

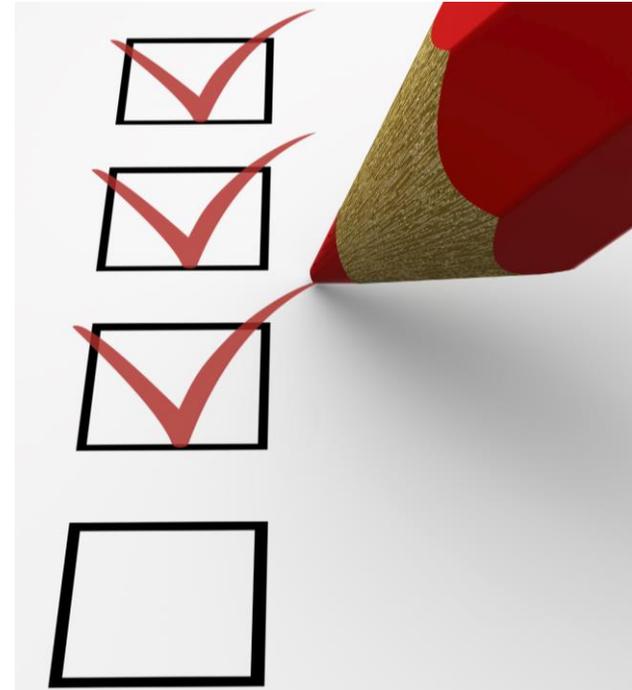
Vermont Medicaid: Global Commitment to Health Waiver

1/11/2017 Selina Hickman, Agency of Human Services



Content

- Medicaid Big Picture
 - Populations
 - Eligibility
 - Medicaid Enrollment
- Medicaid State Plan
 - Services- Mandatory and Optional
- Section 1115 Waiver
 - Services
 - Delivery Model
 - Flexibility
 - Investments
 - Extension updates





Big Picture

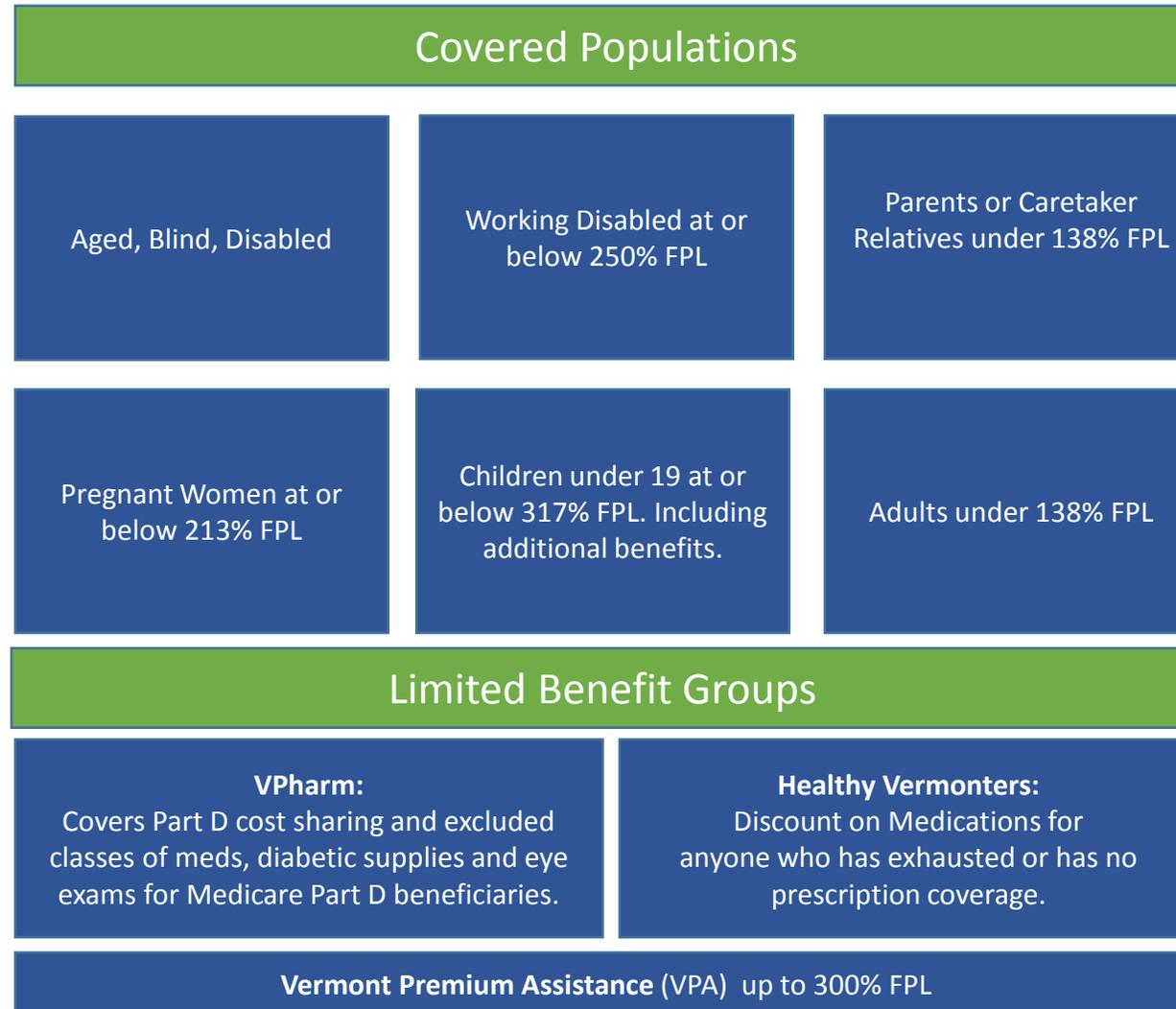
What is Medicaid?

