



State of Nevada

Department of Health and Human Services

Division of Health Care Financing and Policy

**BIENNIAL BUDGET**

ASSEMBLY COMMITTEE ON WAYS AND MEANS

AND

SENATE COMMITTEE ON FINANCE

**BUDGET PRESENTATION**

FY 16 – FY 17

February 18, 2015

# Division of Health Care Financing and Policy

## **Mission Statement:**

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.



# Division of Health Care Financing and Policy

The Division of Health Care Financing and Policy works in partnership with the [Centers for Medicare & Medicaid Services](#) to assist in providing quality medical care for eligible individuals and families with low incomes and limited resources. Services are provided through a combination of traditional fee-for-service provider networks and managed care.

## **Governor's Priorities and Performance Based Budget Core Objective:**

**Health Services** - Programs and services that help Nevadans and their communities achieve optimum lifelong health, including physical, mental, and social well-being, through prevention and access to quality, affordable healthcare.

# Division of Health Care Financing and Policy

DIVISION OF HEALTH CARE  
FINANCE AND POLICY

ADMINISTRATION  
CARSON CITY  
JAN 2015  
Updates through 1-16-15

**Administrator**  
U4610 3158 / 0001  
FTE 1.0

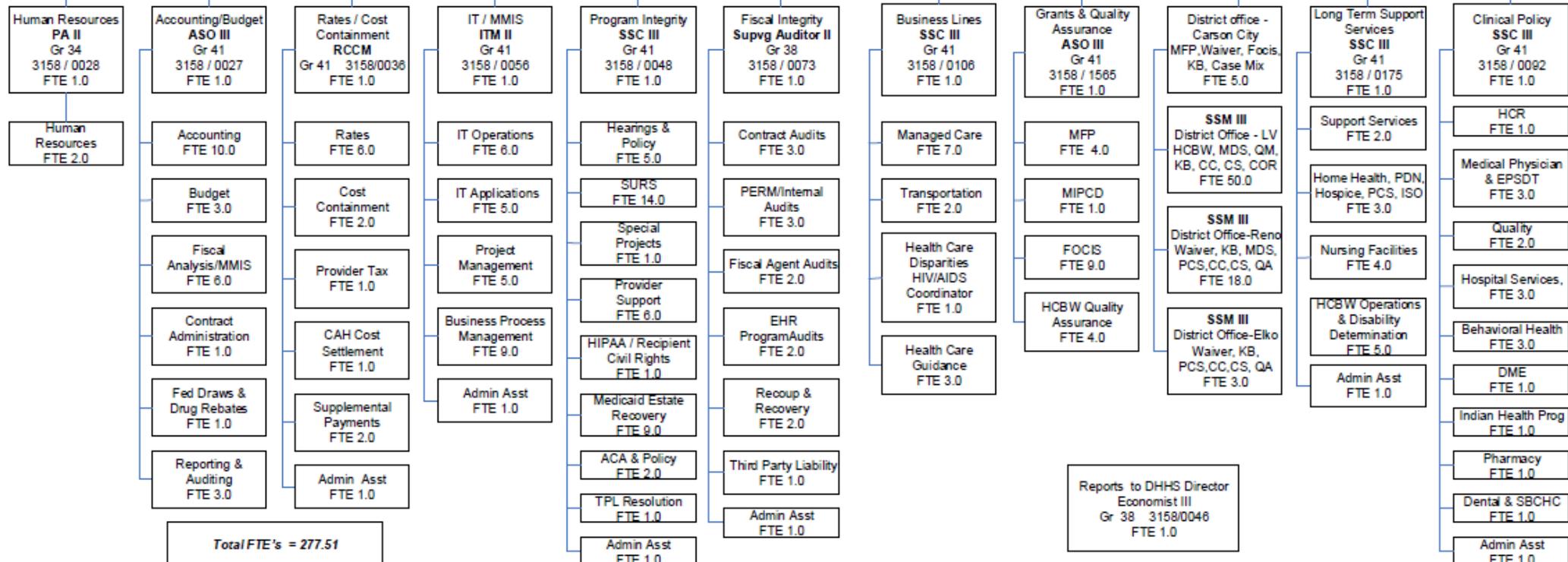
**Executive Assistant**  
U9009 3158/0004  
FTE 1.0

**Admin Asst IV**  
Gr 29 3158 / 0043  
FTE 1.0

See Administration  
Support Staff  
Org Chart  
FTE 3.51

**Deputy Administrator**  
Medicaid  
U4612 3158/0072  
FTE 1.0

**ASO IV**  
Gr 44 3158 / 0038  
FTE 1.0



# Division of Health Care Financing and Policy

## Activity Budgeting

- **Strategic Priorities:**

- Educated and Healthy Citizenry
- Efficient and Responsive Government

- **DHCFP Activities:**

- **Medical Services Reimbursement**

Medicaid is the largest program providing medical and health-related services to America's poorest people. Mandatory services are required as part of the federally-approved Medicaid program. This activity oversees Medicaid payments for medical services for both Fee-for-Service and those recipients in the urban area enrolled in one of the Managed Care Organization Plans.

- **Health Care Guidance Program for High Cost Fee-for-Service (FFS) Recipients**

The Health Care Guidance program provides coordination of medical and behavioral health services for targeted high cost Medicaid (FFS) recipients with chronic illnesses. These recipients are not enrolled in one of the Managed Care Organization Plans.

- **Fraud, Waste and Abuse**

This activity identifies Medicaid provider fraud, waste and abuse using staff and contractors. Providers are selected for review based upon one of the following: complaints, referrals, analysis of paid claims and/or predictive analytics. Cases suspected of fraud are referred to the Attorney General's Office. Fraud and abuse by Medicaid recipients is handled by the Welfare Division.

# Division of Health Care Financing and Policy

## Budget Account Summary SFY 2016-2017

| BA           | Budget Account Name               | SFY 16             |                      |                      |               | SFY 17             |                      |                      |               |
|--------------|-----------------------------------|--------------------|----------------------|----------------------|---------------|--------------------|----------------------|----------------------|---------------|
|              |                                   | General Fund       | Other Funds          | Total                | # of FTE      | General Fund       | Other Funds          | Total                | # of FTE      |
| 3157         | Intergovernmental Transfer        | -                  | 161,455,888          | 161,455,888          | -             | -                  | 135,869,369          | 135,869,369          | -             |
| 3158         | Medicaid Administration           | 27,346,696         | 142,054,585          | 169,401,281          | 291.51        | 28,903,277         | 149,645,836          | 178,549,113          | 291.51        |
| 3160         | Increased Quality of Nursing Care | -                  | 30,831,193           | 30,831,193           | -             | -                  | 31,118,508           | 31,118,508           | -             |
| 3178         | Nevada Check Up                   | 1,914,503          | 24,905,792           | 26,820,295           | -             | 334,242            | 26,464,032           | 26,798,274           | -             |
| 3243         | Nevada Medicaid                   | 537,337,946        | 2,520,783,462        | 3,058,121,408        | -             | 602,734,423        | 2,557,677,131        | 3,160,411,554        | -             |
| <b>TOTAL</b> |                                   | <b>566,599,145</b> | <b>2,880,030,920</b> | <b>3,446,630,065</b> | <b>291.51</b> | <b>631,971,942</b> | <b>2,900,774,876</b> | <b>3,532,746,818</b> | <b>291.51</b> |

# Division of Health Care Financing and Policy

## Summary of Agency Spending by Funding Source FY12-FY17

Pass through budget accounts 3157 and 3160 are not included below since it would duplicate IGT and Provider Tax funds.

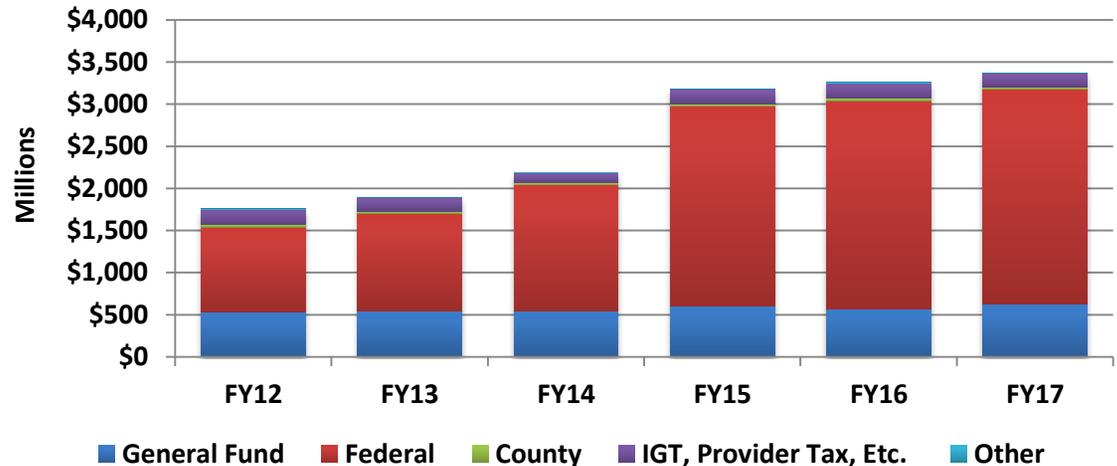
|      | General Fund  | Federal         | County       | IGT, Provider Tax, Etc. | Other       | Total           |
|------|---------------|-----------------|--------------|-------------------------|-------------|-----------------|
| FY12 | \$532,830,840 | \$1,008,553,756 | \$30,776,986 | \$180,570,570           | \$2,369,961 | \$1,755,102,114 |
| FY13 | \$543,617,285 | \$1,157,801,091 | \$27,845,095 | \$155,866,241           | \$1,990,091 | \$1,887,119,802 |
| FY14 | \$549,024,282 | \$1,493,246,340 | \$26,027,510 | \$118,940,020           | \$1,623,365 | \$2,188,861,517 |
| FY15 | \$598,090,666 | \$2,373,947,145 | \$29,792,291 | \$174,602,760           | \$3,633,123 | \$3,180,065,985 |
| FY16 | \$566,599,145 | \$2,473,981,154 | \$26,220,016 | \$185,027,194           | \$2,515,475 | \$3,254,342,984 |
| FY17 | \$631,971,942 | \$2,545,304,647 | \$26,333,580 | \$159,726,613           | \$2,422,159 | \$3,365,758,941 |

**Note: The Funds Treated Like General Funds column includes Intergovernmental Transfers (IGT), Provider Tax and Cost Containment Fees and Fines.**

Share of Spending by Funding Source

|      | General Fund | Federal | County | IGT, Provider Tax, Etc. | Other |
|------|--------------|---------|--------|-------------------------|-------|
| FY12 | 30.4%        | 57.5%   | 1.8%   | 10.3%                   | 0.1%  |
| FY13 | 28.8%        | 61.4%   | 1.5%   | 8.3%                    | 0.1%  |
| FY14 | 25.1%        | 68.2%   | 1.2%   | 5.4%                    | 0.1%  |
| FY15 | 18.8%        | 74.7%   | 0.9%   | 5.5%                    | 0.1%  |
| FY16 | 17.4%        | 76.0%   | 0.8%   | 5.7%                    | 0.1%  |
| FY17 | 18.8%        | 75.6%   | 0.8%   | 4.7%                    | 0.1%  |

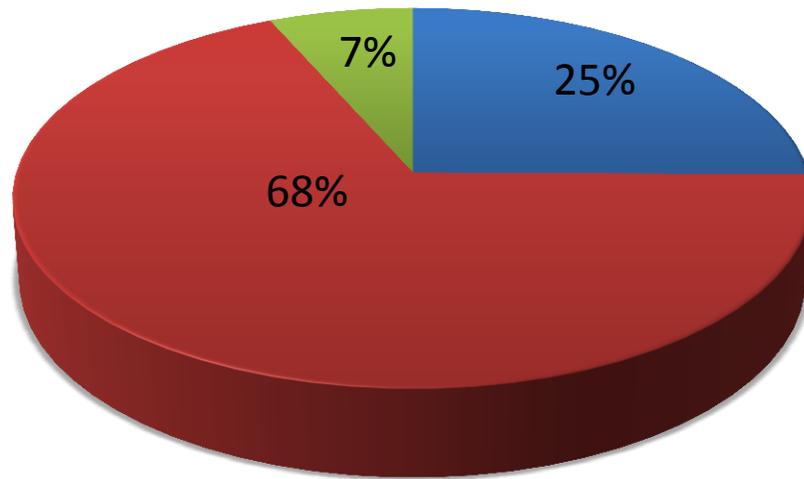
Medicaid Medical Spending by Funding Source



# Division of Health Care Financing and Policy

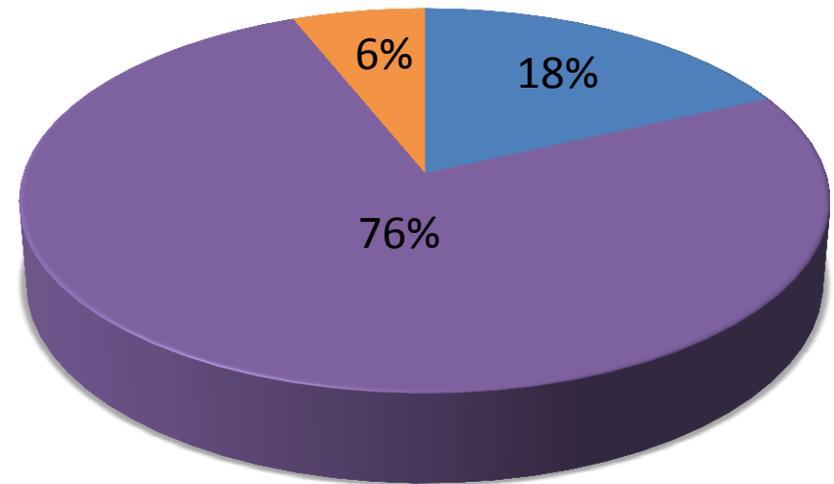
## Funding by Source

**SFY 2014 Base Actual  
By Funding Source  
Total Division**



- General Fund
- Federal Funds
- Other Funds

**SFY 16-17 Biennium  
By Funding Source  
Total Division**



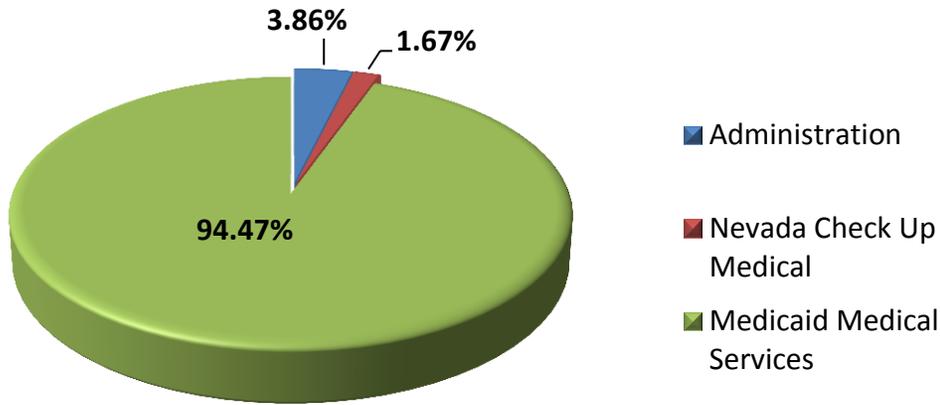
- General Fund
- Federal Funds
- Other Funds

\* Pass through budget accounts 3157 and 3160 are not included since it would duplicate IGT and Provider Tax funds.

