Steve Sisolak
Governor

Richard Whitley
Director

State of Nevada

Department of Health and Human Services

2020-2021 Governor Recommends Budget
Pre-Session Budget Hearing
Division of Health Care Financing and Policy
January 23, 2019

DHCFP Mission and Vision

Vision: A Healthier Nevada

Mission: The mission of the Nevada Division of Health Care Financing and Policy is to:

- Purchase and provide quality health care services to low-income Nevadans in the most efficient manner;
- Promote equal access to health care at an affordable cost to the taxpayers of Nevada;
- Restrain the growth of health care costs; and
- Review Medicaid and other state health care programs to maximize potential federal revenue.

DHCFP Goals

- Improve the health of Nevadans
- Ensure access to cost-effective care
- Improve the consumer experience and the quality of care provided
- Engage with providers to encourage participation in the Medicaid program
- Support program integrity activities to ensure that state and federal taxpayer dollars are spent effectively and to prevent fraud, waste and abuse
- Ensure appropriate managed care oversight
- Focus on home and community based services rather than institutional care

Summary of Agency Operations

- The Division of Health Care Financing and Policy works in partnership with the federal Centers for Medicare & Medicaid Services (CMS), to providing quality health care for eligible Nevadans.
- The Division of administers the Medicaid program and Nevada Check Up (CHIP) program.
- Nevada procures most services by paying monthly per member premiums to contracted managed care organizations (MCOs) in urban areas of the state, while care for Nevadans who live in rural counties are served through the state's fee-for-service system, where the state makes payments directly to health care providers.
- These programs serve many of the states lower income and vulnerable populations. Medicaid covers some services that are not typically covered by other insurers, such as long term services and supports and non-emergency medical transportation.

Accomplishments

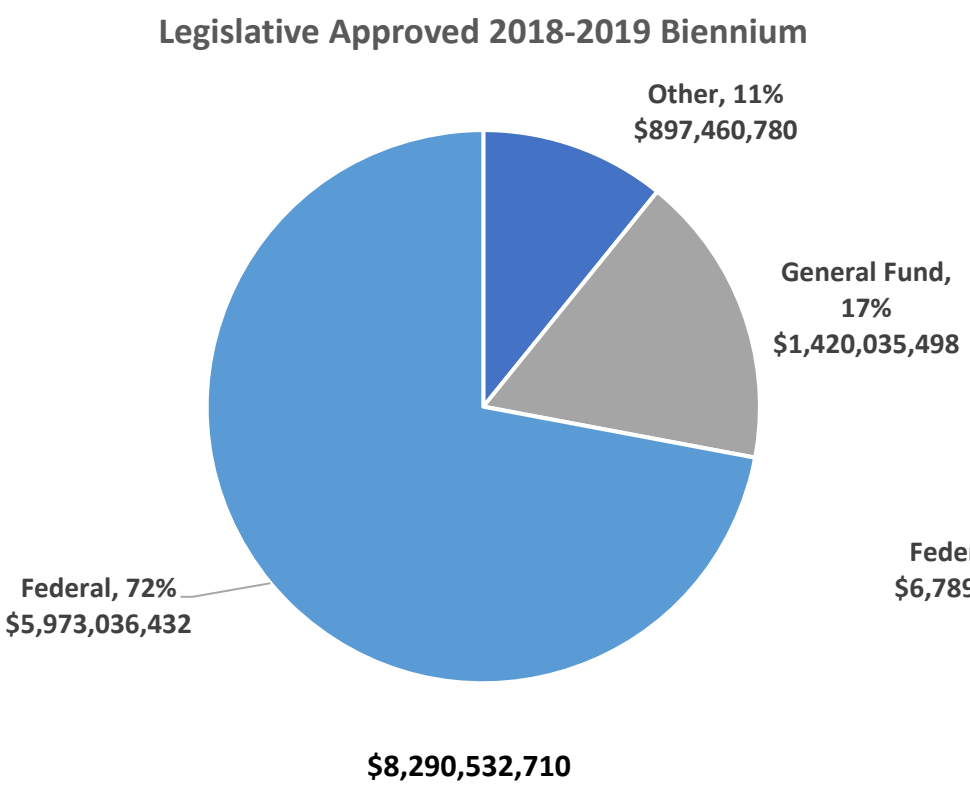
- Modernized the information management system (MMIS)
- Expanded from two to three managed care carriers in urban Washoe and Clark Counties
- Collaborated to implement the Certified Community Behavioral Health Clinic Demonstration Project to provide integrated behavioral health and primary care services.
- Implemented initiatives to ensure that recipients receive appropriate, effective, and medically necessary services

