

HEALTH MANAGEMENT ASSOCIATES
HMA Weekly Roundup

Trends in State Health Policy

..... August 23, 2017



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**THE FUTURE OF
MEDICAID IS HERE:**

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THIS WEEK

- **IN FOCUS: MEDICAID, EXCHANGE ENROLLMENT UPDATE – MAY 2017**
- ILLINOIS GENERAL ASSEMBLY PASSES BILL THAT COULD REQUIRE MANAGED CARE REBID
- NEW YORK ANNOUNCES 2018 EXCHANGE RATES
- OHIO MEDICAID MLTSS PLANS ON HOLD
- PENNSYLVANIA GOVERNOR APPOINTS MILLER AS ACTING DHS SECRETARY
- HHS DELAYS PLANNED CHANGES TO 340B PROGRAM
- SENATE HELP COMMITTEE TO HEAR FROM GOVERNORS, INSURANCE COMMISSIONERS AFTER LABOR DAY
- ASCENSION TO ACQUIRE PRESENCE HEALTH
- UNITEDHEALTH NAMES WICHMANN CEO
- NEARLY 400 REGISTERED TO ATTEND HMA CONFERENCE ON FUTURE OF MEDICAID
- HMA REPORT SUMMARIZES KEY SURVEY FINDINGS RELATED TO STATES' READINESS TO IMPLEMENT ELECTRONIC VISIT VERIFICATION

IN FOCUS

MEDICAID AND EXCHANGE ENROLLMENT UPDATE – MAY 2017

This week, our *In Focus* section reviews updated information issued by the Department of Health & Human Services (HHS) Centers for Medicare & Medicaid Services (CMS) on Medicaid expansion enrollment from the “*May 2017 Medicaid and CHIP Application, Eligibility Determination, and Enrollment Report*,” published on July 21, 2017. Additionally, we review 2017 Exchange enrollment data from the “*Health Insurance Marketplaces 2017 Open Enrollment*

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Period: Final State-Level Public Use File," published by CMS on March 15, 2017. Combined, these reports present a picture of Medicaid and Exchange enrollment in the first half of 2017, representing nearly 75 million Medicaid and CHIP enrollees and more than 12 million Exchange enrollees.

Key Takeaways from Medicaid Enrollment Report

- Across all 50 states and DC, Medicaid and CHIP enrolled more than 74.5 million individuals as of May 2017.
- Medicaid and CHIP enrollment is up more than 2 million members since Spring 2016, a 3 percent increase in enrollment.
- Since Spring 2016, five states saw double-digit percentage growth in Medicaid and CHIP – Louisiana (35.6 percent); Alaska (29.3 percent); Florida (20.9 percent); Montana (12.8 percent); and North Dakota (11.3 percent). Three of these states, Louisiana, Alaska, and Montana, were the most recent states to adopt Medicaid expansion: Alaska on September 1, 2015, Montana on January 1, 2016, and Louisiana on July 1, 2016.
- Over that same period 17 states saw a net decline in enrollment over Medicaid and CHIP, and an additional three states saw enrollment growth of less than 1 percent.
- As of May 2017, national Medicaid and CHIP enrollment is up nearly 16.8 million (nearly 30 percent) from the “Pre-Open Enrollment” period, defined as July 2013 through September 2013.
- The top five states in percentage growth of Medicaid and CHIP enrollment since the Pre-Open Enrollment period are Kentucky (106.3 percent), Nevada (89.9 percent), Colorado (79.6 percent), Montana (72.4 percent) and New Mexico (70.7 percent). All five are Medicaid expansion states.
- The top five states in percentage growth of Medicaid and CHIP among states that did not expand Medicaid are North Carolina (27.3 percent), Idaho (24 percent), Tennessee (22.7 percent), Florida (17.7 percent), and Missouri (15.3 percent).
- The top five states in total enrollment growth of Medicaid and CHIP are California (4.5 million), New York (754,600), Washington (686,900), Florida (653,500), and Kentucky (644,900).

