Public Forum on the Medicaid Section 1115 Waiver

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Updates on Enrollment and Expenditures under the Section 1115 waiver

Enrollment by Year & Category, 2014-2018

% Receiving*:
Nursing Services: 6.5%
HCBS: 11.5%

% Receiving*:
Nursing Services: 1.7%
HCBS: 4.4%

ABD = Age, Blind and Disabled eligibility groups

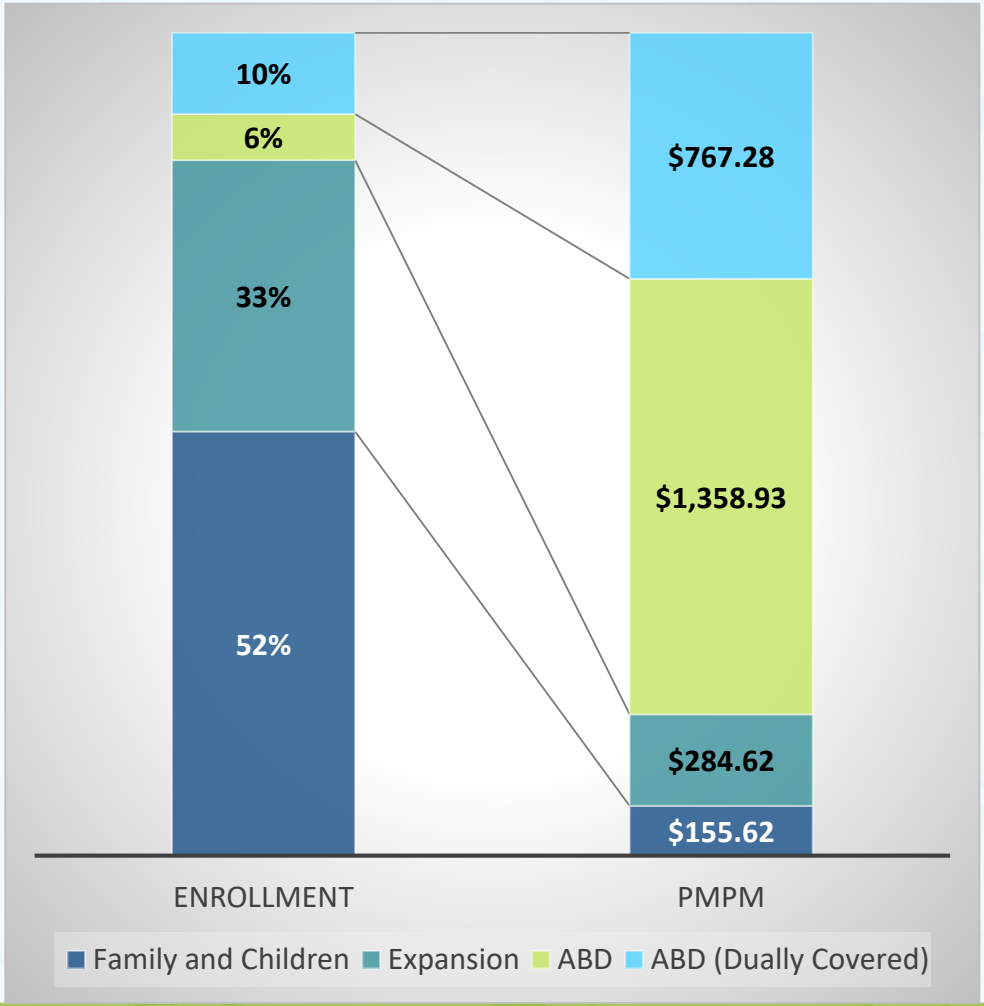
ABD Dually Covered = Those Age, Blind and disabled individuals covered by both Medicare & QUEST-Medicaid

Expansion: Low-income adults up to 138% of the Federal Poverty Line

** Excludes some data due to incomplete data (Kaiser ABD beneficiaries)

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, Med-QUEST Division.