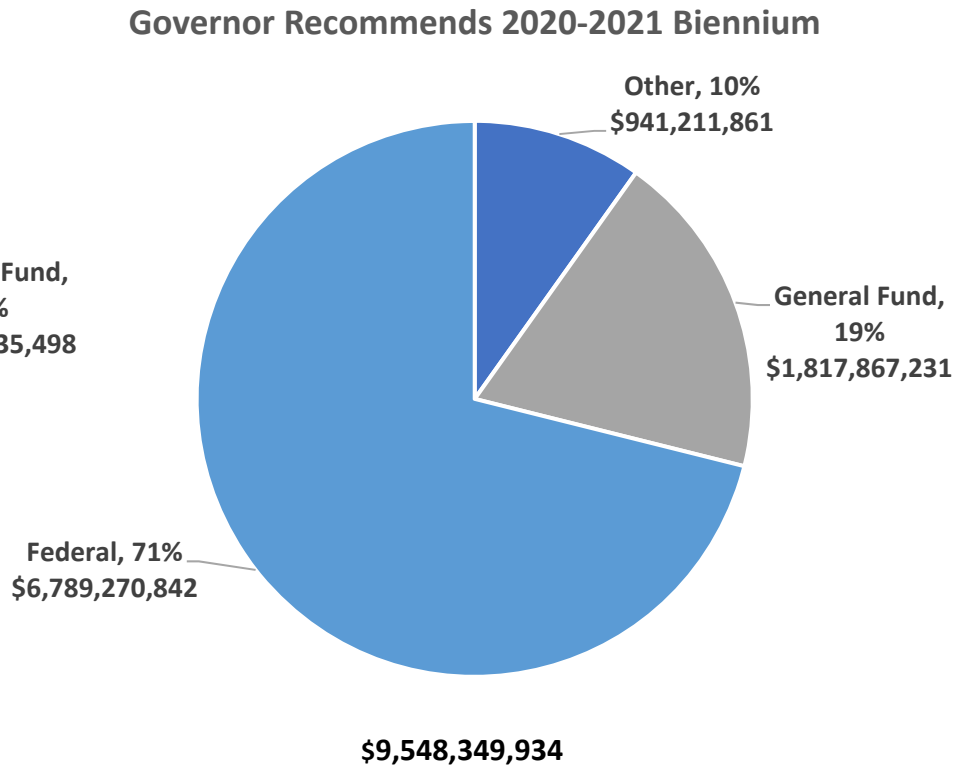
DHCFP Organizational Chart

Suzanne Bierman
Administrator

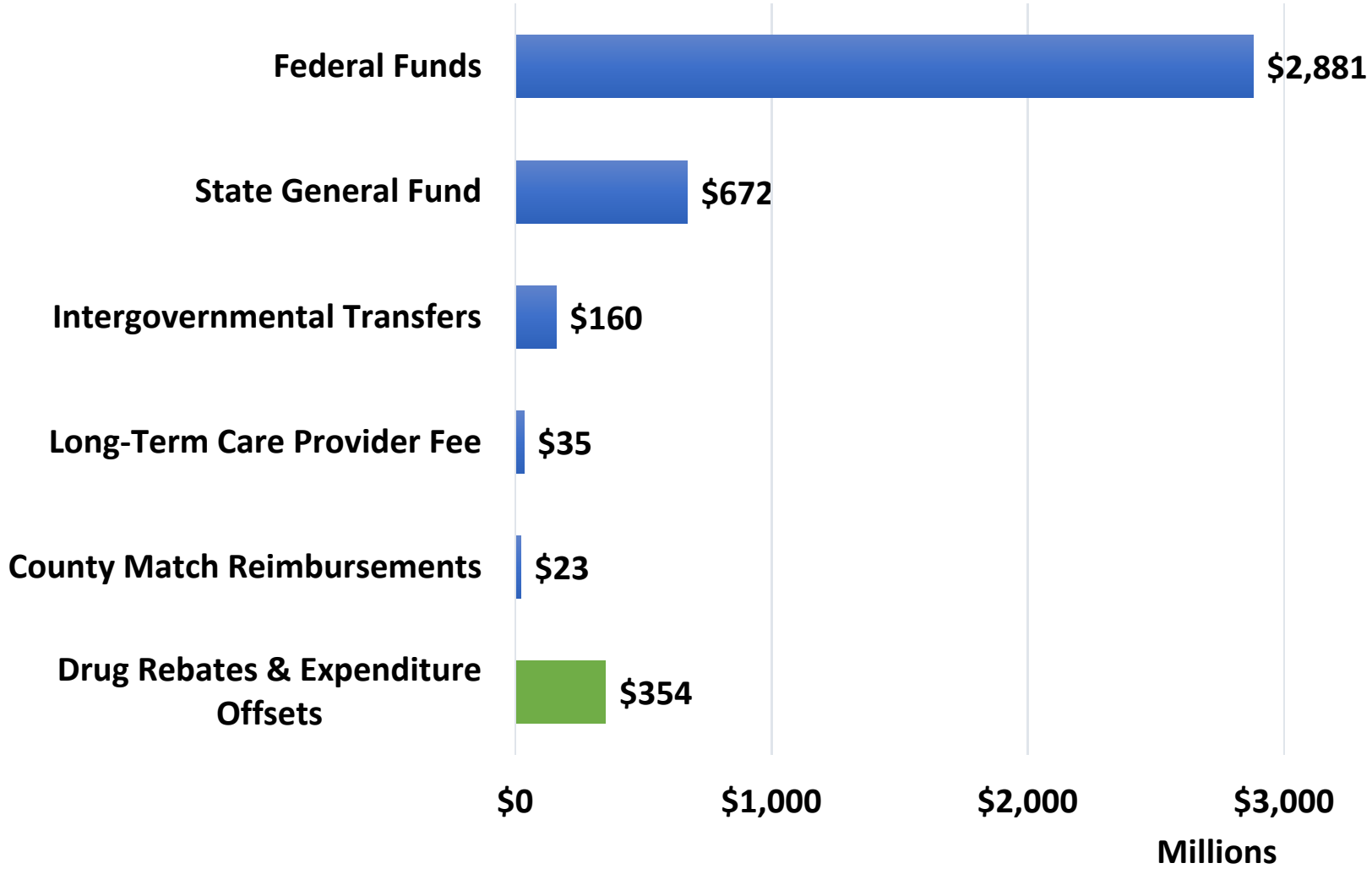
Cody Phinney **Deputy Administrator**	**DuAne Young** **Deputy Administrator**	**Budd Milazzo** **Chief Financial Officer**	**Sandie Ruybalid** **Chief of Information Services**	**Tammy Moffitt** **Chief of Operations**
• Behavioral Health • Managed Care and Quality Assurance • Program Integrity • Nevada Check Up • Access to Care Monitoring • Third Party Liability	• Hospital and Physician Services • Children's Programs • EPSDT • Indian Health • Long-Term Support Services	• Fiscal Services • Supplemental Reimbursements • Federal Reporting • Procurement and Performance Management • Rate Analysis and Development	• MMIS • Application Development • Business Process Analysis • Project Management • IT Operations	• Human Resources • Division Compliance • Internal Audits • Recipient Services

