MEDICAID 101

2022 Delaware SOR Conference

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Speaker Introductions

SELINA HICKMAN
Principal, Bowling Business Strategies

ELIZABETH J. BROWN, MD MSHP
Chief Medical Officer
Division of Medicaid & Medical Assistance

Content

- Overview and Brief History of Medicaid
- State-Federal Partnership
- State Administration
  - State Plan & Waivers
  - Medicaid Managed Care
  - Covered Services
  - Substance Use Disorder Services
  - SUD prevalence in Medicaid
- Additional Resources

Learning Objectives

- Improve knowledge of key requirements, functions and structure of Medicaid nationally and in Delaware

- Understand important policy, fiscal, and operational components of Medicaid

- Learn about Medicaid Managed Care

- Increase knowledge of Substance Use Disorder coverage

- Provide SOR conference participants with a solid understanding of Delaware Medicaid

Overview and Brief History of Medicaid

What is Medicaid?

Medicaid provides health coverage to millions of Americans, including eligible low-income adults, children, pregnant women, elderly adults and people with disabilities.

Medicaid is administered by states, according to federal requirements.

The program is funded jointly by states and the federal government.

Overview

Originally intended to be a health plan for low-income individuals on welfare

Today, Medicaid covers more Americans than any other health insurance program

• In FY2019 – 28.2% (92.7M) of the U.S population was enrolled in Medicaid & CHIP

• Prior to the pandemic, most Medicaid adults (63%) who did not face a barrier to work were working.

• In FY2019 Medicaid made up 16.2% ($613.4B) of Nation Health Expenditures

"If you've seen one Medicaid program, you've seen one Medicaid program."

EXHIBIT 1. Medicaid and CHIP Enrollment as a Percentage of the U.S. Population : MACPAC
Work Among Medicaid Adults Implications of Economic Downturn and Work Requirements – Issue Brief – 9641 | KFF
EXHIBIT 3. National Health Expenditures by Type and Payer : MACPAC

Federal and State Milestones

1965 - Social Security Act Amendments create Medicaid.

1967 - EPSDT: Early and Periodic Screening, Diagnosis and Treatment for children

1972- Medicaid eligibility for Elderly, Blind, and Disabled Individuals linked to eligibility for Supplemental Security Income

1973- HMO Act supports development of HMOs

1981- Freedom of Choice and Community-Based Care Waivers introduced

1982 - Arizona: The Last State to opt into Medicaid and the First with Statewide Managed Care

1984 - Children and pregnant women become mandatory Medicaid Eligibility groups.

1989 - Children up to age 6 and pregnant women up to 133% of the FPL become eligible; EPSDT benefit expanded.

1997- Balanced Budge Act allows Medicaid to be delivered through Managed Care Organizations; State Children's Health Insurance Program (CHIP) creates option to provide coverage for uninsured children in low-income families above FPL.

2010 - Affordable Care Act expands Medicaid eligibility to adults with incomes up to 138% of FPL

2012 - determination that Medicaid expansion is optional.

2014 - ACA implementation begins.

2020 - 36 states and the District of Columbia have expanded Medicaid since the passage of the ACA.

1960s	1970s	1980s	1990s	2000s

Delaware

1966 - State of Delaware Adopts the Medicaid Program

Delaware

1996 - Delaware begins operating a mandatory managed care program, Diamond State Health Plan (DSHP).
Delaware's Medicaid covers childless adults living at or below the federal poverty level (FPL) under a CMS waiver.

Delaware

2012 - Delaware expands managed care to additional populations and includes long-term supports and services (LTSS) to the benefit package with implementation of the DSHP-Plus program.

2014 - Delaware expands its state Medicaid program to cover newly eligible adults up to 133% of the FPL; enrollment for newly qualified Medicaid beneficiaries begins. The demonstration project provides long-term care services and support (LTSS) to eligible individuals through the mandated managed care delivery system, DSHP-Plus

2015 - Delaware implements Promoting Optimal Mental Health for Individuals through Supports and Empowerment (PROMISE), a voluntary program that provides enhanced behavioral health services and supports for targeted Medicaid enrollees.

