

Hawaii QUEST Integration
1115 Waiver
Quarterly CMS Monitoring Report

Federal Fiscal Year 2022 3rd Quarter
(DY28 Q3)

Date Submitted: August 30, 2022

Reporting Period:

April 2022 – June 2022

Federal Fiscal Quarter: 3rd Quarter 2022

State Fiscal Quarter: 4th Quarter 2022

Calendar Year Quarter: 2nd Quarter 2022

Demonstration Year: 28th Year (10/1/21 – 9/30/22)

Table of Contents

I. Introduction	3
II. Operational Updates	4
A. Key Achievements and Challenges Related to the 1115 Waiver	4
1. Managed Care	4
2. Home and Community Based Services (HCBS) and Personal Care	5
3. Community Integration Services (CIS).....	5
4. Other	6
B. Issues or Complaints Identified by Beneficiaries	6
C. Audits, Investigations, Lawsuits, or Legal Actions	7
D. Unusual or Unanticipated Trends.....	7
E. Legislative Updates	7
F. Descriptions of any Public Forums Held.....	8
1. Public Forum for Section 1115 Demonstration Project	8
III. Performance Metrics	10

A. Impact of the Demonstration	10
1. Providing Insurance Coverage to Beneficiaries and the Uninsured Population	10
2. Outcomes of Care, Quality of Care, Cost of Care, and Access to Care.....	10
B. Results of Beneficiary Satisfaction Surveys (if conducted)	10
C. Results of Grievances and Appeals (from Health Plans)	11
IV. Budget Neutrality and Financial Reporting Requirements	11
A. Financial Performance of the Demonstration	11
B. Updated Budget Neutrality Workbook.....	11
C. Quarterly and Annual Expenditures.....	11
D. Administrative Costs.....	12
V. Evaluation Activities and Interim Findings.....	12
A. Current Results of the Demonstration per the Evaluation Hypotheses	12
B. Progress Summary of Evaluation Activities	12
1. Key Milestones Accomplished.....	12
2. Challenges Encountered and How They Were Addressed.....	12
3. Interim Findings (when available).....	12
4. Status of Contracts with Independent Evaluators (if applicable)	13
5. Status of Institutional Review Board Approval (if applicable)	13
6. Status of Study Participant Recruitment (if applicable).....	13
7. Result or Impact of the Demonstration Programmatic Area Defined by CMS that is Unique to the Demonstration Design or Evaluation Hypotheses	13
VI. Med-QUEST Division Contact.....	13

Attachments

Attachment A: Up-To-Date Budget Neutrality Summary

The Budget Neutrality Summary (worksheet) for the quarter ending 3/31/2022 is attached. The Budget Neutrality Summary for the quarter ending 6/30/2022 will be submitted by the 8/31/2022 deadline.

Attachment B: Budget Neutrality Workbook

The Budget Neutrality Workbook for the quarter ending 3/31/2022 is attached. The Budget Neutrality Summary for the quarter ending 6/30/2022 will be submitted by the 8/31/2022 deadline.

Attachment C: Schedule C

A Schedule C for the quarter ending 6/30/2022 is attached. Schedule C includes a summary of expenditures for the reporting period.

I. Introduction

Hawaii's QUEST Integration (QI) is a state of Hawaii (State) Department of Human Services (DHS) and Med-QUEST Division (MQD) comprehensive section 1115(a) Demonstration that expands Medicaid coverage to children and adults originally implemented on August 1, 1994. QUEST Integration uses capitated managed care as a delivery system unless otherwise indicated. Also, QI provides Medicaid State Plan benefits and additional benefits including institutional, and home and community based, long-term services and supports based on medical necessity and clinical criteria, to beneficiaries eligible under the State Plan and to the Demonstration populations.

Med-QUEST Division continues to focus on a comprehensive health care delivery system transformation, called the HOPE Initiative. "HOPE" stands for Hawaii-Medicaid Ohana-Nui Project Expansion. The goal of the initiative is to achieve the Triple Aim of better health, better care, and sustainable costs for our community. Med-QUEST Division anticipates that the investments in healthy families and healthy communities will translate to improved health and well-being through decreased onset of preventable illnesses, improved early detection and optimal management of conditions, and a continued sustainable growth rate in healthcare spending from reductions in unnecessary care and shifts of care to appropriate settings. Med-QUEST Division also focuses on the integration of behavioral health and health-related social risk factors taking a whole-person health approach.