DHCFP Budgeted Funding Sources, 2018-19 and 2020-21 Biennium





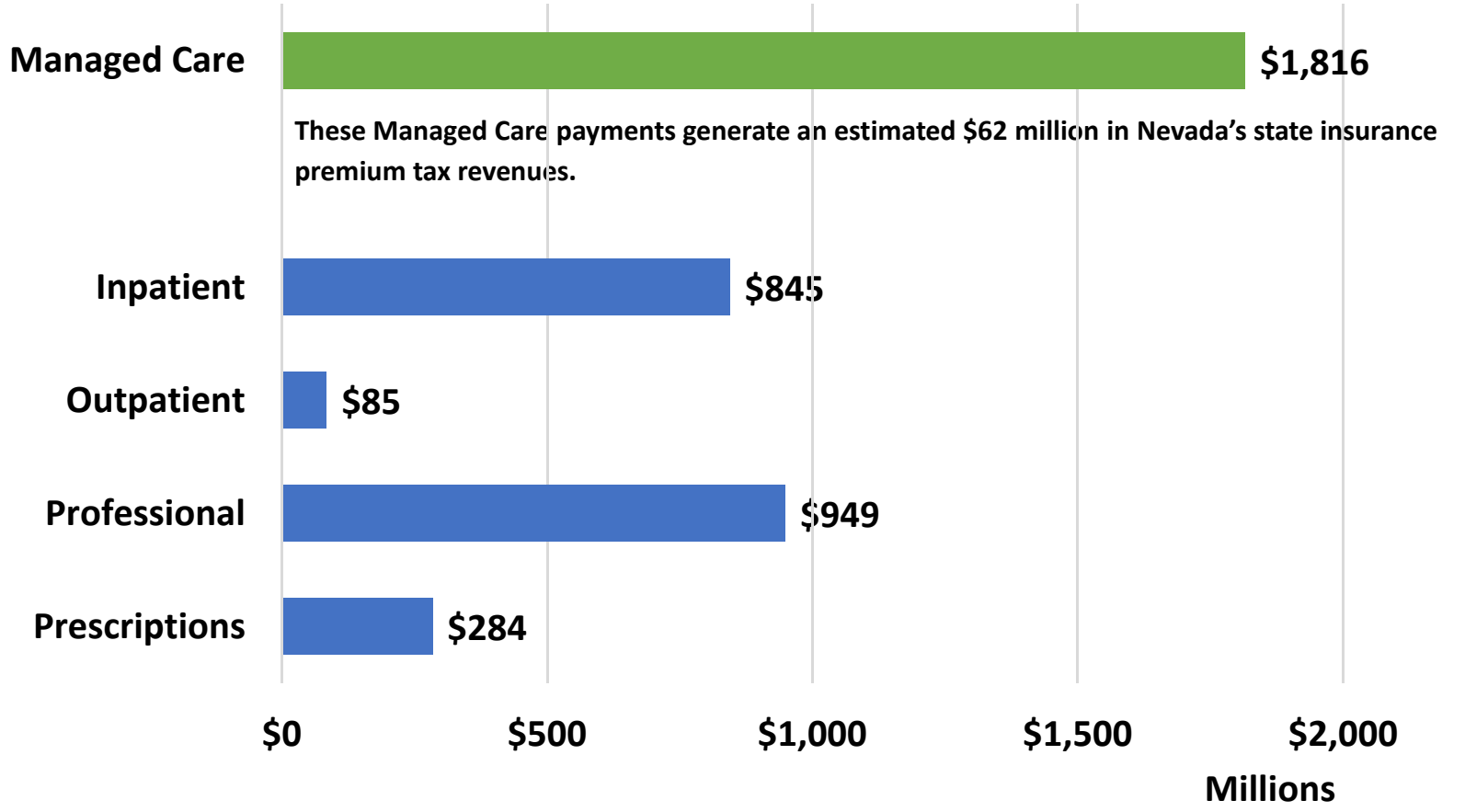
SFY18 Medicaid Funding Sources



Blue = Revenues per DAWN

Green = Expenditure offsets in Category 28 Offline. FMAP must be applied to determine retained funding.