# Division of Health Care Financing and Policy

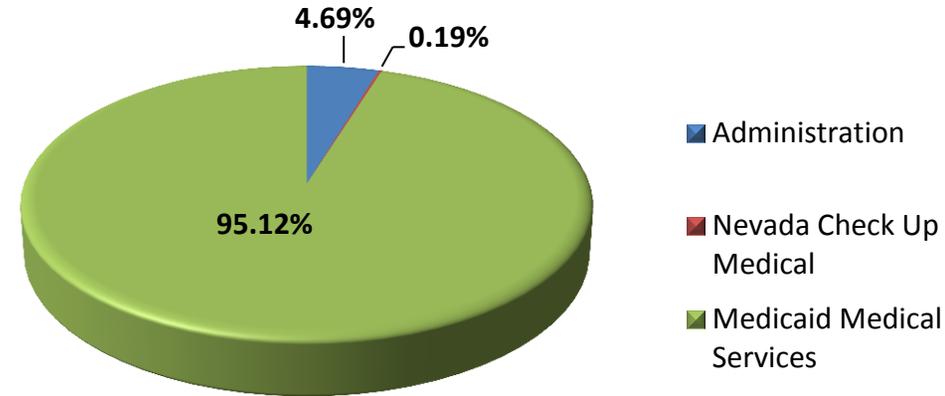
## General Funds by Budget Account 2014-15 & 2016-17 Biennia

**Legislative Approved General Funds  
2014-2015 Biennium**



\$1,103,335,240

**Gov Rec General Funds  
2016-2017 Biennium**



\$1,198,571,087

| Change From 2014 - 2015 Biennium        |                      |
|---|----------------------|
| Expenditure Type                        | General Fund         |
| Caseload (M200s)                        | \$136,482,270        |
| Mandates (M500s)                        | (\$2,803,913)        |
| Rates                                   | \$27,522,866         |
| MBI - Expanded Services (ABA)           | \$15,511,384         |
| New Staff (Not Caseload or Mandate)     | (\$356,111)          |
| TIRs (E550s)                            | \$3,349,452          |
| Efficiency                              | (\$29,744,645)       |
| Other                                   | \$24,268,432         |
| <b>Total Dec Units minus Base</b>       | <b>\$174,229,735</b> |
| FMAP Savings                            | (\$78,993,888)       |
| <b>Change from 2014 - 2015 Biennium</b> | <b>\$95,235,847</b>  |

# Division of Health Care Financing and Policy

## Major Budget Initiative

### Children with Autism Spectrum Disorder

- The Department of Health and Human Services has proposed a strategy designed to treat Autism Spectrum Disorder (ASD) through programs offered by Aging and Disability Services Division (ADSD) and Division of Healthcare Financing and Policy (DHCFP).
- ADSD houses the Autism Treatment Assistance Program (ATAP) which provides intensive behavioral treatment to children up to age 19. DHCFP will submit a state plan amendment to provide Applied Behavioral Analysis therapy for children under the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) program.
- Approximately 6,000 Nevada children have been diagnosed with Autism. ADSD reports approximately 30% are eligible for Medicaid.
- DHCFP requests funding to provide coverage for ABA services to approximately 1,800 children over the biennium, beginning in January of 2016.
- ADSD requests funding to serve an additional 264 children over the biennium, increasing the caseload to 836 children by the end of fiscal year 2017.

#### – **Decision Unit M512 - Applied Behavior Analysis**

- *BA 3243 Nevada Medicaid*
  - *SFY 16 Total Cost - \$14,206,060*      *State General Funds - \$4,986,786*
  - *SFY 17 Total Cost - \$28,412,122*      *State General Funds - \$9,822,563*
- *BA 3178 Nevada Check Up*
  - *SFY 16 Total Cost - \$648,047*      *State General Funds - \$47,955*
  - *SFY 17 Total Cost - \$1,296,095*      *State General Funds - \$16,720*
- *BA 3158 DHCFP Administration*
  - *SFY 16 Total Cost - \$1,274,723*      *State General Funds - \$318,680*
  - *SFY 17 Total Cost - \$1,274,723*      *State General Funds - \$318,680*

DHCFP - ABA Implementation Timeline

| Task   | Task Lead     | Start    | End      | Jul-14   | Aug-14 | Sep-14 | Oct-14 | Nov-14 | Dec-14 | Jan-15 | Feb-15 | Mar-15 | Apr-15 | May-15 | Jun-15 | Jul-15 | Aug-15 | Sep-15 | Oct-15 | Nov-15 | Dec-15 | Jan-16 |  |  |  |
|--|---------------|----------|----------|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|--|--|
| <b>Policy Development</b>                          | Shannon       | 07/01/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Policy Draft                                       |               | 08/01/14 | 12/24/14 | 100%   |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Policy RM Clearance                                |               | 01/12/15 | 08/21/15 |  |        |        |        |        |        |        |        |        |        |        | 80%    |        |        |        |        |        |        |        |  |  |  |
| Policy Posting                                     |               | 08/21/15 | 09/04/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Policy to Public Hearing                           |               | 10/08/15 | 10/08/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Policy Effective                                   |               | 01/01/16 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| <b>Policy SPA Development</b>                      | Shannon       | 07/01/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Policy SPA Draft                                   |               | 08/15/14 | 12/24/14 | 100%   |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Policy SPA Draft review w/CMS                      |               | 12/24/14 | 02/27/15 |  |        |        |        |        |        |        |        |        |        |        | 90%    |        |        |        |        |        |        |        |  |  |  |
| Policy SPA RM Clearance                            |               | 03/01/15 | 08/21/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Policy SPA Posting                                 |               | 08/21/15 | 09/04/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| SPA to Public Hearing                              |               | 09/04/15 | 10/08/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Estimated CMS Approval                             |               | 01/01/16 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| <b>Rate SPA Development</b>                        | Lisa          | 11/07/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Research   |               | 11/07/14 | 03/01/15 | 75%  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Rates Public Workshop                              |               | 03/01/15 | 03/31/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Rates SPA Draft                                    |               | 04/01/15 | 04/30/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Rates SPA Draft review w/CMS                       |               | 05/01/15 | 05/30/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Rates SPA RM Clearance                             |               | 06/01/15 | 08/21/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Rates SPA Public Notice Paper                      |               | 08/21/15 | 09/04/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Rates SPA Posting                                  |               | 08/21/15 | 09/04/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Rates SPA Public Hearing                           |               | 10/08/15 | 10/08/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Estimated CMS Approval                             |               | 01/01/16 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| <b>FFS System Development*</b>                     | Shannon/April | 08/04/14 | 07/01/15 | Development and Design includes new provider type, provider specialties, codes, edits, rates, test, and implementation |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Statement of Work                                  | HP            | 01/22/15 | 02/15/15 |  |        |        |        |        |        |        |        |        |        |        | 90%    |        |        |        |        |        |        |        |  |  |  |
| Rates Mapped                                       | Lisa          | 01/22/15 | 03/31/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| System Design & Test                               | HP            | 02/15/15 | 06/30/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| System Implementation                              | HP            | 07/01/15 | 07/01/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| <b>HP Enterprise Services Prep</b>                 | Shannon/HP    | 08/19/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Enrollment Checklist                               |               | 12/02/14 | 09/15/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 10%    |        |  |  |  |
| Billing Guide                                      |               | 12/02/14 | 09/15/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 10%    |        |  |  |  |
| Prior Authorization (PA) Form                      |               | 12/02/14 | 05/15/15 | 20%  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Provider Training Enrollment Process               |               | 06/01/15 | 06/30/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Provider Enrollment Begins                         |               | 07/01/15 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| PA and Billing Training                            |               | 10/01/15 | 10/30/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| PA Submittal Begins                                |               | 11/02/15 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| <b>MCO Prep</b>                                    | Shannon/MCO   | 08/19/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Provider Training Enrollment Process               |               | 06/01/15 | 06/30/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Provider Contract/Credential Enrollment Begins     |               | 07/01/15 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| Billing System Update                              |               | 07/01/15 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| PA and Billing Training                            |               | 10/01/15 | 10/30/15 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| PA Submittal Begins                                |               | 11/02/15 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| <b>Provider Outreach</b>                           | Shannon       | 07/01/14 | 12/30/16 | Outreach is ongoing effort and will include post implementation activities   |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |
| ABA Updates Tribal Meetings                        |               | 07/10/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 47%    |  |  |  |
| ABA Updates School District Collaboration Meetings |               | 07/08/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 47%    |  |  |  |
| Quarterly Newsletter                               |               | 10/10/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 40%    |  |  |  |
| Quarterly Web Announcements                        |               | 11/21/14 | 01/01/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 40%    |  |  |  |
| Act Early Summit                                   |               | 02/02/15 | 03/13/15 |  |        |        |        |        |        |        |        |        |        |        | 10%    |        |        |        |        |        |        |        |  |  |  |
| Web Announcement EPSDT Screens                     |               | 02/02/15 | 03/13/15 |  |        |        |        |        |        |        |        |        |        |        | 10%    |        |        |        |        |        |        |        |  |  |  |
| Monthly ABA Provider Calls                         |               | 01/01/16 | 12/30/16 |  |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |  |  |  |

Key Project Milestones Complete In process % complete To be started Effective date

\* FFS System Development must be fulfilled prior to Provider Enrollment

# Division of Health Care Financing and Policy

## BA 3157 – Inter-Governmental Transfer

- **BA 3157 – Intergovernmental Transfer (IGT)**

- Clark County Voluntary Contribution percentage remains at 50% of the Supplemental Payments the SFY 16 – 17 Biennium. Programs that have a State Net Benefit (SNB) are GME and the Public UPL In-patient and Out-patient Programs.
- DSH has a different State Net Benefit rate that is not voluntary since it is mandated in NRS. The IGT is paid at approximately 70% of the total DSH payments.
- These programs generate a State Net Benefit that offset the State General Fund need for DHCFP. The projected State Net Benefit in the 2016-2017 Biennium is \$84.8 million.
- Other programs/services that are funded with IGT passed through BA 3157 with no State Net Benefit are; Regional Transportation Commission for non-emergency transportation, UNSOM Supplemental Payments for Mental Health Services, School Based Services and the Indigent Accident Fund (IAF) UPL.
- The SNB for the Private Collaborative UPL remains in the DHHS budget account to revert to State General Fund in the amount of \$617,926 in SFY 2016 and \$639,174 in SFY 2017.

# Division of Health Care Financing and Policy

## BA 3157 – Inter-Governmental Transfer

| Programs with a State Net Benefit (SNB) | SFY 16             |                    |                                     |                   |                    |                        | SFY 17             |                    |                                     |                   |                    |                        |
|---|--------------------|--------------------|-------------------------------------|-------------------|--------------------|------------------------|--------------------|--------------------|-------------------------------------|-------------------|--------------------|------------------------|
|   | Total Sup Pymnt    | Federal Share      | IGT & 1 cent Sup IAF for DSH offset | State Share       | *State Net Benefit | **Hospital Net Benefit | Total Pymnt        | Federal Share      | IGT & 1 cent Sup IAF for DSH offset | State Share       | *State Net Benefit | **Hospital Net Benefit |
| UPL - Public O/P****                    | 11,721,328         | 7,594,248          | 6,228,223                           | 4,127,080         | 2,101,143          | 5,493,105              | 14,032,252         | 9,163,061          | 7,494,346                           | 4,869,191         | 2,625,155          | 6,537,906              |
| UPL - Public I/P***                     | 80,598,254         | 52,219,609         | 40,097,549                          | 28,378,645        | 11,718,904         | 40,500,705             | 67,043,508         | 43,779,411         | 33,348,295                          | 23,264,097        | 10,084,198         | 33,695,213             |
| GME - UMC only                          | 11,950,287         | 7,742,591          | 5,975,144                           | 4,207,696         | 1,767,447          | 5,975,144              | 13,071,491         | 8,535,684          | 6,535,746                           | 4,535,807         | 1,999,938          | 6,535,746              |
| DSH                                     | 78,410,431         | 50,802,118         | 55,242,510                          | 27,608,313        | 27,634,197         | 23,167,921             | 75,052,874         | 49,009,527         | 52,904,771                          | 26,043,347        | 26,861,424         | 22,148,103             |
| <b>Total</b>                            | <b>182,680,300</b> | <b>118,358,566</b> | <b>107,543,426</b>                  | <b>64,321,734</b> | <b>43,221,692</b>  | <b>75,136,875</b>      | <b>169,200,125</b> | <b>110,487,682</b> | <b>100,283,158</b>                  | <b>58,712,443</b> | <b>41,570,714</b>  | <b>68,916,968</b>      |

| Other Programs/ Services Pd w/IGT no SNB | SFY 16          |               |            |             |                    |                        | SFY 17      |               |            |             |                    |                        |
|--|-----------------|---------------|------------|-------------|--------------------|------------------------|-------------|---------------|------------|-------------|--------------------|------------------------|
|  | Total Sup Pymnt | Federal Share | IGT        | State Share | *State Net Benefit | **Provider Net Benefit | Total Pymnt | Federal Share | IGT        | State Share | *State Net Benefit | **Provider Net Benefit |
| RTC Non-ER Trans                         | 7,988,521       | 5,175,763     | 2,812,758  | 2,812,758   | 0                  | 5,175,763              | 7,803,491   | 5,095,680     | 2,707,811  | 2,707,811   | 0                  | 5,095,680              |
| UNSOM *****                              | 4,961,203       | 3,214,363     | 1,746,840  | 1,746,840   | 0                  | 3,214,363              | 5,546,625   | 3,621,946     | 1,924,679  | 1,924,679   | 0                  | 3,621,946              |
| School Based Svcs                        | 15,893,637      | 10,297,487    | 5,596,150  | 5,596,150   | 0                  | 10,297,487             | 15,858,437  | 10,355,559    | 5,502,878  | 5,502,878   | 0                  | 10,355,559             |
| Private UPL *****                        | 4,578,001       | 2,966,087     | 1,611,914  | 1,611,914   | 0                  | 2,966,087              | 4,378,000   | 2,858,834     | 1,519,166  | 1,519,166   | 0                  | 2,858,834              |
| IAF UPL                                  | 31,938,915      | 20,693,223    | 11,245,692 | 11,245,692  | 0                  | 20,693,223             | 32,408,334  | 21,162,642    | 11,245,692 | 11,245,692  | 0                  | 21,162,642             |
|  | 65,360,277      | 42,346,923    | 23,013,354 | 23,013,354  | 0                  | 42,346,923             | 65,994,887  | 43,094,661    | 22,900,226 | 22,900,226  | 0                  | 43,094,661             |