Table 1 – Overall U.S. Medicaid/CHIP Enrollment Growth – Pre-Open Enrollment Monthly Average through May 2017

	Number of States	Pre-Open Enrollment		May 2017 % Change	May 2017 # Change
		Monthly Avg. (Jul13-Sep13)	Medicaid/CHIP Enrollment (May 2017)		
Expanded Medicaid	32	37,688,115	52,098,814	38.2%	14,410,699
Have Not Expanded	19	20,000,576	22,451,715	12.3%	2,451,139
Total - All States		57,688,691	74,550,529	29.2%	16,861,838

Key Takeaways from 2017 Exchange Enrollment Report

- Final Exchange enrollments for the 2017 plan year, published in March 2017, showed that Qualified Health Plan (QHP) plans have been

selected by more than 12.2 million individuals across all 50 states and DC.

- 2017 QHP selections are down nearly 466,000 from 2016 QHP selections, a decline of 3.7 percent across all 50 states and DC.
- Despite the aggregate national decreased, from 2016 to 2017, six states saw double-digit percentage growth in QHP selections. Three were State-Based Marketplace (SBM) states: Minnesota (31.7 percent); Massachusetts (24.7 percent); and Washington (12.4 percent). The other three were Federally Facilitated Marketplace (FFM) states: Hawai'i (30.0 percent); South Dakota (13.9 percent); and Utah (12.3 percent).
- A total of 15 states saw declines in QHP selections between 0 percent and negative 5 percent. Another nine states saw declines of negative 5 percent to negative 10 percent. A total of 11 states saw double-digit percentage declines in QHP selections from 2016 to 2017.
- Overall, the 12 states with SBMs saw growth of nearly 2 percent from 2016 to 2017, while all other Exchange/Marketplace administration models saw declines in enrollment.

Table 2 - Overall U.S. Exchange QHP Selection Growth - February 2016 through January 2017

Marketplace Administration Model (as of 2017)	Number of States	Selected QHP (Feb. 2016)	Selected QHP (Jan. 2017)	QHP % Change	QHP # Change
State-Based Marketplace (SBM)	12	2,962,226	3,014,198	1.8%	51,972
State-Based Marketplace - Federal Platform (SBM-FP)	5	457,433	450,703	-1.5%	(6,730)
Federally Facilitated Marketplace (FFM)	28	8,352,411	7,907,022	-5.3%	(445,389)
Partnership Marketplace	6	909,804	844,080	-7.2%	(65,724)
Total - All States		12,681,874	12,216,003	-3.7%	(465,871)

The table on the following page (Table 3) provides state-level data on Medicaid and Exchange enrollment.

Medicaid and Exchange Enrollment Data Sources

Link to CMS Medicaid Expansion Enrollment Report:

"May 2017 Medicaid and CHIP Application, Eligibility Determination, and Enrollment Report" (July 27, 2017)

Link to CMS Marketplace Open Enrollment Period Public Use Files:

"2017 Marketplace Open Enrollment Period Public Use Files" (March, 2017)

Table 3 – Medicaid/CHIP Enrollment Growth Across All States (May 2017), Final 2017 Exchange Enrollment (January 2017)

