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Medicaid and Nevada Check Up Overview January 2015



Medicaid

- Authorized by Congress under Title XIX of the Social Security Act in 1965.
- Medicaid is an optional medical coverage program that states elect to provide to their residents.
- States work in partnership with the federal Centers for Medicare and Medicaid Services (CMS) to assist in providing quality medical care for eligible individuals.
- Federal regulations define mandatory groups to be covered (Nevada generally covers only mandatory groups).
 - In the stimulus funding and health care reform legislation, eligibility groups (adults until 2014 and children until 2019) covered by a State cannot be changed due to Maintenance of Effort (MOE)/eligibility.
- Federal regulations define mandatory and optional services (Nevada generally covers mandatory services, or optional services if cost-effective).
- Financing system does not account for the “countercyclical” nature of the program.



General Medicaid Rules

- Comparability of Services
- Free Choice of Provider
- Statewideness
- Utilization Control
- Medical Necessity
- Proper & efficient administration
- Payment for services furnished outside the State
- Assurance of Transportation
- EPSDT — States are required to provide all medically necessary services. This includes services that would otherwise be optional services or non state plan.



Medicaid

- Publicly Financed but not a Government Run Healthcare Delivery System.
- Medicaid procures most services in the private health care market through purchasing services on a fee for service basis or through paying premiums to contracted managed care organizations.



Medicaid Has Many Vital Roles in the National Health Care System

- Health Care Coverage:
 - children and adults in low-income families
 - elderly and persons with disabilities
 - In states that have chosen ACA expansion low income childless adults (January 2014)
- Assistance to Medicare beneficiaries (premiums, co-pay and deductible coverage)
- Long-Term Care:
 - Institutional and community based
- Support for Health Care System and Safety-net



Nationally

- Medicaid and CHIP covers more than 1 in 3 Children*
- Nearly half of U.S. births are covered by Medicaid**
- The largest source of financing for nursing home and community-based long term care.
- The largest source of funding for safety-net providers (health centers and public hospitals)
- Represents the largest source of federal funds to states and fuels economic activity

*Kaiser Family Foundation March 2014: <http://kff.org/health-reform/issue-brief/childrens-health-coverage-medicaid-chip-and-the-aca/>

**Kaiser Health News, September 2013: <http://capsules.kaiserhealthnews.org/index.php/2013/09/nearly-half-of-births-in-the-u-s-are-covered-by-medicaid-study-finds/>



Medicaid – Unique by State

- If you've seen one Medicaid program, you've seen one Medicaid program.
 - A person eligible in one State may not be eligible in another State.
 - Services provided by one State may differ considerably in amount, duration, or scope from services provided in a similar or neighboring State.
 - State legislatures may change Medicaid eligibility, services, and/or reimbursement during the year.



Division Mission

The mission of the Nevada Division of Health Care Financing and Policy is to purchase and provide quality health care services to low-income Nevadans in the most efficient manner; promote equal access to health care at an affordable cost to the taxpayers of Nevada; restrain the growth of health care costs; and review Medicaid and other state health care programs to maximize potential federal revenue.



DHCFP Programs

- The Division of Health Care Financing and Policy administers two major health coverage programs which provide health care to eligible Nevadan's.
 - **Medicaid** provides health care to low-income families, as well as aged, blind and disabled individuals. Nevada expanded our program to include low-income childless adults January 1, 2014 as part of Patient Protection and Affordable Care Act (Health Care Reform or ObamaCare) Services are provided as fee-for-service and through managed care networks.
 - **Total Medicaid Recipients: 577,067***
 - **Nevada Check Up** provides health coverage to low-income, uninsured children who are not eligible for Medicaid. Services are provided as fee-for-service and through managed care networks.
 - **NV Checkup: 24,597***

*DWSS November 2014 Caseload Numbers



Nevada Medicaid State Plan

The Medicaid State Plan defines how the state will operate its Medicaid program. It includes eligibility and service options elected by the State.