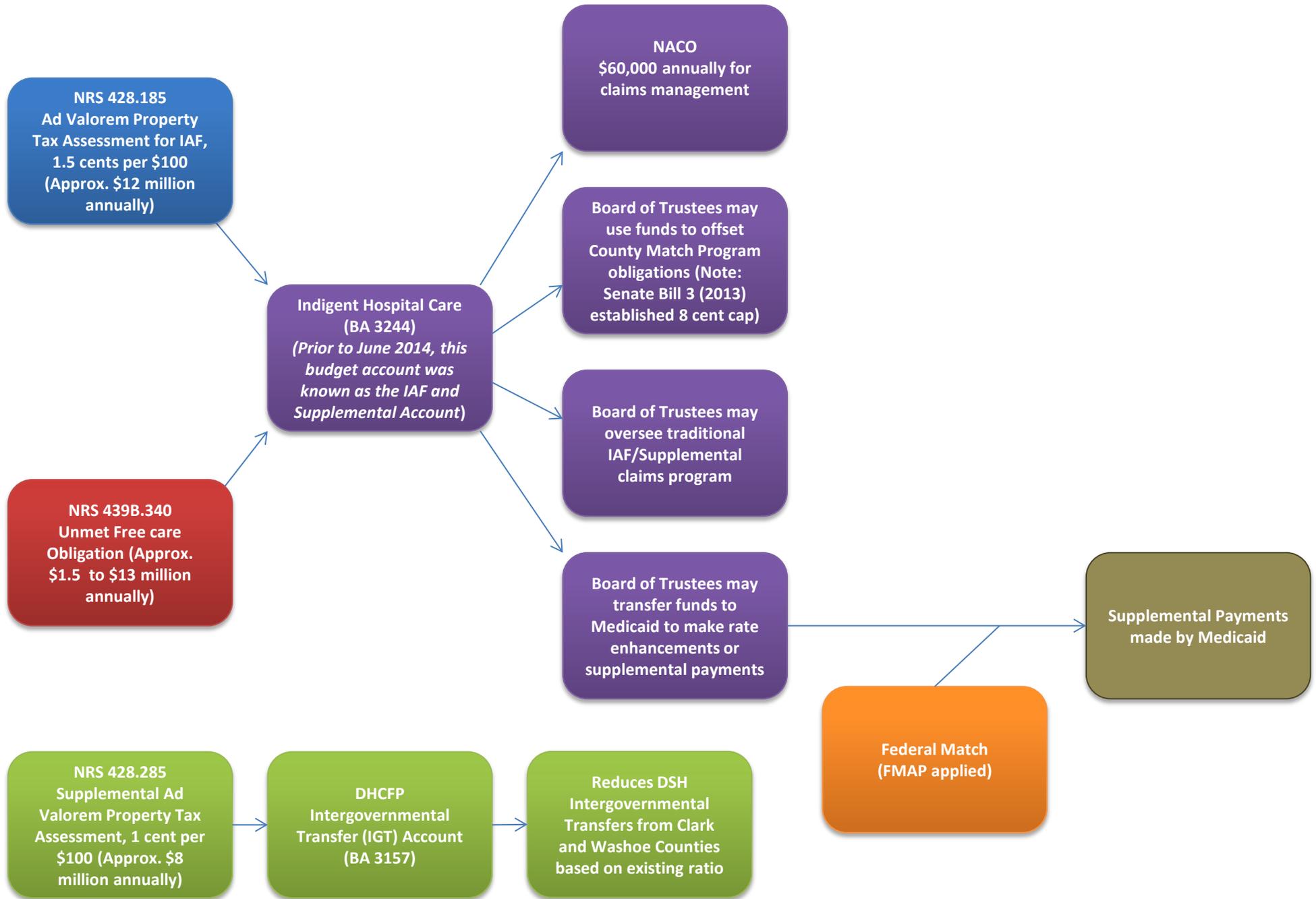
|                    |                    |                    |                    |                   |                   |                    |                    |                    |                    |                   |                   |                    |
|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| <b>Grand Total</b> | <b>248,040,577</b> | <b>160,705,490</b> | <b>130,556,779</b> | <b>87,335,087</b> | <b>43,221,692</b> | <b>117,483,798</b> | <b>235,195,012</b> | <b>153,582,343</b> | <b>123,183,383</b> | <b>81,612,669</b> | <b>41,570,714</b> | <b>112,011,629</b> |
|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|

| UMC/Clark County Only |                    |                    |                   |                   |                    |                            |                    |                    |                   |                   |                    |                            |
|-----------------------|--------------------|--------------------|-------------------|-------------------|--------------------|----------------------------|--------------------|--------------------|-------------------|-------------------|--------------------|----------------------------|
| UMC Hospital          | SFY 16             |                    |                   |                   |                    |                            | SFY 17             |                    |                   |                   |                    |                            |
|                       | Total Pymnt to UMC | Federal Share      | UMC IGT           | State Share       | *State Net Benefit | **UMC Hospital Net Benefit | Total Pymnt to UMC | Federal Share      | UMC IGT           | State Share       | *State Net Benefit | **UMC Hospital Net Benefit |
| UPL - Public O/P      | 8,045,634          | 5,212,766          | 4,022,817         | 2,832,868         | 1,189,949          | 4,022,817                  | 9,250,053          | 6,040,285          | 4,625,027         | 3,209,768         | 1,415,258          | 4,625,027                  |
| GME                   | 11,950,287         | 7,742,591          | 5,975,144         | 4,207,696         | 1,767,447          | 5,975,144                  | 13,071,491         | 8,535,684          | 6,535,746         | 4,535,807         | 1,999,938          | 6,535,746                  |
| UPL - Public I/P      | 79,235,317         | 51,336,562         | 39,617,659        | 27,898,755        | 11,718,903         | 39,617,659                 | 65,909,788         | 43,039,092         | 32,954,894        | 22,870,696        | 10,084,198         | 32,954,894                 |
| DSH                   | 68,977,656         | 44,690,623         | 46,356,609        | 24,287,033        | 22,069,576         | 22,621,047                 | 66,024,013         | 43,113,680         | 44,055,339        | 22,910,333        | 21,145,006         | 21,968,674                 |
| <b>UMC Sub Total</b>  | <b>168,208,894</b> | <b>108,982,542</b> | <b>95,972,228</b> | <b>59,226,352</b> | <b>36,745,876</b>  | <b>72,236,666</b>          | <b>154,255,345</b> | <b>100,728,740</b> | <b>88,171,005</b> | <b>53,526,605</b> | <b>34,644,400</b>  | <b>66,084,340</b>          |

\* State Net Benefit is IGT minus State Share.  
 \*\* Hospital Net Benefit is Total Payment minus IGT.  
 \*\*\* Only Clark County pays SNB for In-Patient UPL  
 \*\*\*\*Clark County pays 50% SNB all others pay 60% SNB for Out-Patient UPL  
 \*\*\*\*\*UNSOM \$50,000 IGT Per Year for DHCFP Admin Services  
 \*\*\*\*\*Private UPL SNB goes to DHHS not DHCFP

# Division of Health Care Financing and Policy

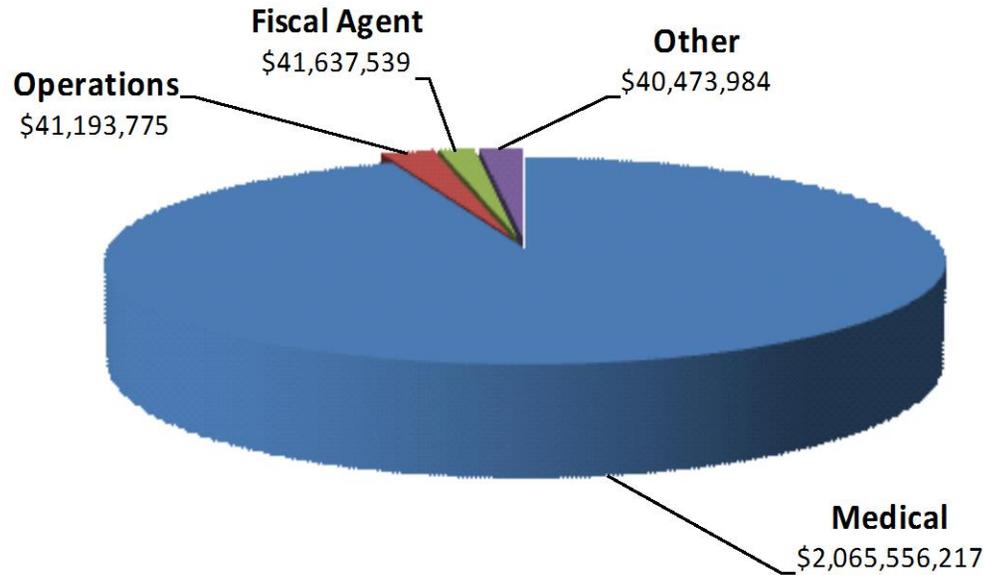
## Indigent Hospital Care and IAF Supplemental Payments



# Division of Health Care Financing and Policy

## Medicaid/Nevada Check Up Medical & Administration Expenditures

### SFY 2014



### Total Computable Spend: \$2,188,861,515

|   | SFY 2014               |                |
|---|------------------------|----------------|
| Medical (Medicaid and Nevada Check Up)      | \$2,065,556,217        | 94.37%         |
| DHCFP Operations                            | \$41,193,775           | 1.88%          |
| DHCFP Fiscal Agent                          | \$41,637,539           | 1.90%          |
| Public and Behavioral Health                | \$1,155,117            | 0.05%          |
| Division of Welfare and Supportive Services | \$31,816,115           | 1.45%          |
| Division of Aging Admin                     | \$5,571,097            | 0.25%          |
| Local Governments/Administrative Claiming   | \$1,035,185            | 0.05%          |
| Division of Child and Family Services       | \$704,954              | 0.03%          |
| Health Insurance Exchange                   | \$68,503               | 0.00%          |
| Directors Office                            | \$90,450               | 0.00%          |
| Department of Administration                | \$10,813               | 0.00%          |
| Transfer to Legislative Council Bureau      | \$21,750               | 0.00%          |
| <b>TOTAL</b>                                | <b>\$2,188,861,515</b> | <b>100.00%</b> |

ADMIN OTHER  
\$40,473,984  
(Majority of these funds are pass through of federal dollars to sister & state agencies for Admin services)