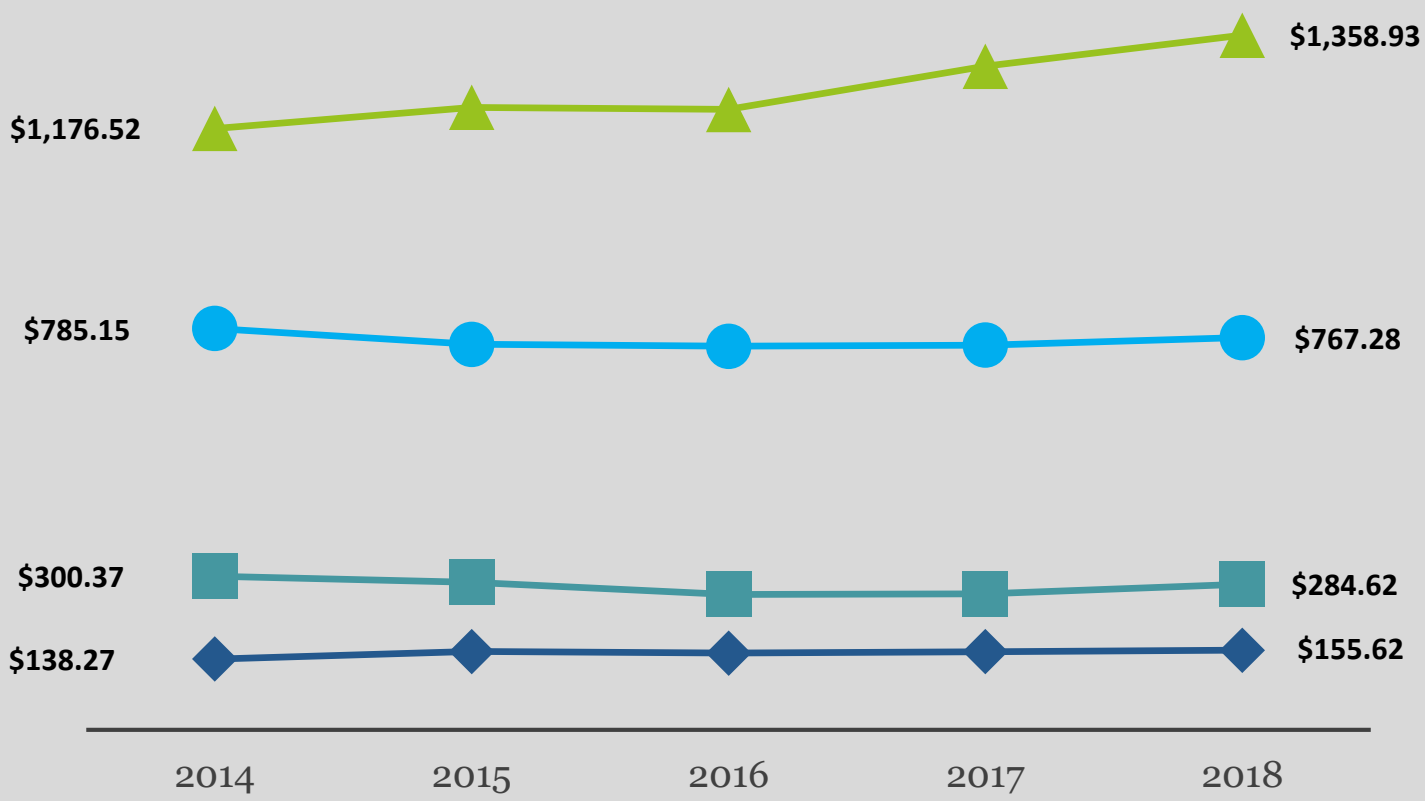
Enrollment Proportion & Total PMPM*, 2018



*PMPM based on total medical services expenditures only. Excludes FQHC encounters, CAH costs, CDPA services; sub-capitation payments; some retroactively enrolled members; pass through payments and spend down; Kaiser data and HMSA Dual Pharmacy data. Excludes Kaiser beneficiaries as PMPM calculations exclude this population.

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, Med-QUEST Division.

PMPM by Category & Year (2014-2018)*



ABD**

ABD (Dually Covered)**

Expansion

Family and Children

* Excludes FQHC encounters, CAH costs, CDPA services; sub-capitation payments; some retroactively enrolled members; pass through payments and spend down; Kaiser data and HMSA Dual Pharmacy data; and includes nursing home costs for waitlisted members; and HCBS-related chore services.

