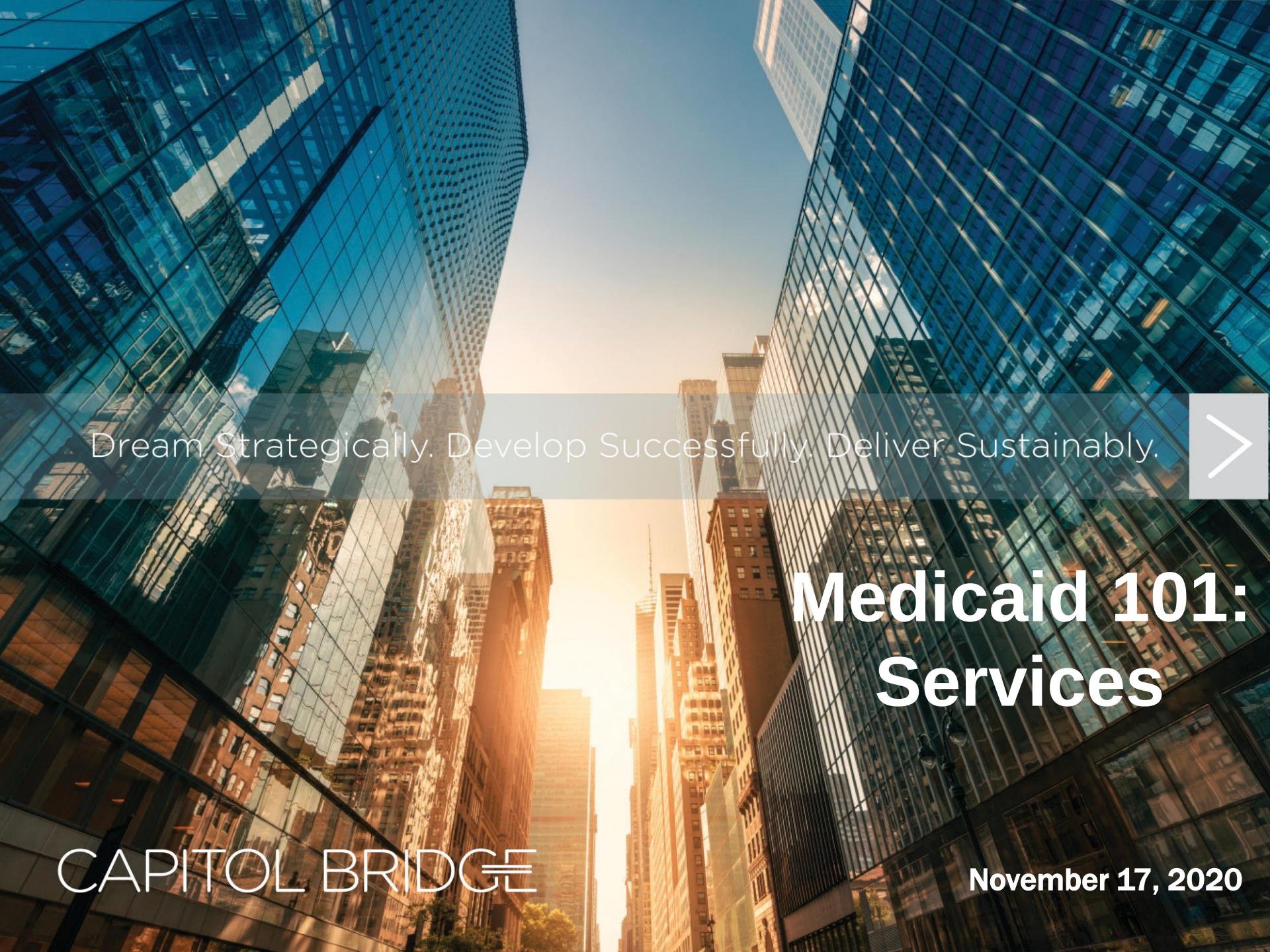


Medicaid 101: Services

CAPITOL BRIDGE

November 17, 2020

Medicaid Pays for a Full Range of Services

STATES REQUIRED TO PROVIDE CERTAIN MANDATORY SERVICES

- Inpatient Hospital
- Outpatient Hospital
- Physician Services
- Laboratory & X-rays
- Home Health
- Nursing Facility
- EPSDT
- Rural Health Clinics
- Federally Qualified Health Centers
- Transportation
- Family Planning

STATES HAVE CHOICE TO PROVIDE CERTAIN OPTIONAL SERVICES

- Prescription Drugs
- Clinic Services
- Physical Therapy
- Occupational Therapy
- Speech, hearing & language disorder
- Podiatry
- Optometry
- Dental
- Chiropractic
- Dentures
- Prosthetics
- Eyeglasses
- Other practitioner services

MOST LONG TERM SERVICES AND SUPPORTS IN THE COMMUNITY ARE OPTIONAL

- Personal Care
- Private Duty Nursing
- Hospice
- Case Management
- Home & Community Based Services (1915 i, j, k)
- PACE
- Community Mental Health
- Health Homes for Chronic Conditions
- Institutes for Mental Disease (65+)
- Inpatient psychiatric services (<21 yrs)
- TB related services

Figure 5

Medicaid's benefits reflect the needs of the population it serves.

