

## **Hawaii QUEST Integration Section 1115 Quarterly Report**

**Submitted:** August 28, 2014; updated on September 16, 2014

### **Demonstration/Quarter Reporting Period:**

**Demonstration Year:** 20 (7/1/2013 – 6/30/2014)

**Federal Fiscal Quarter:** 2/2014 (1/1/2014-3/31/2014)

**State Fiscal Quarter:** 3/2014 (1/1/2014-3/31/2014)

**Calendar Year:** 1/2014 (1/1/2014-3/31/2014)

### **Introduction**

Hawaii's QUEST Integration is a Department of Human Services (DHS), Med-QUEST Division (MQD) comprehensive section 1115 (a) demonstration that expands Medicaid coverage to children and adults originally implemented on August 1, 1994. The demonstration creates a public purchasing pool that arranges for health care through capitated-managed care plans. In 1994, the MQD converted approximately 108,000 recipients from three public funded medical assistance programs into the initial demonstration including 70,000 Aid to Families with Dependent Children (AFDC-related) individuals; 19,000 General Assistance program individuals (of which 9,900 were children whom the MQD was already receiving Federal financial participation); and 20,000 former MQD funded SCHIP program individuals.

QUEST Integration is a continuation and expansion of the state's ongoing demonstration that is funded through Title XIX, Title XXI and the State. QUEST Integration uses capitated managed care as a delivery system unless otherwise indicated. QUEST Integration 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. During the period between approval and implementation of the QUEST Integration managed care contract the state will continue operations under its QUEST and QUEST Expanded Access (QExA) programs. The current extension period began on October 1, 2013.

The State's goals in the demonstration are to:

- Improve the health care status of the member population;
- Minimize administrative burdens, streamline access to care for enrollees with changing health status, and improve health outcomes by integrating the demonstration's programs and benefits;
- Align the demonstration with Affordable Care Act;
- Improve care coordination by establishing a "provider home" for members through the use of assigned primary care providers (PCP);
- Expand access to home and community based services (HCBS) and allow individuals to have a choice between institutional services and HCBS;
- Maintain a managed care delivery system that assures access to high-quality, cost-effective care that is provided, whenever possible, in the members' community, for all covered populations;
- Establish contractual accountability among the contracted health plans and health care providers;
- Continue the predictable and slower rate of expenditure growth associated with managed care; and
- Expand and strengthen a sense of member responsibility and promote independence and choice among members that leads to more appropriate utilization of the health care system.

**Enrollment Information**

**Note:** Enrollment counts include both person counts (unduplicated members) and member months. Member months and unduplicated members data for January 2014 to March 2014.

<b>Medicaid Eligibility Groups</b>	<b>FPL Level and/or other qualifying Criteria</b>	<b>Member Months 1/2014-3/2014</b>	<b>Unduplicated Members 1/2014-3/2014</b>
<b>Mandatory State Plan Groups</b>			
State Plan Children	State Plan Children	345,846	113,270
State Plan Adults	State Plan Adults State Plan Adults-Pregnant Immigrant/COFA	168,105	57,475
Aged	Aged w/Medicare Aged w/o Medicare	67,922	23,311
Blind of Disabled	B/D w/Medicare B/D w/o Medicare BCCTP	74,414	25,176
Expansion State Adults	Expansion State Adults	72,106	27,856
Newly Eligible Adults	Newly Eligible Adults	133,540	44,500
Optional State Plan Children	Optional State Plan Children		
Foster Care Children, 19-20 years old	Foster Care Children, 19-20 years old	589	220
Medically Needy Adults	Medically Needy Adults		
Demonstration Eligible Adults	Demonstration Eligible Adults	559	410
Demonstration Eligible Children	Demonstration Eligible Children		
VIII-Like Group	VIII-Like Group	6,985	3,408
<b>Total</b>		<b>870,066</b>	<b>295,626</b>

<b>State Reported Enrollment in the Demonstration</b>	<b>Current Enrollees</b>
Title XIX funded State Plan	295,216
Title XXI funded State Plan	33,884
Title XIX funded Expansion	410
Enrollment current as of	3/31/2014

**Outreach/Innovative Activities**

The DHS focused on enrolling Medicaid individuals using new Modified Adjusted Gross Income (MAGI) criteria. In addition, MQD fine-tuned its work within its eligibility system called Kauwale (community) On-Line Eligibility Assistance System (KOLEA). DHS focused applicants to apply on-

line at its mybenefits.hawaii.gov website.