The current QI contracts are held by five health plans. Those five health plans are AlohaCare, Hawaii Medical Service Association (HMSA), Kaiser Permanente, Ohana Health Plan, and UnitedHealthcare (collectively, Health Plans). Med-QUEST Division works closely with the Health Plans to facilitate contract implementation and improve healthcare access and services to members.

A task force of key MQD and Health Plan staff has continued to meet twice monthly on various critical topics, including deliberation and planning for post-PHE redeterminations and unwinding activities. Med-QUEST Division is collaborating with the Health Plans on ways to prepare for the upcoming redeterminations, and to effectively disseminate and communicate redetermination information and its importance, to members. The primary messaging focus is currently on having members update their contact information.

Also, this quarter yielded much anticipated and hard-fought improvements and expansions to the State Medicaid program. In particular, MQD received legislative and budget approval to expand post-partum coverage of members for a full 12 months after delivery date, from the previous 60-day post-partum coverage period. Med-QUEST Division also received legislative and budget approval to expand adult dental benefits beyond emergency dental services, to include prevention, oral disease control, and some restoration of chewing functions.

II. Operational Updates

A. Key Achievements and Challenges Related to the 1115 Waiver

1. Managed Care

Health Plan Reporting

This quarter, Health Plans continued to submit newly designed reports as part of the QI 2021 contract. Embedded in these reports, is a framework to consolidate reporting information into specific focus areas and to analyze performance based on Key Performance Indicators (KPIs). During 2021, and continuing into 2022, weekly training and technical assistance sessions have been held with the Health Plans to socialize the new reports. Report tools for these reports have been updated based on feedback from the Health Plans, and such updates are incorporated into the Health Plan Manual. Med-QUEST Division is looking at ways to streamline reporting and reduce administrative burden on Health Plans and MQD staff. These include combined data files and working toward more automated reporting.

Dual Eligible Special Needs Plans (D-SNPs)

A key achievement reached during this quarter and related to Dual Eligible Special Needs Plans (D-SNPs), is the award of 3 years of technical assistance through the Advancing Medicare and Medicaid Integration (AMMI) initiative of Arnold Ventures. Arnold Ventures, a philanthropy organization, is providing grant funds and is partnering with the Center for Health Care Strategies (CHCS) to provide technical assistance and support to states in developing and implementing strategies to improve the integration of care for the duals population (individuals eligible to receive both Medicare and Medicaid). ATI Advisory, a research and advisory firm, was the grant applicant and contracted with Speire Healthcare Strategies, LLC, a boutique health care consulting firm, to provide the assistance to MQD.

From March through May of 2022, MQD worked closely with ATI Advisory and Speire Healthcare Strategies to develop and frame the various objectives and initiatives proposed. The grant was reviewed and awarded by Arnold Ventures in June 2022. The culminating project is titled, *“Elevating Integrated Care Options and Program Design for Dual Eligible Beneficiaries in Hawaii”*. This project has 3 main initiatives: enhancing the D-SNP platform with the launch of Fully Integrated Dual Eligible Special Needs Plans (FIDE SNPs) and all FIDE requirements; leveraging the

All-Payer Claims Database (APCD) and implementing other data sharing and strategies to facilitate the coordination of care between D-SNPs and other state agencies for Medicaid subpopulations receiving specialized care through carve-out programs; and increasing knowledge of the Medicare Fee For Service (FFS) populations to identify areas of need such as education opportunities, and to inform Managed Long Term Services and Supports (MLTSS) program design.

Key to this success, is the knowledge and expertise of both ATI Advisory and Speire Healthcare Strategies, and the close collaboration between them and MQD.

All Patient Refined Diagnosis Related Groups (APR DRGs)

As noted in prior quarterly reports, for admissions beginning on July 1, 2022, the APR DRG payment methodology will be used for inpatient hospital payments as approved by CMS in the Hawaii State Plan section 4.19a. In preparation, Hawaii has continued to meet frequently with the Health Plans and hospitals, including in joint meetings convened by the hospital trade association, Healthcare Association of Hawaii.

Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program: Periodicity & Modernization – “EPSDT Online”

As described in the prior quarterly report, EPSDT Online launched January 1, 2022 and continues to mature. Med-QUEST Division requires EPSDT providers to submit clinical EPSDT data for enhanced reimbursement. The EPSDT Online tool modernizes the processes for all stakeholders while also improving the quality of clinical data collected. EPSDT providers can now submit clinical EPSDT visit data to a shared database where plans, and providers can access, review, and provide feedback on submissions of EPSDT visit data. This reporting period activity for EPSDT Online focused on post-launch updates to improve user experiences, development of a self-service user administration module, and working with Health Plans to prepare for implementation of file processing.

2. Home and Community Based Services (HCBS) and Personal Care

This quarter, MQD initiated contracting for a home and community based services rate study. This is rated to the American Rescue Plan Act (ARPA) HCBS spending plan as well as a legislative resolution to conduct such a study.

3. Community Integration Services (CIS)

Hawaii has increased its recent efforts to enroll providers for CIS. In the current quarter, Hawaii added five additional CIS providers, bringing the total to seven CIS providers.

4. Other

Member Outreach

New contracts for community outreach were procured during this quarter. Many of the same contractors were awarded contracts, along with a few new contractors. All information regarding these community partners is listed on the MQD website.

Data Quality Strategy

This quarter, the MQD Health Analytics Office (HAO) and contractor Freedman Healthcare (FHC) continued work on the 2022 Data Quality Strategy.

In April, MQD adopted a set of updated data quality definitions of completeness, validity, timeliness, plausibility, and accuracy. While the 2022 Data Quality Strategy is focused on encounter data quality improvement, these definitions are flexible enough to be applied to future areas of data quality improvement work.

For the goal to reduce pended encounters, HAO and FHC leveraged previous work that compared encounter data edits with MQD business policies to understand: 1) which edits do not align with MQD business policies; 2) which edits align with MQD business policies but aren't well-documented for the Managed Care Organizations (MCOs); and 3) which edits align with MQD business policies and are well-documented. This quarter, HAO and FHC researched a subset of edits that do not align with MQD business policies with MQD and MCO stakeholders to understand if the edits could be turned off for MCO encounters or if the business policy should be clarified. Through this approach, MQD plans on reducing current pended encounters and preventing future encounters from pending.

HAO and FHC also made headway in implementing a Data Quality Monitoring Program to measure the volume of income encounters and proactively identify issues related to timeliness and completeness. Next quarter MQD will share these results with the MCOs and discuss corrective action plans for addressing any issues identified.

Finally, in the third quarter HAO and FHC documented the business process MQD follows to update its internal reference tables on validity and coverage of service and diagnosis codes, which cause encounters to pend when they are not updated in a timely manner. After documenting the "as-is" model for this business process, FHC proposed a "to-be" model to cut down on inefficiencies and duplicated work. Next quarter, MQD will adopt some recommendations from the "to-be" model to streamline its processes.

B. Issues or Complaints Identified by Beneficiaries

Non-Emergency Transportation

Complaints related to non-emergency transportation continue to be received. The issues raised involve no-shows for members who have standing orders of door-to-door transportation for routine procedures and follow-up doctor appointments, and difficulty with long waiting periods. Med-QUEST Division addressed these issues directly with the Health Plans.

Some underlying factors appear to be pandemic-related, such as shortages in the labor force. Apparently, with COVID-19 challenges and the overall cost-of-living spikes, some providers have been unable to remain afloat and have closed shop, or are taking extended breaks. Unfortunately, this results in service shortages and lengthier wait times.

Grievance Process or Resolution Results

Grievances have been trending down this quarter. There was a total of 10 grievances received throughout the quarter, with 5 of such grievances originating from the same individual. Monthly appeals have also been trending down this quarter, averaging about 1-2 per month. The exact reason for this is unknown. A possible influence could have been, the reopening of the State from pandemic restrictions which released more of the population back into the public. During the peak of the pandemic while many individuals were isolating in-doors or at home, the number of grievances and appeals was significantly elevated.