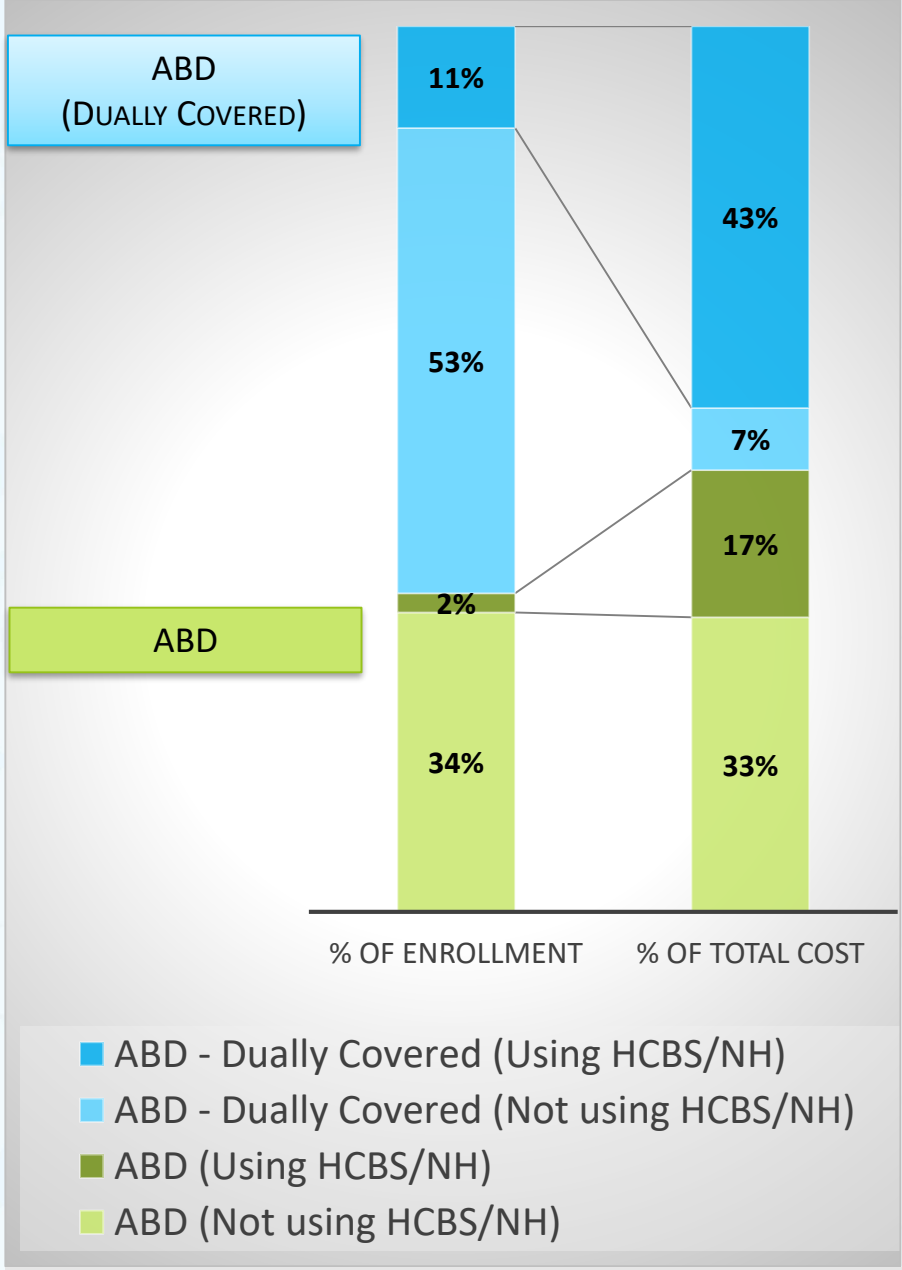
** Includes both medical and non-medical costs (i.e. Nursing Home and/or Home and Community Based Services)

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, Med-QUEST Division.

ABD Population (2018)

- ABD vs. ABD (Dually Covered)
  - Costs of the dually covered population is subsidized by Medicare
- Differences within each based on utilization of Nursing Home facilities (NH)/Home and Community Based Services (HCBS)

