Medicaid Expansion Briefing

Dr. Matthew Van Patton, Director
Division of Medicaid and Long-Term Care
Dannette R. Smith, CEO
Department of Health and Human Services
Governor Pete Ricketts
April 11, 2019
Medicaid provides health coverage for a variety of groups, from children, persons with disabilities, and the elderly, who all have unique health needs.

Benefit packages are tailored to the unique needs of each eligibility group.

The group outlined in Initiative 427 will have a benefit package suited to adults age 19-64
  - Pursuant to the initiative, currently enrolled adults (caretaker relatives) will receive the same benefit package as the expansion group.
  - Certain groups must be excluded from the expansion group per federal law, like Former Foster Care and Pregnant Women.

Most Medicaid benefits are currently delivered through managed care.
  - The expansion group will also receive their benefits through managed care.
  - Managed care organizations (MCOs) are a single contact for members for all their care needs, provide care and case management, and provide value-added services in addition to those required by Medicaid.
The 1115 Demonstration Waiver will allow the State to create an innovative program for our new members and offers a variety of benefits.

The waiver application process must be budget neutral.

Federal law requires at least two public hearings with opportunities for comment.
  - Nebraska is planning 4 public hearings.

The waiver will allow the State to create a benefit package comparable to commercial insurance.

The State and CMS negotiate the final terms of the waiver.
Everyone who meets eligibility requirements from the initiative will receive Basic coverage.

Prime coverage adds dental, vision, and over-the-counter medications to Basic coverage.

To earn Prime coverage in year 1 of the program, members must participate in active care and case management.
  - Care and case management will involve talking with MCO’s case manager, developing a care plan, and working to managed health needs, including finding a primary doctor and scheduling a checkup.
Care and Case Management

• Care and Case Management is a major benefit in managed care systems.
  • These are currently available through Heritage Health.

• With these, the Heritage Health plans will help the expansion group learn about the health care available to them and assist with finding a doctor, arranging appointments.

• Care and Case Management will involve finding a primary care doctor and attending an annual checkup.
  • This will help to evaluate a new member’s health and determine future needs.
Moving into the second year and beyond, members will need to meet certain community engagement requirements to retain Prime coverage. Members will either need to be:

- Caring for a relative; or
- Volunteering for a public charity (501(c)(3)’s, churches, etc), attending a post-secondary school, trade school, or apprenticeship, receiving treatment, be employed, or be engaged in job-seeking activities for at least 80 hours per month.

DHHS plans to utilize existing systems such as Dept. of Labor and ResCare to verify these requirements in order to save administrative costs.

The Heritage Health Adult Program’s community engagement requirements empower individuals to improve their lives.

- Community engagement requirements are not tied to eligibility for Medicaid.
Technology Builds

Dates may be subject to change

8/1/2020 Begin Accepting HHA Applications
10/1/2020 HHA Implementation

Initial Operational Readiness
Post Implementation Support

Eligibility workers will redetermine eligibility every 6 months to ensure only eligible individuals are receiving Medicaid services.

- Retroactive eligibility is limited to the first of the month of application similar to many commercial health plans.
- Criteria for the medically frail group is being determined based on other states’ experience and clinical criteria.
  - See 42 CFR §440.315(f)
- DHHS plans to support Parent Caretaker Relatives ahead of the program’s launch so those currently enrolled Caretakers may receive Prime coverage Day 1 by meeting the requirements.
- The role of Home and Community-Based Services will be evaluated in our negotiations with CMS.
HHS Committee Cost Questions

- Parent Caretaker Relatives
- Community Engagement and Administrative Costs
- Dental Benefits, and other benefits not included in Basic coverage
- Centene’s pending acquisition of Wellcare
- MCO’s communication and collaboration
- MCO Contracts
### Appropriations Committee Budget Questions

#### GROSS AID

<table>
<thead>
<tr>
<th>Total/Gross Aid</th>
<th>Total Funds</th>
<th>State Funds</th>
<th>Federal Funds</th>
<th>Ave Mo Enrollees</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>FY21</td>
<td>$394,133,439</td>
<td>$46,190,428</td>
<td>$347,943,011</td>
<td>88,602</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Offsets By Program</th>
<th>Behavioral Health Div</th>
<th>State Disabled Program</th>
<th>Women with Cancer Pgm</th>
<th>Total of Program Offsets</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>Pgm 038 GF</td>
<td>Pgm 347 GF</td>
<td>Pgm 348 GF</td>
<td>$0</td>
</tr>
<tr>
<td>FY21</td>
<td>($4,350,000)</td>
<td>($834,549)</td>
<td>($302,553)</td>
<td>($5,987,502)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contingency Aid</th>
<th>Total Funds</th>
<th>State Funds</th>
<th>Federal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>FY21</td>
<td>$82,536,686</td>
<td>$9,672,877</td>
<td>$72,863,807</td>
</tr>
</tbody>
</table>

#### NET AID

<table>
<thead>
<tr>
<th>AID Net of Offsets</th>
<th>Total Funds</th>
<th>State Funds</th>
<th>Federal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>FY21</td>
<td>$475,670,125</td>
<td>$49,875,804</td>
<td>$426,794,320</td>
</tr>
</tbody>
</table>

#### Revised Cost Estimates (rev 4.11.2019)

**ADMINISTRATIVE**

<table>
<thead>
<tr>
<th>Estimated Admin</th>
<th>Total Funds</th>
<th>State Funds</th>
<th>Federal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>$14,653,804</td>
<td>$5,979,812</td>
<td>$8,673,992</td>
</tr>
<tr>
<td>FY21</td>
<td>$12,145,538</td>
<td>$5,772,769</td>
<td>$6,372,769</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contingency Admin</th>
<th>Total Funds</th>
<th>State Funds</th>
<th>Federal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>$1,500,000</td>
<td>$750,000</td>
<td>$750,000</td>
</tr>
<tr>
<td>FY21</td>
<td>$1,500,000</td>
<td>$750,000</td>
<td>$750,000</td>
</tr>
</tbody>
</table>