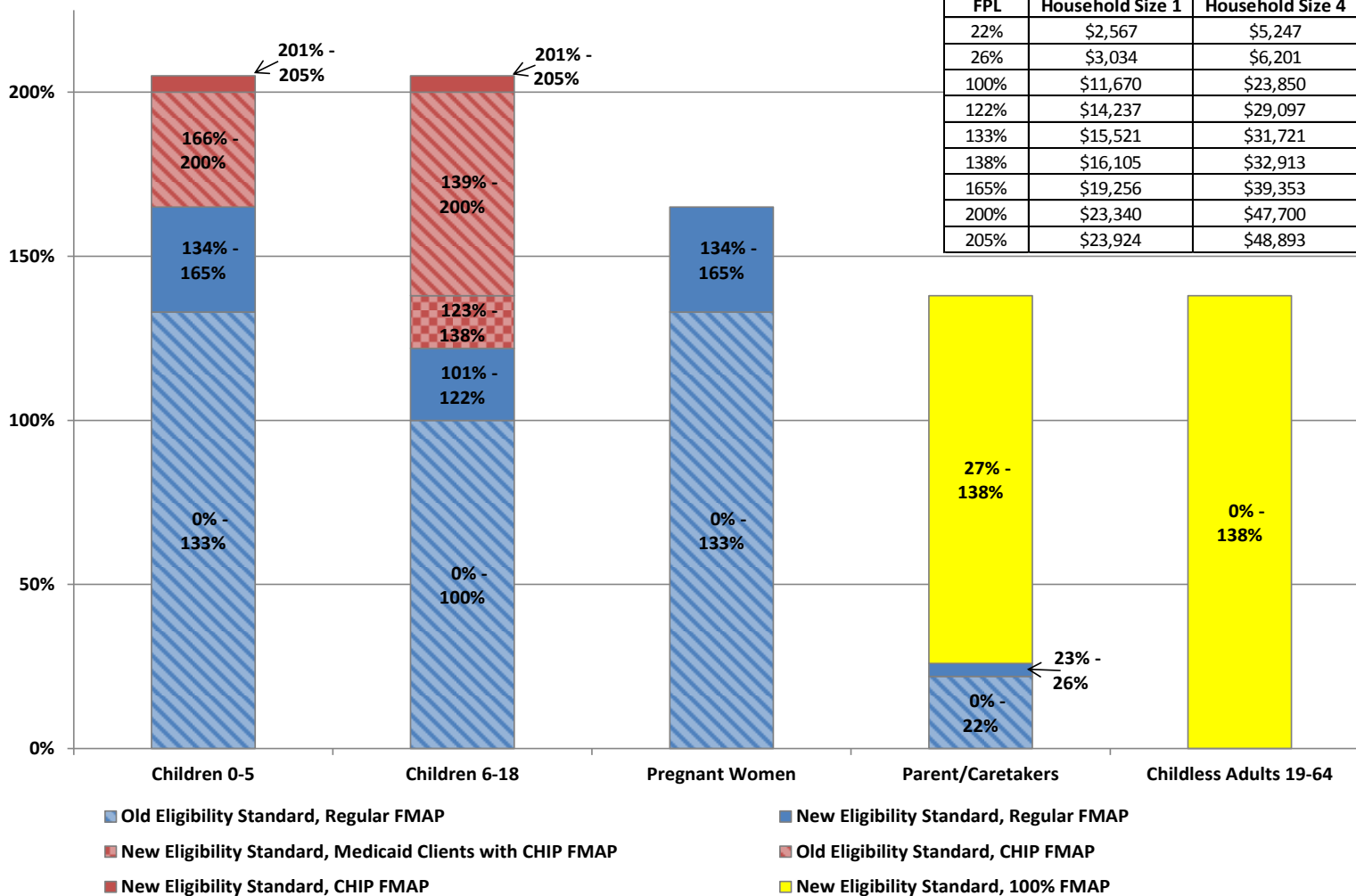
Nevada's Mandatory / Optional Coverage Groups

Mandatory	Optional
Children	Women with breast or cervical cancer under 200% of the FPL
Pregnant Women	Disabled children who require medical facility care, but can appropriately be cared for at home – Katie Beckett eligibility group
Parent/Caretaker and Childless Adults	Health Insurance for Work Advancement (HIWA) is for individuals 16 to 64 who are disabled. It allows them to retain essential Medicaid benefits while working and earning income.
SSI recipients (blind or disabled)	Home and Community Based Waivers
Certain Qualified Medicare Beneficiaries	