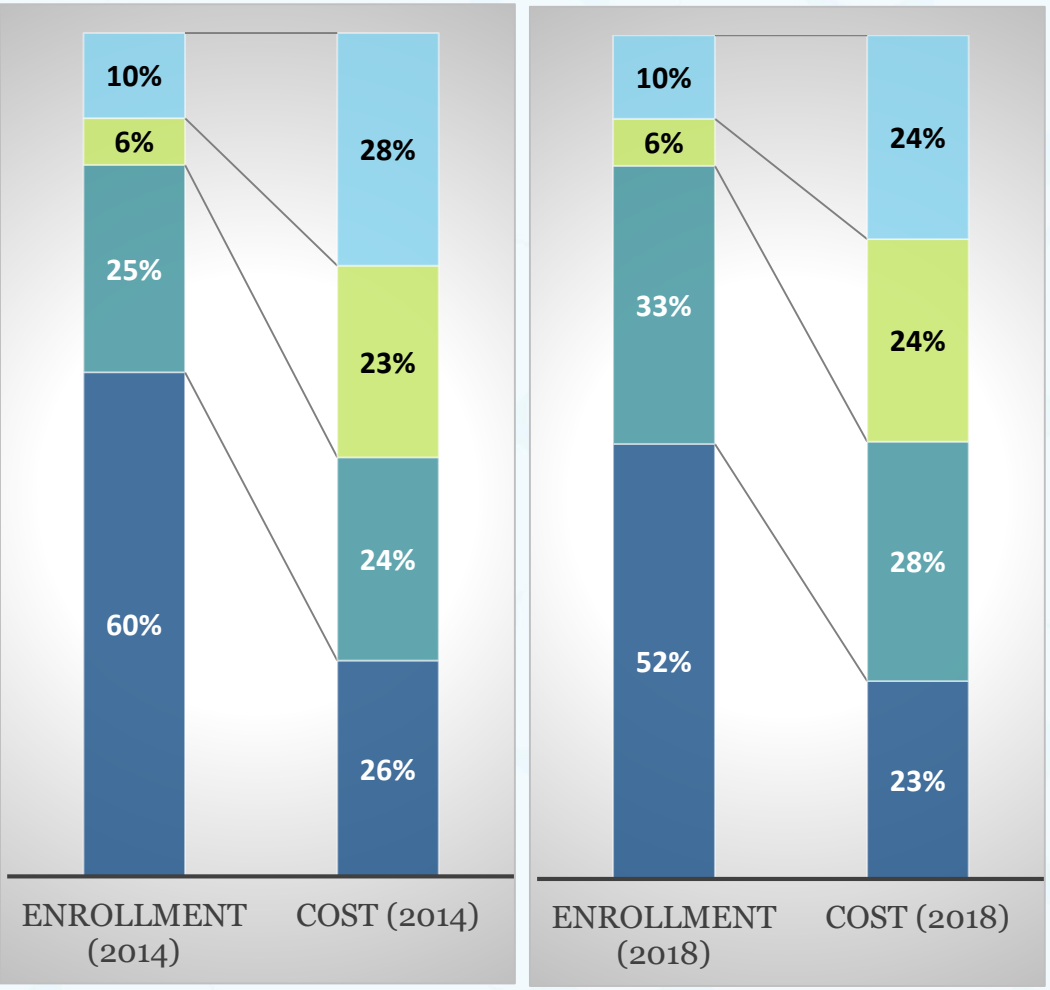
ABD Category	PMPM
ABD - Dually Covered (Using HCBS/NH)	$3,679.39
ABD - Dually Covered (Not using HCBS/NH)	$130.64
ABD (Using HCBS/NH)	$7,488.47
ABD (Not using HCBS/NH)	$964.33



** Excludes FQHC encounters, CAH costs, CDPA services; sub-capitation payments; some retroactively enrolled members; pass through payments and spend down; Kaiser data and HMSA Dual Pharmacy data; and includes nursing home costs for waitlisted members; and HCBS-related chore services. Medical costs for the populations receiving NH/HCBS services are estimated to be equivalent to the PMPM for the overall ABD population, and therefore may be underestimated.

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, Med-QUEST Division

Enrollment & Total Cost, by Category – 2014 and 2018**



ABD (Dually Covered)
Proportion of population is stable; costs have shrunk slightly.

ABD
Proportion is stable; costs have risen slightly.

Expansion
Proportion is growing; costs have shrunk.

Family & Children
Proportion is shrinking; costs have risen slightly.

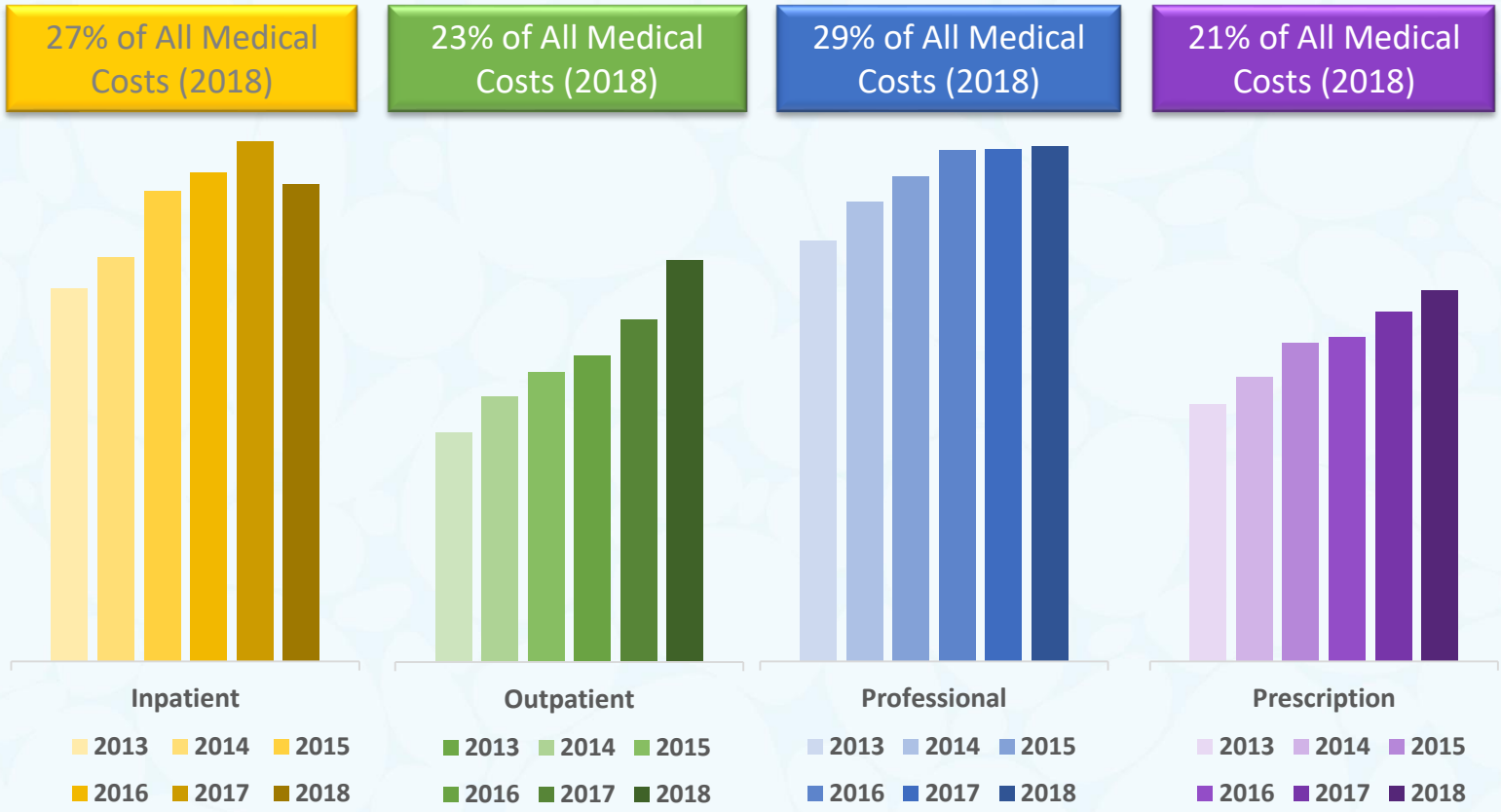
Overall costs are increasing because the population size is increasing.