SFY18 Medicaid and Check Up Service Expenditures



Green = Payments to Managed Care Organizations, which coordinate care and pay providers directly for medical services to Medicaid recipients

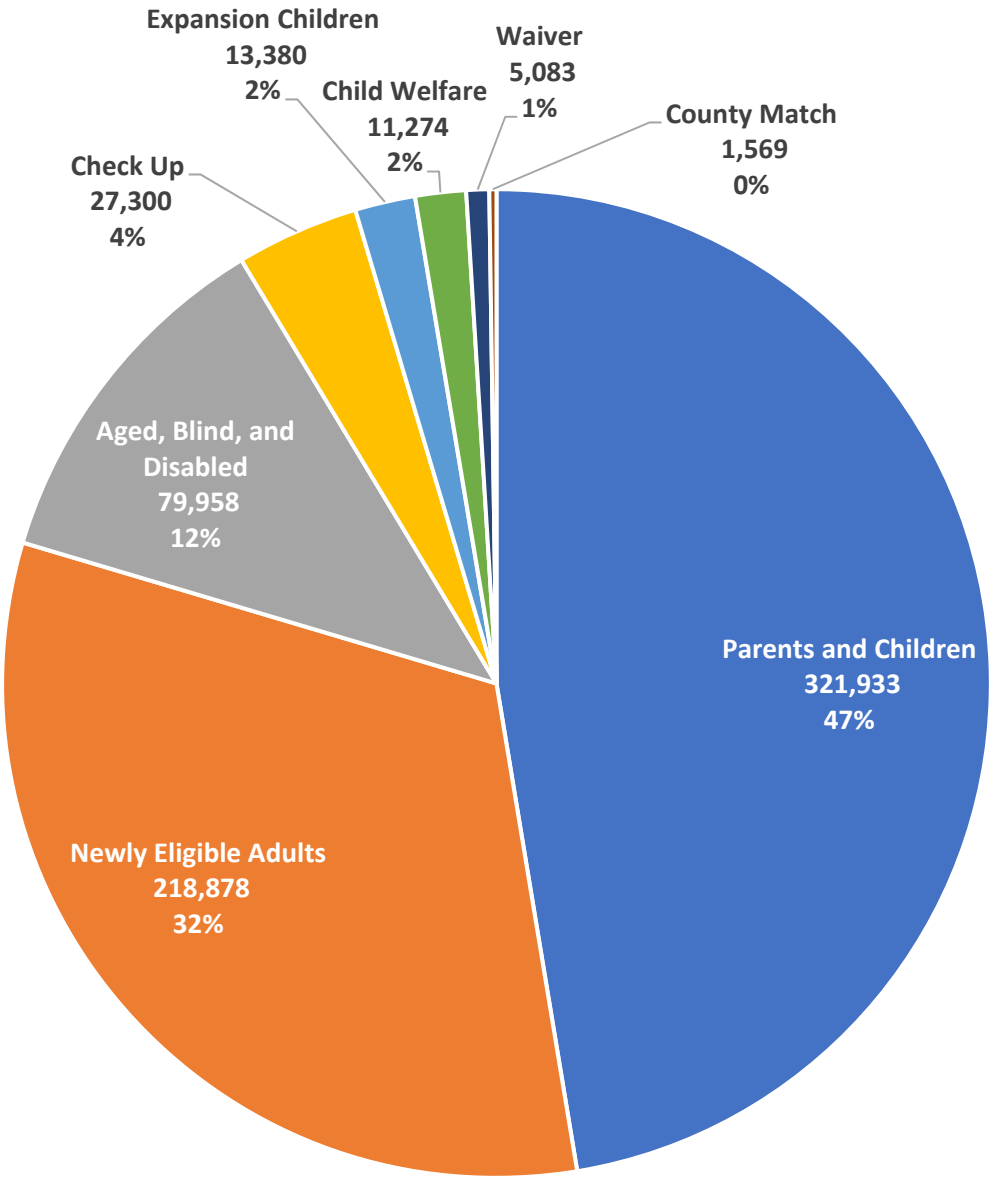
Blue = Fee for Service Expenditures

Note: Chart reflects services only. Other expenditures and offsets are not included.