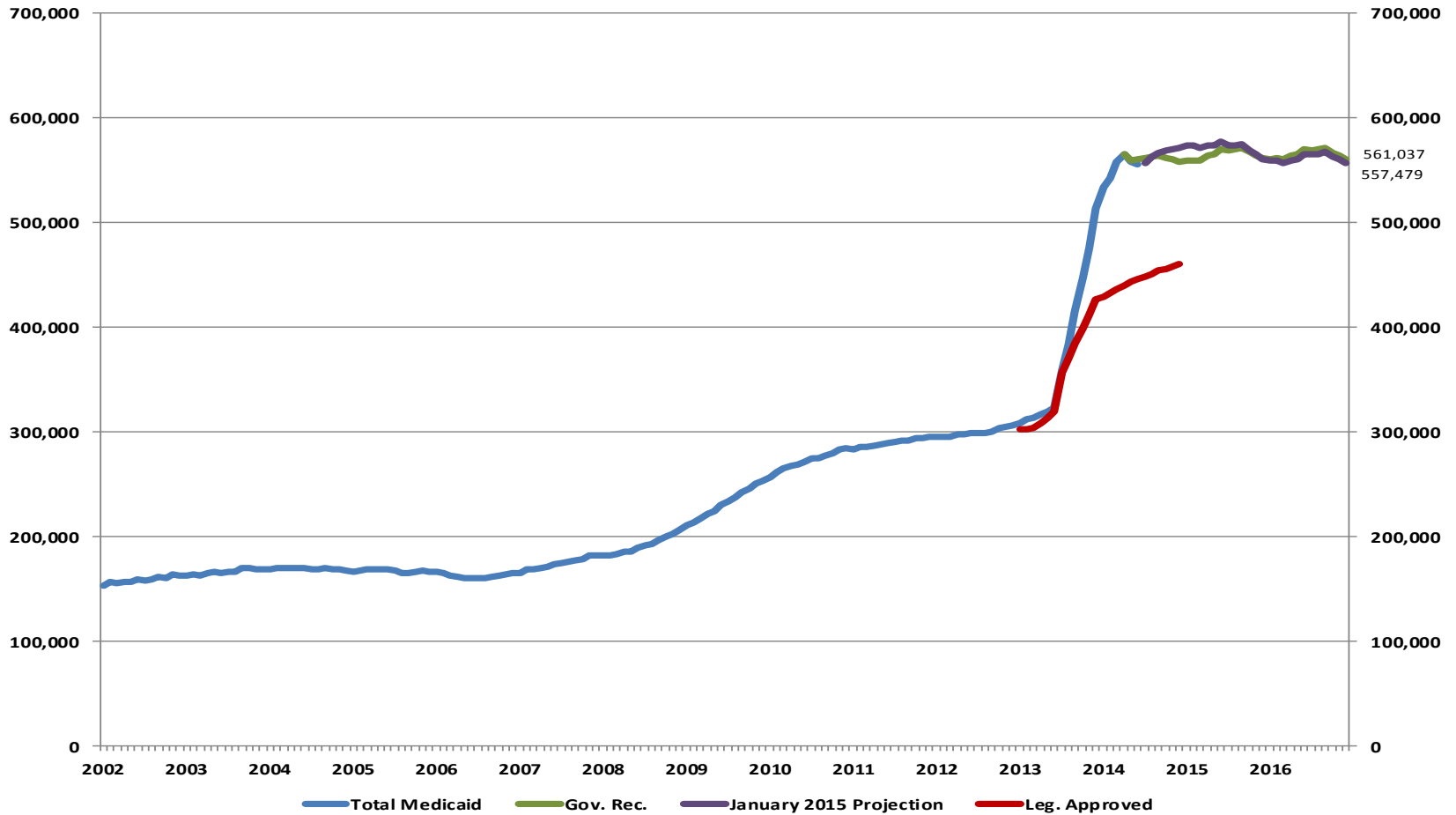
Medicaid Eligibility and FMAP

2014 Federal Poverty Guidelines		
FPL	Household Size 1	Household Size 4
22%	\$2,567	\$5,247
26%	\$3,034	\$6,201
100%	\$11,670	\$23,850
122%	\$14,237	\$29,097
133%	\$15,521	\$31,721
138%	\$16,105	\$32,913
165%	\$19,256	\$39,353
200%	\$23,340	\$47,700
205%	\$23,924	\$48,893