Family and Children | Expansion | ABD | ABD (Dually Covered)

**Based on total medical services expenditures only. Excludes FQHC encounters, CAH costs, CDPA services; sub-capitation payments; some retroactively enrolled members; pass through payments and spend down; Kaiser data and HMSA Dual Pharmacy data.

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, Med-QUEST Division.

Total Costs Per Medical Service Utilization by Year (2013-2018)**

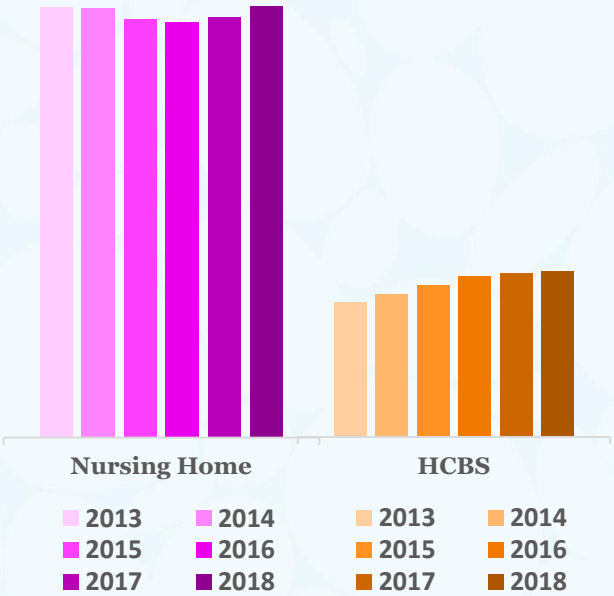


**Based on total medical services expenditures only. Excludes FQHC encounters, CAH costs, CDPA services; sub-capitation payments; some retroactively enrolled members; pass through payments and spend down; Kaiser data and HMSA Dual Pharmacy data.

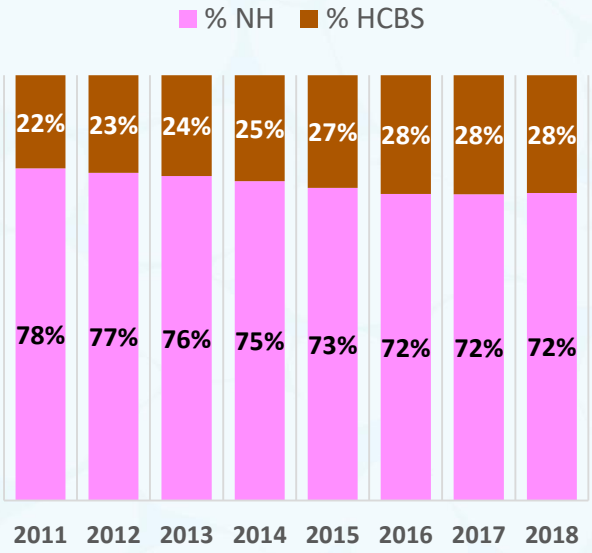
Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, Med-QUEST Division.