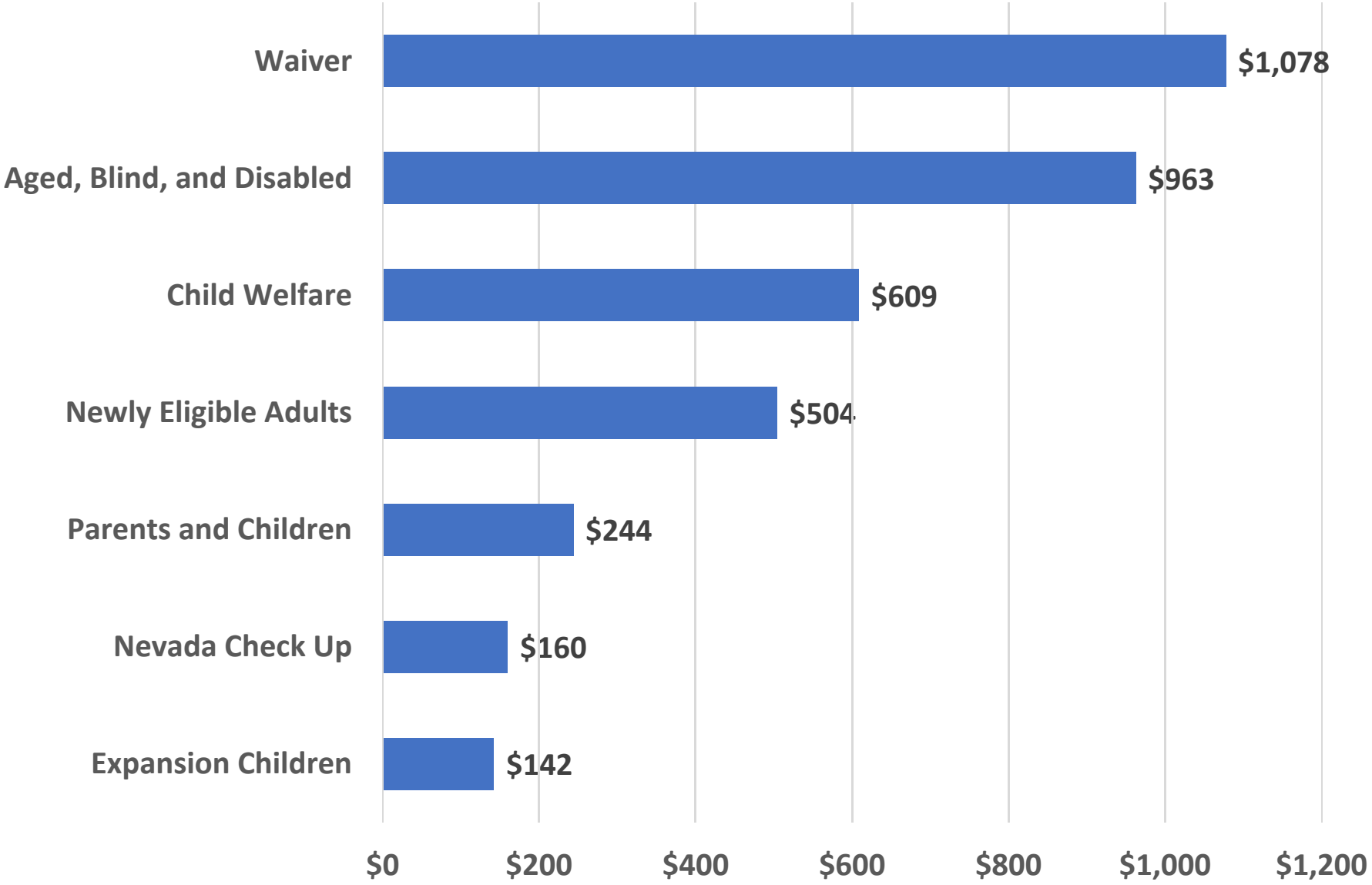
Summary by Budget Account

Governor Recommends Budget (G01)		Fiscal Year 2020				Fiscal Year 2021			
403	**DHCFP**	**General Fund**	**Federal Funds**	**Other**	**Total**	**General Fund**	**Federal Funds**	**Other**	**Total**
3157	Intergovernmental Transfer Program			180,618,850	180,618,850			174,923,693	174,923,693
3158	Health Care Financing & Policy	27,529,954	134,642,676	2,791,084	164,963,714	28,894,173	138,974,802	2,670,219	170,539,194
3160	Increased Quality of Nursing Care	-	-	40,676,792	40,676,792		-	43,033,059	43,033,059
3178	Nevada Check-Up Program	2,808,355	53,252,286	3,342,676	59,403,317	9,397,594	48,952,554	3,768,864	62,119,012
3243	Nevada Medicaid	835,307,676	3,114,180,557	246,506,655	4,195,994,888	913,929,479	3,299,267,967	242,879,969	4,456,077,415
	DHCFP Total	*865,645,985*	*3,302,075,519*	*473,936,057*	*4,641,657,561*	*952,221,246*	*3,487,195,323*	*467,275,804*	*4,906,692,373*
					Biennial Total	*1,817,867,231*	*6,789,270,842*	*941,211,861*	*9,548,349,934*