2020 - Delaware restored retroactive eligibility for pregnant women and children.
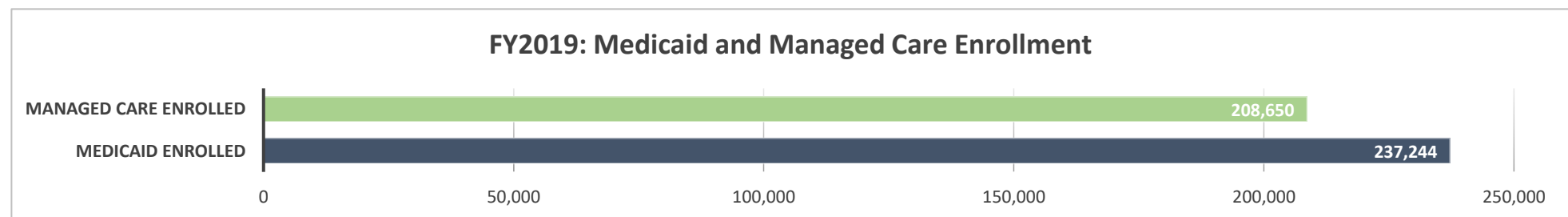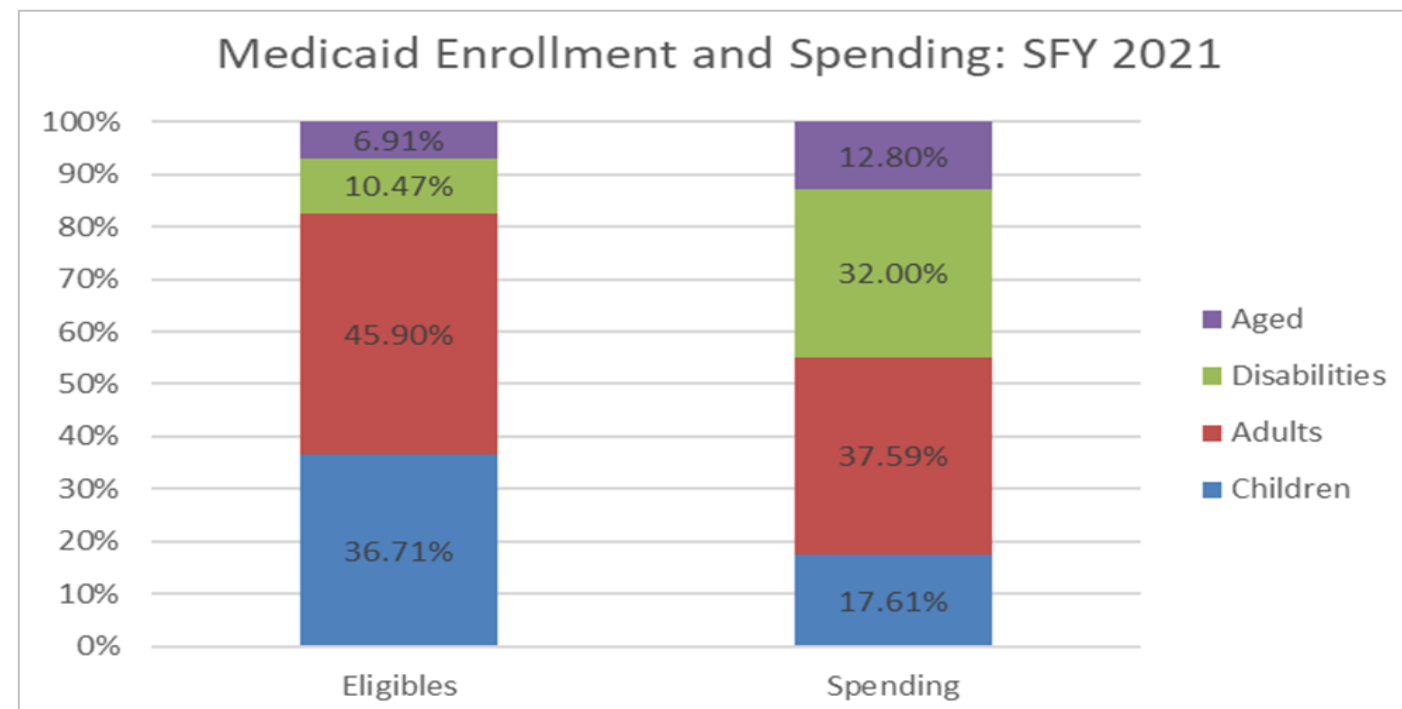
Delaware Medicaid Quick Facts

Eligibility Criteria for Specific Populations as a Percentage of the Federal Poverty Level (FPL)

- Children: 217%
- Seniors & People with Disabilities: 74%
- Expansion adults: 138%
- Parents: 138%
- Pregnant women: 217%

Medicaid Enrollment and Spending: SFY 2021

	Eligibles	Spending
Aged	6.91%	12.80%
Disabilities	10.47%	32.00%
Adults	45.90%	37.59%
Children	36.71%	17.61%

FY2019: Medicaid and Managed Care Enrollment

MANAGED CARE ENROLLED	208,650
MEDICAID ENROLLED	237,244

Delaware_Fact_Sheet_2020.pdf (medicaidinnovation.org)

State-Federal Partnership

State-Federal Partnership

- Medicaid is funded and administered through a partnership between the Federal Government and states.

- The Federal Government establishes requirements for the program through statute and regulation:

  - Social Security Act (Title XIX)

  - Code of Federal Regulations (Title 42)

Social Security Act Table of Contents (ssa.gov)
eCFR :: Home
OLRC Home (house.gov)

Funding

Federal Medical Assistance Percentage (FMAP): the federal share of any medical costs paid by Medicaid.

- FMAP is different for each state and is based on per capita income
- All states receive a 50% match rate for administrative costs.
- Certain populations, such as the new adult group, and other expenses, such as information systems and family planning, receive higher match rates.

FY2022 Delaware FMAP for covered medical costs *+6.2% federal share due to Public Health Emergency*

Federal $.64 **+** Delaware $.36 **=** Medicaid $1.00

Federal Register :: Federal Financial Participation in State Assistance Expenditures , EXHIBIT 6. Federal Medical Assistance Percentages (FMAPs) and Enhanced FMAPs (E-FMAPs) by State : MACPAC

A Strategic Vision for Medicaid & the Children's Health Insurance Program

CMS Administrator Chiquita Brooks-LaSure & CMCS Director Daniel Tsai

Focus Area 1: Coverage And Access

- We will use every lever available to protect and expand coverage for all eligible people and to adopt a broad view of access to care that includes provider availability, quality, culturally and linguistically competent care, and reductions in gaps in coverage.

Focus Area 2: Equity

- We are dedicated to measuring disparities and making targeted, evidence-based investments in improving health equity. While Medicaid is a driver of health equity, the data tell us that significant racial disparities within Medicaid persist.