# Division of Health Care Financing and Policy

## Decision Unit Summary – Budget Account 3158

| Decision Unit | Purpose                                  | SFY 16            |                    |                  |                    |               | SFY 17            |                    |                  |                    |
|---------------|--|-------------------|--------------------|------------------|--------------------|---------------|-------------------|--------------------|------------------|--------------------|
|               |  | General Fund      | Fed Funds          | Other Funds      | Total              | # of FTE      | General Fund      | Fed Funds          | Other Funds      | Total              |
| B000          | Base                                     | 23,230,334        | 101,611,186        | 3,283,598        | 128,125,118        | 277.51        | 23,456,534        | 101,838,884        | 3,370,542        | 128,665,961        |
| M100          | Statewide Inflation                      | 211,987           | 296,157            | -                | 508,144            | -             | 165,832           | (93,703)           | -                | 72,129             |
| M101          | Agency Specificity Inflation             | (623,049)         | (2,315,784)        | -                | (2,938,833)        | -             | (293,940)         | (1,462,121)        | -                | (1,756,061)        |
| M150          | Adjustments to Base                      | 486,788           | (2,019,428)        | (57,651)         | (1,590,291)        | -             | 751,031           | (1,179,174)        | (236,416)        | (664,559)          |
| M200          | Normal Caseload Growth                   | 2,001,884         | 4,666,025          | -                | 6,667,909          | -             | 2,114,776         | 4,898,016          | -                | 7,012,792          |
| M201          | WIN Waiver Fiscal Agent Costs            | 793               | 2,378              | -                | 3,171              | -             | 2,013             | 6,039              | -                | 8,052              |
| M202          | IID Waiver Fiscal Agent Costs            | 519               | 1,556              | -                | 2,074              | -             | 3,036             | 9,109              | -                | 12,145             |
| M203          | CHIP Waiver Fiscal Agent Costs           | 2,499             | 7,498              | -                | 9,997              | -             | 6,769             | 20,306             | -                | 27,074             |
| M300          | Fringe                                   | 63,612            | 74,195             | -                | 137,807            | -             | 23,089            | 26,850             | -                | 49,939             |
| M501          | LTSS - WIN Waiver Staff                  | 55,688            | 55,689             | -                | 111,377            | 2.00          | 69,526            | 69,527             | -                | 139,053            |
| M502          | Program Integrity Unit Staff             | 178,900           | 190,785            | -                | 369,685            | 7.00          | 220,772           | 236,898            | -                | 457,670            |
| M503          | District Office Staff                    | 133,056           | 141,739            | -                | 274,795            | 6.00          | 162,318           | 174,092            | -                | 336,410            |
| M504          | Rates & Cost Containment Staff           | 59,267            | 63,001             | -                | 122,268            | 2.00          | 71,900            | 76,964             | -                | 148,864            |
| M505          | Accounting & Budget Staff                | 25,821            | 27,553             | -                | 53,374             | 1.00          | 32,020            | 34,371             | -                | 66,391             |
| M506          | IT Staff                                 | 76,701            | 81,836             | -                | 158,537            | 3.00          | 94,981            | 101,950            | -                | 196,931            |
| M507          | 1915(i) Staff                            | 202,978           | 216,449            | -                | 419,427            | 8.00          | 251,350           | 269,638            | -                | 520,988            |
| M508          | CORE Phases 1-4                          | 177,483           | 644,051            | -                | 821,534            | -             | 179,759           | 539,277            | -                | 719,036            |
| M509          | Health Plan Identifier                   | 90,797            | 761,678            | -                | 852,475            | -             | 9,000             | 27,000             | -                | 36,000             |
| M511          | Applied Behavior Analysis                | 51,643            | 55,106             | -                | 106,749            | 2.00          | 64,039            | 68,740             | -                | 132,779            |
| M512          | ABA Administrative Costs                 | 318,680           | 956,043            | -                | 1,274,723          | -             | 318,680           | 956,043            | -                | 1,274,723          |
| E226          | Clinical Policy Staff                    | 28,492            | 30,432             | -                | 58,924             | 1.00          | 35,627            | 38,258             | -                | 73,885             |
| E227          | IT Staff                                 | 58,054            | 62,041             | -                | 120,095            | 2.00          | 71,628            | 77,041             | -                | 148,669            |
| E229          | Program Integrity Staff                  | 112,630           | 119,839            | -                | 232,469            | 4.00          | 138,247           | 148,032            | -                | 286,279            |
| E230          | Fiscal Integrity Staff                   | 76,702            | 81,834             | -                | 158,536            | 3.00          | 94,970            | 101,937            | -                | 196,907            |
| E232          | Redundant Connections                    | 17,728            | 17,729             | -                | 35,457             | -             | 17,850            | 17,850             | -                | 35,700             |
| E235          | Fiscal Integrity Cost Savings            | (167,930)         | (503,791)          | -                | (671,721)          | -             | (167,930)         | (503,791)          | -                | (671,721)          |
| E237          | UNLV Transparency Website                |                   | 105,000            | 105,000          | 210,000            | -             |                   | 105,000            | 105,000          | 210,000            |
| E238          | Security Card System                     | 5,146             | 5,145              | -                | 10,290             | -             | -                 | -                  | -                | -                  |
| E550          | MMIS Replacement TIR                     | 1,353,341         | 12,180,068         | -                | 13,533,409         | -             | 1,996,111         | 17,964,999         | -                | 19,961,110         |
| E672          | Salary Adjustment for 2015-2017 Biennium | (41,712)          | (41,713)           | -                | (83,425)           | -             | (48,237)          | (48,238)           | -                | (96,475)           |
| E710          | Replacement Equipment                    | 97,800            | 97,800             | -                | 195,600            | -             | 55,840            | 55,840             | -                | 111,680            |
| E719          | Replacement Equipment                    | 7,732             | 7,732              | -                | 15,464             | -             | -                 | -                  | -                | -                  |
| E720          | New Equipment                            | 34,066            | 34,067             | -                | 68,133             | -             | 19,280            | 19,281             | -                | 38,561             |
| E800          | Payments to Sister Agencies              | 11,964            | 22,182,398         | (142,598)        | 22,051,764         | -             | 11,964            | 23,017,024         | (142,598)        | 22,886,390         |
| E900          | WIN Waiver Staff (Current)               | (938,009)         | (974,369)          | -                | (1,912,378)        | (25.00)       | (956,031)         | (993,105)          | -                | (1,949,136)        |
| E901          | WIN Waiver Staff (M501)                  | (55,688)          | (55,689)           | -                | (111,377)          | (2.00)        | (69,526)          | (69,527)           | -                | (139,053)          |
|               | <b>Total BA 3158</b>                     | <b>27,346,697</b> | <b>138,866,236</b> | <b>3,188,349</b> | <b>169,401,280</b> | <b>291.51</b> | <b>28,903,278</b> | <b>146,549,307</b> | <b>3,096,528</b> | <b>178,549,111</b> |

# Division of Health Care Financing and Policy

## Budget Account 3158 Medicaid Administration

|   | <u>SFY16 SGF</u> | <u>Total Computable</u> | <u>SFY17 SGF</u> | <u>Total Computable</u> |
|---|------------------|-------------------------|------------------|-------------------------|
| <b>M100 – Inflation-Statewide</b>   | \$211,987        | \$508,144               | \$165,832        | \$72,129                |
| <b>M101 – Agency Specific Inflation</b>   | (\$623,049)      | (\$2,938,833)           | (\$293,940)      | (\$1,756,061)           |
| This request funds mandatory increases/decreases due to inflation for the fiscal agent and physicians performing disability determinations. Fiscal Agent services are inflated using the Consumer Price Index for Medical Care Commodities or Medical Care Services.  |                  |                         |                  |                         |
| <b>M150 – Adjustments to Base</b>   | \$486,788        | (\$1,590,291)           | \$751,031        | (\$664,559)             |
| This request funds adjustments to base expenditures including eliminating one-time expenditures such as vacancy savings, equipment, and adjusts for partial year costs for the continuation of programs.  |                  |                         |                  |                         |
| <b>*M200 – Demographics/Caseload Changes – Normal Growth</b>  | \$2,001,884      | \$6,667,909             | \$2,114,776      | \$7,012,792             |
| <b>M201 – WIN Waiver Fiscal Agent Costs</b>   | \$793            | \$3,171                 | \$2,013          | \$8,052                 |
| This request funds fiscal agent services due to the anticipated approval of additional Waiver for Independent Nevadan's (WIN) waiver slots. Expansion of WIN waiver slots will allow an additional 51 Nevadans access to Home and Community Based Waivers and an alternative to in-patient long-term care facilities. This request is a companion to M201 in Nevada Medicaid, budget account 3243.                                |                  |                         |                  |                         |
| <b>M202 – IID Waiver Fiscal Agent Costs</b>   | \$519            | \$2,074                 | \$3,036          | \$12,145                |
| This request funds the fiscal agent services due to the anticipated approval of additional Individuals with Intellectual Disabilities(IID) waiver slots. Expansion of IID waiver slots will allow an additional 93 Nevadans access to Home and Community Based Waivers and an alternative to in-patient long-term care facilities. This request is a companion to M202 in Nevada Medicaid, budget account 3243.                   |                  |                         |                  |                         |
| <b>M203 – HCBW Waiver Fiscal Agent Costs</b>  | \$2,499          | \$9,997                 | \$6,769          | \$27,074                |
| This request funds fiscal agent services due to the anticipated approval of additional Home and Community Based Waiver for the Frail Elderly (HCBW/FE) waiver slots. Expansion of HCBW/FEP waiver slots will allow an additional 173 Nevadans access to Home and Community Based Waivers and an alternative to in-patient long-term care facilities. This request is a companion to M203 in Nevada Medicaid, budget account 3243. |                  |                         |                  |                         |
| <b>M300 – Fringe Benefit Rate Adjustments</b>   | \$63,612         | \$137,807               | \$23,089         | \$49,939                |
| <b>M501 – Long-Term Support Services Staff</b>  | \$55,688         | \$111,377               | \$69,526         | \$139,053               |
| This request funds two Health Care Coordinator positions for the Long-Term Support Services Unit to support the addition of 51 cases for the Home and Community Based Waiver for Persons with Physical Disabilities. This request is a companion to M201 in this budget account and M201 in Nevada Medicaid, budget account 3243.   |                  |                         |                  |                         |
| <b>M502 - Program Integrity Unit Staff</b>  | \$178,900        | \$369,685               | \$220,772        | \$457,670               |
| This request funds a Social Services Program Specialist, an Administrative Assistant, and five Management Analyst positions within the Program Integrity Unit. This is a companion to M502 in the Nevada Medicaid, budget account 3243, where the associated savings is realized.   |                  |                         |                  |                         |

\* Caseload details on slides 25 & 26 for Nevada Check Up and 31 & 32 for Medicaid

# Division of Health Care Financing and Policy

## Budget Account 3158 Medicaid Administration

|  | <u>SFY16 SGF</u> | <u>Total Computable</u> | <u>SFY17 SGF</u> | <u>Total Computable</u> |
|--|------------------|-------------------------|------------------|-------------------------|
| <b>M503 – District Office Staff</b><br>This request funds three Health Care Coordinators and three Administrative Assistant positions within the Las Vegas and Reno District Offices to meet the customer service and care coordination needs of the rapidly increasing Medicaid enrollment due to the Affordable Care Act and the newly-eligible Medicaid recipients.   | \$133,056        | \$274,795               | \$162,318        | \$336,410               |
| <b>M504 – Rates &amp; Cost Containment Staff</b><br>This request funds two Management Analyst positions for the Rates and Cost Containment Unit to accommodate increased workload and new programs as a result of health care reform.  | \$59,267         | \$122,268               | \$71,900         | \$148,864               |
| <b>M505 – Accounting &amp; Budget Staff</b><br>This request funds a Management Analyst position in the Accounting and Budget Unit to track and analyze the Affordable Care Act (ACA) related expenditures, forecast future expenditures and report expenditures accordingly, and maintain information of ACA mandates and compliance as it relates to the reporting and tracking of ACA expenditures.  | \$25,821         | \$53,374                | \$32,020         | \$66,391                |
| <b>M506 – IT Staff</b><br>This request funds three Business Process Analyst positions for the Business Process Management Unit to support the ACA Medicaid Expansion and the future design, development and implementation phase of the Medicaid Management Information System replacement project.  | \$76,701         | \$158,537               | \$94,981         | \$196,931               |
| <b>M507 – 1915(i) Staff</b><br>This request funds six Health Care Coordinators and two Social Services Program Specialist positions for the Long-Term Support Services Unit to ensure compliance and continuous program improvement within the existing 1915(i) programs as mandated under federal regulation.   | \$202,978        | \$419,427               | \$251,350        | \$520,988               |
| <b>M508 – CORE Phases 1-4</b><br>This request funds the ongoing operational costs associated with the federally mandated Council for Affordable Quality Healthcare Operating Rules Phase I, II, III & IV for all electronic data interchange transaction sets.   | \$177,483        | \$821,534               | \$179,759        | \$719,036               |
| <b>M509 – Health Plan Identifier</b><br>This request funds a health plan identifier to align with the federal mandate to make changes to its Medicaid Management Information System in order to comply with the Centers for Medicare and Medicaid final rule for adopting the standard national unique health plan identifier.   | \$90,797         | \$852,475               | \$9,000          | \$36,000                |
| <b>M511 – Applied Behavior Analysis</b><br>This request funds two Social Services Program Specialist positions, one for the Clinical Policy Team Unit for development and maintenance of the behavioral intervention policy as well as oversight of utilization management control and one for the Hearings Unit to ensure compliance with the provisions of Fair Hearings. This request is a companion to M512 in Nevada Medicaid, budget account 3243. | \$51,643         | \$106,749               | \$64,039         | \$132,779               |
| <b>M512 – ABA Administrative Costs</b><br>This request funds fiscal agent costs related to the addition of Certified Behavior Analysts under Early and Periodic Screening, Diagnostic and Treatment for behavioral intervention. This request is a companion to M512 in Nevada Medicaid, budget account 3243 and M511 of this budget account.  | \$318,680        | \$1,274,723             | \$318,680        | \$1,274,723             |

# Division of Health Care Financing and Policy

## Budget Account 3158 Medicaid Administration

|   | <u>SFY16 SGF</u>   | <u>Total Computable</u> | <u>SFY17 SGF</u>   | <u>Total Computable</u> |
|---|--------------------|-------------------------|--------------------|-------------------------|
| <b>E226 – Clinical Policy Staff</b><br>This request funds a Health Resource Analyst position for the Clinical Policy Unit for contract oversight for utilization management and review of best practice delivery systems.   | <b>\$28,492</b>    | <b>\$58,924</b>         | <b>\$35,627</b>    | <b>\$73,885</b>         |
| <b>E227 – IT Staff</b><br>This request funds two Information Technology Professional positions for the Information Services Unit to provide advanced technical skills to support the changes proposed in the fiscal agent system and internal system requirements.  | <b>\$58,054</b>    | <b>\$120,095</b>        | <b>\$71,628</b>    | <b>\$148,669</b>        |
| <b>E229 – Program Integrity Staff</b><br>This request funds four Management Analyst positions for the Program Integrity Unit to ensure the state establishes and maintains compliance with the increased requirements on the agency associated with program integrity initiatives; maintain compliance with division requirements; and work directly on Managed Care Organization claim reviews to identify provider fraud, waste and abuse. This request is a companion to E229 in Nevada Medicaid, budget account 3243, where the associated savings is realized.   | <b>\$112,630</b>   | <b>\$232,469</b>        | <b>\$138,247</b>   | <b>\$286,279</b>        |
| <b>E230 – Fiscal Integrity Staff</b><br>This request funds an Auditor and two Management Analyst positions within the Fiscal Integrity Unit for adequate oversight of the critical functions performed by the fiscal agent; to have sufficient audit staff for the additional requirements placed on the division by new programs; and to oversee and ensure proper adjustments to claims data of recoveries for overpayments identified by the recovery audit contractor, the new Medicare-Medicaid Data Match program and the Surveillance And Utilization Review Unit. This request is a companion to E235 within this budget account, where the associated savings is realized. | <b>\$76,702</b>    | <b>\$158,536</b>        | <b>\$94,970</b>    | <b>\$196,907</b>        |
| <b>E232 – Redundant Connections</b><br>This request funds the installation of redundant separate network connections to allow the division to continue providing services in the event of an outage on any one provider network.  | <b>\$17,728</b>    | <b>\$35,457</b>         | <b>\$17,850</b>    | <b>\$35,700</b>         |
| <b>E235 – Fiscal Integrity Cost Savings</b><br>This request represents cost savings resulting from Fiscal Integrity Unit audits. This request is a companion to E230 within this budget account.  | <b>(\$167,930)</b> | <b>(\$671,721)</b>      | <b>(\$167,930)</b> | <b>(\$671,721)</b>      |
| <b>E237 – UNLV Transparency Website</b><br>This request provides for payments to the Board of Regents, University of Nevada, Las Vegas for the transparency website.  | <b>\$0</b>         | <b>\$210,000</b>        | <b>\$0</b>         | <b>\$210,000</b>        |
| <b>E238 – Security Card System</b><br>This request funds repairs and additions to building security systems at the Carson City offices and to install a building security card system in the Reno offices in fiscal year 2016. This is a master service agreement through Purchasing.   | <b>\$5,146</b>     | <b>\$10,290</b>         | <b>\$0</b>         | <b>\$0</b>              |
| <b>E550 – MMIS Replacement TIR</b><br>This request funds Phase III of a Technology Investment Request to provide automated solutions and fiscal agent services to support the Nevada Medicaid program.  | <b>\$1,353,341</b> | <b>\$13,533,409</b>     | <b>\$1,996,111</b> | <b>\$19,961,110</b>     |