SFY18 Average Caseload by Category



SFY18 Monthly Costs Per Recipient by Caseload Category

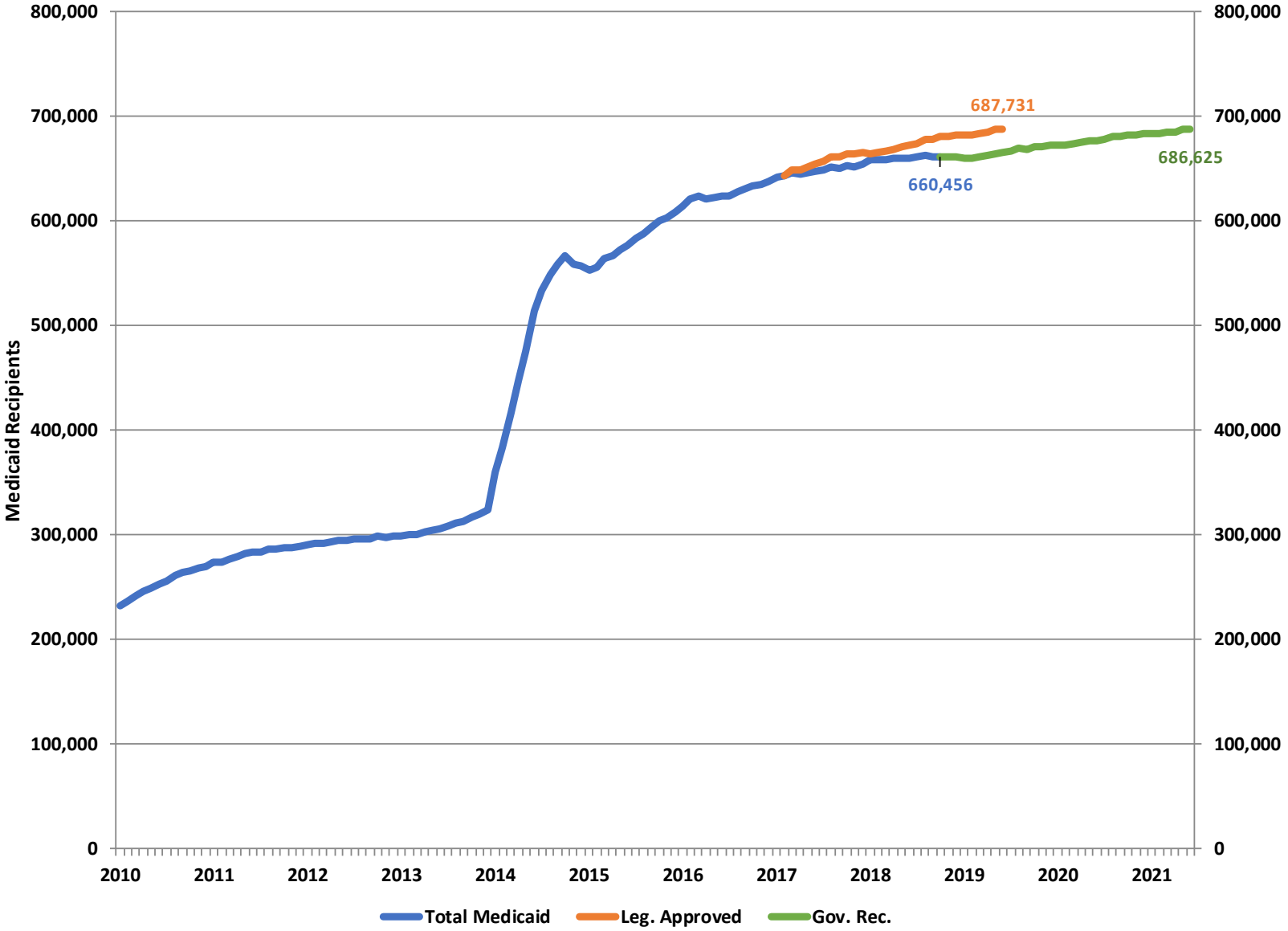


Federal Medical Assistance Percentage (FMAP)