Focus Area 3: Innovation And Whole-Person Care

- Finally, we will continue to encourage innovation in value-based care, delivery system reforms and whole-person care in Medicaid. Our approach includes partnering with states to ensure the health care system considers and supports the whole of a person's needs: physical health, behavioral health, oral health, long-term service and supports, and health-related social needs. We must address longstanding gaps in areas such as behavioral health, as well as explore how Medicaid can contribute to addressing health-related social needs (e.g., nutrition and homelessness or housing instability).
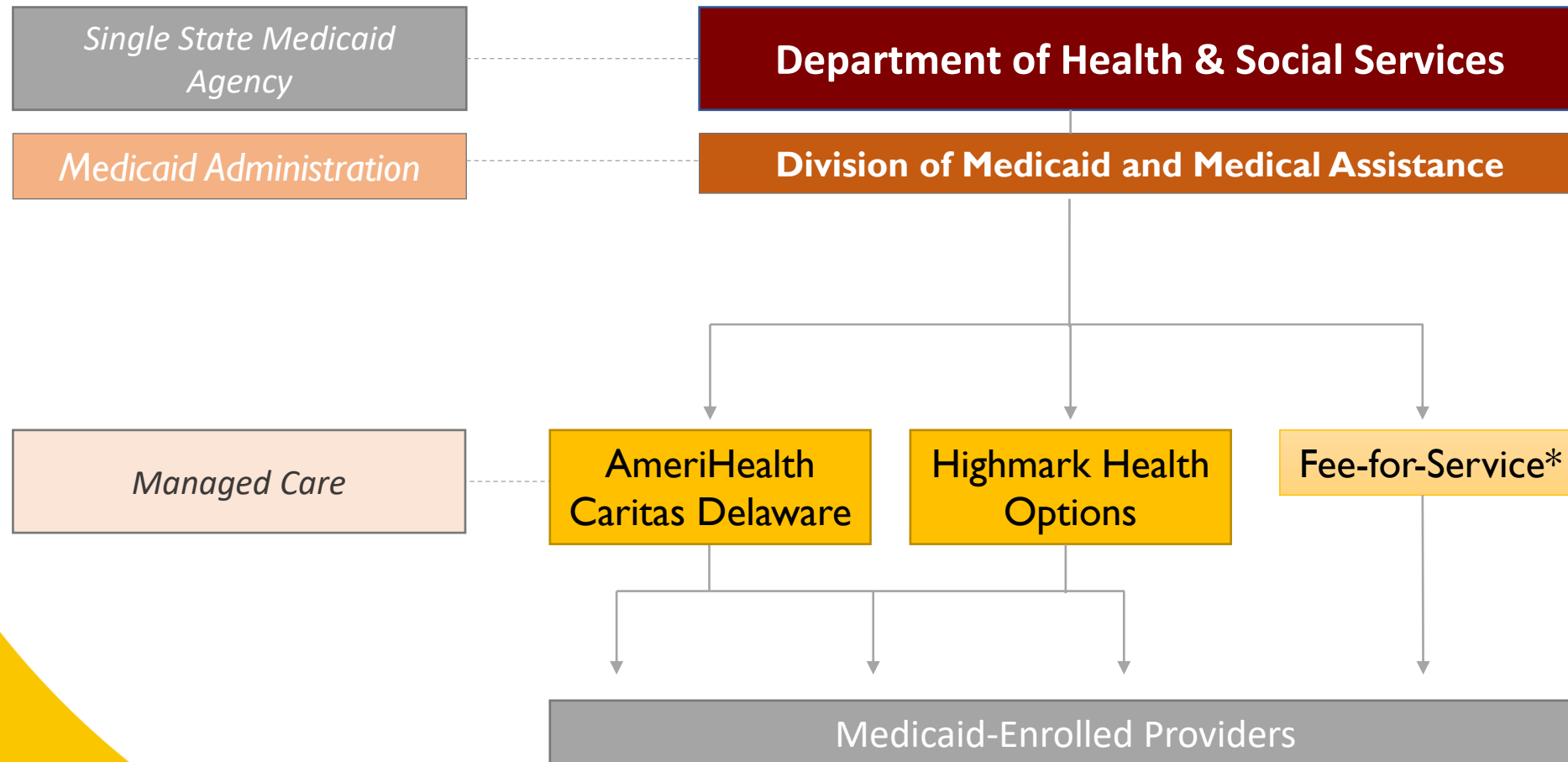
State Administration

State Medicaid Administration

- States must specify how they will run their program within the parameters of federal laws and regulations.
  - State laws and regulations
  - State budget authority and appropriations
  - Medicaid State Plan & Waivers

- Each state must have a "single state agency" that administers Medicaid.

DELAWARE HEALTH AND SOCIAL SERVICES

Structure of Delaware Medicaid

Single State Medicaid Agency	**Department of Health & Social Services**
Medicaid Administration	**Division of Medicaid and Medical Assistance**

Managed Care	AmeriHealth Caritas Delaware	Highmark Health Options	Fee-for-Service*

Medicaid-Enrolled Providers

Most FFS beneficiaries are temporarily in FFS program until enrolled with MCO

Medicaid State Plan

- Each State must administer a Medicaid State Plan

- The Medicaid State Plan describes the program:
  - Who is eligible
  - Covered Services
  - Payment methodologies
  - Administrative activities

- To change the State Plan, a "State Plan Amendment" (SPA) must be submitted to CMS and approved.