At this time, DHS does not have any other outreach services for eligibility applications.

### **Operational/Policy Developments/Issues**

During the second quarter of FFY14, the Med-QUEST Division (MQD) continued its oversight of the QUEST program for five health plans: AlohaCare, Health Services Medical Association (HMSA), Kaiser Foundation Health Plan, 'Ohana Health Plan, and United Healthcare Community Plan. The QUEST program serves approximately 256,000 beneficiaries who are not aged or disabled

The MQD planned for another transition of individuals with serious mental illness (SMI) from the QUEST program into the behavioral health program called the Community Care Services (CCS). MQD transitioned approximately 1,600 Medicaid beneficiaries receiving their behavioral health service from QUEST to the CCS program. This transition occurred on April 1, 2014.

The MQD awarded contracts for the QUEST Integration or QI program in January 2014. The five health plans awarded a contract for QI are: AlohaCare, Health Services Medical Association (HMSA), Kaiser Foundation Health Plan, 'Ohana Health Plan, and United Healthcare Community Plan.

QUEST Integration or QI is a melding of both the QUEST and QExA programs. QI is a patient-centered approach with provision of services based upon clinical conditions and medical necessity. QUEST Integration combines QUEST and QUEST Expanded Access (QExA) programs into one and eliminates the QUEST-ACE and QUEST-Net programs. In addition, beneficiaries remain with same health plan upon turning 65 or when changes occur in their health condition.

In QUEST Integration, health plans will provide a full-range of comprehensive benefits including long-term services and supports. MQD has lowered its ratios for service coordination. In addition, MQD will start provision of some home and community based services to "at risk" individuals to prevent decline in health status effective January 1, 2014.

The MQD continued to work with the QExA health plans on implementation of the QExA program.

### **Expenditure Containment Initiatives**

No expenditure containment planned.

### **Financial/Budget Neutrality Development/Issues**

The budget neutrality for second quarter of FFY14 was submitted.

### **Member Month Reporting**

#### **A. For Use in Budget Neutrality Calculations**

<b>Without Waiver Eligibility Group</b>	<b>Month 1 (January 2014)</b>	<b>Month 2 (February 2014)</b>	<b>Month 3 (March 2014)</b>	<b>Total for Quarter Ending 3/2014</b>
EG 1-Children	113,782	116,131	116,522	346,435
EG 2-Adults	56,043	56,421	56,200	168,664
EG 3-Aged	22,445	22,732	22,745	67,922
EG 4-Blind/Disabled	24,683	24,938	24,793	74,414
EG 5-VIII-Like	3,499	3,009	477	6,985

Adults				
EG 6-VIII Group Combined	62,741	69,811	73,094	205,646

**B. For Informational Purposes Only**

<b>With Waiver Eligibility Group</b>	<b>Month 1 (January 2014)</b>	<b>Month 2 (February 2014)</b>	<b>Month 3 (March 2014)</b>	<b>Total for Quarter Ending 3/2014</b>
State Plan Children	113,602	115,934	116,310	345,846
State Plan Adults Aged	55,780	56,209	56,116	168,105
Blind or Disabled	22,445	22,732	22,745	67,922
Expansion State Adults	24,683	24,938	24,793	74,414
Newly Eligible Adults	20,808	24,255	27,043	72,106
Optional State Plan Children	41,933	45,556	46,051	113,540
Foster Care Children, 19-20 years old				
Medically Needy Adults	180	197	212	589
Demonstration Eligible Adults	263	212	84	559
Demonstration Eligible Children				
VIII-Like Group	3,499	3,009	477	6,985

**QUEST Integration Consumer Issues**

The MQD Customer Service Branch (CSB) received no concerns this quarter regarding the QUEST or QExA programs. The Health Care Services Branch, Quality and Member Relations Improvement Section (HCSB/QMRIS) received no calls regarding the QUEST program during the second quarter of FFY14.

	Member			Provider		
	QUEST	QExA	FFS	QUEST	QExA	FFS
January 2014	0	10	2	0	1	6
February 2014	0	7	0	0	3	4
March 2014	2	4	0	1	5	4
<b>Total</b>	<b>2</b>	<b>21</b>	<b>2</b>	<b>1</b>	<b>9</b>	<b>14</b>

MQD's FFS program received four (4) calls from beneficiaries and fourteen (14) calls from providers. The HCSB/QMRIS addressed all of these calls.