# Division of Health Care Financing and Policy

## Budget Account 3158 Medicaid Administration

|  | <u>SFY16 SGF</u>   | <u>Total Computable</u> | <u>SFY17 SGF</u>   | <u>Total Computable</u> |
|--|--------------------|-------------------------|--------------------|-------------------------|
| <b>E672 – Salary Adjustment for 2015-2017 Biennium</b><br>This request eliminates longevity payments. A Bill Draft Request has been submitted to support this request.   | <b>(\$41,712)</b>  | <b>(\$83,425)</b>       | <b>(\$48,237)</b>  | <b>(\$96,475)</b>       |
| <b>E710 – Replacement Equipment</b><br>This request funds replacement computer hardware and associated software per Enterprise Information Technology Services' recommended replacement schedule.  | <b>\$97,800</b>    | <b>\$195,600</b>        | <b>\$55,840</b>    | <b>\$111,680</b>        |
| <b>E719 – Replacement Equipment</b><br>This request funds replacement microwave equipment and provides for installation services per Enterprise Information Technology Services' recommended replacement.  | <b>\$7,732</b>     | <b>\$15,464</b>         | <b>\$0</b>         | <b>\$0</b>              |
| <b>E720 – New Equipment</b><br>This request funds new hardware equipment and software for automating the process of authoring, approving, and distributing documents via rules based workflows; a wireless network for the Carson City and Las Vegas offices; e-Discovery hardware and software to process legal holds and data requests; and hardware for redundant connections to solve outages and work stoppages due to the dependency on a single source network, which will increase productivity. | <b>\$34,066</b>    | <b>\$68,133</b>         | <b>\$19,280</b>    | <b>\$38,561</b>         |
| <b>E800 – Payments to Sister Agencies</b><br>This request funds projected Medicaid revenue adjustments transferred to multiple state agencies.   | <b>\$11,964</b>    | <b>\$22,051,764</b>     | <b>\$11,964</b>    | <b>\$22,886,390</b>     |
| <b>E900 – WIN Waiver Staff (Current)</b><br>This request transfers twenty-five positions consisting of twenty-three Health Care Coordinators and two Administrative Assistant positions from Health Care Financing and Policy Administration, budget account 3158 to Aging and Disability Services Division Home and Community Based Services, budget account 3266 to support the Home and Community Based Waiver for Persons with Physical Disabilities.  | <b>(\$938,009)</b> | <b>(\$1,912,378)</b>    | <b>(\$956,031)</b> | <b>(\$1,949,136)</b>    |
| <b>E901 – WIN Waiver Staff (M501)</b><br>This request funds the transfer of two Health Care Coordinator positions from Division of Health Care Financing and Policy Administration, budget account 3158, to Aging and Disability Services Division Home and Community Based Services, budget account 3266. This request is a companion to M501 in this budget account.   | <b>(\$55,688)</b>  | <b>(\$111,377)</b>      | <b>(\$69,526)</b>  | <b>(139,053)</b>        |

# Division of Health Care Financing and Policy

## MMIS Replacement BA 3158

### Decision Unit E550 – Technology Investment Request (TIR)

#### Purpose

**Phase III** of Three Phase Medicaid Management Information System (MMIS) Replacement Project \*

- Phase I, Study – MITA State Self-Assessment (approved by 2007 Legislature, completed in 2009)
- Phase II, Planning – Requirements Gathering & Validation/Preparation of Phase III Documents such as TIR, Advanced Planning Documents & RFP (approved by the 2013 Legislature, completed in 2015)
- **Phase III**, Release RFP(s), evaluate proposal(s) and negotiate and award contract(s); conduct design and development of automated solutions; begin implementation of MITA aligned solution(s) compliant with CMS certification criteria

*\*Final deployment and CMS certification will not occur until SFY19*

**Estimated Costs Total Computable – Funding is a 90/10 split with 10% SGF**

SFY16 \$13,533,409

SFY17 \$19,961,110

# Division of Health Care Financing and Policy

## FTE Summary

### 3158 DHCFP Administration - G01

|   |  | FY 14  | FY 15  | FY 16  | FY 17  |
|---|--|--------|--------|--------|--------|
| Base  |  | 277.51 | 277.51 | 277.51 | 277.51 |
| M501 Long Term Support Services Staff       | HCC II (1), HCC II-RN (1)  |        |        | 2      | 2      |
| M502 Program Integrity Staff                | AA II (1), MA II (3), MA III (2), SSPS II (1)  |        |        | 7      | 7      |
| M503 District Office Staff                  | AA III (3), HCC II (3)   |        |        | 6      | 6      |
| M504 Rates and Cost Containment Staff       | Management Analyst III (2)   |        |        | 2      | 2      |
| M505 Accounting and Budget Staff            | Management Analyst II (1)  |        |        | 1      | 1      |
| M506 Business Process Management Unit Staff | BPA I (2), BPA II (1)  |        |        | 3      | 3      |
| M507 1915(i) Staff                          | HCC II (6), SSPS II (2)  |        |        | 8      | 8      |
| M511 Applied Behavior Analysis Staff        | Social Services Program Specialist II (2)  |        |        | 2      | 2      |
| E226 Clinical Policy Staff                  | HRA III (1)  |        |        | 1      | 1      |
| E227 Information Services Staff             | ITP III (2)  |        |        | 2      | 2      |
| E229 Program Integrity Staff                | MA II (3), MA IV (1)   |        |        | 4      | 4      |
| E230 Fiscal Integrity Staff                 | MA II (2), Auditor II (1)  |        |        | 3      | 3      |
| E900 WIN Waiver Staff to Aging              | AA II (1), AA III (1), HCC II (16), HCC III (1), HCC II-RN (2), HCC III-RN (1), HCC IV (3) |        |        | -25    | -25    |
| E901 WIN Waiver Staff to Aging              | HCC II (1), HCC II-RN (1)  |        |        | -2     | -2     |

|   |  |               |               |               |               |
|---|--|---------------|---------------|---------------|---------------|
| <b>Division of Healthcare Financing and Policy Totals</b> |  | <b>277.51</b> | <b>277.51</b> | <b>291.51</b> | <b>291.51</b> |
|---|--|---------------|---------------|---------------|---------------|

# Division of Health Care Financing and Policy

## BA 3160 - Increased Quality of Nursing Care

- **BA 3160 – Increased Quality of Nursing Care**

- SFY 2016
  - Projected Provider Tax – \$29,928,628
  - Projected Total Computable Supplemental Payment - \$84,157,647 paid from the Nevada Medicaid, Budget Account 3243.
- SFY 2017
  - Projected Provider Tax – \$30,215,942
  - Projected Total Computable Supplemental Payment - \$86,214,263 paid from the Nevada Medicaid, Budget Account 3243.

Providers are currently taxed at the maximum allowable rate of 6%.  
1% of taxes collected transfer to BA 3158 for administrative services.

# Division of Health Care Financing and Policy

## Decision Unit Summary – Budget Account 3178

| Decision Unit | Purpose                               | SFY 16           |                   |                |                   |          | SFY 17         |                   |                |                   |
|---------------|---------------------------------------|------------------|-------------------|----------------|-------------------|----------|----------------|-------------------|----------------|-------------------|
|               |                                       | General Fund     | Fed Funds         | Other Funds    | Total             | # of FTE | General Fund   | Fed Funds         | Other Funds    | Total             |
| B000          | Base                                  | 2,584,934        | 33,895,875        | 1,593,550      | 38,074,359        | -        | 450,617        | 36,030,192        | 1,593,550      | 38,074,359        |
| M101          | Agency Specific Inflation             | 85,796           | 1,073,618         | -              | 1,159,414         | -        | 21,451         | 1,641,415         | -              | 1,662,866         |
| M150          | Adjustments to Base                   | (88,448)         | (1,171,906)       | (128,156)      | (1,388,510)       | -        | (28,150)       | (2,163,765)       | (152,548)      | (2,344,463)       |
| M200          | Demographic/Caseload Changes          | (892,507)        | (11,168,397)      | (612,849)      | (12,673,753)      | -        | (154,039)      | (11,786,831)      | (612,849)      | (12,553,719)      |
| M512          | ABA Services                          | 47,955           | 600,092           | -              | 648,047           | -        | 16,720         | 1,279,375         | -              | 1,296,095         |
| E275          | Hospital 2.5% Rate Increase           | -                | -                 | -              | -                 | -        | 224            | 17,076            | -              | 17,300            |
| E277          | Physicians, PA, and APN Rate Increase | 65,846           | 823,965           | -              | 889,811           | -        | 8,081          | 618,417           | -              | 626,498           |
| E913          | Immunization Transfer                 | 110,927          | -                 | -              | 110,927           | -        | 19,337         | -                 | -              | 19,337            |
|               | <b>Total BA 3178</b>                  | <b>1,914,503</b> | <b>24,053,247</b> | <b>852,545</b> | <b>26,820,295</b> | <b>-</b> | <b>334,241</b> | <b>25,635,879</b> | <b>828,153</b> | <b>26,798,271</b> |

# Division of Health Care Financing and Policy

## Budget Account 3178 Medicaid Administration

|  | <u>SFY 2016</u>    | <u>Total Computable</u> | <u>SFY 2017</u>    | <u>Total Computable</u> |
|--|--------------------|-------------------------|--------------------|-------------------------|
| <b>M101 – Agency Specific Inflation</b>  | <b>\$85,796</b>    | <b>\$1,159,414</b>      | <b>\$21,451</b>    | <b>\$1,662,866</b>      |
| This request includes medical rate increases of 2% in fiscal years 2016 and 2017 for Managed Care Organization capitated payments and Pharmacy inflation.  |                    |                         |                    |                         |
| <b>M150 – Adjustments to Base</b>  | <b>(\$88,448)</b>  | <b>(\$1,388,510)</b>    | <b>(\$28,150)</b>  | <b>(\$2,344,463)</b>    |
| This request funds adjustments to base expenditures including eliminating budget pended claims, and reducing a portion of the ACA Primary Care Physician Supplemental Payments.  |                    |                         |                    |                         |
| <b>*M200 – Demographics/Caseload Changes – Normal Growth</b>   | <b>(\$892,507)</b> | <b>(\$12,673,753)</b>   | <b>(\$154,039)</b> | <b>(\$12,553,719)</b>   |
| <b>M512 – ABA Services</b>   | <b>\$47,955</b>    | <b>\$648,047</b>        | <b>\$16,720</b>    | <b>\$1,296,095</b>      |
| This request funds the mandatory Certified Behavior Analysis under Early and Periodic Screening, Diagnostic and Treatment services in the Medicaid State Plan to expand services for behavioral intervention for categorically needy individuals under age twenty-one. This request is a companion to M512 in Administration, budget account 3158, and M512 in Nevada Medicaid, budget account 3243. |                    |                         |                    |                         |
| <b>E275 – Hospital 5% Rate Increase</b>  | <b>\$0</b>         | <b>\$0</b>              | <b>\$224</b>       | <b>\$17,300</b>         |
| This request funds a hospital rate increase of 2.5% for general acute in-patient hospital services effective in fiscal year 2017. This request is a companion to E275 in Nevada Medicaid, budget account 3243.   |                    |                         |                    |                         |
| <b>**E277 – Physicians, PA, and APN Rate Increase</b>  | <b>\$65,846</b>    | <b>\$889,811</b>        | <b>\$8,081</b>     | <b>\$626,498</b>        |
| This request funds a rate change for physicians, physician assistants, and certified nurse practitioners in both years of the biennium. The proposal is to rebase reimbursement using more current Medicare unit values instead of the 2002 Medicare values. This request is a companion to E277 in Nevada Medicaid, budget account 3243.  |                    |                         |                    |                         |
| <b>E513 – Adjustments to Transfer E913</b>   | <b>\$0</b>         | <b>\$0</b>              | <b>\$0</b>         | <b>\$0</b>              |
| This request moves the immunization expenditures from a separate category to the program medical category due to the transfer of the non-federal funds from the Division of Public and Behavioral Health in E913.  |                    |                         |                    |                         |
| <b>E913 – Immunization Transfer</b>  | <b>\$110,927</b>   | <b>\$110,927</b>        | <b>\$19,337</b>    | <b>\$19,337</b>         |
| This request transfers General Fund appropriation from the Division of Public and Behavioral Health to fund the non-federal share of immunization costs for Nevada Check Up recipients. This is a companion to E913 in Immunization Program, budget account 3213.  |                    |                         |                    |                         |

\* Caseload details on next slides 25 & 26; \*\*Physician services rate change on slides 33 – 36.