Medicaid State Plan Amendments | Medicaid.gov

Medicaid State Plan Requirements

"Payer of Last Resort"

- If a person has other coverage (such as Medicare or private insurance), Medicaid only pays for services not provided through the other coverage
- Medicaid often assists with copays/premiums associated with other coverage

Other requirements

- A person with Medicaid may access services covered under the Medicaid State Plan that are medically necessary
- Services must be statewide, comparable, delivered with reasonable promptness, and allow choice of providers
- Early and Periodic Screening, Diagnosis, and Treatment (EPSDT): Children under 21 can get all medically necessary optional and mandatory services, regardless of whether the state covers them for other individuals

Waivers

- CMS has federal authority to waive certain Medicaid requirements, such as:
  - State-wideness
  - Freedom of choice
  - Comparability
  - The definition of a federally "matchable" expense
- Waivers are different than a Medicaid State Plan
  - Access can be limited by enrollment caps or waiting lists.
  - Cost-neutrality requirements
  - Include evaluation requirements and other "terms and conditions"
  - Must be renewed at regular intervals

State Waivers List | Medicaid

Delaware 1115 Waivers

- ## 1115 Diamond State Health Plan (DSHP)
  - Creates a Medicaid Managed Care delivery system and mandatorily enrolls most Medicaid eligible people into managed care.
  - The DSHP Plus program provides Long-term care services and supports to eligible individuals.
  - Creates the PROMISE program with enhanced behavioral health services for eligible individuals.
  - Provides coverage for some former foster care Delawarean youth under age 26 who aged out of foster care in another state and are applying for Delaware Medicaid.

- ## 2019 – Substance Use Disorder Amendment
  - Allows payment for SUD services within certain large behavioral health settings (IMD) and according to federal requirements.

Medicaid Managed Care

Managed Care is an alternative service delivery concept

A MCO agrees to provide a specific set of services to Medicaid members.	Payment is usually a predetermined periodic payment per member.	MCOs seek to enhance access to quality care in a cost-effective manner.
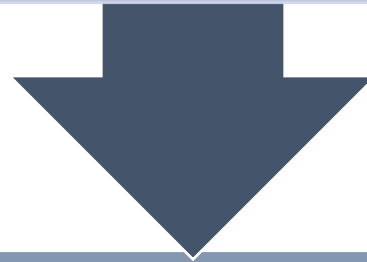
Managed care and capitated payments to providers constituted 57.5% of total US Medicaid expenditures in 2020

Brief Summaries of Medicare & Medicaid (cms.gov)

Delaware Managed Care

Managed care is the primary service delivery mechanism for Delaware Medicaid

DMMA contracts with two Comprehensive Managed Care Plans

Highmark Health Options

Provider billing: 2021 Highmark Health Options Provider Manual

AmeriHealth Caritas

Provider billing: https://www.amerihealthcaritasde.com/provider/forms/index.aspx

Managed Care resources include:

Member services

Provider services

Care coordination

Delaware Medicaid Payment Structure

Federal Funds --------- **Centers for Medicaid and CHIP services**

State Medicaid Funds --------- Division of Medicaid and Medical Assistance

Managed Care monthly capitated payment (PMPM)

AmeriHealth Caritas Delaware

Highmark Health Options

Direct fee-for-service payments to providers for individuals who are not enrolled in managed care

Various payment models- Fee-for-service or alternative payment model

Medicaid-Enrolled Providers
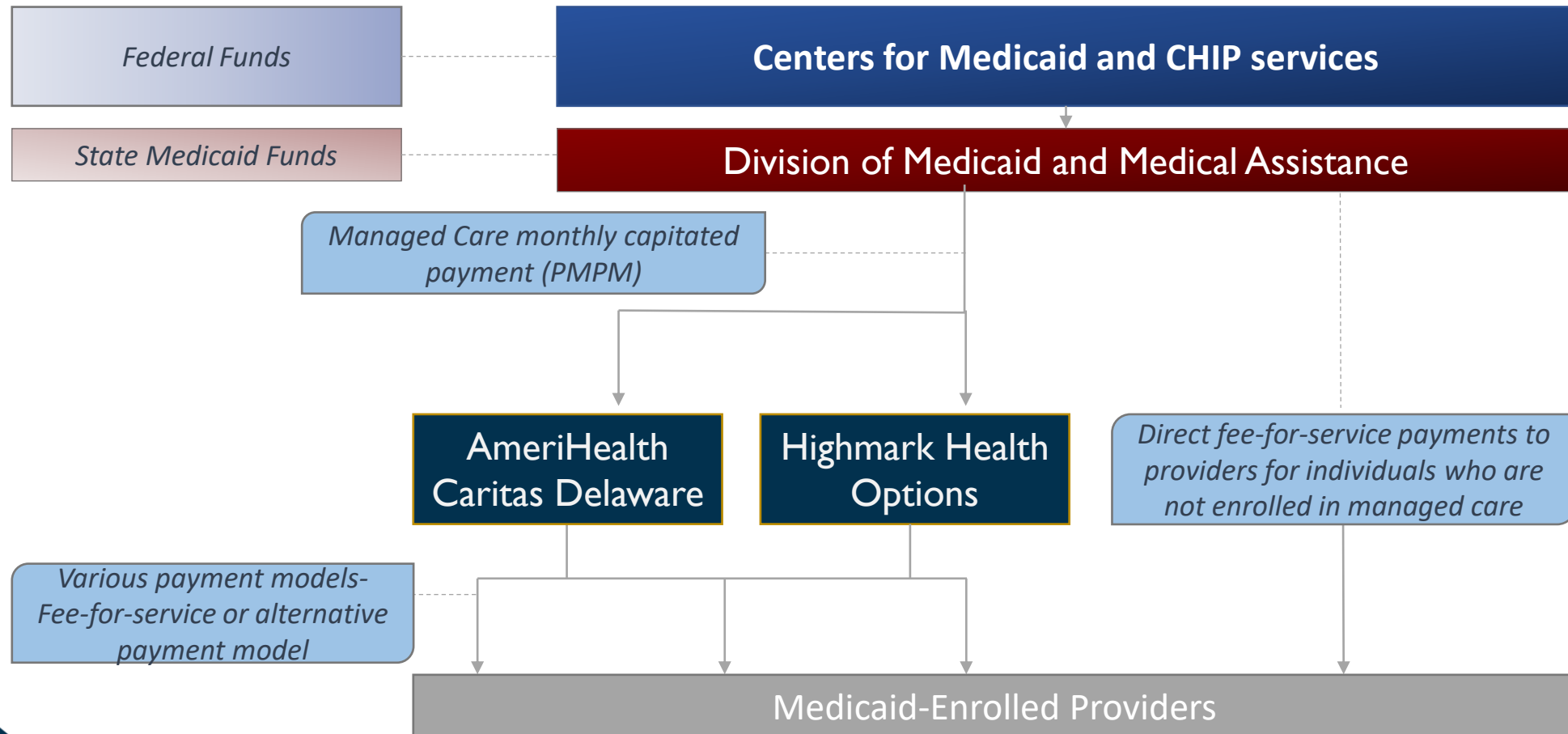
*Most FFS beneficiaries are temporarily in FFS program until enrolled with MCO