Division of Health Care Financing and Policy Total Medicaid Recipients



Note: This chart was created for DWSS staffing purposes and includes DWSS waiver caseload counts. For this reason, the total caseload differs slightly from that used by DHCFP for the budget.



Mandatory vs. Optional Medicaid Services

Mandatory	Optional
Inpatient hospital	Personal Care Services
Clinic services/Lab/x-ray	Prescription drugs
Nursing facility services	Dental Care
EPSDT for children under age 21	Home and community based programs
Physician services/FQHC/rural health clinic	Hospice
Family planning services	
Home health services/DME	
Medically necessary transportation	
Pregnancy related services	

Note: This is not an all-inclusive list.



Home and Community Based Programs

- 1915(c) Nevada Medicaid operates under 3 Secretarial waivers of Section 1902 regulations of the Act (to promote community based, versus institutional care). These are both eligibility and service waivers.
 - ID/DDRC waiver – ADSD (Regional Centers)
 - Home and Community Based Waiver(elderly at home, in assisted living or residential facilities for group care) – ADSD
 - Physical Disabilities – DHCFP (in proposed budget to transition to ADSD)
- 1915(i) State Plan Authority
 - Adult Day Health Care
 - Habilitation/brain injury community re-integration
 - Day Treatment or Partial Hospitalization Services for Individuals with Chronic Mental Illness



MCO v FFS

- Nevada has **two service delivery models** with which to provide covered medically necessary services for Medicaid and Nevada Check Up eligible recipients: Fee-for-Service (FFS) and Managed Care
- Title XIX (Medicaid) MCO in Nevada
 - In urban Clark and Washoe Counties expect for the Medicaid Assistance for Aged, Blind and Disabled or Institutional Categories
 - Disenrollment may occur for e.g. SED, CPS and SMI for all but the PPACA expansion population (Tribal Members may opt out)
- Title XXI (Nevada Check Up) MCO in Nevada
 - All children living in urban Clark and Washoe
 - No disenrollment option except for tribal members



Health Care Guidance Program

- The 2011 DHCFP Legislatively approved budget included the development of a case management system for high need Medicaid recipients in the fee for service delivery model.
- Nevada received approval from CMS through a research and demonstration waiver (Section 1115 Waiver) to provide Care Management Services to high need/high cost recipients in our fee for service program who are not otherwise care managed.
- The goal is to improve quality of care, health outcomes and satisfaction while controlling costs (improved health, decreased re-hospitalization).



Health Care Guidance Program

- This program will help recipients through transitions from inpatient to outpatient care and to follow through on health care needs. It will help physicians by supporting attendance at appointments, assisting with care access and care follow through.
- Eight Care Management Programs Disease Management Intervention
 - Disease Management Intervention
 - Care Management Intervention
 - Oncology Care Coordination
 - Chronic Kidney Disease Management
 - Mental Health Program
 - Pregnancy Care Coordination
 - Complex Condition Care Management
 - Health Care Management



Fair Hearings

- Fair Hearing process is mandatory
- Hewlett-Packard Enterprise Services (or MCO) issues a Notice of Decision to recipients for requested services
- Hearing available when recipient disagrees with actions resulting in reduction, suspension, termination, or denial of a Medicaid service
- Notice is a clear, written request from a recipient or provider to the Division for a hearing
- Providers may request a fair hearing for an adverse action taken by the Division which affects the provider's participation in the program



Medicaid/Nevada Check Up Budget

- The Medicaid/Nevada Check Up Program Budgets are set biennially through the State Budgeting Process: Governor Proposed and Legislatively Approved.
- New Services and Service Rates require approval as part of the program budget process.
- 2014-2015 Biennial budget approximately 5 billion (total computable)
- 2016-2017 Governor's Request Budget approximately 7 billion (total computable)