State	Expanded Medicaid	Exchange Model	Pre-Open Enrollment Monthly Avg. (Jul13-Sep13)	Medicaid/CHIP Enrollment (May 2017)	May 2017 % Change	May 2017 # Change	Selected Exchange QHP (Feb. 2016)	Selected Exchange QHP (Jan. 2017)	QHP % Change	QHP # Change
US Total			57,688,691	74,550,529	29.2%	16,861,838	12,681,874	12,216,003	-3.7%	(465,871)
Alabama	No	FFM	799,176	879,493	10.0%	80,317	195,055	178,414	-8.5%	(16,641)
Alaska	Yes	FFM	122,334	188,979	54.5%	66,645	23,029	19,145	-16.9%	(3,884)
Arizona	Yes	FFM	1,201,770	1,745,077	45.2%	543,307	203,066	196,291	-3.3%	(6,775)
Arkansas	Yes	SBM-FP	556,851	921,075	65.4%	364,224	73,648	70,404	-4.4%	(3,244)
California	Yes	SBM	7,755,381	12,253,729	58.0%	4,498,348	1,575,340	1,556,676	-1.2%	(18,664)
Colorado	Yes	SBM	783,420	1,406,646	79.6%	623,226	150,769	161,568	7.2%	10,799
Connecticut	Yes	SBM	618,700	758,997	22.7%	140,297	116,019	111,542	-3.9%	(4,477)
Delaware	Yes	Partnership	223,324	243,490	9.0%	20,166	28,256	27,584	-2.4%	(672)
District of Columbia	Yes	SBM	235,786	273,920	16.2%	38,134	22,693	21,248	-6.4%	(1,445)
Florida	No	FFM	3,695,306	4,348,786	17.7%	653,480	1,742,819	1,760,025	1.0%	17,206
Georgia	No	FFM	1,535,090	1,732,727	12.9%	197,637	587,845	493,880	-16.0%	(93,965)
Hawaii	Yes	FFM	288,357	347,184	20.4%	58,827	14,564	18,938	30.0%	4,374
Idaho	No	SBM	238,150	295,423	24.0%	57,273	101,073	100,082	-1.0%	(991)
Illinois	Yes	Partnership	2,626,943	3,050,611	16.1%	423,668	388,179	356,403	-8.2%	(31,776)
Indiana	Yes	FFM	1,120,674	1,489,648	32.9%	368,974	196,242	174,611	-11.0%	(21,631)
Iowa	Yes	Partnership	493,515	630,792	27.8%	137,277	55,089	51,573	-6.4%	(3,516)
Kansas	No	FFM	378,160	386,802	2.3%	8,642	101,555	98,780	-2.7%	(2,775)
Kentucky	Yes	SBM-FP	606,805	1,251,671	106.3%	644,866	93,666	81,155	-13.4%	(12,511)
Louisiana	Yes	FFM	1,019,787	1,450,044	42.2%	430,257	214,148	143,577	-33.0%	(70,571)
Maine	No	FFM	266,900	266,297	-0.2%	(603)	84,059	79,407	-5.5%	(4,652)
Maryland	Yes	SBM	856,297	1,296,694	51.4%	440,397	162,177	157,832	-2.7%	(4,345)
Massachusetts	Yes	SBM	1,296,359	1,658,840	28.0%	362,481	213,883	266,664	24.7%	52,781
Michigan	Yes	Partnership	1,912,009	2,352,826	23.1%	440,817	345,813	321,451	-7.0%	(24,362)
Minnesota	Yes	SBM	873,040	1,046,336	19.8%	173,296	83,507	109,974	31.7%	26,467
Mississippi	No	FFM	637,229	675,536	6.0%	38,307	108,672	88,483	-18.6%	(20,189)
Missouri	No	FFM	846,084	975,125	15.3%	129,041	290,201	244,382	-15.8%	(45,819)
Montana	Yes	FFM	148,974	256,800	72.4%	107,826	58,114	52,473	-9.7%	(5,641)
Nebraska	No	FFM	244,600	238,825	-2.4%	(5,775)	87,835	84,371	-3.9%	(3,464)
Nevada	Yes	SBM-FP	332,560	631,370	89.9%	298,810	88,145	89,061	1.0%	916
New Hampshire	Yes	Partnership	127,082	185,621	46.1%	58,539	55,183	53,024	-3.9%	(2,159)
New Jersey	Yes	FFM	1,283,851	1,776,298	38.4%	492,447	288,573	295,067	2.3%	6,494
New Mexico	Yes	SBM-FP	457,678	781,442	70.7%	323,764	54,865	54,653	-0.4%	(212)
New York	Yes	SBM	5,678,417	6,433,031	13.3%	754,614	271,964	242,880	-10.7%	(29,084)
North Carolina	No	FFM	1,595,952	2,032,018	27.3%	436,066	613,487	549,158	-10.5%	(64,329)
North Dakota	Yes	FFM	69,980	93,874	34.1%	23,894	21,604	21,982	1.7%	378
Ohio	Yes	FFM	2,161,785	2,801,893	29.6%	640,108	243,715	238,843	-2.0%	(4,872)
Oklahoma	No	FFM	790,051	808,108	2.3%	18,057	145,329	146,286	0.7%	957
Oregon	Yes	SBM-FP	626,356	992,710	58.5%	366,354	147,109	155,430	5.7%	8,321
Pennsylvania	Yes	FFM	2,386,046	2,934,193	23.0%	548,147	439,238	426,059	-3.0%	(13,179)
Rhode Island	Yes	SBM	190,833	310,381	62.6%	119,548	34,670	29,456	-15.0%	(5,214)
South Carolina	No	FFM	889,744	1,007,393	13.2%	117,649	231,849	230,211	-0.7%	(1,638)
South Dakota	No	FFM	115,501	118,960	3.0%	3,459	25,999	29,622	13.9%	3,623
Tennessee	No	FFM	1,244,516	1,526,869	22.7%	282,353	268,867	234,125	-12.9%	(34,742)
Texas	No	FFM	4,441,605	4,754,475	7.0%	312,870	1,306,208	1,227,290	-6.0%	(78,918)
Utah	No	FFM	294,029	306,104	4.1%	12,075	175,637	197,187	12.3%	21,550
Vermont	Yes	SBM	161,081	168,575	4.7%	7,494	29,440	30,682	4.2%	1,242
Virginia	No	FFM	935,434	995,992	6.5%	60,558	421,897	410,726	-2.6%	(11,171)
Washington	Yes	SBM	1,117,576	1,804,469	61.5%	686,893	200,691	225,594	12.4%	24,903
West Virginia	Yes	Partnership	354,544	561,598	58.4%	207,054	37,284	34,045	-8.7%	(3,239)
Wisconsin	No	FFM	985,531	1,040,908	5.6%	55,377	239,034	242,863	1.6%	3,829
Wyoming	No	FFM	67,518	61,874	-8.4%	(5,644)	23,770	24,826	4.4%	1,056