Medicaid Covered Services

Inpatient hospital services	Outpatient hospital services	EPSDT: Early and Periodic Screening, Diagnostic, and Treatment Services	Nursing Facility Services	Home health services
Physician services	Rural health clinic services	Federally qualified health center services	Laboratory and X-ray services	Family planning services
Nurse Midwife services	Certified Pediatric and Family Nurse Practitioner services	Freestanding Birth Center services (when licensed or otherwise recognized by the state)	Transportation to medical care	Tobacco cessation counseling for pregnant women

Mandatory & Optional Medicaid Benefits | Medicaid

Medicaid Covered Services

Prescription Drugs	Clinic services	Physical therapy	Occupational therapy	Speech, hearing and language disorder services	Respiratory care services
Other diagnostic, screening, preventive and rehabilitative services	Podiatry services	Optometry services	Dental Services	Dentures	Prosthetics
Eyeglasses	Chiropractic services	Other practitioner services	Private duty nursing services	Personal Care	Hospice
Case management	Services for Individuals Age 65 or Older in an Institution for Mental Disease (IMD)	Services in an intermediate care facility for Individuals with Intellectual Disability	State Plan Home and Community Based Services- 1915(i)	Self-Directed Personal Assistance Services- 1915(j)	Community First Choice Option- 1915(k)
	TB Related Services	Inpatient psychiatric services for individuals under age 21	Other services approved by the Secretary*	Health Homes for Enrollees with Chronic Conditions – Section 1945	

Delaware Medicaid SUD Services

- One of 15 states to receive a $3.58 million planning grant from CMS to increase treatment capacity for substance use disorder treatment and recovery.

- One of 5 states selected as a Demonstration State to implement findings of the planning grant.

- Mental/behavioral outpatient and inpatient services are both covered and include:
  - Crisis intervention.
  - Case management, counseling, and employment support.
  - Home and community-based services through the PROMISE program.
  - Drug therapies: methadone, buprenorphine, naloxone, naltrexone, disulfiram.

- Includes all American Society of Addiction Medicine (ASAM) levels of care.

Delaware_Fact_Sheet_2020.pdf (medicaidinnovation.org)

Medicaid Medication Coverage

Medications	Formulations on Preferred Drug List *Unified PDL across FFS and MCOs*	Notes
Naloxone	• Narcan 4 mg nasal spray • Generic naloxone	
Naltrexone	• Naltrexone for extended-release injectable (Vivitrol) • Naltrexone oral	
Buprenorphine	• Buprenorphine oral tablet • Buprenorphine/naloxone oral tablet • Buprenorphine/naloxone sublingual film (Suboxone) • Buprenorphine extended-release injection (Sublocade)	All daily dose buprenorphine-containing products require prior authorization for total doses > 24 mg daily, or more than 2 units per day
Methadone for MOUD is covered, but is a medical service, not a pharmacy benefit		

Non-Emergency Medicaid Transportation

Provided by ModivCare (formerly LogistiCare)

Free transportation to any covered healthcare services

Available regardless of MCO enrollment because DMMA contracts directly with ModivCare

Please note: Logisticare is in the process of rebranding as ModivCare; informational materials and contact information still reflect branding of LogistiCare but are still in use.

Non-Emergency Medicaid transportation

ModivCare determines the most appropriate transportation resource based on health condition and mobility issues, including:

- Public Transit
- Paratransit
- Private Driver
- Non-Emergency Ambulance

- Reservations required at least 3 days in advance

- Transportation to opioid treatment providers is one of the top reasons for NEMT utilization