- Created in 1965 as Title XIX of the Social Security Act
- Medicaid is a public health insurance program for low-income individuals and families and those with disabilities.
- Financed through a federal-state partnership and administered through the states.
- Each state designs and operates its own program within broad federal guidelines.

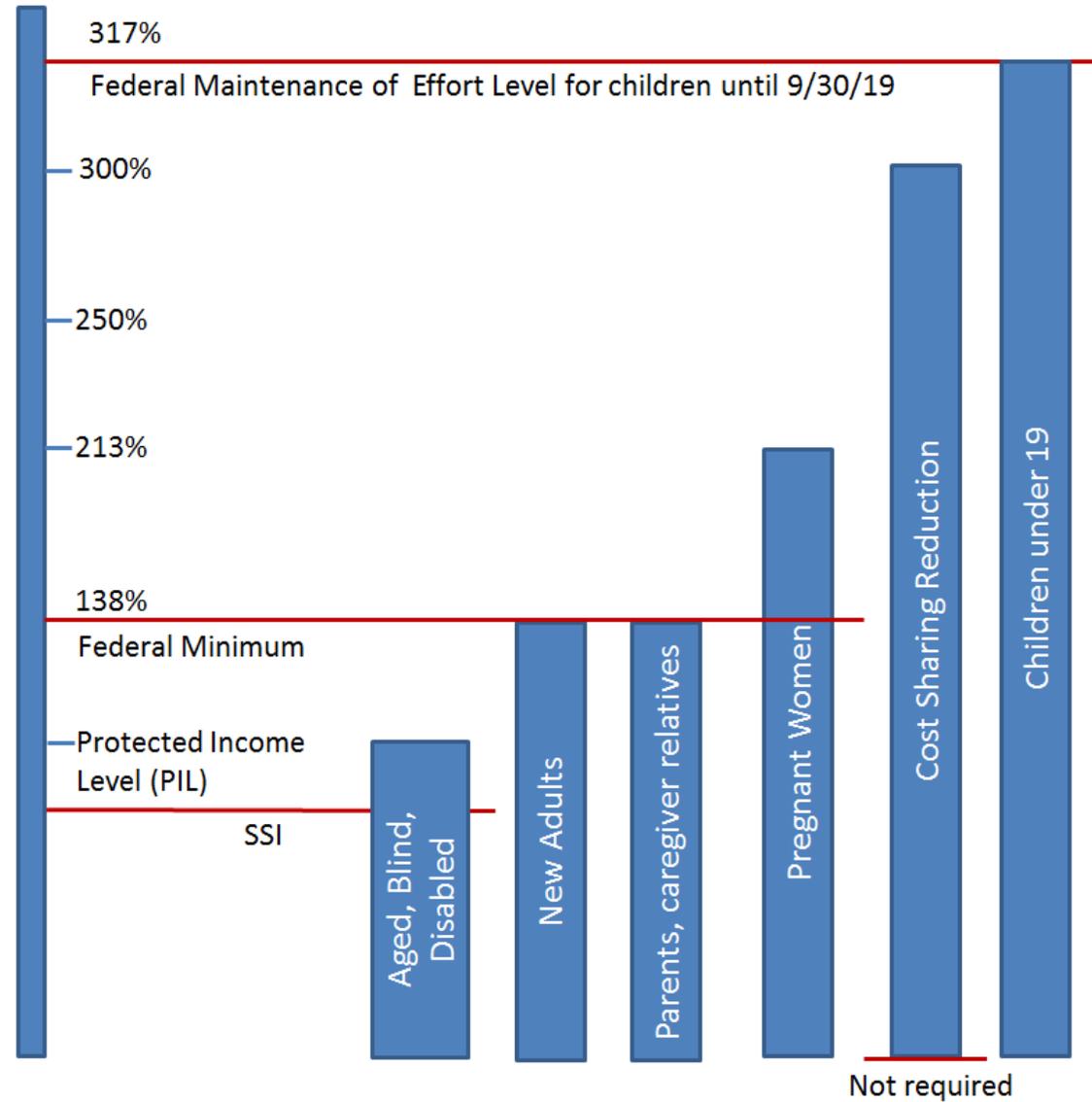


“If you’ve seen one Medicaid Program, then you’ve seen one Medicaid program.”

Covered Medicaid Populations



Medicaid Eligibility



Medicaid Usage

NATIONWIDE

73 million individuals nationwide in have coverage through Medicaid and CHIP (as of September 2016, Medicaid.gov).

- Approx. 22% of Americans.

VERMONT

Approx. 203,000 Vermonters receive some form of assistance through Medicaid (as of 9/16).

- Primary source of coverage for approx. 151,000 Vermonters.
- Partial or supplemental assistance for approx. 52,000 Vermonters (e.g. premium assistance, Rx assistance, etc.)



Medicaid State Plan



Medicaid State Plan

- All States must have an approved Medicaid State Plan.
- The State Plan is Vermont's foundational contract with the federal government for how Medicaid will be administered and paid for.
- State Plan Amendments (SPAs) may be submitted for review and approval by CMS to update Vermont policy related to:
 - Medicaid administration
 - Eligibility
 - Coverage
- Public notice required before some SPAs.

State Plan Services

- Medically necessary, as defined by CMS
- Fall under the categories of mandatory or optional services defined by CMS
- Be provided to Medicaid beneficiaries only
- Be provided by Medicaid-enrolled providers (that meet provider qualifications approved by CMS; qualifications vary based on service/provider)



Vermont Covered State Plan Services

| Mandatory Services | Optional Services | |
|---|---|--|
| Inpatient hospital services | Prescription Drugs | Chiropractic services |