Despite the recent decline in grievances and appeals, MQD has been challenged with difficult cases presenting member assertions of dissatisfaction with the grievance process or resolution results. Due to such dissatisfaction, members request repeatedly to have cases continued or reopened.

C. Audits, Investigations, Lawsuits, or Legal Actions

Unified Program Integrity Contractors (UPIC) Audits

UPIC hospice audits are concluding. Hospice providers have been afforded the opportunity to dispute findings. Once resolutions are established, the collection of due funds, if any, will follow. Regarding Continuous Positive Airway Pressure (CPAP) supplies, CPAP providers are currently in the process of contesting any disputed findings. Finally, a couple cases involving the prescription of opioids, has been turned over to law enforcement.

D. Unusual or Unanticipated Trends

Due to the pandemic and the continuous coverage requirements tied to the federal Public Health Emergency (PHE), there has been continued increases in the Medicaid populations, particularly in the working-age adult groups. Hawaii experienced a 37% increase in enrollment since March 2020. Med-QUEST Division continues to plan and think through the impact that the end of the PHE will have on continuous coverage, and any additional waivers needed that MQD will apply for. There are no other unusual or unanticipated trends to report.

E. Legislative Updates

The legislature concluded the first week of May 2022. It yielded much anticipated and hard-fought improvements and expansions to the state Medicaid program. MQD received legislative approval to cover members for a full 12 months after delivery date, expanding the previous 60-day post-partum coverage

period. The legislature also granted MQD approval to cover adult dental benefits beyond emergency dental services. The newly approved coverage will include prevention, oral disease control, and some restoration of chewing functions. Med-QUEST Division Health Analytics & Information Program Officer, Ranjani R. Starr, Ph.D., M.P.H., and former MQD Dental Consultant, Dan F. Fujii, D.D.S., M.P.H., collaborated and worked extensively with the research arm of the American Dental Association on a research brief titled, *“Estimating the Cost of Introducing Comprehensive Medicaid Adult Dental Benefits in Hawaii”*, that presented the benefits and costs of expanding dental coverage for Medicaid beneficiaries. Their research and analyses were pivotal in gaining the legislative support to include adult dental services in the Hawaii Medicaid benefits. Med-QUEST Division is in the process of submitting State Plan Amendments (SPAs) to address both the post-partum expansion and the adult dental expansion. Additionally, the nursing facility trade association successfully requested one-time funds to help address losses suffered during the pandemic. Home and Community Based Service providers were included to the bill to provide a one-time funding support for those providers as well. These additional dollars have been incorporated into the Hawaii Medicaid managed care contract rate submission effective July 1, 2022. There were many bills introduced on the topic of telehealth and audio-only health care services. In Hawaii, audio-only is explicitly excluded from the definition of telehealth. One bill passed that defined audio-only health care services. However, Governor Ige vetoed it. Thus, there were ultimately no changes to telehealth in the legislative session.

F. Descriptions of any Public Forums Held

1. Public Forum for Section 1115 Demonstration Project

Hawaii held two Med-QUEST Healthcare Advisory Committee (MHAC) meetings during this reporting period on April 20, 2022, and June 22, 2022. Public comments were received from both meetings and are summarized below.

MHAC meeting, April 20, 2022

In accordance with 42 CFR 431.420 (c), the State held its annual public forum for the QUEST Integration Section 1115 Demonstration Project at the MHAC meeting held on April 20, at 6:00 p.m. During this public forum MQD reported out on various issues including its mission, increased enrollment (at this time it is at 444,444), and the new contract with the 5 Health Plans effective 7/1/21. Various specific waiver items were discussed including the supportive housing benefit under community integration services and the added community transition services that includes transitional case management services, housing quality and safety improvement services, legal assistance and securing house payments. Additionally, updates were provided on default enrollment for Hawaii dual eligible population, new reporting structure for the Managed Care Plans to capture information on key performance indicators, the issuance of MQD’s first health plan manual on 7/1/21, and the mobile clinic for COVID-19 vaccine boosters. MQD also reviewed the approvals by CMS during the past year, such as the Section 9817 HCBS Financial Plan under the American Rescue Plan Act and the Risk Mitigation COVID-19 PHE amendment.