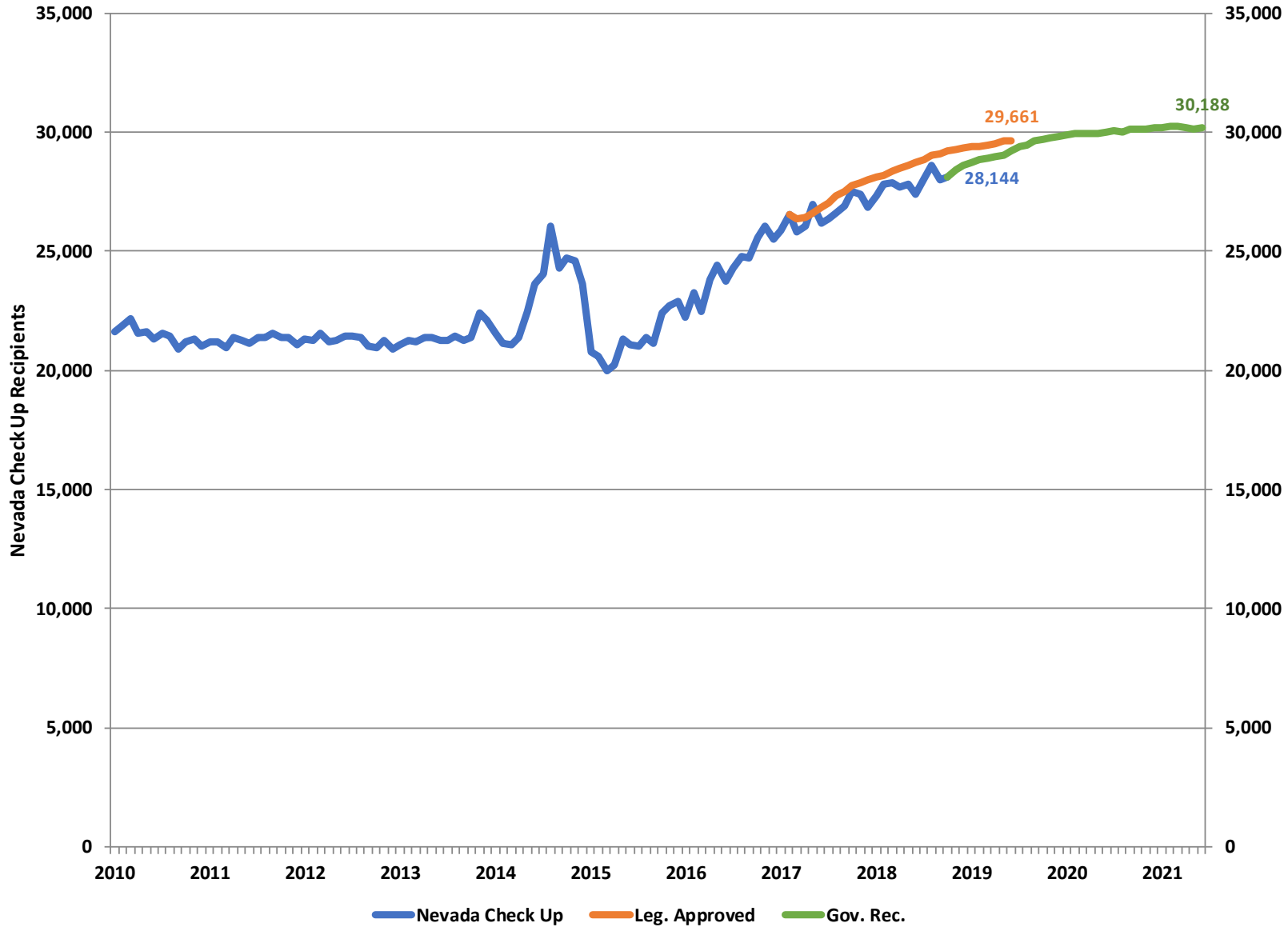
State Fiscal Year	FMAP	Enhanced (CHIP) FMAP	ACA Enhanced (CHIP) FMAP	New Eligibles FMAP
FY12	55.05%	68.54%		
FY13	58.86%	71.20%		
FY14	62.26%	73.58%		100.00%
FY15	64.04%	74.83%		100.00%
FY16	64.79%	75.35%	92.60%	100.00%
FY17	64.74%	75.32%	98.32%	97.50%
FY18	65.48%	75.84%	98.84%	94.50%
FY19	65.09%	75.57%	98.57%	93.50%
FY20	64.17%	74.92%	89.29%	91.50%
FY21	*64.63%*	*75.24%*	*78.11%*	*90.00%*
FY22	*65.24%*	*75.66%*		*90.00%*
FY23	*65.99%*	*76.19%*		*90.00%*

Note: The FMAP values for FY21 through FY23 are projections. The ACA Enhanced (CHIP) FMAP ends in September 2020.