Medicaid Funding

- Federal Financial Participation (FFP) is provided to pay for medical services and Medicaid/CHIP administrative services authorized by CMS.
- Federal Medical Assistance Percentage (FMAP) defines the level of FFP provided by the federal government for Medicaid benefit costs.
FFY15: Medicaid 64.36; CHIP 75.05
- Increased FMAP for Newly Eligible Mandatory Individuals:
100 percent for calendar quarters in 2014, 2015, and 2016;
95 percent for calendar quarters in 2017;
94 percent for calendar quarters in 2018;
93 percent for calendar quarters in 2019; and
90 percent for calendar quarters in 2020 and each year thereafter.



Medicaid Funding

- Other State Agencies Supported
 - Division of Public and Behavioral Health
 - Division of Child and Family Services
 - Division of Aging and Disability Services
 - University System



Medicaid Funding

- Sources of funds other than State General Fund and Federal Match:
 - Intergovernmental transfers
 - Disproportionate Share Hospital payments
 - Upper Payment Limit payments
 - County Match program
 - Graduate Medical Education
 - Other local government funds
 - School districts
 - Provider fees (Nursing Facilities)
 - Certified Public Expenditures



Increasing Federal Revenue for Nevada

- County Match Program

- This program supports county care of the medically indigent by providing federal matching funds for individuals in hospitals, nursing facilities, and home/community based services with incomes between 142% and 300% of the SSI level.
- Most other local government agencies providing medical services and having a Medicaid contract provide the non-federal share of the Medicaid costs and the Medicaid program transfers the federal share of allowed costs to these agencies (school districts, county social services).



Increasing Federal Revenue for Nevada

- Disproportionate Share Hospital (DSH) Payments
 - Supplemental payments to Nevada hospitals serving a disproportionate share of uninsured, indigent and Medicaid patients.
 - Matching funds provided by Clark and Washoe counties through Intergovernmental Transfers (IGTs)
- Upper Payment Limit (UPL)
 - Supplemental reimbursements up to federally allowable limits for non-state government owned/operated hospitals.
 - State share of funds provided via IGT by counties.
- Nursing Facility Quality Improvement Tax
 - Provider Tax Revenue is received
 - This is matched with federal funds
 - This is paid back to nursing facilities based on a formula that includes Medicaid bed days, MDS accuracy and quality indicators.



Nevada Check Up

- Authorized by Congress in 1997 as Title XXI of the Social Security Act, Reauthorized in February of 2009 and renamed the Children's Health Insurance Program (CHIP).
- Medical coverage follows Medicaid policy (except for non-emergency transportation)
- Families with income levels up to 200 (205%) of the Federal Poverty Level (FPL) may qualify
- Quarterly premiums range between \$25 and \$80, based on family size and income.