Nursing Home (NH) and Home and Community Based Services (HCBS) Costs Per Year (2013-2018)**

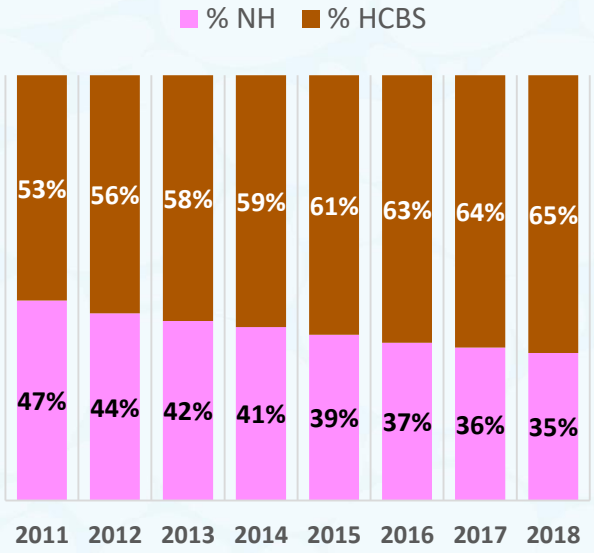
NH and HCBS Total Costs, 2013-2018



Relative Proportion of NH and HCBS **Costs** By Year, 2013-2018



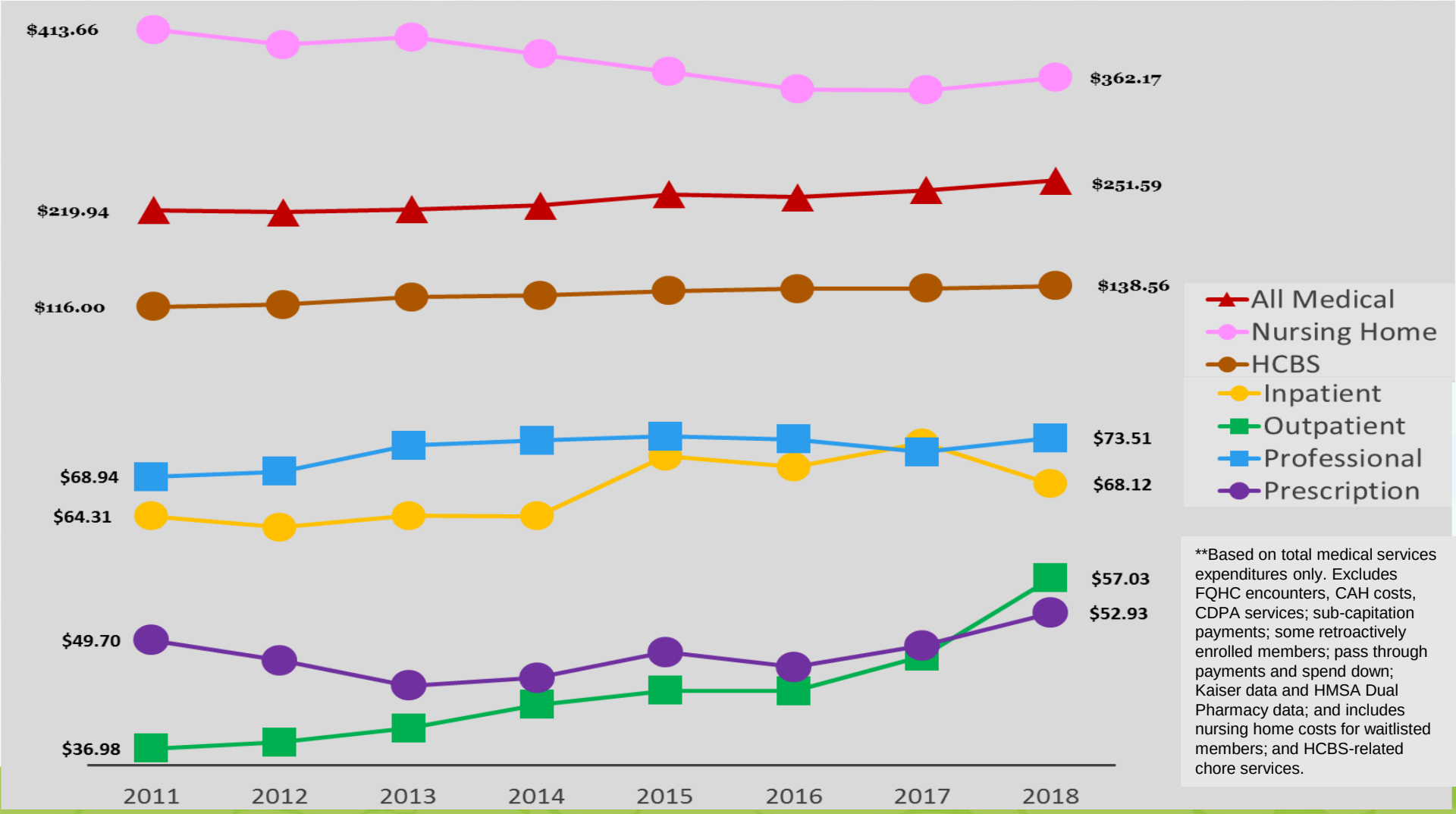
Relative Proportion of NH and HCBS **Member Months** By Year, 2013-2018