# Division of Health Care Financing and Policy

## Nevada Check Up

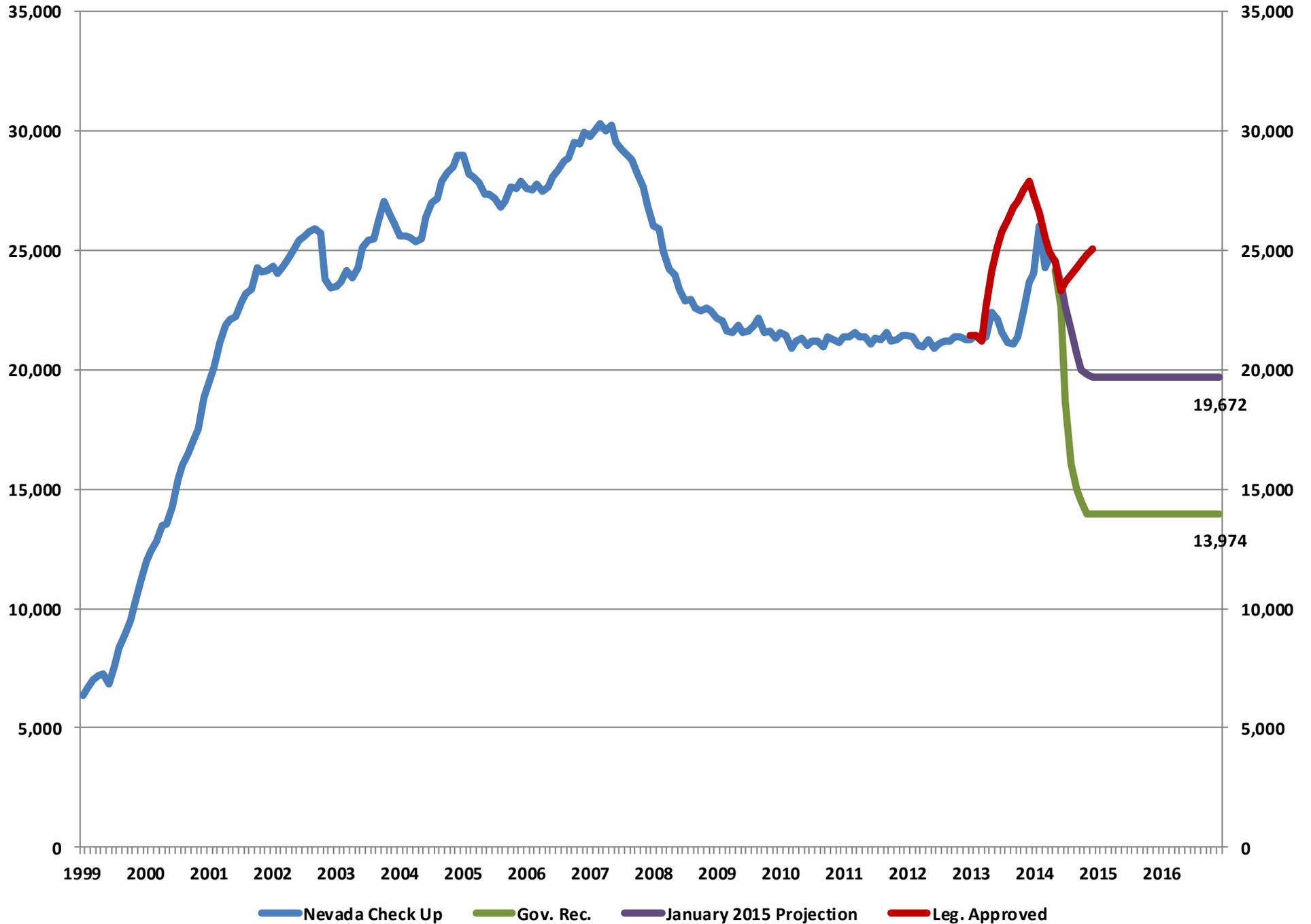
- **Nevada Check Up – BA 3178**
  - **Normal Caseload Growth**
    - M200 – Caseload is projected to decrease from 23,655 end of fiscal year 2014 to 13,974 at the end of fiscal year 2017, a decrease of 9,681 (40.93 percent).
      - *SFY 16 Total Cost – (\$12,673,753) State General Funds - (\$892,507)*
      - *SFY 17 Total Cost – (\$12,553,719) State General Funds - (\$154,039)*
  - **Nevada Check Funding:**
  - **CHIP Funding is pending re-authorization by Congress**
    - If not re-authorized grants will not be awarded beyond FFY 2015.
    - States have a year run out period to use the FFY 2015 award.
    - Currently drawing from the FFY 2014 grant award; projections show enough funding in the FFY 2015 grant to cover the program through February 2016 .
    - There is a maintenance of effort requirement through FFY 2019; recipients would need to be moved to the Medicaid program increasing the Federal Poverty Level rate to 200% for children through FFY 2019.
    - Budget uses the blended ACA Enhanced FMAP which is 23% over the normal CHIP Enhanced FMAP:

|                            |                          |                          |
|----------------------------|--------------------------|--------------------------|
| – <i>ACA Enhanced FMAP</i> | <i>SFY 2016 – 92.60%</i> | <i>SFY 2017 – 98.71%</i> |
| – <i>Enhanced FMAP</i>     | <i>SFY 2016 - 75.35%</i> | <i>SFY 2017 - 75.71%</i> |

*Caseload, FMAP and the Cost Per Eligible will be reviewed in April to determine if an update/budget amendment is necessary.*

# Division of Health Care Financing and Policy

## Nevada Check Up Caseload



# Division of Health Care Financing and Policy

## Decision Unit Summary – Budget Account 3243

| Decision Unit        | Purpose  | SFY 16             |                      |                    |                      |          | SFY 17             |                      |                    |                      |
|----------------------|--|--------------------|----------------------|--------------------|----------------------|----------|--------------------|----------------------|--------------------|----------------------|
|                      |  | General Fund       | Fed Funds            | Other Funds        | Total                | # of FTE | General Fund       | Fed Funds            | Other Funds        | Total                |
| B000                 | Base   | 488,941,686        | 1,404,072,648        | 134,467,525        | 2,027,481,859        | -        | 485,590,546        | 1,409,022,007        | 132,869,306        | 2,027,481,859        |
| M101                 | Agency Specific Inflation                          | 12,399,636         | 31,595,678           | 38,254             | 44,033,568           | -        | 16,689,118         | 54,571,977           | 64,900             | 71,325,995           |
| M150                 | Adjustments to Base                                | (10,686,155)       | 287,836,777          | 75,058,959         | 352,209,581          | -        | 7,743,786          | 274,682,489          | 50,993,782         | 333,420,057          |
| M200                 | Demographic/Caseload Changes                       | 49,884,298         | 582,623,035          | 191,098            | 632,698,431          | -        | 82,154,805         | 591,314,641          | 566,062            | 674,035,508          |
| M201                 | Waiver Slots                                       | 77,594             | 142,780              | -                  | 220,374              | -        | 194,209            | 365,471              | -                  | 559,680              |
| M202                 | IID Waiver Slots                                   | 27,761             | 194,500              | -                  | 222,261              | -        | 160,147            | 1,140,893            | -                  | 1,301,040            |
| M203                 | CHIP Waiver  | 244,686            | 450,249              | -                  | 694,935              | -        | 653,029            | 1,228,896            | -                  | 1,881,925            |
| M501                 | AVS  | -                  | -                    | -                  | -                    | -        | (4,216,160)        | (7,934,157)          | -                  | (12,150,317)         |
| M502                 | Program Integrity Recoveries                       | (400,085)          | (836,594)            | (24,630)           | (1,261,309)          | -        | (395,667)          | (841,369)            | (24,273)           | (1,261,309)          |
| M512                 | ABA Services                                       | 4,986,786          | 9,219,274            | -                  | 14,206,060           | -        | 9,822,563          | 18,589,559           | -                  | 28,412,122           |
| E225                 | Preferred Drug List (BDR)                          | (431,618)          | (880,133)            | -                  | (1,311,751)          | -        | (436,065)          | (901,924)            | -                  | (1,337,989)          |
| E226                 | Reduce PCS by 5%                                   | (1,475,045)        | (2,717,111)          | (322)              | (4,192,478)          | -        | (1,471,008)        | (2,770,963)          | (321)              | (4,242,292)          |
| E227                 | Care Management Organization Savings               | (6,502,906)        | (11,966,012)         | -                  | (18,468,918)         | -        | (6,769,070)        | (12,738,337)         | -                  | (19,507,407)         |
| E228                 | Dental Fluoride Rate Reduction                     | (349,664)          | (647,432)            | -                  | (997,096)            | -        | (351,767)          | (666,974)            | -                  | (1,018,741)          |
| E229                 | Program Integrity Recoveries                       | (320,068)          | (669,275)            | (19,704)           | (1,009,047)          | -        | (316,533)          | (673,095)            | (19,419)           | (1,009,047)          |
| E230                 | Reduce Non Emergency Capitated Rate by \$0.75 PMPM | (1,233,866)        | (3,814,823)          | -                  | (5,048,689)          | -        | (1,261,182)        | (3,780,643)          | -                  | (5,041,825)          |
| E231                 | Reduce HMO TPL Credit Balance initiative           | (1,978,526)        | (3,640,688)          | -                  | (5,619,214)          | -        | (2,123,368)        | (3,995,846)          | -                  | (6,119,214)          |
| E232                 | BST Reduction for Prior Authorization              | (4,712,090)        | (8,670,726)          | -                  | (13,382,816)         | -        | (4,712,632)        | (8,868,441)          | -                  | (13,581,073)         |
| E275                 | Hospital 2.5% Rate Increase                        | -                  | -                    | -                  | -                    | -        | 4,425,776          | 9,966,731            | 27,056             | 14,419,563           |
| E277                 | Physicians, PA, and APN Rate Increase              | 8,865,522          | 28,769,524           | 10,611             | 37,645,657           | -        | 14,353,367         | 45,798,883           | 17,736             | 60,169,986           |
| E278                 | Home Health Increase                               | -                  | -                    | -                  | -                    | -        | 3,000,529          | 5,766,658            | 62,841             | 8,830,028            |
| E279                 | IID Waiver Increase                                | -                  | -                    | -                  | -                    | -        | -                  | 3,843,005            | -                  | 3,843,005            |
| <b>Total BA 3243</b> |  | <b>537,337,945</b> | <b>2,311,061,672</b> | <b>209,721,791</b> | <b>3,058,121,408</b> | <b>-</b> | <b>602,734,423</b> | <b>2,373,119,461</b> | <b>184,557,670</b> | <b>3,160,411,554</b> |

# Division of Health Care Financing and Policy

## Budget Account 3243 Medicaid Medical

|  | <u>SFY 2016</u>       | <u>Total Computable</u> | <u>SFY 2017</u>      | <u>Total Computable</u> |
|--|-----------------------|-------------------------|----------------------|-------------------------|
| <b>M101 – Agency Specific Inflation</b>  | <b>\$12,399,636</b>   | <b>\$44,033,568</b>     | <b>\$16,689,118</b>  | <b>\$71,325,995</b>     |
| This request funds rate inflation increases for Medical services. Pharmacy and Managed Care Organization capitated payments (2.0% in both years), Rural Health Centers (2.05% in both years), Indian Health Services (6.96% in both years), and Hospice services (3.90% in SFY 2016 and 4.0% in SFY 2017).   |                       |                         |                      |                         |
| <b>M150 – Adjustments to Base</b>  | <b>(\$10,686,155)</b> | <b>\$352,209,581</b>    | <b>\$7,743,786</b>   | <b>\$333,420,057</b>    |
| This request funds adjustments to base expenditures including eliminating budget pended claims, and reducing a portion of the Primary Care Physician Supplemental Payments. This request also includes adjustments for the Neonatal Intensive Care Unit inter-qual, BRCA, Habilitation, Substance Abuse Treatment services, and the in-patient general acute Psychiatric rate increase.          |                       |                         |                      |                         |
| <b>*M200 – Demographics/Caseload Changes – Normal Growth</b>   | <b>\$49,884,298</b>   | <b>\$632,698,431</b>    | <b>\$82,154,805</b>  | <b>\$674,035,508</b>    |
| <b>M201 – Caseload Changes – 51 Waiver Slots</b>   | <b>\$77,594</b>       | <b>\$220,374</b>        | <b>\$194,209</b>     | <b>\$559,680</b>        |
| This request funds an increase to the projected Waiver for Persons with Physical Disabilities cases from 754 in fiscal year 2015 to 781 in fiscal year 2016 (3.58% increase over 2015) and 805 in fiscal year 2017 (6.76% increase over 2015). This request is a companion to M201 in Administration, budget account 3158.   |                       |                         |                      |                         |
| <b>M202 – Caseload Changes - 93 IID Waiver</b>   | <b>\$27,761</b>       | <b>\$222,261</b>        | <b>\$160,147</b>     | <b>\$1,301,040</b>      |
| This request funds an increase in the projected Waiver for Individuals with Intellectual Disabilities cases from 2,030 in fiscal year 2015 to 2,051 in fiscal year 2016 (1.34% increase over 2015) and 2,123 in fiscal year 2017 (4.58% increase over 2015). This request is a companion to M202 in Administration, budget account 3158.   |                       |                         |                      |                         |
| <b>M203 – Caseload Changes - 173 CHIP Waiver</b>   | <b>\$244,686</b>      | <b>\$694,935</b>        | <b>\$653,029</b>     | <b>\$1,881,925</b>      |
| This request funds an increase in projected Home and Community Based Waiver cases from 1,821 in fiscal year 2015 to 1,906 in fiscal year 2016 (4.6% increase over 2015) and 1,994 in fiscal year 2017 (9.5% increase over 2015). This request is a companion to M203 in Administration, budget account 3158.   |                       |                         |                      |                         |
| <b>M501 – Asset Verification System</b>  | <b>\$0</b>            | <b>\$0</b>              | <b>(\$4,216,160)</b> | <b>(\$12,150,317)</b>   |
| This request generates savings through the procurement, installation and operation of an electronic financial asset verification system. Nevada was identified by the Centers for Medicaid and Medicare Services as one of the states required to implement this system. This request is a companion to M501 in Division of Welfare and Supportive Services Administration, budget account 3228. |                       |                         |                      |                         |
| <b>M502 – Program Integrity Recoveries</b>   | <b>(\$400,085)</b>    | <b>(\$1,261,309)</b>    | <b>(\$395,667)</b>   | <b>(\$1,261,309)</b>    |
| This request identifies recoupments and savings due to an increase in Program Integrity unit staffing. This request is a companion to M502 in Administration, budget account 3158.   |                       |                         |                      |                         |