| Outpatient hospital services | Clinic Services | Other Practitioner services |
| Rural health clinic services | Physical Therapy | Private duty nursing services |
| Nursing Facility services | Occupational Therapy | Personal Care |
| Home health services | Eyeglasses | Hospice |
| Physician services | Respiratory care services | Case Management |
| Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services | Other diagnostic, screening, preventive and rehabilitative services | Services for Individuals Age 65 or Older in an Institution for Mental Disease (IMD) |
| Federally qualified health center services | Podiatry services | Services in an intermediate care facility for Individuals with Intellectual Disability |
| Laboratory and X-ray services | Optometry Services | Health Homes for Enrollees with Chronic Conditions |
| Family planning services | Dental Services | Speech, hearing, and language disorder services |
| Nurse Midwife services | Tobacco cessation counseling | Inpatient psychiatric services for individuals under age 21 |
| Certified Pediatric and Family Nurse Practitioner services | Prosthetics | Self-Directed Personal Assistance Services |
| Freestanding Birth Center services (when licensed or otherwise recognized by the state) | | |
| Transportation to medical care | | |

Medicaid Section 1115 Waiver



Medicaid Section 1115 Waivers

- 1115 is the section of the Federal Social Security Act that allows the federal government to “waive” many, but not all, of the laws governing Medicaid, including eligible people and services.
- 1115 waiver authority is intended to encourage state innovation in the Medicaid program
- 1115 waivers must be budget neutral
- Vermont’s 1115 waiver is called the **Global Commitment to Health**
 - Global Commitment began October 2005
 - Latest extension – 1/1/17 to 12/31/2021
- Vermont’s 1115 Waiver overlays and expands upon what is required through the Vermont Medicaid State Plan.