Comments were received by both MHAC members and the public regarding the information presented. One MHAC member commented that they appreciate the fact that MQD developed a health plan manual and asked whether MQD plans on incorporating all the MQD memos into

the health plan manual for ease of reference. The State explained that it is still working through this process, and this is the eventual goal. MHAC members also commented on how members can connect with Community Integration Services and the State explained that members work with their Health Plan and their health coordinator to conduct an assessment and to help them sign up and receive services.

One member from the public asked about Social Determinants of Health (SDOH) and how to change the delivery side as well as the payment side to the providers. The State explained that it is reviewing how other states addressed issues such as food insecurity and how to include it as part of Medicaid. The member also raised the issue of whether MQD is considering moving to a direct service model like Oregon or Colorado. The State explained that it does not have the capacity to do direct contracting between the State and all the community organizations and providers across the State and that it relies on the Managed Care Organizations to engage in the provider contracting.

MHAC meeting, June 22, 2022

Med-QUEST Division presented information regarding Outreach contract awards, restoration of adult dental services, updates to the Medicaid Innovation Collaborative, State Plan Amendments, MCO Health Plan brochures for the MQD Annual Plan Change and the Public Health Emergency (PHE) unwinding plans. The State received comments from both the MHAC members and the public regarding the information presented.

MHAC members wanted to know the specific vendors that were awarded Outreach contracts. MQD listed the vendors and explained they will be posted on the MQD website. Both MHAC members and the public had comments regarding the restoration of the adult dental benefit. They wanted to know if there is an individual cap or limit to the adult dental benefits and the budget for the dental benefit. Med-QUEST Division explained that there is no cap or limit and the budget should be sufficient to cover the services. The public expressed concerns regarding adequate provider network to service the adult population for dental services and whether MQD will be updating the Fee For Service (FFS) provider manual. Med-QUEST Division is aware of the provider network issue and is working with its contractor to recruit additional dental providers. Med-QUEST Division will also be updating the FFS provider manual with updates to the adult dental benefit.

Both MHAC members and the public had comments regarding the annual plan change notice and Health Plans' brochures. They want to know whether MQD encourages the members to reach out to their Health Plans, so they are aware of all of the Health Plan's programs and why a specific Health Plan is offering the opportunity to obtain their GED. Med-QUEST Division explained that it regularly encourages its members to review what each Health Plan offers when choosing a Health Plan and that MQD will add this concept in its newsletter. Med-QUEST Division also clarified that a couple of the Health Plans offer GED assistance as part of their focus on "whole person health" to assist members. The public commentator wanted to share that in his opinion having access to a nutritionist is more valuable than assistance with obtaining a GED. Another public commentator was excited to see the Health Plans offering native Hawaiian health services as part of their benefits package.

Both MHAC members and the public had comments regarding the PHE unwinding. Questions were raised regarding the infographics MQD is using to relay its messaging through social media. Med-QUEST Division will share the infographics with the MHAC members for their input. A public commentator had questions about language access issues as many Medicaid members have English as a second language. Med-QUEST Division clarified that if the member has already chosen another language other than English then their letter will be in the language they request, and MQD is partnering with organizations to assist with the language access issues. Questions were also raised regarding how the messaging will continue over the 12-month period and MQD is aware of the need for a sustained campaign during this time. Concerns were also raised as to the order of notifying members of possible termination and whether MQD has established any special considerations. MQD discussed special considerations for individuals who are houseless and the Duals population.

III. Performance Metrics

A. Impact of the Demonstration

1. Providing Insurance Coverage to Beneficiaries and the Uninsured Population

- Total enrollment as of 6/30/22: 449,845

2. Outcomes of Care, Quality of Care, Cost of Care, and Access to Care

- MQD continues to work with the Health Plans as the new reporting package is released in a phased approach and ensure that accurate, valid, and high-quality data on key performance metrics are being reported to MQD.

B. Results of Beneficiary Satisfaction Surveys (if conducted)

No CAHPS surveys were conducted during the reporting period.

C. Results of Grievances and Appeals (from Health Plans)

Compared to last quarter, the percentage of appeals that were timely resolved increased from 95.6% to 99.2%. The percent of grievances that were timely resolved remained the same around 98.6%.