Low-Income Families	•Pregnant Women: Pre-natal care and delivery costs •Children: Routine and specialized care for childhood development (immunizations, dental, vision, speech therapy) •Families: Affordable coverage to prepare for the unexpected (emergency dental, hospitalizations, antibiotics)
Individuals with Disabilities	•Child with Autism: In-home therapy, speech/occupational therapy •Cerebral Palsy: Assistance to gain independence (personal care, case management and assistive technology) •HIV/AIDS: Physician services, prescription drugs •Mental Illness: Prescription drugs, physicians services
Elderly Individuals	•Medicare beneficiary: help paying for Medicare premiums and cost sharing •Community Waiver Participant: community based care and personal care •Nursing Home Resident: care paid by Medicaid since Medicare does not cover institutional care

MEDICAID SPAS AND 1115 WAIVERS COVER A VARIETY OF ADMINISTRATIVE AND SERVICE TOPICS

- Eligibility and Enrollment Enhancements
- Medicaid Expansion
- Work Requirements, Co-Pays, Healthy Behaviors
- Benefit Changes
- Home and Community Based Care
- Behavioral Health and Opioids
- Managed Long Term Services and Supports
- Delivery System Reforms

STATE/FEDERAL PARTNERSHIP & THE MEDICAID STATE PLAN

- The Medicaid State Plan is a comprehensive written statement that describes the nature & scope of the Medicaid program; and contains assurances that the program will be operated per the requirements of Title XIX of the Social Security Act and other official issuances

- Developed and amended collaboratively with CMS
  - ❑ 90 days initial review process
  - ❑ No cost or budget requirement
  - ❑ Proposal permanent

WHY CHANGE THE STATE PLAN?

- Mandated legislative changes (State/federal)
- Change in eligibility group or resource standards or covered service(s)
- Change/addition of managed care services
- Implementation of optional services
- Change in payment methodology

WHAT ARE MEDICAID WAIVERS?

A Medicaid waiver is a provision in Medicaid law which allows the federal government to waive rules that usually apply to the Medicaid program. The intention is to allow individual states to accomplish certain goals, such as reducing costs, expanding coverage, or improving care for certain target groups such as the elderly or women who are pregnant.

TYPES OF MEDICAID

Waiver Type	Purpose
1115	"Demonstration waiver" to test expanded eligibility or coverage options. Must be budget neutral. (e.g. Michigan's work requirement waiver)
1915(b)	Allows states to develop Medicaid Managed Care plans (as of 2017 – 69% of all beneficiaries are in a managed care plan)
1915(c)	"Home and Community Based Services (HCBS) waiver" allows for Long Term Care services outside of institutions
Combined 1915 (b) & (c)	Allows for managed care for HCBS
1332	Most recently used for State Innovation Waivers to test out APMs, ACOs, etc…

Emergency Waiver: 1135

Requires:

