid-redesign/>

## INTERNAL SYSTEMS IMPROVEMENTS

# Eligibility Verification System

- Computerized income, asset and identity verification system
  - Third party vendor
  - Annual savings must exceed the cost of implementing the system
- Verify eligibility, eliminate duplication of public assistance payments, and deter waste and fraud in public assistance programs.

## EXPLORING OPTIONS

# Privatization Studies

- API privatization feasibility study - Public Consulting Group (PCG)
- DJJ privatization feasibility study - Carter Goble Lee, Inc. (CGL)
- RFP for the Pioneer Homes pharmacy privatization study was released twice
  - Both times the offeror was deemed non-responsive
- Reports will be distributed to the Legislature on Friday

## EXPLORING OPTIONS

# Health Care Authority

- Dept. of Administration is the lead agency
- Study the feasibility of creating a Health Care Authority to coordinate or consolidate state health care purchasing
- PRM Consulting Group selected
  - Surveying employee health benefit programs
  - 1<sup>st</sup> consultant report: February 2017
  - 2<sup>nd</sup> consultant report: July 2017

# MEDICAID REDESIGN

## Keeping the Public informed

- Email Updates
  - Sign up for the Medicaid Redesign List-serv
  - Email [Medicaid.Redesign@alaska.gov](mailto:Medicaid.Redesign@alaska.gov)
- Public Notices for meeting announcements
  - <https://aws.state.ak.us/OnlinePublicNotices/Notices/Search.aspx>
  - Search “Medicaid Redesign”
- [dhss.alaska.gov/healthyalaska](http://dhss.alaska.gov/healthyalaska)
  - Recordings of webinars
  - Archives – Medicaid Redesign Planning Process (2015)
  - Initiative Pages



# MEDICAID IN ALASKA

December 28, 2016

## 27,415

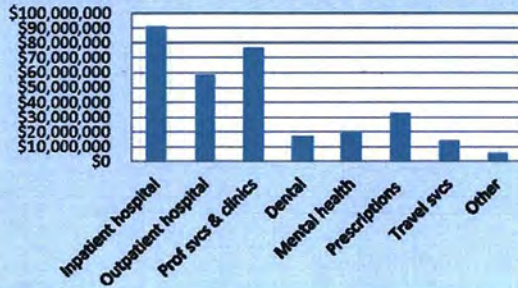
Lives covered by Medicaid expansion

### Demographics of Medicaid expansion enrollees

	19-34	35-44	45-54	55-64
Enrollee count	10,522	4,378	6,206	6,309
Male	15,560		Female 11,855	

Medicaid expansion began on Sept. 1, 2015 in Alaska.

### Medicaid expansion claims paid to date

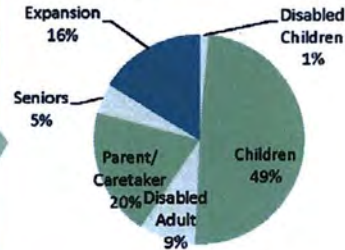


Total \$316,313,335

100% federally funded through CY16 and will transition to 90% in 2020 and beyond.

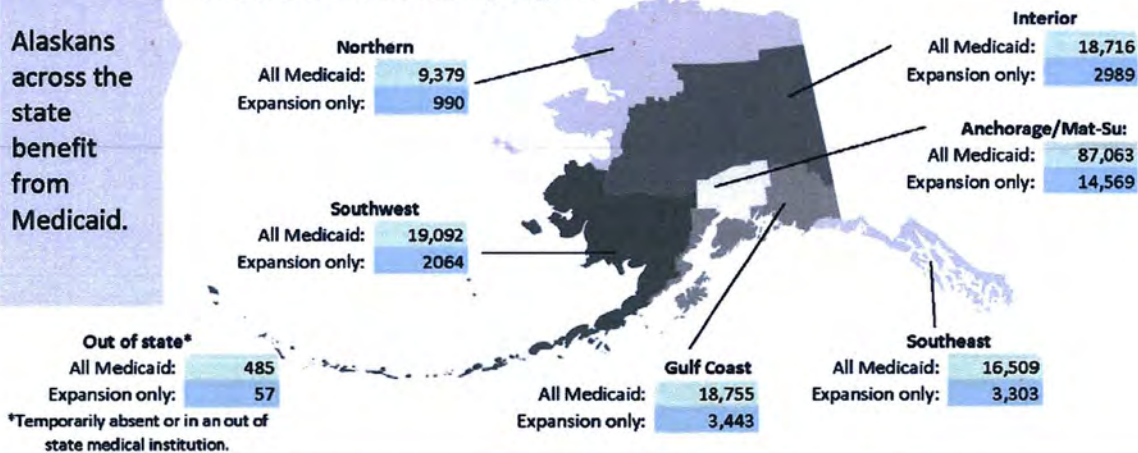
Medicaid provides health benefits to many Alaskans.

### All Medicaid enrollees by category



Alaskans across the state benefit from Medicaid.

### Medicaid enrollees by region



\*Temporarily absent or in an out of state medical institution.

## 169,999

Lives covered by all Medicaid

### Demographics of all Medicaid enrollees

	18 or less	19-34	35-44	45-54	55-64	65+
Enrollee count	81,340	36,001	15,789	13,969	13,152	9,748
Male	82,006		Female 87,993			

## MEDICAID REDESIGN

### **ACA Repeal and Replace Impacts**

#### Repeal:

- Medicaid Expansion
- Marketplace Plans
- Health Homes
- 1332 Waiver (Division of Insurance)
- Individual Mandate
- 1915(k) Options
  - Home and Community Based Services

#### Replace:

- Medicaid Block Grants / Per Capita

# Questions?

## Thank you!