**HCSB Grievance**

During the second quarter of FFY14, the HCSB continued to handle incoming calls. As telephone calls come into the MQD Customer Service Branch, if related to client or provider problems with health plans (either QUEST or QExA), transfer those telephone calls to the HCSB. The clerical staff person(s) takes the basic contact information and assigns the call to one of the social workers. MQD tracks all of the calls and their resolution through an Access database. If the clients' call is an enrollment issue (i.e., into

a QExA health plan), then the CSB will work with the client to resolve their issue. The CSB did not have any calls related to QExA this quarter.

During the second quarter of FFY14, the HCSB staff, as well as other MQD staff, processed approximately 33 member and provider telephone calls and e-mails (see table above). The number of calls from members is consistent with other quarters. In previous quarters, MQD received approximately 59 calls, letters, and e-mails.

**HCSB Appeals**

The HCSB received seven (7) appeals in the second quarter of FFY14. Of the seven (7) appeals that we received, DHS was able to dismiss three (3) of them by working with the health plan to cover the

Types of Appeals	#
Medical	4
LTSS	2
Other: Transportation	1

requested service. The other four (4)

appeals went to hearing and the hearing officer found that the health plan had correctly processed the denial. The types of appeals were primarily LTSS (2) with four (4) medical, and one (1) for transportation.

Category	#
Submitted	7
DHS resolved with health plan in member's favor prior to going to hearing	3
Hearings	
Resolution in DHS favor	4
Resolution in Member's favor	0

**Provider Interaction**

The MQD and the health plans continue to have two regularly scheduled meetings with providers. One of the meetings is a monthly meeting with the Case Management Agencies. MQD focuses the meetings with these agencies around continually improving and modifying processes within the health plans related to HCBS. In addition, the MQD and health plans meet with the behavioral health provider group that serves the CCS population. This group focuses on health plan systems and addressing needs of this fragile population.

Most of the communication with providers occurs via telephone and e-mail at this time. The MQD will arrange any requested meetings with health plans and provider groups as indicated.

The MQD estimates that provider call volume has decreased due to frequent meetings with the providers throughout the program as well as the health plans addressing provider issues when the provider contacts the health plan first.

**Enrollment of individuals**

The DHS enrolled approximately 13,700 members during the second quarter of FFY14. Of this group, 74 chose their health plan when they became eligible, 3,758 changed their health plan after being auto-assigned.

	#
Individuals who chose a health plan when they became eligible	75
Individuals who changed their health plan after being auto-assigned	5,058
Individuals who changed their health plan outside of allowable choice period (i.e., plan to plan change)	272
Individuals in the ABD program that changed their health plan within days 61 to 90 after confirmation notice was issued	7

In addition, DHS had 272 plan-to-plan changes during the second quarter of FFY14. A plan-to-plan change is a change in enrollment outside of the allowable choice period. Both health plans (the losing and the gaining health plan) agree to the change.

Changes are effective the first day of the following month.

In addition, 7 individuals in the QUEST Expanded Access (QExA) program changed their health plan during days 61 to 90 after a confirmation notice was issued.

**Long-Term Services and Supports (LTSS)**

**HCBS Waiting List**

During the second quarter of FFY14, the QExA health plans did not have a wait list for HCBS.

**HCBS Expansion and Provider Capacity**

During the second quarter of FFY14, MQD monitored the number of members receiving HCBS when long-term services and supports (LTSS) were required. The number of members requiring long-term services and supports continues to increase. In the second quarter of FFY14, the increase is 49.4% since the start of the program receiving long-term services and supports. The number of individuals in nursing facilities decreased this past quarter. HCBS usage has more than doubled since the start of the QExA program. Nursing facility services have decreased by approximately 9.5% since program inception.

The number of beneficiaries receiving HCBS has increased by approximately 129% since program inception. At the start of the program clients receiving HCBS was 42.6% of all clients receiving long-term care services. This number has increased to 65% (65.2%) since the start of the program.