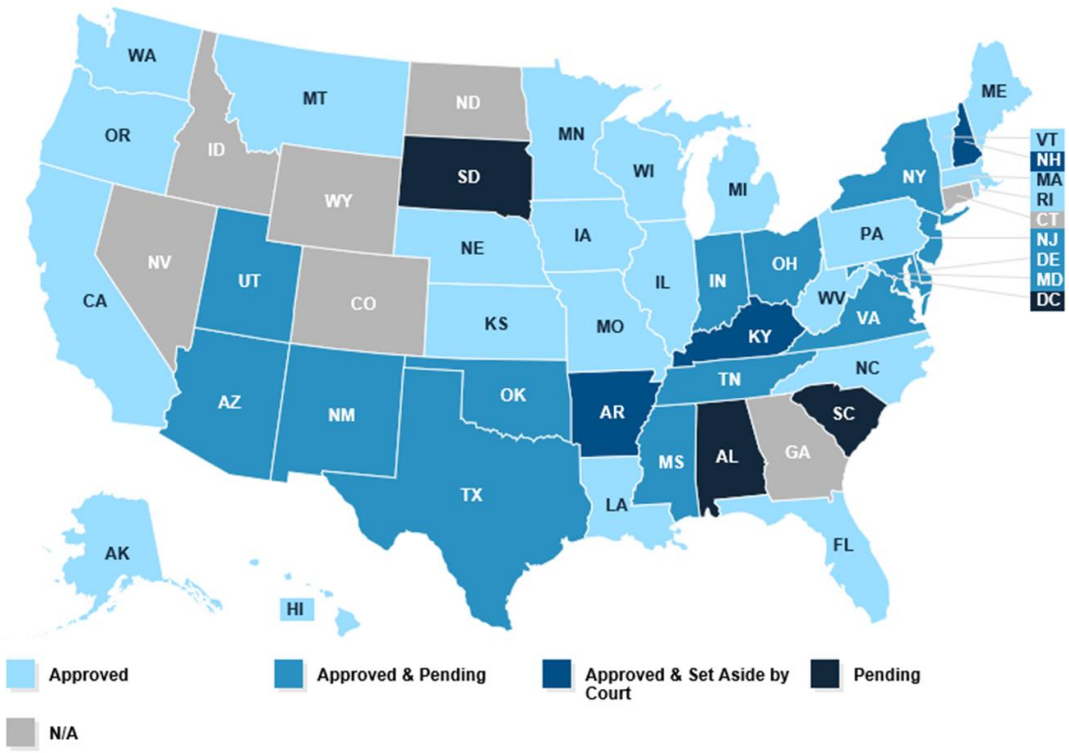
POTUS must declare an emergency, AND

Secretary of HHS must declare a Public Health Emergency

Typical Requirements Waived

Certificates of participation
Program participation
Pre-Approval (PA)
Provider Licensure
EMTALA (Emergency Medicaid Treatment & Labor Act)
Stark Self-Referral Sanctions
Performance deadlines
Limits on payments for items and services (often tied to Medicare rates)
Usually limited to 60 days

Status of 1115 Waivers



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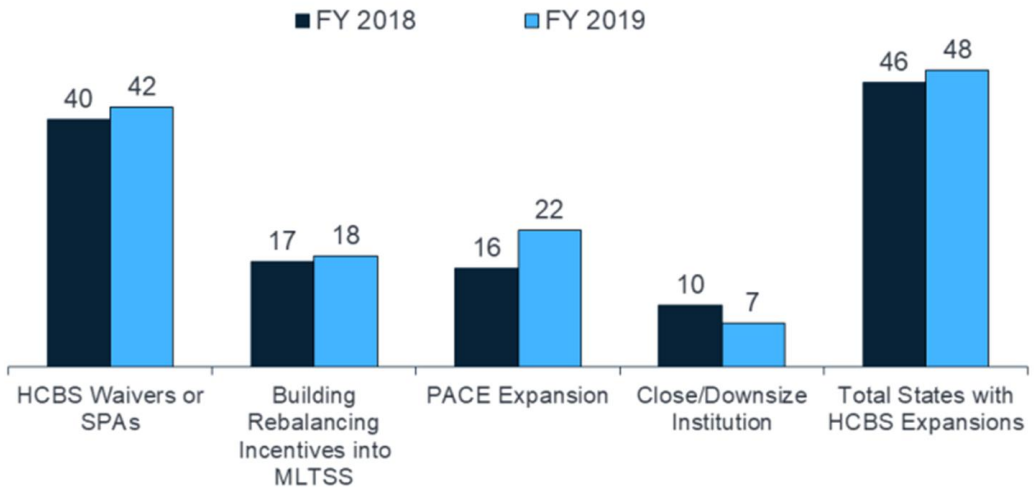
States Use SPAs and Waivers for HCBS

Figure 6

Long-Term Care Actions to Serve More Individuals in Community Settings, FYs 2018-2019



NOTES: "HCBS Waivers or SPAs" actions include: adopting new waivers; adding *and* filling more waiver slots; filling more waiver slots; adding new 1915(i) or 1915(k) SPAs; or serving more individuals through existing 1915(i) or 1915(k) SPAs. PACE expansions include adding new PACE sites and/or increasing the number of people served through PACE.
SOURCE: KFF survey of Medicaid officials in 50 states and DC conducted by HMA, October 2018.

