

HEALTH MANAGEMENT ASSOCIATES



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MONTANA CHILDREN AND FAMILIES COMMITTEE

Kathleen Nolan

EXPLORING THE MEDICAID
REFORM LANDSCAPE

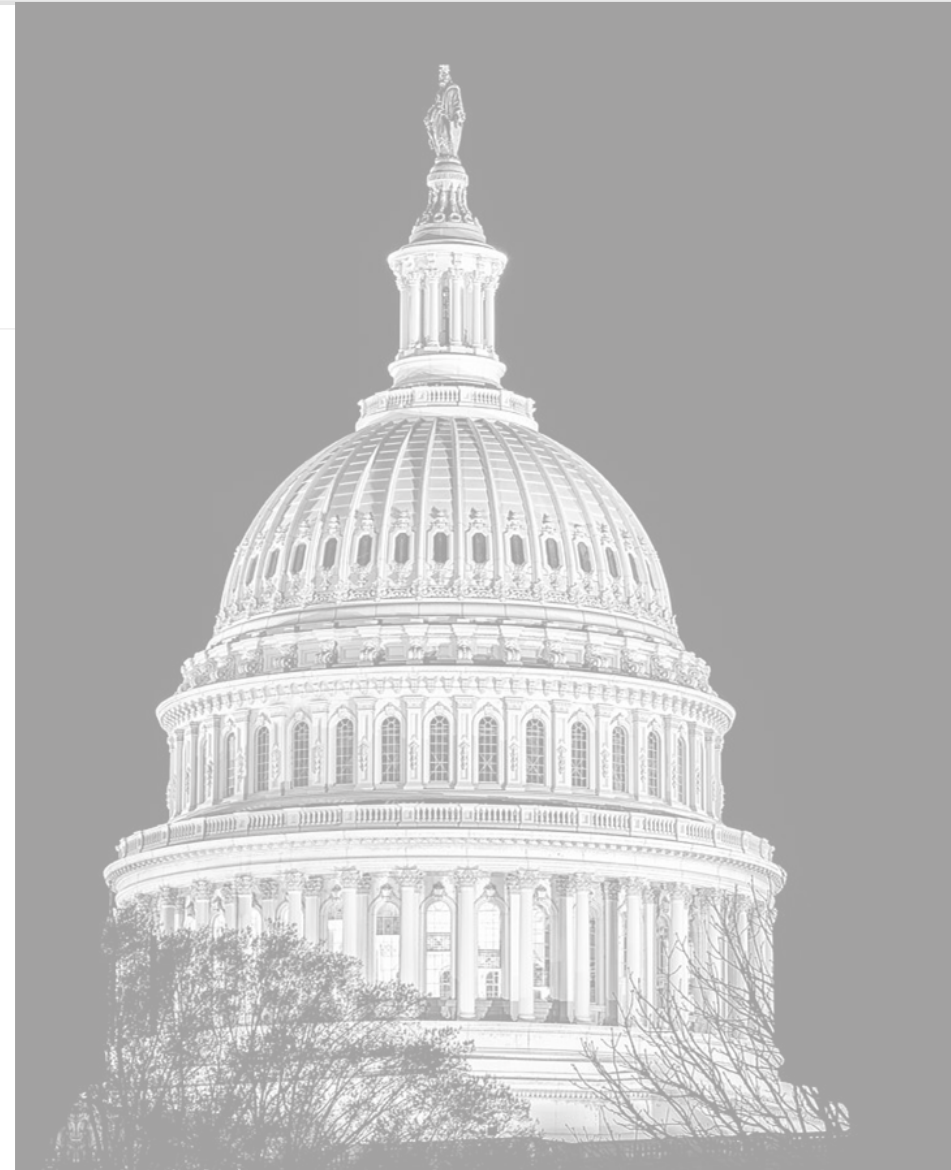
■ FEDERAL DIRECTION AND VISION – 2017-18

2017

- + Transition has been long and rocky
- + Congressional debate ruled in 2017
 - + Repeal and replace, Work requirements, Block grants and per capita caps

2018:

- + More clarity in regulation and guidance
 - + Recent work requirements policy
 - + Defining state flexibility
- + More and quicker waiver approvals



■ STATE FLEXIBILITY AND ACCOUNTABILITY

- + **Regulatory flexibility**
 - + Managed care regulations
- + **Waiver ideas**
 - + Personal responsibility guidance
 - + 1332 waivers or other ACA-related changes
- + **Report cards and program integrity**
- + **No new money**



FEDERAL VISION

- + **CMS wants to revamp adult Medicaid coverage**
 - + Guidance
 - + Recent waivers granted
- + **Other ideas (beyond adults)**
 - + Looking to narrow Medicaid's scope
 - + Interested in “risk sharing” with states (e.g., global waivers)
 - + Maybe—eventually—block grants

REDEFINING ADULT COVERAGE IN MEDICAID

- + **Fundamental shift in defining able-bodied adult Medicaid**
- + **Work/Community engagement guidance allows states to:**
 - + Set expectations/requirements around work and CE activities
 - + Define what constitutes work and CE, including service, care giving, education, training and SUD treatment
 - + Determine who it will apply to, and exclusions
 - + Define what happens when individuals don't meet requirements
- + **States must:**
 - + Evaluate what happens to individuals who don't meet requirements
 - + Have an effective appeals process
 - + Not ask for new money

OTHER IDEAS FOR STATE FLEXIBILITY BEING FLOATED



- + **Lifetime Medicaid limits** (similar to insurance maximums)
- + **Changes to the adult income eligibility levels** (+100% FPL off of Medicaid)
- + **Cost sharing with enforcement**
 - + Premiums, co-pays and surcharges
- + **Benefit changes** (reducing or limiting medical transportation, retro-active eligibility)
- + **Others?**
 - + Drug testing

STATES ARE TESTING THE WATERS AND MAKING REQUESTS THAT ARE PRECEDENT SETTING IF APPROVED

- + Several states are exploring work and community engagement and other flexibilities – requests may include a combination of proposals (e.g. community engagement, lock-out, etc.)
- + Waiver requests are not limited to expansion states – but also include non-expansion states
- + First approvals are in... (Kentucky, Indiana, Arkansas)
- + ...while other, precedent-setting requests are pending (e.g. Wisconsin, Massachusetts)
- + ...or are in development or discussion (e.g. Alabama, Idaho, Louisiana, Ohio, Utah)

■ STATE SPOTLIGHTS – KEY APPROVALS AND REQUESTS

+ Kentucky HEALTH waiver

- + First approved waiver with community engagement component (approved January 2018)

+ Indiana HIP 2.0 waiver

- + Tobacco cessation surcharge
- + Eligibility lock-out periods

+ Arkansas Works:

- + Likely first to implement work requirements – phased-in implementation starts in June
- + Request to limit expansion to 100% still pending

+ Wisconsin BadgerCare

- + Eligibility conditioned on drug screening / testing is pending CMS review and approval

+ Arizona AHCCS Works

- + Request to implement a 5-year lifetime limit for certain Medicaid populations

■ WHAT DOES THIS MEAN FOR MONTANA?

+ Near Term Decisions

- + Changes to adult coverage
- + Other items to include (quid pro quo with CMS)
- + Rethinking Medicaid and Individual coverage (1332 waivers)

+ Preparing for the Long Game

- + Possibility of major federal reforms
- + Getting new flexibility in the meantime