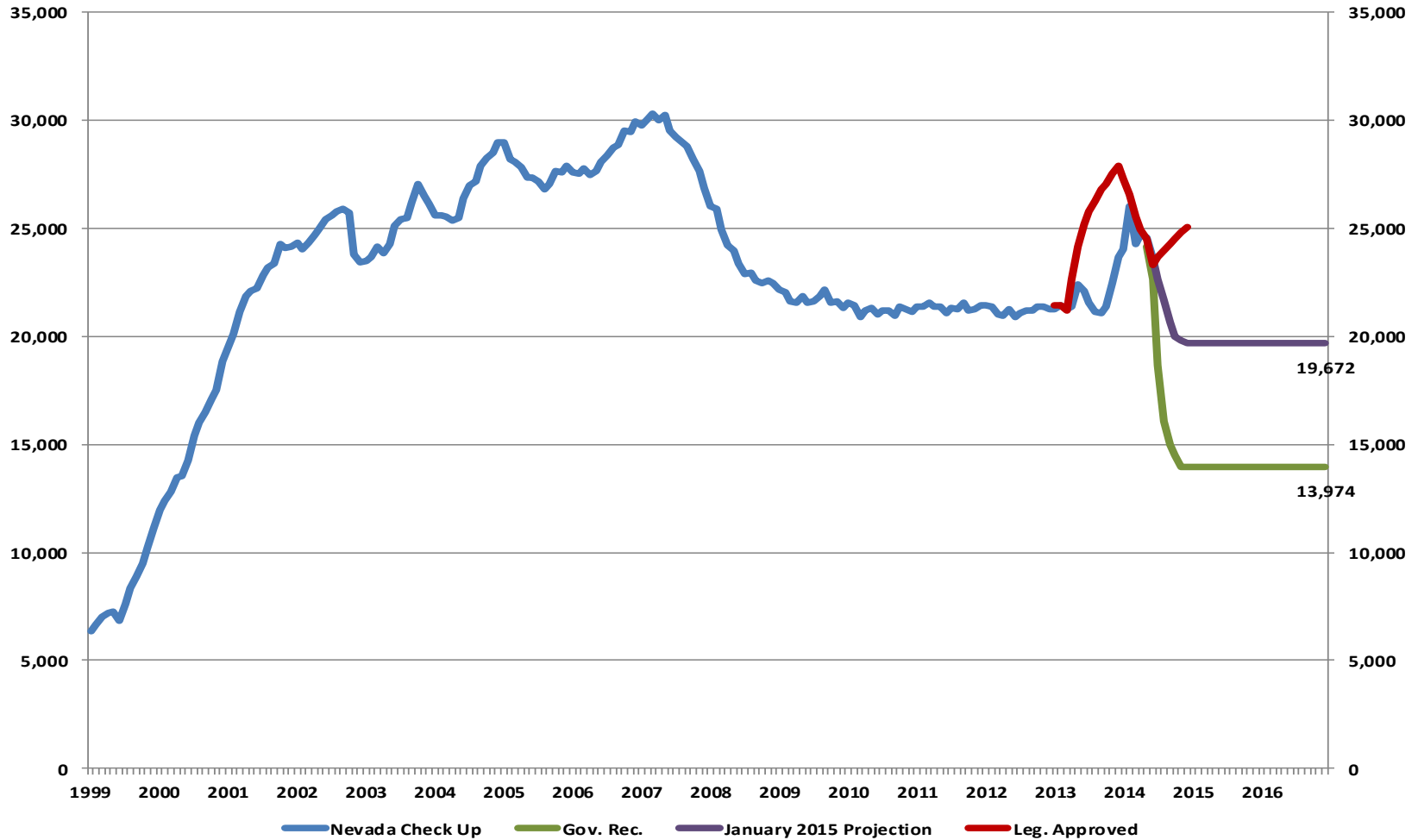
Applying for Nevada Check Up

- A child may qualify for Nevada Check Up if:
 - They have income less than 200% (205%) FPL;
 - The child is not eligible for Medicaid;
 - The child does not have access to Public Employees Benefit Program (PEBP)
 - The child is a U.S. citizen or legal resident;
- Applying for Nevada Check Up or Medicaid will not affect a family's immigration status.