SUD Prevalence in Delaware Medicaid

SUBSTANCE USE DISORDER AMONG DELAWARE MEDICAID CLIENTS

ANNUAL PREVALENCE REPORT 2014-2019
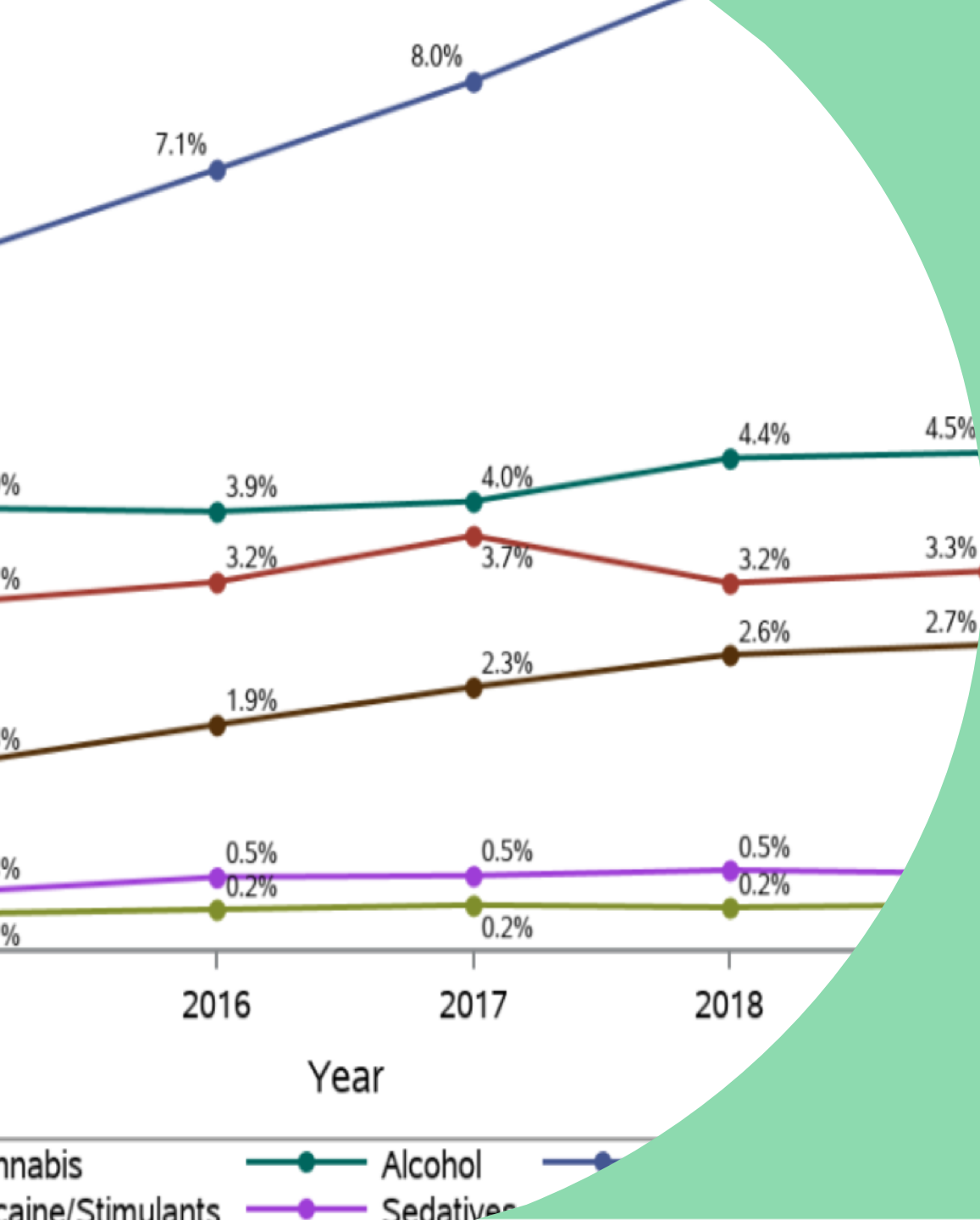
Delaware Medicaid Enrollees Have A High Rate Of SUD Prevalence

- Nearly one in five (18.9%) enrollees had an SUD claim during at least one year of the study (n=313,287)

- Most common types of SUD (2019):
  - Opioid use disorder (9.6%)
  - Alcohol (4.5%)
  - Cannabis (3.3%)
  - Cocaine/stimulants (2.7%)

- SUD most common among non-Hispanic White men – nearly 1 in 4

- CMS' SUD Databook: Delaware has 5th highest rate of SUD among Medicaid beneficiaries nationally (in 2018)