**\*Caseload details on slides 31 & 32.**

# Division of Health Care Financing and Policy

## Budget Account 3243 Medicaid Medical

|  | <u>SFY 2016</u> | <u>Total Computable</u> | <u>SFY 2017</u> | <u>Total Computable</u> |
|--|-----------------|-------------------------|-----------------|-------------------------|
| <b>M512 – ABA Services</b><br>This request funds the mandatory Certified Behavior Analysis under Early and Periodic Screening, Diagnostic and Treatment services in the Medicaid State Plan to expand services for behavioral intervention for categorically needy individuals under age twenty-one. This request is a companion to M512 in Administration, budget account 3158, and Nevada Check Up, budget account 3178. | \$4,986,786     | \$14,206,060            | \$9,822,563     | \$28,412,122            |
| <b>E225 – Preferred Drug List (BDR)</b><br>This request eliminates the expenditures from the expiration of the Preferred Drug List pursuant to NRS 422.4025. A Bill Draft Request has been submitted to support this request.  | (\$431,618)     | (\$1,311,751)           | (\$436,065)     | (\$1,337,989)           |
| <b>E226 – Reduce PCS utilization by 5%</b><br>This request reflects an anticipated reduction to utilization for Personal Care Services by 5%.  | (\$1,475,045)   | (\$4,192,478)           | (\$1,471,008)   | (\$4,242,292)           |
| <b>E227 – Care Management Organization Savings</b><br>This request reduces medical expenditures for high cost recipients enrolled in the Care Management Organization waiver program.  | (\$6,502,906)   | (\$18,468,918)          | (\$6,769,070)   | (\$19,507,407)          |
| <b>E228 – Dental Fluoride Rate Reduction</b><br>This request reflects a reduction to the reimbursement rate for dental fluoride.   | (\$349,664)     | (\$997,096)             | (\$351,767)     | (\$1,018,741)           |
| <b>E229 – Program Integrity Recoveries</b><br>This request identifies recoupments and savings due to an increase in Program Integrity Unit staffing. This request is a companion to E229 in Administration, budget account 3158.   | (\$320,068)     | (\$1,009,047)           | (\$316,533)     | (\$1,009,047)           |
| <b>E230 – Reduce Non Emergency Capitated Rate by \$0.75 PMPM</b><br>This request reduces the reimbursement capitated rate to the non-emergency transportation broker.  | (\$1,233,866)   | (\$5,048,689)           | (\$1,261,182)   | (\$5,041,825)           |
| <b>E231 – Reduce HMO TPL Credit Balance Initiative</b><br>This request identifies Third Party Liability recoupments for Managed Care Organization recipients as well as the collection of credit balances remaining on provider accounts for Medicaid recipients as a result of multiple payers.   | (\$1,978,526)   | (\$5,619,214)           | (\$2,123,368)   | (\$6,119,214)           |
| <b>E232 – BST Reduction for Prior Authorization</b><br>This request reflects a reduction in expenditures for Basic Skills Training due to recent changes in the review of prior authorizations for these services, which became effective January 1, 2014.   | (\$4,712,090)   | (\$13,382,816)          | (\$4,712,632)   | (\$13,581,073)          |

# Division of Health Care Financing and Policy

## Budget Account 3243 Medicaid Medical

|   | <u>SFY 2016</u> | <u>Total Computable</u> | <u>SFY 2017</u> | <u>Total Computable</u> |
|---|-----------------|-------------------------|-----------------|-------------------------|
| <b>E275 – Hospital 2.50% Rate Increase</b>  | \$0             | \$0                     | \$4,425,776     | \$14,419,563            |
| This request funds a hospital rate increase of 2.5% in fiscal year 2017 for general acute in-patient hospital services. This request is a companion to E275 in Nevada Check Up, budget account 3178.  |                 |                         |                 |                         |
| <b>*E277 – Physicians, PA, and APN Rate Increase</b>  | \$8,865,522     | \$37,645,657            | \$14,353,367    | \$60,169,986            |
| This request funds a rate change for physicians, physicians assistants, and certified nurse practitioners using more current Medicare values instead of the 2002 Medicare values focusing on increasing reimbursement over the base rates for primary care services. This request is a companion to E277 in Nevada Check Up, budget account 3178. |                 |                         |                 |                         |
| <b>E278 – Home Health Increase</b>  | \$0             | \$0                     | \$3,000,529     | \$8,830,028             |
| This request funds a rate increase in fiscal year 2017 for registered nurses and licensed practical nurses who provide services in the recipients' homes through a home health agency provider. The reimbursement rate is for nursing services only of approximately 25% in the aggregate.  |                 |                         |                 |                         |
| <b>E279 – IID Waiver Increase</b>   | \$0             | \$0                     | \$0             | \$3,843,005             |
| This request funds the federal share of the proposed rate increase for the Individuals with Intellectual Disabilities (IID) Waiver services of approximately 5.7%. Aging and Disability Services Division acts as the intermediate fiscal agent and has the General Fund appropriation in their budget accounts.                                  |                 |                         |                 |                         |

***\*Physician services on slides 33 – 36.***

# Division of Health Care Financing and Policy

## Medicaid Caseload Growth

- **Medicaid Medical – BA 3243**

- Normal Caseload Growth

- M200 – Caseload is projected to increase from 520,648 at the end of fiscal year 2014 to 565,244 at the end of fiscal year 2017, an increase of 44,596 (8.57 percent).

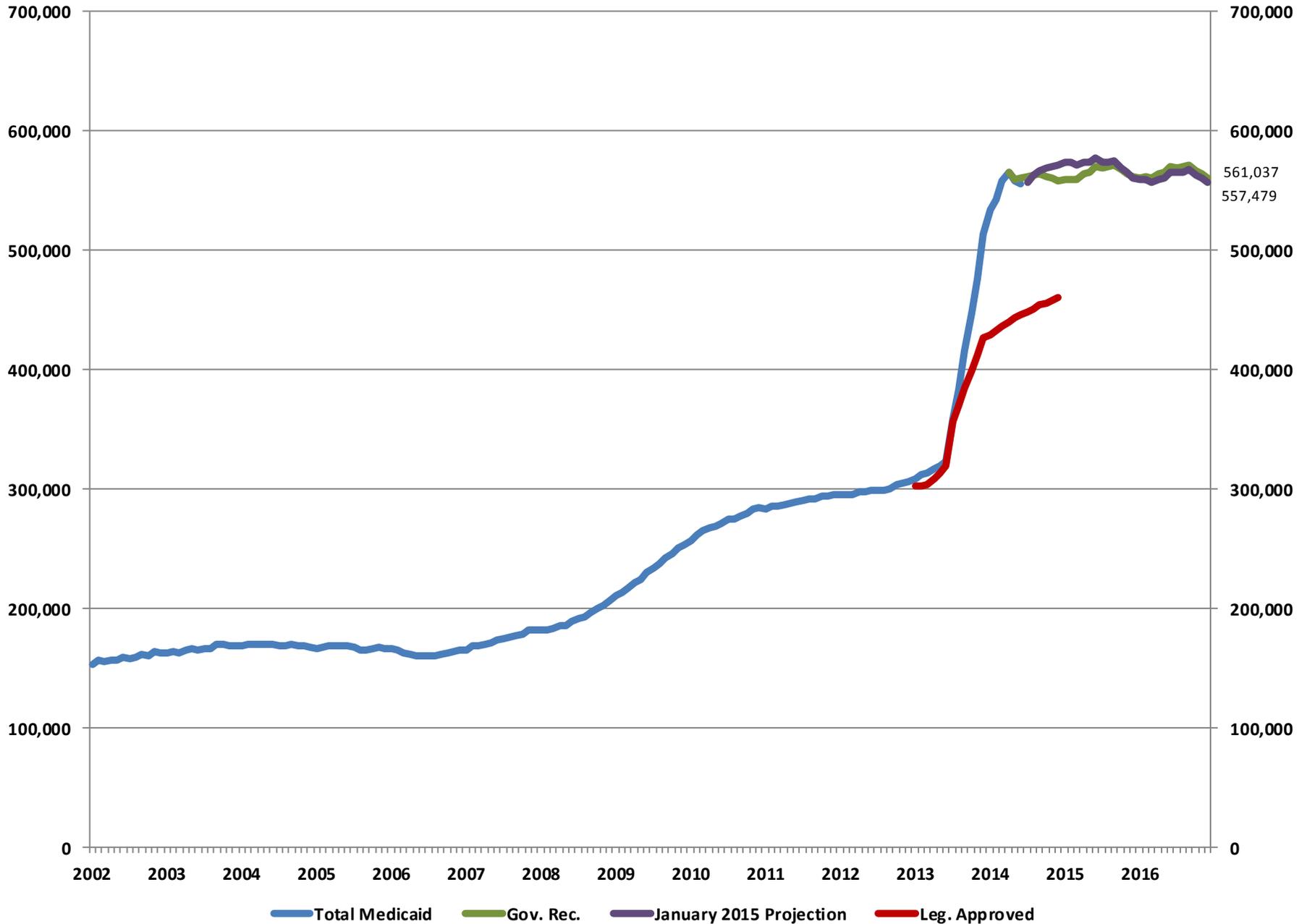
- *SFY 2015 Caseload Increase – 51.42%*
- *SFY 2016 Caseload Increase – (0.83%)*
- *SFY 2017 Caseload Increase – (0.11%)*

- *SFY 16 Total Cost - \$632,698,431 State General Funds - \$49,884,298*
- *SFY 17 Total Cost - \$674,035,508 State General Funds - \$82,154,805*

*Caseload, FMAP and the Cost Per Eligible will be reviewed in April to determine if an update/budget amendment is necessary*

# 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.

# Division of Health Care Financing and Policy

## E277 Physician Services Rate Increase

- The Affordable Care Act (ACA) Primary Care Physician (PCP) Supplemental payment uses Medicare's 2014 unit values/rates. Payment is made to 1,344 qualifying providers enrolled as a Physician, Physician Assistant and Advanced Practice Registered Nurse. The supplemental payments expire June 30, 2015.
- DHCFP currently reimburses at a percentage of Medicare's rates using the 2002 relative unit values to calculate reimbursement of the base rates for the provider classes listed above.
- Request proposes to update the unit values for physician services to a percentage of 2014 Medicare rates. This impacts 9,359 providers enrolled under the groups listed above. Of those, approximately 2,712 provide Evaluation and Management services (primary care services are included in this code set).
- The focus of the proposal is to increase the base rates for primary care services since the ACA supplemental payments are expiring. In addition, the proposal rebases all reimbursement service categories for these provider types using more current unit values to reflect today's market place. In the proposed rebasing, the goal is to align reimbursement for services to promote equity where possible.

# Division of Health Care Financing and Policy

## Physician Services Rate Change to Base Rates

| 2002 Medicare Unit Values | Current State Plan % | SFY 2014 FFS Utilization | Proposed % of 2014 MCARE CF & RVUs | Additional Cost | Proposed % of 2014 MCARE CF & RVUs | Additional Cost |
|---------------------------|----------------------|--------------------------|------------------------------------|-----------------|------------------------------------|-----------------|
| <i>*Surgery</i>           | 100%<br>130%         | 127,469                  | 95%                                | \$ (1,179,893)  | 95%                                | \$ (1,179,893)  |
| <i>Obstetrics</i>         | 128%                 | 10,691                   | 95%                                | \$ (587,977)    | 95%                                | \$ (587,977)    |
| <i>Radiology</i>          | 100%                 | 567,703                  | 90%                                | \$ (15,440,545) | 94%                                | \$ (13,444,059) |
| <i>Laboratory</i>         | 50%                  | 176,104                  | 50%                                | \$ (2,460,140)  | 50%                                | \$ (2,460,140)  |
| <i>Vaccine</i>            | 85%                  | 4,490                    | 85%                                | \$ 8,462        | 85%                                | \$ 8,462        |
| <i>Medicine</i>           | 85%                  | 473,602                  | 85%                                | \$ 589,956      | 85%                                | \$ 589,956      |
| <i>E&amp;M</i>            | 85%                  | 1,221,097                | 90%                                | \$ 32,752,476   | 95%                                | \$ 39,309,572   |
| <i>Total</i>              |                      | 2,581,156                |                                    | \$ 13,682,339   |                                    | \$ 22,235,922   |