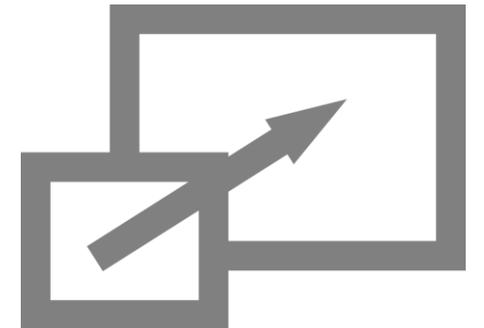
Global Commitment Key Concepts

- AHS operates Medicaid using a managed care-like model:
 - Must comply with certain federal Medicaid managed care regulations
 - Requirements set through inter-governmental agreements (IGA) with AHS and DVHA.
- AHS pays DVHA a fixed premium (per member per month or PMPM).
 - Paid monthly. Trued up quarterly to actual expenditures



Global Commitment Waiver Services

- The Global Commitment Demonstration includes the majority of Medicaid eligible people and services* in Vermont, including:
 - Medicaid State Plan Services
 - Expanded eligibility and coverage (non-state plan services and populations):
 - Long Term Care Services & Supports
 - Traumatic Brain Injury (TBI)
 - Children's Mental Health
 - Community Rehabilitation and Treatment (CRT)
 - Developmental Disability Services (DS)



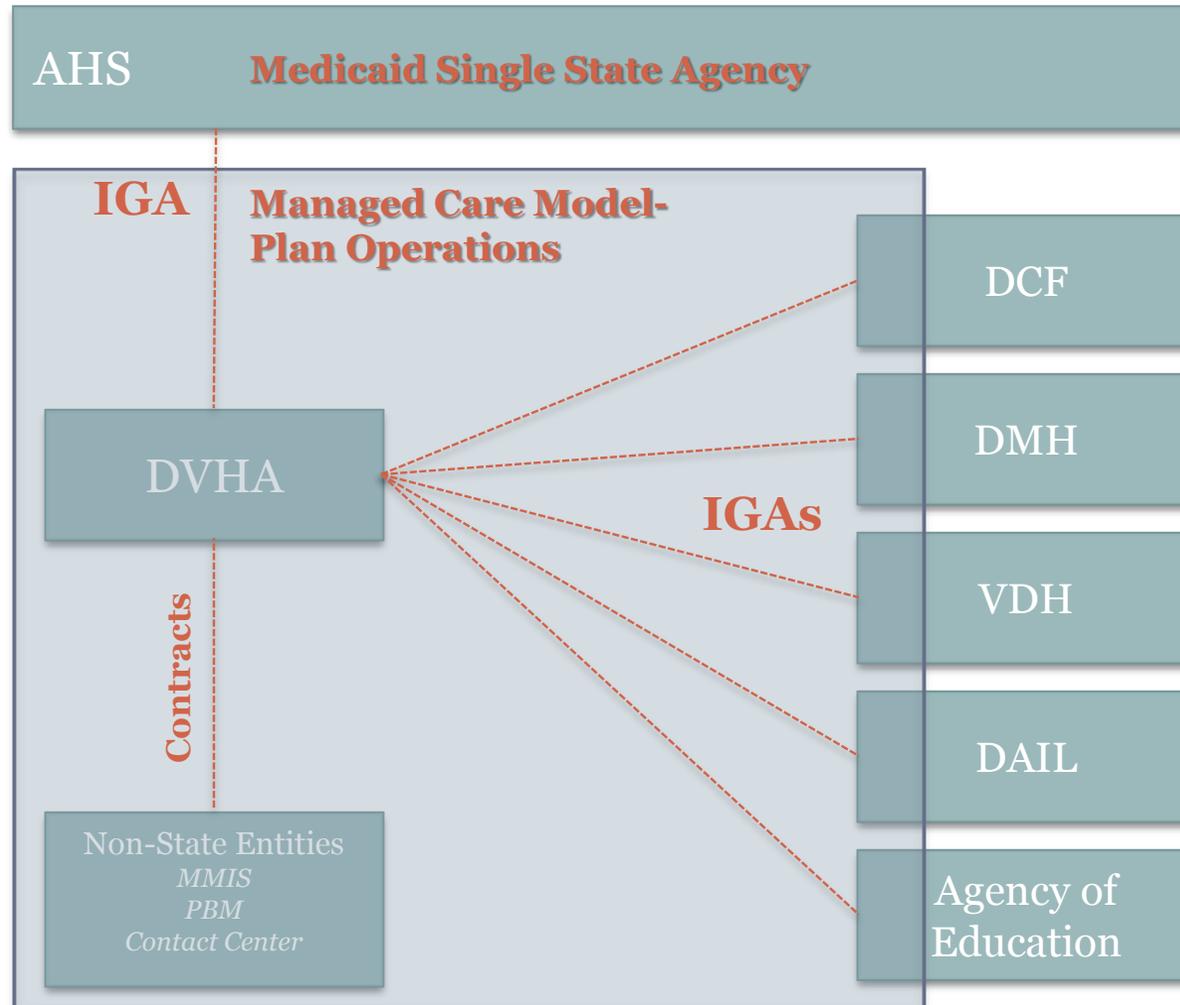
*The Waiver spending limit excludes:

- CHIP (uninsured children with incomes between 225 and 317 percent of the Federal Poverty Level)
- Disproportionate Share Hospital (DSH) Payments
- Enhanced FFP for IT Infrastructure, Affordable Care Act initiatives

Global Commitment Delivery Model

AHS operates Medicaid using a managed care-like model:

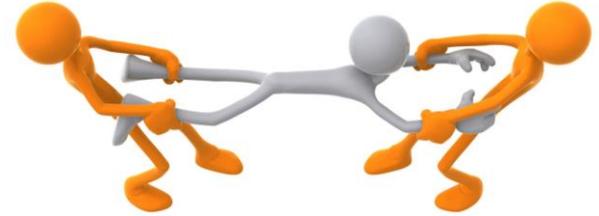
- Must comply with certain federal Medicaid managed care regulations
- Requirements set through inter-governmental agreements (IGA) with AHS and DVHA.



IGA = Intergovernmental Agreements

Waiver Flexibilities, examples and limits

- Examples of requirements that can be “waived”:
 - Statewideness/Uniformity
 - Amount, Duration, Scope of Services
 - as long as the amount, duration and scope of covered services meets the minimum requirements under Title XIX of the Act
 - Payment to Providers
 - establish rates with providers on an individual or class basis without regard to the rates currently set forth in the approved state plan.
 - Freedom of Choice of Provider (restrict to “network”)
- Requirements that are not waived (require Medicaid State Plan approval):
 - New/changed provider types and qualifications
 - Most new benefits or services



Global Commitment Investments

- GC gives Vermont the expenditure authority to invest in some programs/services not typically eligible for federal financial participation.
- These funds are referred to as “investments”.
- The state currently invests about \$127 million in total funds under this authority.
- Without this waiver, these investments would require new general fund appropriation (no federal match) or elimination.



Global Commitment Investments

Allowable Purposes-

1. Reduce the rate of uninsured and/or underinsured
2. Increase access of quality health care to the uninsured, underinsured, and Medicaid beneficiaries
3. Fund public health and other innovative programs that improve health outcomes, health status and quality of life for uninsured, underinsured, and Medicaid-eligible individuals
4. Encourage the formation and maintenance of public-private partnerships in health care, including initiatives to support and improve the health care delivery system and promote transformation to value-based and integrated models of care (*new in 2017*)

Global Commitment Extension Updates

- Continues current Medicaid coverage of essential services for Vermont's most vulnerable populations.
- Aligns with and ensures Medicaid ability to participate in health care reform including additional federal financial capacity.
- Continued flexibility in using Medicaid dollars to invest in health care priorities. Without this authority, Global Commitment investments would require new general fund appropriations or elimination.

Global Commitment Extension Updates

- Investments: Some investments must be phased down or use alternate federal fund sources because of CMS funding guardrails. The impact is estimated at \$64 million gross over the next 10 years.
- Administrative Match Rate: some areas previously eligible for a program match rate of approximately 54% will now be at 50%.
- Woodside Juvenile Rehabilitation Center: new federal guidance removes federal match for approximately \$4 million gross of treatment expenditures at Woodside Juvenile Rehabilitation Center.

Global Commitment Extension Updates

- Vermont to pursue a Substance Use Disorder (SUD) Demonstration Waiver Amendment:
 - CMS has encouraged Vermont to submit a waiver amendment in order to focus on the SUD continuum of care and state alignment with current federal policy frameworks for these services.
 - Permits continuation of payment for SUD institutions of mental disease.
- Additional Capacity for Health System Transformation
 - CMS is providing Vermont with additional financial capacity to invest in healthcare reform concurrent with the All-Payer Model.
 - Requires state matching funds
 - Additional investment capacity is capped on an annual basis:

| | |
|--------|-------------|
| CY2016 | 126,882,102 |
| CY2017 | 142,500,000 |
| CY2018 | 148,500,000 |
| CY2019 | 138,500,000 |
| CY2020 | 136,500,000 |
| CY2021 | 136,500,000 |

Questions/Discussion

- Waiver governing documents located here:
<http://dvha.vermont.gov/global-commitment-to-health/global-commitment-to-health-1115-waiver-2017-documents>