SUD Prevalence is Increasing Rapidly, with the Fastest Rate of Increase in OUD
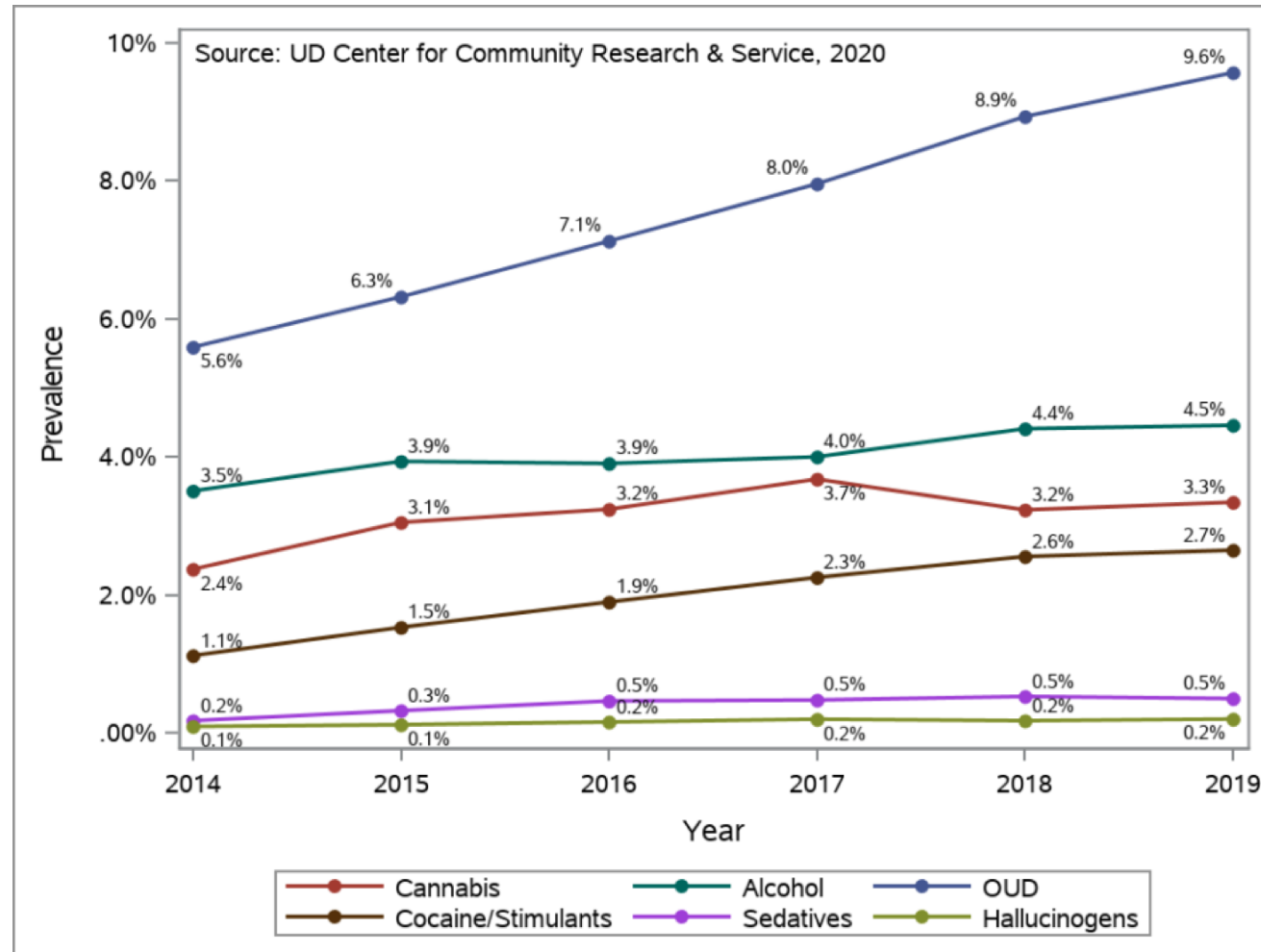
Delaware Medicaid enrollees with SUD tend to be a complex, high-needs population

Approximately 1/3 of clients with SUD claims had polysubstance use

Over 1/3 of clients with OUD claims had additional SUD

CMS' 2018 SUD Databook: Delaware had 2nd highest rate of polysubstance use among Medicaid beneficiaries in the U.S.

Nearly 2/3 of clients with SUD also have cooccurring mental health diagnoses

Pregnant and Postpartum Women with SUD are a Critical Area of Concern

- 20% of pregnant/postpartum women had SUD diagnosis (2019)

- 10.6% of pregnant/postpartum women had OUD diagnosis (2019)

- CMS SUD data book: national average of SUD for "pregnant women" eligibility category was 8.6% (2019)

- Delaware had 5th highest rate of pregnant women with SUD in the U.S.

- Average of 300 infants diagnosed with NAS per year in 2018-2019

- NAS prevalence of over 5% in each year from 2014-2019

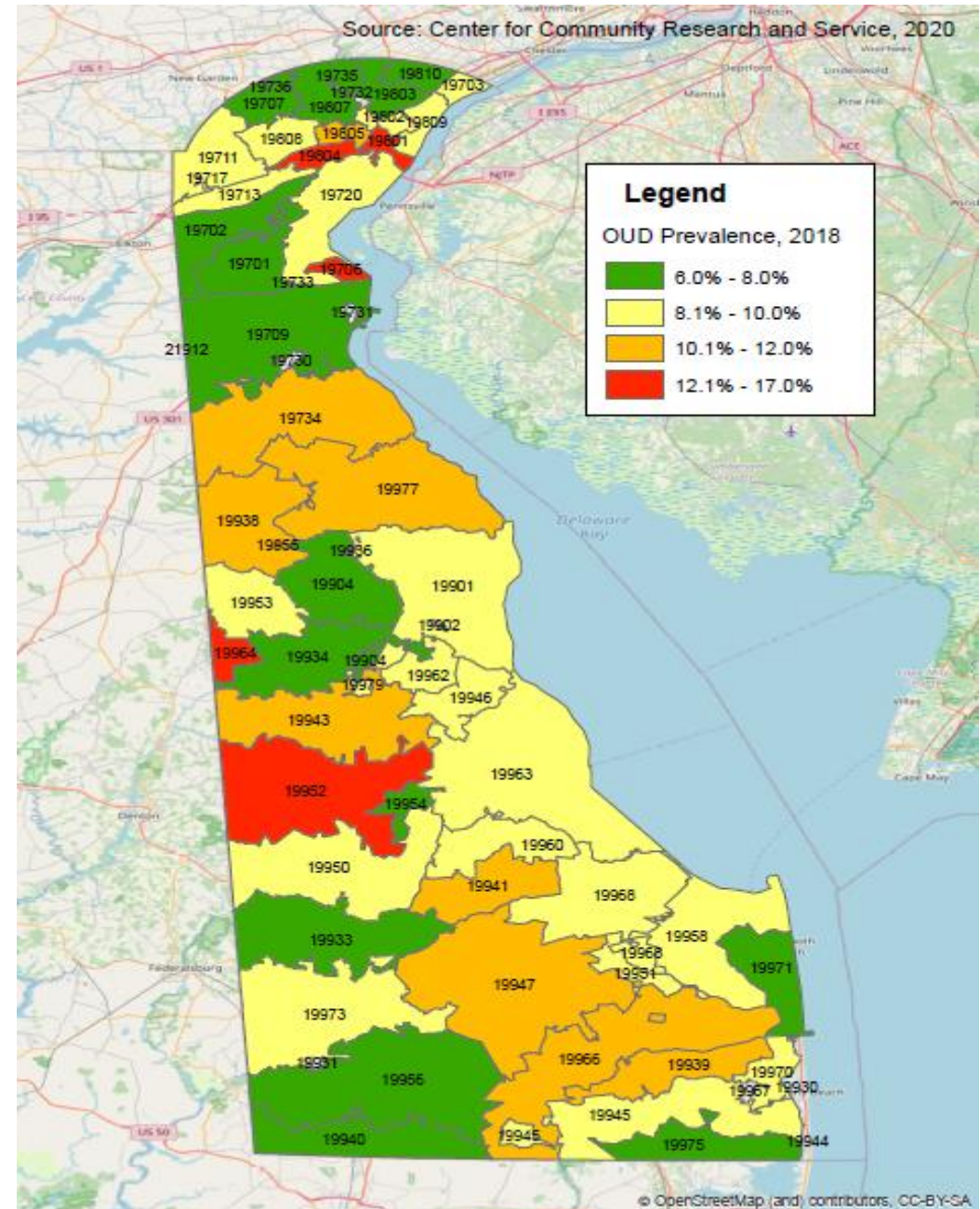- SUD prevalence among pregnant/postpartum women vary greatly by race