	2/1/09	1 <sup>st</sup> Qtr FFY14, av	2 <sup>nd</sup> Qtr FFY14, av	% change since baseline (2/09)	% of clients at baseline (2/09)	% of clients in 2 <sup>nd</sup> Qtr FFY14
HCBS	2,110	4,790	4,824	129%↑	42.6%	65.2%↑
NF	2,840	2,606	2,571	9.5%↓	57.4%	34.8%↓
Total	4,950	7,396	7,395	49.4%↑		

**Behavioral Health Programs Administered by the DOH and DHS**

The DHS assumed approximately 3,700 individuals from the Adult Mental Health Division (AMHD) under the Department of Health (DOH) on in the first quarter of FFY14. These individuals went into the Community Care Services (CCS) program. Individuals in CCS have a Serious Mental Illness (SMI) diagnosis with functional impairment. The Medicaid beneficiaries who continue to receive services from AMHD are legally encumbered.

Program	#
Adult Mental Health Division (AMHD/DOH)	268
Child and Adolescent Mental Health Division (CAMHD/DOH)	3,298
Community Care Services (CCS/DHS)	4,519

These individuals are under court order to be cared for by AMHD.

The Child and Adolescent Mental Health Division (CAMHD) under the DOH provides behavioral health services to children from ages three (3) through twenty (20). CAMHD is providing services to approximately 3,300 children during the second quarter to FFY14.

## **QUEST Integration transition**

The DHS started QUEST Integration transition or readiness review for QUEST Integration health plans on February 1, 2014. Readiness review during the second quarter of FFY14 consisted primarily of submission of documents to MQD for review and health plan training.

## **Quality Assurance/Monitoring Activity**

### *MQD Quality Strategy*

Our goal continues to ensure that our beneficiaries receive high quality care by providing effective oversight of health plans and contracts to ensure accountable and transparent outcomes. We have adopted the Institute of Medicine's framework of quality, ensuring care that is safe, effective, efficient, customer-centered, timely, and equitable. MQD identified an initial set of ambulatory care measures based on this framework. MQD reviews and updates HEDIS measures annually that the health plans report to us.

We are continuing to work on strategies and measures related to home and community based services, which will affect mostly our QExA health plans, the DDID program, and the Going Home Plus program. MQD submitted a quality grid for monitoring the DDID program to CMS with the recent waiver amendment, and we have been working to implement this. The quality grid included measures that span the six assurances and sub-assurances of level of care, service plans, qualified providers, health and welfare, financial accountability, and administrative authority. We have also been working on behavioral health monitoring and quality improvement. Measures on inpatient care and long-term care will need to be developed in the future in partnership with our stakeholders. Measures for the QUEST and QExA populations will vary.

Our quality approach aspires to 1) have collaborative partnerships among the MQD, health plans, and state departments; 2) advance the patient-centered medical home; 3) increase transparency- including making information (such as quality measures) readily available to the public; 4) being data driven; and 5) use quality-based purchasing- including exploring a framework and process for financial and non-financial incentives.

MQD is in the process of updating its quality strategy for the QUEST Integration program.

### *Quality Activities during the quarter*

The following is a description of the EQRO activities completed for this quarter:

1. PIPs – No work occurred this quarter for PIPs.
2. HEDIS – The EQRO performed conference calls with health plans to assure that they would submit data correctly for the HEDIS on-site reviews. The health plans submitted supplemental databases to the EQRO early March 2014. The EQRO started to perform their validation on-site reviews of the health plans the end of March 2014.
3. Compliance Monitoring – The EQRO prepared for their health plan on-site reviews for next quarter.
4. Consumer Assessment of Healthcare Providers and Systems (CAHPS) – The CAHPS survey for Adults was mailed during this quarter.
5. Provider Survey – No work occurred this quarter for the provider survey.

### *QUEST and QExA Dashboards*

The MQD receives dashboards on both the QUEST and QExA programs monthly (see Attachment A and Attachment B for months January, February and March 2014). These reports allow MQD to track provider network, claims processing, processing of prior authorization, and call center statistics at a glance.

### **Demonstration Evaluation**

MQD submitted its final demonstration evaluation to CMS on January 24, 2014.

### **Enclosures/Attachments**

Attachment A QUEST Dashboard- March 2014

Attachment B QExA Dashboard- March 2014

### **MQD Contact(s)**

Jon D. Fujii

Research Officer

601 Kamokila Blvd. Ste. 506A

Kapolei, HI 96707

808 692 8093 (phone)

808 692 8087 (fax)

### **Date Submitted to CMS**

August 28, 2014; updated on September 16, 2014