Division of Health Care Financing and Policy

Nevada Check Up Caseload





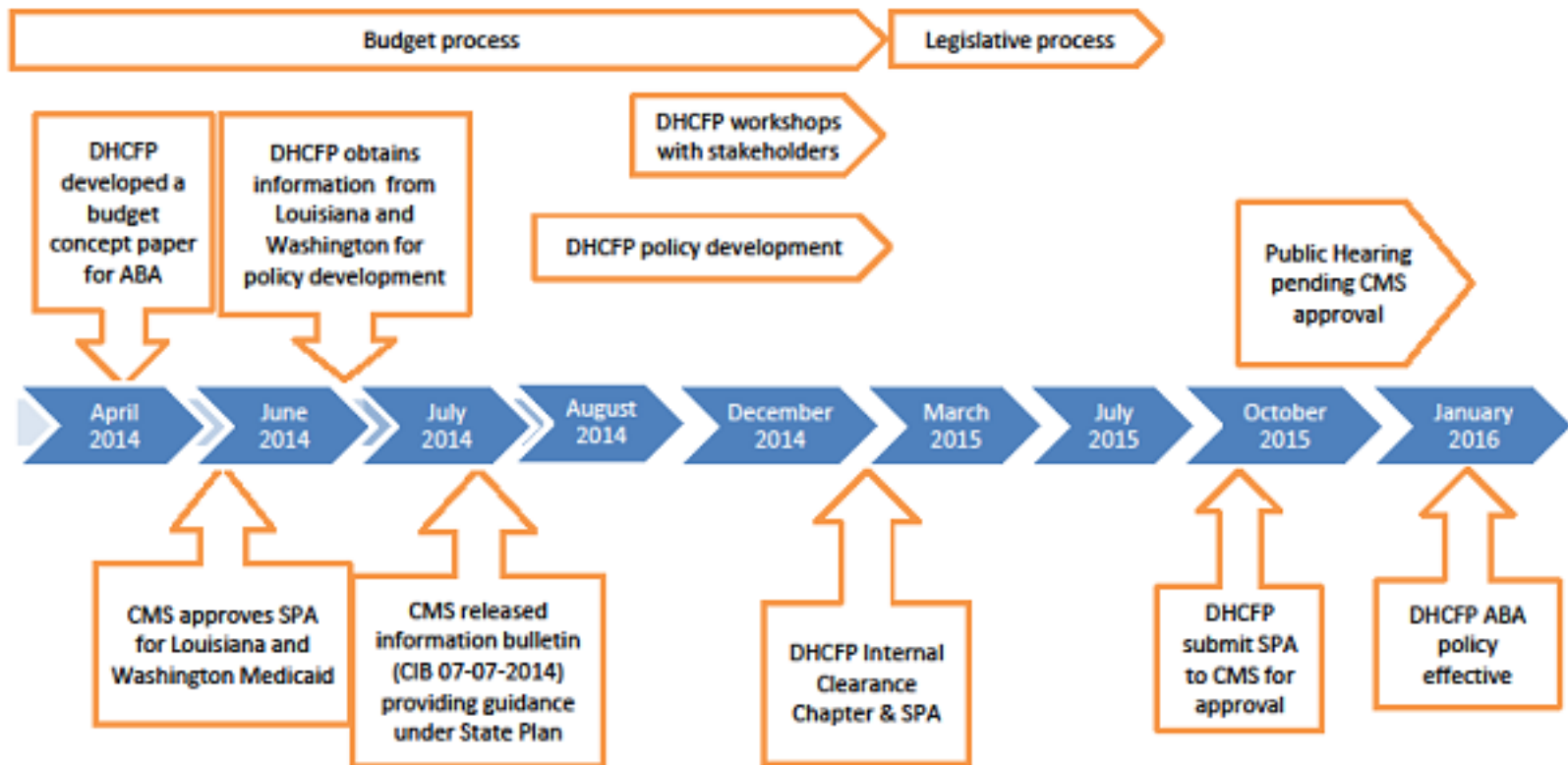
Other DHCFP Activities - Grants

- Money Follows the Person (\$9.9M, 2011 – 2016, no cost extension to 2019)
- Medicaid Incentives for the Prevention of Chronic Diseases (\$3.5M, 2011 – 2015)
- Balancing Incentive Payments Program (up to \$6.6M in added FMAP for allowable HCBS project expenses, April 2014 – Sept 2015)
- State Innovation Models initiative (\$2M, Feb 1, 2015 – January 2016)



Major Budget Initiative

Applied Behavior Analysis Timeline 2014-2016





Issue - Access to Care

- When the number of Nevadans with health care coverage increases and the statewide provider pool remains the same, access to care becomes a state wide issue.
 - The good news:
 - Reduced uninsured rate from 23% to 11%.
 - More people are getting needed care.



What Medicaid has Done to Address the Issue

- Implementation of Telehealth Expansion
- Expanded use of Advanced Practice Registered Nurses
- Physician Forums with FFS and MCO
- Prior Authorization Alignment between FFS and MCO
- Health Care Guidance Program for high need Fee for Service Recipients
- Increased Inpatient Psychiatric Rate
- Implemented the “In Lieu of” option for MCO



Medicaid and Nevada Check Up – Serving individuals and families with low incomes and limited resources.