OUD is Increasing More Quickly Among Certain Racial And Ethnic Minorities

From 2014-2019:

- OUD prevalence increased 147% among Black non-Hispanic individuals vs. 56% for White non-Hispanic individuals

- OUD prevalence rate doubled for Asian non-Hispanic individuals; overall prevalence low (less than 2%)

- OUD prevalence among PPW increased 144% among Black non-Hispanic individuals vs. versus 14% for White non-Hispanic individuals

Note: Delaware's race and ethnicity data has reliability issues related to designation of enrollees of Hispanic ethnicity

Zip Code Level OUD Prevalence

Source: Center for Community Research and Service, 2020

Legend
OUD Prevalence, 2018

- 6.0% - 8.0%
- 8.1% - 10.0%
- 10.1% - 12.0%
- 12.1% - 17.0%

Questions?

Acronyms

- ACA- Affordable Care Act
- CHIP- Children's Health Insurance Program
- CMS- Centers for Medicare & Medicaid Services
- CMCS- Center for Medicaid and CHIP Services
- EPSDT- Early and Periodic Screening, Diagnosis & Treatment
- FMAP- Federal Medical Assistance Percentage
- FFP- Federal Financial Participation
- MMC- Medicaid Managed Care
- MCO- Managed Care Organization

Resources

- Managed Care Provider Pages
  - AmeriHealth Caritas Delaware Provider Manual
  - Provider Resource Center (highmarkprc.com)

- DHSS Provider Manuals
  - DMMA: Delaware Medical Assistance Portal Document Repository
  - DSAMH: stateplanmanual11012016.pdf (delaware.gov)
  - DSCYF: DPBHS Treatment provider manual (delaware.gov)

- Delaware Medicaid State Plan: Delaware State Plan - Delaware Health and Social Services - State of Delaware

- Centers for Medicaid and Medicare Services
  - Medicaid | Medicaid
  - Medicare & Medicaid Milestones, 1937 to 2015, July 2015 (cms.gov)
  - Delaware_Fact_Sheet_2020.pdf (medicaidinnovation.org

- MACPAC
  - EXHIBIT 1. Medicaid and CHIP Enrollment as a Percentage of the U.S. Population : MACPAC
  - EXHIBIT 3. National Health Expenditures by Type and Payer : MACPAC

Data/Content Sources

- Medicaid Enrollment: [EXHIBIT 1. Medicaid and CHIP Enrollment as a Percentage of the U.S. Population : MACPAC](#)

- Medicaid Expenditures: [EXHIBIT 3. National Health Expenditures by Type and Payer : MACPAC](#)

- Medicaid Employment: [Work Among Medicaid Adults Implications of Economic Downturn and Work Requirements – Issue Brief – 9641 | KFF](#)

- Medicaid Milestones:
  - [Medicare & Medicaid Milestones, 1937 to 2015, July 2015 (cms.gov)](#)
  - [Untitled Document (kff.org)](#)

- Medicaid Administration:
  - [Brief Summaries of Medicare & Medicaid (cms.gov)](#)
  - [Delaware_Fact_Sheet_2020.pdf (medicaidinnovation.org)](#)
  - [Federal Policy Guidance | Medicaid.gov](#)
  - [Medicaid State Plan Amendments | Medicaid.gov](#)
  - [State Waivers List | Medicaid](#)
  - [About Section 1115 Demonstrations | Medicaid](#)

- Medicaid Funding:
  - [Federal Register :: Federal Financial Participation in State Assistance Expenditures; Federal Matching Shares for Medicaid, the Children's Health Insurance Program, and Aid to Needy Aged, Blind, or Disabled Persons for October 1, 2021 Through September 30, 2022](#)
  - [EXHIBIT 6. Federal Medical Assistance Percentages (FMAPs) and Enhanced FMAPs (E-FMAPs) by State : MACPAC](#)

- Medicaid Coverage:
  - [Mandatory & Optional Medicaid Benefits | Medicaid](#)

- Medicaid Payment Models:
  - [Medicaid Delivery System and Payment Reform: A Guide to Key Terms and Concepts | KFF](#)

- Medicaid Policy Trends:
  - [State Category | Medicaid Policy Action Trends | KFF](#)