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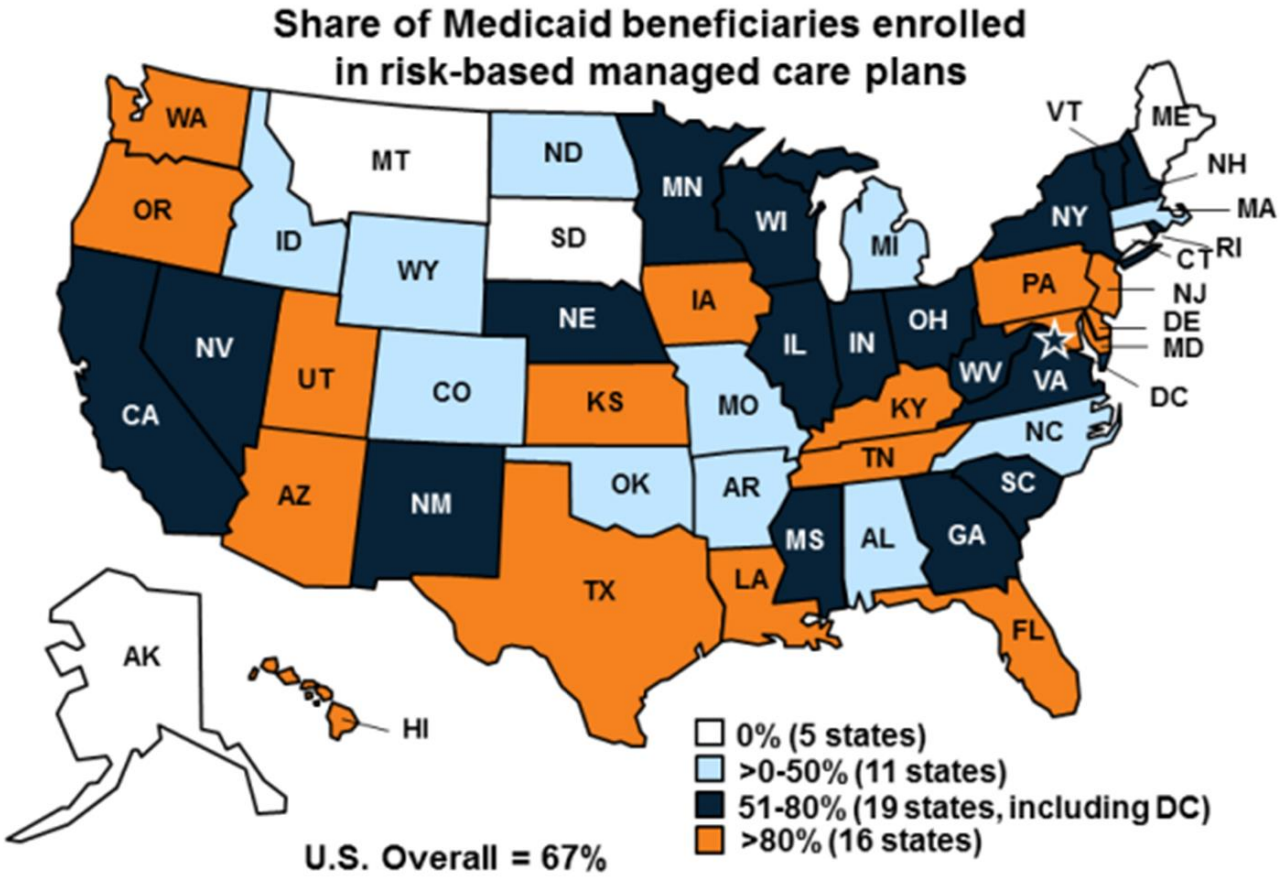
MANAGED CARE AUTHORITIES

- The Social Security Act provides six different ways under which states may operate managed care programs (numbers below reference sections of the SSA):1915(a) -Voluntary Program
- 1932(a) -State Plan Amendment
- 1937 –Alternate Benchmark Plans
- 1915(b) -Managed Care Waiver
- 1115(a) -Research & Demonstration Waiver
- 1115(A) –Duals Demonstrations (Medicare/Medicaid)

Figure 6

Over two-thirds of all Medicaid beneficiaries receive their care in comprehensive risk-based MCOs.



SOURCE: Medicaid Managed Care Enrollment Report, Summary Statistics as of July 1, 2016, CMS, 2018. "U.S. Overall" does *not* include Puerto Rico.

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Key Focus Areas in Medicaid for 2021

For FY 2021, nearly all states expect enrollment increases to put upward pressure on total Medicaid expenditure growth, with additional upward pressure coming from spending on long-term services and supports and provider rate changes.

Estimates that state Medicaid spending would decline in FY 2020 (-0.5%) and then sharply increase in FY 2021 (12.2%) were made prior to the most recent renewal of the PHE that extends the enhanced FMAP through March 2021

What to do with the new found emergency flexibility after the emergency is over, and how long will Federal fiscal support last?


DREAM.
DEVELOP.
DELIVER.
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