**Based on total nursing home and home and community based services related expenditures only; includes nursing home costs for waitlisted members; and HCBS-related chore services.

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, MedQUEST Division.

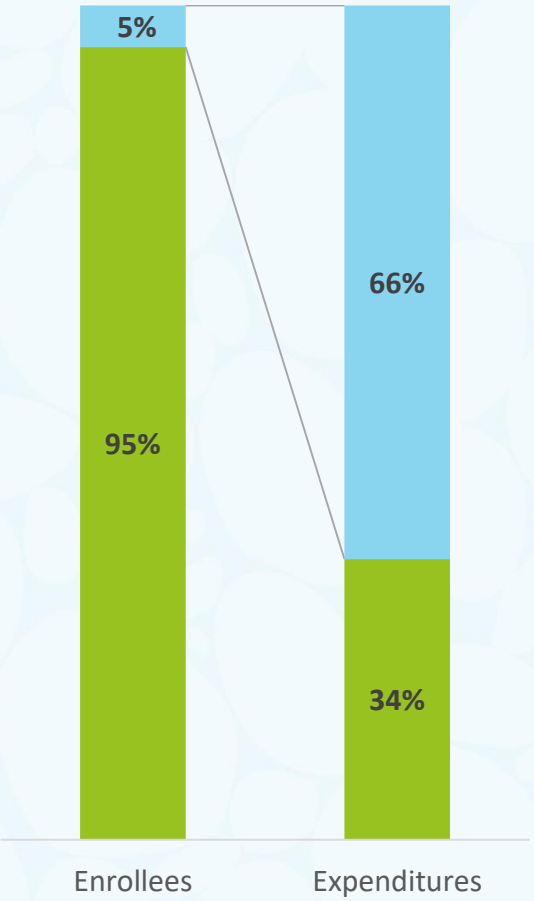
Cost Per Service (PMPM; Medical & Non-Medical) & Year (2013-2018)**