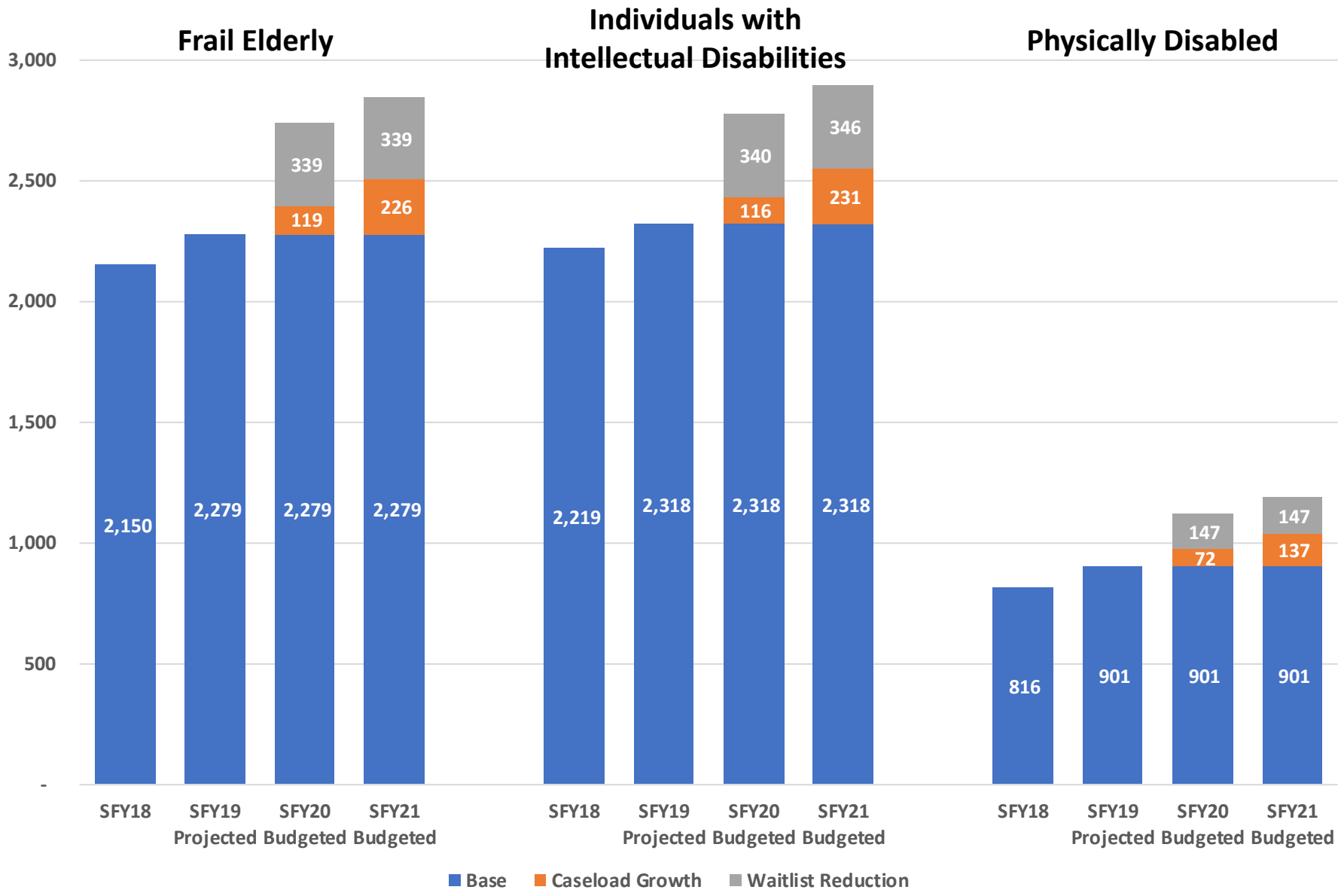
Total Medicaid Caseload



Nevada Check Up Caseload



Waiver Slots



Summary of Major Enhancements

Ensuring access to care through rate increases

- Pediatric Intensive Care Unit (PICU) - 15% increase Neonatal Intensive Care Unit (NICU) – 25% increase Personal Care Services – 3% increase
- Supported Living Arrangements - 10% increase

Growing the continuum of care to provide integrated health services

- Certified Community Behavioral Health Clinics
- Supported Housing Services for the Homeless

Ensuring clients receive high quality, medically necessary services

- Electronic Visit Verification System
- Program Integrity Initiative

Funding Changes

Clark County Voluntary Contribution Align with new interlocal agreement for state fiscal years 2019-2021.

- Contribution is 12.5% above the state share (SMAP) and the state retains 12.5% of the FMAP reclaiming funds.

County Match Program Increased County Contribution

- Counties to contribute full non-federal share of expenditures for services for County Match Program recipients.

Federal Medical Assistance Percentage (FMAP) Adjustments

- CHIP enhancement elimination
- Tapering of match for the newly eligible
- Economic improvement impacts to standard FMAP

Intergovernmental Transfer Programs

The Intergovernmental transfer (IGT) Account was established to receive funds provided by governmental entities that become the nonfederal share supplemental payment programs to Medicaid providers.

Current programs that generate State Savings are:

- Disproportionate Share Hospital (DSH) Supplemental Payment
- Upper Payment Limit Supplemental Payments to Public Hospitals for Inpatient Services (UPL – Public IP)
- Upper Payment Limit Supplemental Payments to Public Hospitals for Outpatient Services (UPL – Public OP)
- Graduate Medical Education (GME) Supplemental Payments
- Enhanced Rate for Managed Care Organization Services provided by Safety Net Hospitals (MCO Enhanced Rate)

Total Projected State Savings: $67.7 million in SFY20, $61.1 million in SFY21

Skilled Nursing Facility Provider Fee

The 2003 Legislature instituted a provider fee on Free Standing Nursing Facilities (SNFs) to increase the quality of long term nursing care in Nevada. The fees collected are based on 6% of net patient revenues of SNFs. Once collected, the fees become the nonfederal share of a supplemental payment to Medicaid participating SNFs.

SFY20

- Projected Provider Tax - $41,072,053
- Projected Total Supplemental Payments - $115,893,780

SFY21

- Projected Provider Tax - $43,511,733
- Projected Total Supplemental Payments - $123,885,638

Bill Draft Requests

BDR #	NRS	Description	Impact
19A4032103	422.4025	Eliminate Sunset for Preferred Drug List	$602,658 Total $176,307 State General Funds
19A4032177C	428.206	Allow the Division to receive other funds from the Board of Trustees of the Fund for Hospital Care to Indigent Persons	$1,1156,182

Acronyms

- DHCFP: Division of Health Care Financing and Policy
- CMS: Centers for Medicare and Medicaid
- CHIP: Children's Health Insurance Program
- MCO: Managed Care Organization
- MMIS: Medicaid Management Information System
- EPSDT: Early and Periodic Screen , Diagnostic, and Treatment
- FMAP: Federal Medical Assistance Percentage
- PICU: Pediatric Intensive Care Unit
- NICU: Newborn Intensive Care Unit
- IGT: Inter-governmental Transfer
- DSH: Disproportionate Share Hospital
- UPL: Upper Payment Limit
- SMAP: State Medical Assistance Percentage
- SNF: Skilled Nursing Facility