Type	Total	Timely Resolved* # (%)	Appeals Resolved in Favor of Beneficiaries** # (%)
Grievances	362	357 (98.6%)	***
Appeals	372	369 (99.26%)	238 (64.0%)

*Timely is defined as within 30 days for standard grievances and appeals, within 14 days for expedited appeals, and within the approved extension time period for grievances and appeals with approved extensions. Denominator excludes grievances and appeals received within 30 days of the end of the reporting period with no resolution (or 3 days for expedited appeals).

**Denominator excludes appeals for which no decision has been made.

***MQD is working with Health Plans to collect this information and will report in a future quarterly report.

IV. Budget Neutrality and Financial Reporting Requirements

A. Financial Performance of the Demonstration

Hawaii continues to accrue budget neutrality savings as demonstrated in the most recent Budget Neutrality Summary. The hypothetical Expansion eligibility category also shows significant budget neutrality savings. These savings are projected to increase throughout the demonstration period.

B. Updated Budget Neutrality Workbook

The Budget Neutrality Workbook for the quarter ending 6/30/2022 will be submitted by the 8/31/2022 deadline. The Budget Neutrality Workbook for the quarter ending 3/31/2022 is attached (Attachment B).

C. Quarterly and Annual Expenditures

Expenditures for the quarter ending 6/30/2022 were reported on the CMS-64 and certified on 7/29/2022. A summary of expenditures is shown on the attached Schedule C for the quarter ending 6/30/2022.

D. Administrative Costs

There were no significant issues for Hawaii's administrative costs for the quarter ending 6/30/2022. Staff costs have remained relatively constant despite enrollment numbers being at an all-time high. The cumulative administrative expenditures can be found on the attached Schedule C.

V. Evaluation Activities and Interim Findings

A. Current Results of the Demonstration per the Evaluation Hypotheses

See information provided below.

B. Progress Summary of Evaluation Activities

1. Key Milestones Accomplished

Med-QUEST Division released a new reporting package which will assist with monitoring evaluation goals for the 1115 waiver. Last quarter, Health Plans first completed Special Health Care Needs (SHCN) reports on 1/31/22. The Health Plans are preparing for their submission of the Primary Care Report and Value-Driven Health Care Report in July 2022. The University of Hawaii and MQD hosted weekly technical assistance sessions with the Health Plans to review data quality issues, report findings, and key data sources for VHC, Primary Care, CIS, LTSS, and SHCN reports. As of a result, the Health Plans are working on improving data quality and system upgrades to improve data completeness and accurate reporting. Similarly, this has led to streamlining assessments and other Health Plan data collection tools to increase efficiency. The reports have also been updated to better collect data needed for evaluation.

The UH Evaluation Team held a CIS rapid cycle assessment on June 24th, 2022.

2. Challenges Encountered and How They Were Addressed

There is no reporting on the above for this quarter.

3. Interim Findings (when available)

CIS

Some select successes in implementation include:

- Managed care plans working together to implement allowing for sharing of best practices and collaboratively exploring solutions to any encountered challenges
- 7 housing providers onboard

- Improved data quality in reports
- Managed care plans are leveraging existing relationships
- Managed care plans are providing ongoing education and outreach to providers

Select barriers in implementation include:

- Inconsistent information and data sharing between agencies and housing service providers due to siloed and non-interoperable systems
- Managed care plans still optimizing best workflows

4. Status of Contracts with Independent Evaluators (if applicable)

Contract is executed for the University of Hawaii Evaluation team for CY2022 with plans to extend for CY2023.

5. Status of Institutional Review Board Approval (if applicable)

N/A

6. Status of Study Participant Recruitment (if applicable)

N/A

7. Result or Impact of the Demonstration Programmatic Area Defined by CMS that is Unique to the Demonstration Design or Evaluation Hypotheses

There is no reporting on the above for this quarter.

VI. Med-QUEST Division Contact

Jon D. Fujii
 Health Care Services Branch Administrator (HCSB)
 601 Kamokila Blvd., Suite 506A
 Kapolei, HI 96707
 Phone: 808-692-8083
 Fax: 808-692-8087