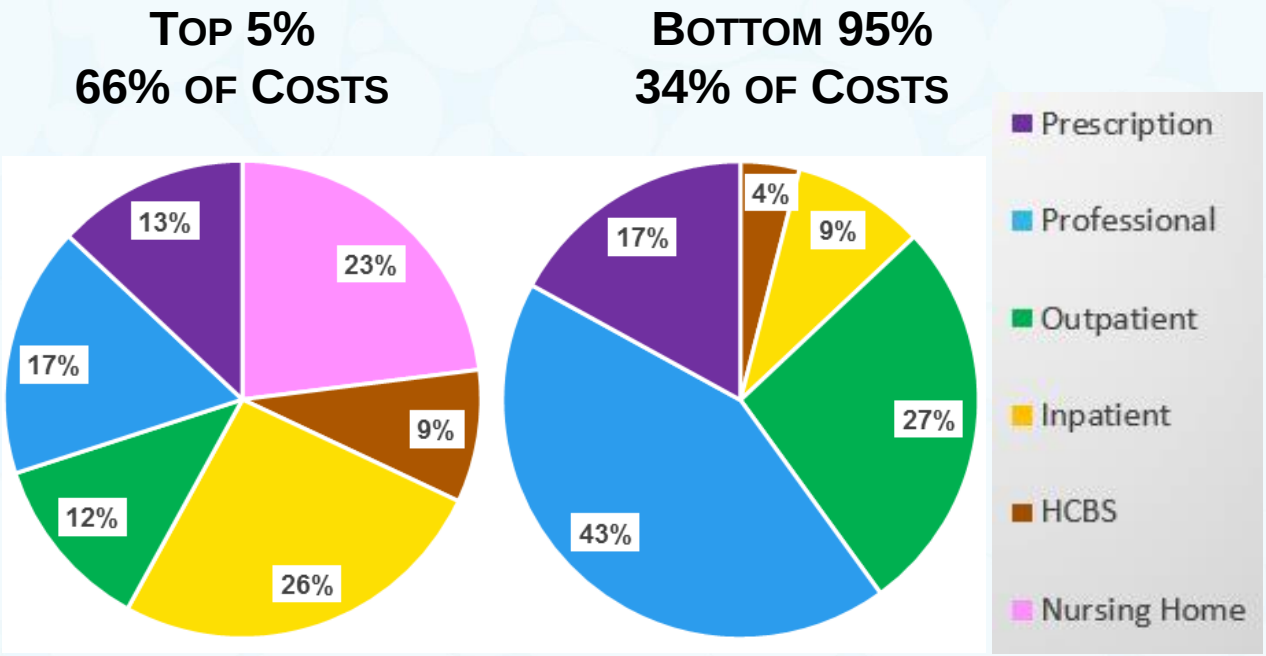


**Based on total medical services expenditures only. Excludes FQHC encounters, CAH costs, CDPA services; sub-capitation payments; some retroactively enrolled members; pass through payments and spend down; Kaiser data and HMSA Dual Pharmacy data; and includes nursing home costs for waitlisted members; and HCBS-related chore services.

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, Med-QUEST Division.

The Top 5%* (2018)





*Based on total expenditures. (1) Excludes Kaiser membership and claims. (2) Includes all FFS (medical, pharmacy, and LTSS) and CDPA claims. Capitation, sub-capitated payments, and transportation claims were excluded. (3) Claims have been adjusted for completion.

Source: Milliman. Prepared on behalf of the Hawaii Department of Human Services, MedQUEST Division.

CMS Approval of Section 1115 Waiver

Med-QUEST (MQD) received approval for its Section 1115 waiver renewal

- The 1115 waiver has been in effect since 1994.
- On July 31st, 2019, the Centers for Medicare and Medicaid Services (CMS) approved MQD's 1115 waiver renewal request.
- The waiver allows MQD to operate a managed care program, provide certain specialty services, and expand eligibility for certain specific population groups.
- This renewal authorizes the waiver for another five years, from August 1, 2019 to July 31, 2024.

Home- and Community- Based Services (HCBS) will continue under the Demonstration

- Hawai‘i is one of a few states that has authorization for HCBS through its 1115 waiver.
- Other states typically have one or more 1915 waivers that authorize HCBS.
- CMS agreed to let Hawai‘i continue to use the 1115 as the vehicle until 2024.
  - CMS may agree to continue to allow HCBS to be covered through an 1115 beyond 2024
  - MQD must put into place more reporting requirements for HCBS

Community Integration Services (CIS)

- CMS continued the authorization for CIS, also known as supportive housing services.
- CIS gives MQD the ability to support individuals that are homeless and at-risk of homelessness that meet a needs-based criteria.
  - Needs-based criteria includes either:
    - A mental health or substance use disorder (SUD) need; or
    - A complex physical health need.
- Under the QI program, health plans and providers are able to provide services that help a beneficiary find a home as well as provide support to help the individual stay in the home after they are placed.
- MQD has been working with health plans and stakeholders in launching CIS and will be issuing guidance imminently.

Community Transition Services Pilot

- MQD asked to expand the services available under CIS in the waiver renewal to better support individuals experiencing homelessness.
- MQD has been given authorization to provide the following services:
  - Transitional Case Management Services
  - Housing Quality and Safety Improvement Services
  - Legal Assistance
  - Securing House Payments
- MQD is currently working internally and with stakeholders on this program.

Retroactive Coverage for All Beneficiaries

- MQD removed its longstanding waiver of retroactive coverage rules for all populations.
- Prior to the waiver renewal, MQD provided 90 days of retroactive coverage to only individuals eligible for long term care services.
- MQD changed its policy in the new waiver and now allows retroactive coverage for all Medicaid members up to 90 days.

Medical Respite – NOT approved

- MQD asked for authorization to provide coverage for "medical respite," also known as "recuperative care."
- Medical respite would have allowed MQD to reimburse housing for individuals experiencing homelessness if they were receiving some ongoing healthcare services after leaving a hospital.
  - The housing would have only been for a short-term period, approximately 1 to 2 months.
- Unfortunately, CMS informed MQD that it was not approving requests for medical respite at this time and let us know they had denied coverage in other states too.
- We continue to work with CMS to see if there may be other ways to cover this service.

Next Steps

- MQD is interested in seeking additional waiver authorities during this waiver period through a waiver amendment.
- Currently, MQD is interested in seeking waiver approval for:
  - Additional mental health services, including the ability to reimburse for residential treatment;
  - Additional substance use disorder (SUD) services, also including the ability to reimburse for residential treatment; and
  - Medical respite services if CMS decides to authorize that service.
- MQD will begin to develop these ideas and additional ideas internally and begin to work with stakeholders on other opportunities in the coming months.

PUBLIC COMMENT PERIOD

Public Comments on the Section 1115 Waiver May Be Submitted To:

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