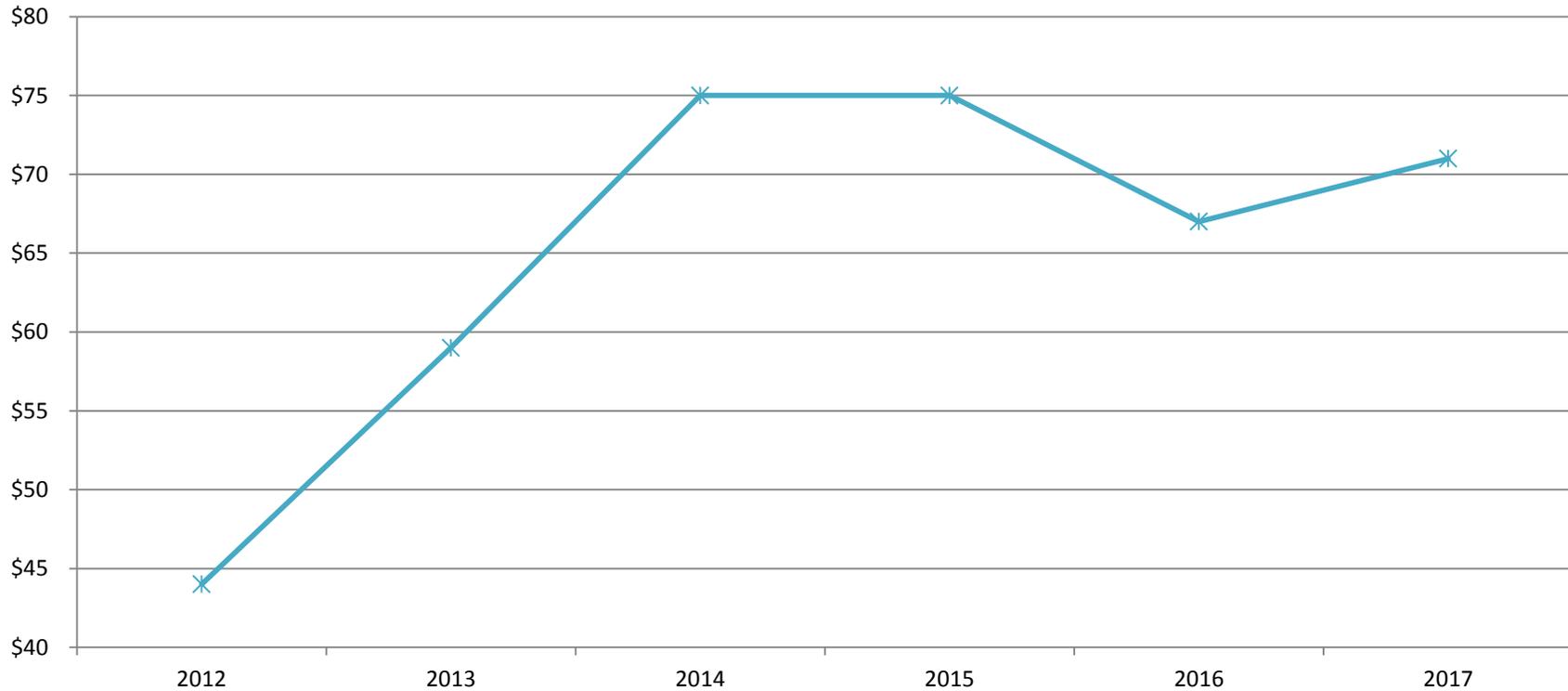
*\*Surgery currently pays 100% of 2002 Values for Adults & 130% of 2002 Values for Pediatrics*

| Effective of Rate Change for PT 20 | FY 2016 | FY 2017 |
|------------------------------------|---------|---------|
| <i>Surgery</i>                     | -4.53%  | -4.53%  |
| <i>Obstetrics</i>                  | -6.87%  | -6.87%  |
| <i>Radiology</i>                   | -25.58% | -22.27% |
| <i>Laboratory</i>                  | -48.69% | -48.69% |
| <i>Vaccine</i>                     | 4.57%   | 4.57%   |
| <i>Medicine</i>                    | 2.22%   | 2.22%   |
| <i>E&amp;M</i>                     | 38.41%  | 46.10%  |
| <i>Total</i>                       | 6.45%   | 10.49%  |

Amounts are based on Physician, PT 20, Fee-For-Service utilization paid in SFY 2014. Does not include Managed Care Organization claims data or any caseload increases. Does not include the ACA Primary Care Physician Supplemental Payments.

# Division of Health Care Financing and Policy

## E277 Physician Services Rate Changes



### ***Example of the most commonly used Primary Care Service CPT Code 99213 Office Visit - PT 20***

*2012 - Base Rate 85% of the 2002 Medicare Rate - \$44*

*2013 – 6 Months of the Base and PCP Supplemental Payment (Average) - \$59*

*2014 – Base Rate plus PCP Supplemental Payment 100% 2014 Medicare Rate - \$75*

*2015 - Base Rate plus PCP Supplemental Payment 100% 2014 Medicare Rate - \$75*

*2016 – Proposal is 90% of the 2014 Medicare Rate - \$67*

*2017 – Proposal is 95% of the 2014 Medicare Rate - \$71*

*The rate change will raise the base rate for primary care services while eliminating the PCP Supplemental Payment*

# Division of Health Care Financing and Policy

## Example of Upper Payment Limit Demonstration

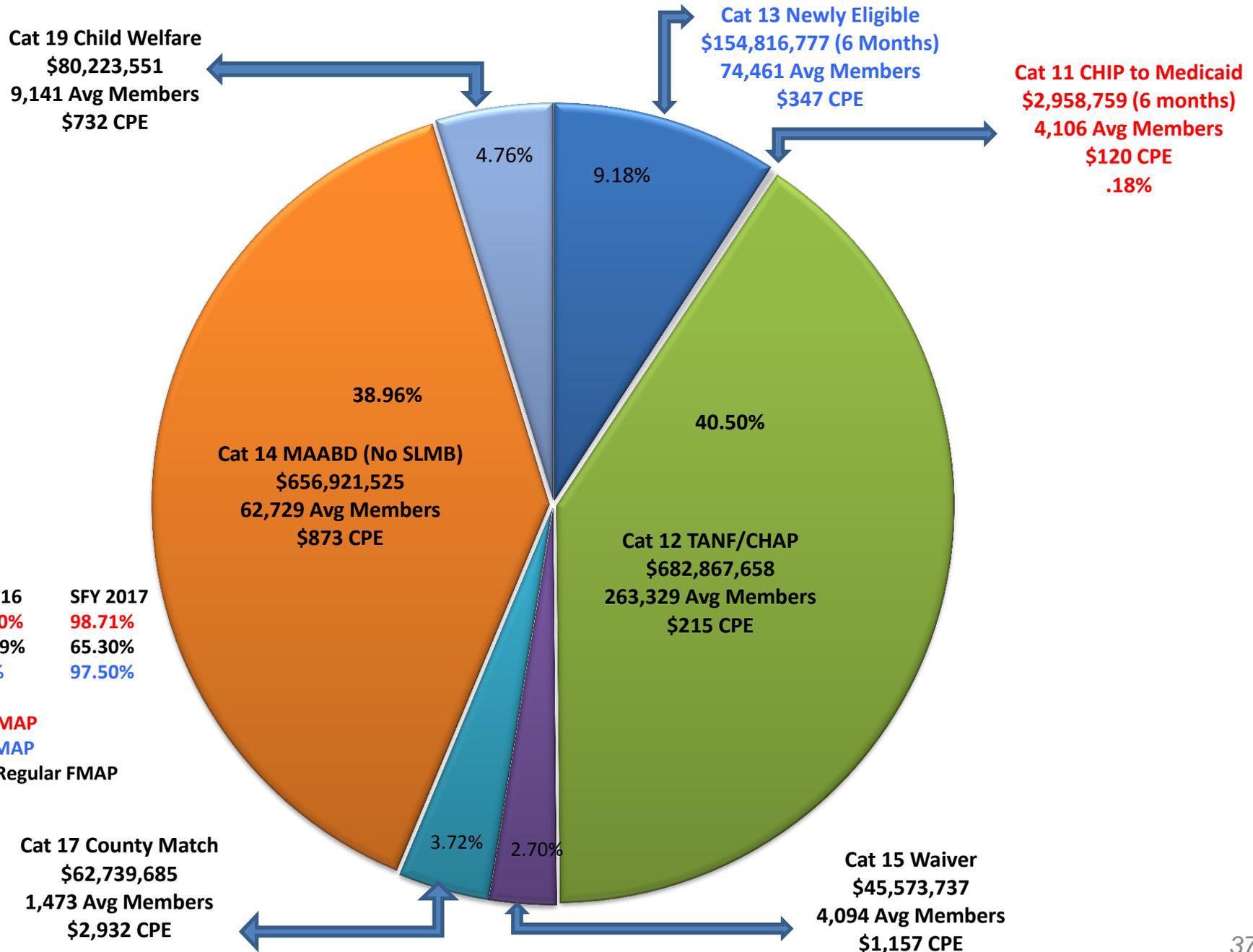
| Radiology Upper Payment Limit Demonstration 2012 - 2014 |  |  |                 |          |
|---|--|--|-----------------|----------|
|   | Current Medicaid Rates for Radiology (100% of the 2002 Medicare Unit Values) | Medicare Reimbursement For Each Year Specified | Amount Over UPL | % of UPL |
| 2012  | 99,256,742.13  | 92,355,974.05                                  | 6,900,768.08    | 107%     |
| 2013  | 99,294,754.22  | 90,732,292.39                                  | 8,562,461.83    | 109%     |
| 2014  | 99,306,049.31  | 80,778,677.13                                  | 18,527,372.18   | 123%     |
|   |  |  | 33,990,602.09   |          |

*Amounts are based on Physician, PT 20, Fee-For-Service utilization paid in SFY 2014. Does not include Managed Care Organization claims data or any caseload increases. Does not include the ACA Primary Care Physician Supplemental Payments.*

# Division of Health Care Financing and Policy

2014 Medicaid Cost by Budget Category Budget Account 3243

Average Members per Month and Average Monthly Cost Per Eligible (CPE)



| FMAP Rates:    | SFY 2016 | SFY 2017 |
|----------------|----------|----------|
| ACA Enhanced   | 92.60%   | 98.71%   |
| Regular        | 64.79%   | 65.30%   |
| Newly Eligible | 100%     | 97.50%   |

Cat 11 ACA Enhanced FMAP

Cat 13 Newly Eligible FMAP

All other Categories at Regular FMAP

# Division of Health Care Financing and Policy

## Medicaid Medical Category Cost Per Eligible (CPE)

|                                 | Cost Per Eligible (CPE) Actuals |            |            |            |            |            | Chart Data - Projections |            |
|---------------------------------|---------------------------------|------------|------------|------------|------------|------------|--------------------------|------------|
|                                 | SFY 2010                        | SFY 2011   | SFY 2012   | SFY 2013   | SFY 2014   | SFY 2015   | SFY 2016                 | SFY 2017   |
| <b>CAT 11 - Enhanced FMAP</b>   | N/A                             | N/A        | N/A        | N/A        | \$120.10   | \$137.39   | \$159.69                 | \$167.15   |
| <b>CAT 12 - TANF/CHAP</b>       | \$264.40                        | \$258.05   | \$232.27   | \$247.58   | \$216.10   | \$205.10   | \$229.94                 | \$243.14   |
| <b>CAT 13 - 100% FMAP</b>       | N/A                             | N/A        | N/A        | N/A        | \$346.53   | \$418.64   | \$437.14                 | \$455.91   |
| <b>CAT 14 - MAABD</b>           | \$927.29                        | \$902.26   | \$832.17   | \$858.31   | \$872.69   | \$836.85   | \$862.21                 | \$861.05   |
| <b>CAT 15 - Waivers</b>         | \$985.65                        | \$1,020.21 | \$1,036.54 | \$1,086.88 | \$927.63   | \$1,081.65 | \$1,011.47               | \$1,046.04 |
| <b>CAT 17 - County Indigent</b> | \$4,075.65                      | \$4,555.04 | \$3,377.67 | \$2,947.99 | \$3,548.42 | \$3,648.49 | \$3,430.27               | \$3,505.05 |
| <b>CAT 19 - Child Welfare</b>   | \$1,194.42                      | \$805.44   | \$900.95   | \$881.02   | \$731.35   | \$703.02   | \$718.94                 | \$734.59   |

*SFY 2015 CPE is based on January Actuals.*

*Caseload, FMAP and the Cost Per Eligible will be reviewed in April to determine if an update/budget amendment is necessary*

# Division of Health Care Financing and Policy

## Supplemental Appropriation BA 3243 Medicaid Medical

|                          | Supplemental Appropriation |              |              |              |              |
|--------------------------|----------------------------|--------------|--------------|--------------|--------------|
|                          | Total                      | 2501         | 3501         | 3511         | Other        |
| 2501 SGF Appropriation   | 527,872                    | 527,872      |              |              |              |
| 3501 Title XXI           | (14,505,738)               |              | (14,505,738) |              |              |
| 3511 Title XIX           | (26,232,826)               |              |              | (26,232,826) |              |
| 4750 Transfer from IGT   | (19,645,301)               |              |              |              | (19,645,301) |
|                          | (59,855,993)               | 527,872      | (14,505,738) | (26,232,826) | (19,645,301) |
| 11-CHIP to Medicaid      | (18,879,566)               | (4,373,828)  | (14,505,738) | 0            | 0            |
| 12 - TANF/CHAP           | 20,349,857                 | 17,679,345   |              | 2,670,512    | 0            |
| 14 - MAABD               | 25,481,990                 | 7,873,086    |              | 27,316,214   | (9,707,310)  |
| 15 - Waiver              | 4,326,264                  | 1,471,441    |              | 2,854,823    | 0            |
| 17-County Match          | (14,929,549)               | (668,357)    |              | (9,466,279)  | (4,794,913)  |
| 18-Sister Agency Med Pay | 0                          | (147,933)    |              | 201,662      | (53,729)     |
| 19 - Child Welfare       | 1,557,986                  | 736,922      |              | 821,064      | 0            |
| 28 - Offline             | (77,762,975)               | (22,042,804) |              | (50,630,822) | (5,089,349)  |
|                          | (59,855,993)               | 527,872      | (14,505,738) | (26,232,826) | (19,645,301) |

# Division of Health Care Financing and Policy

## Legislative Summary

### Non - Budget Bill Summary

| Bill # | DOA# | DHHS# | Division                       | NRS  | Description   | Impact |
|--------|------|-------|--------------------------------|--|---|--------|
| AB41   |      |       | Health Care Financing & Policy | NRS 428.205<br>NRS 428.207<br>NRS 428.305<br>NRS 428.470<br>NRS 428.480<br>NRS 428.490 | Revise NRS 428 to remove the requirement of the board, and allows the agency to balance forward any remaining funds not used. |        |
| AB87   |      |       | Health Care Financing & Policy | NRS 689A.430<br>NRS 689B.300   | Revise NRS 689A & 689B to identify all possibly commercial insurance payers by business type.                                 |        |
| SB14   |      |       | Health Care Financing & Policy | NRS 422.4035   | Revise NRS 422.4035 to decrease minimum number of committee members and clarify requirements.                                 |        |

### Budget BDR Summary

| BDR#           | DOA# | DHHS# | Division                       | NRS      | Description  | Impact  |
|----------------|------|-------|--------------------------------|----------|--|---|
| Not Issued Yet |      |       | Health Care Financing & Policy | 422.4025 | Revise NRS 422.4025 to eliminate sunset/expiration date. | Associated Dec Unit E225 in BA 3243 if BDR is not approved. |

# Division of Health Care Financing and Policy

## *Letters of Intent*

| Division | Subject                 | Description   | Report                              | Instructions Per Governor's Office |             |
|----------|-------------------------|---|-------------------------------------|------------------------------------|-------------|
|          |                         |   |                                     | Provide Information                | When        |
| DHCFP    | UPL - Private Hospitals | Instructs DHCFP to report to IFC on the status of the State Plan Amendment to expand the UPL program to include private hospitals and the state benefit resulting from the program expansion. | Semi-Annual, beginning January 2012 | Yes                                | Semi-annual |

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