HMA MEDICAID ROUNDUP

Florida

HMA Roundup - Elaine Peters ([Email Elaine](#))

AHCA to Hold Public Meetings on Establishing Designated State Health Program. The Florida Agency for Health Care Administration (AHCA) announced on August 23, 2017, that the state will hold two public meetings on establishing a designated state health program (DSHP) to serve targeted populations enrolled in the Substance Abuse and Mental Health Safety Net System and that are at high risk for poor health and social outcomes. Florida will be seeking federal approval of the proposal, which requests federal matching funds for behavioral services. [Read More](#)

Illinois

General Assembly Passes Bill to Move MCO Contracts Under State Procurement Code. *Crain's Chicago Business* reported on August 17, 2017, that the Illinois General Assembly passed a bill that would move Medicaid managed care organization contracts under the state procurement code to increase transparency. Illinois Governor Bruce Rauner announced six winning bidders for the state's new Medicaid managed care procurement, which is expected to cost up to \$13.5 billion annually. Some lawmakers say the selection process led by the Illinois Department of Healthcare and Family Services was not transparent enough. Lawmakers expect Rauner to veto the bill. [Read More](#)

Governor Signs Bill Requiring In-home Care Referrals to go to Licensed Agencies. *Home Health Care News* reported on August 22, 2017, that Illinois Governor Bruce Rauner signed a new law prohibiting hospitals and other providers receiving state funds from referring patients to unlicensed in-home care service agencies. The law is effective January 2018 and was supported by the Home Care Association of America. Governor Rauner also vetoed a bill that would have restricted the state's ability to limit the number of weekly hours a caregiver may work. [Read More](#)

Maine

Republican Lawmakers to Voice Concerns Over Proposed Medicaid Expansion. *Portland Press Herald* reported on August 21, 2017, that a group of Maine Republican lawmakers will voice concerns at a press conference over the state's proposed Medicaid expansion, which will be decided on by voters in a November ballot question. A formal campaign against the ballot question may follow. State hospitals support expansion, noting that uncompensated

care has soared in recent years. Republicans say expansion would eat away at the state budget and result in higher taxes. [Read More](#)

Massachusetts

Tufts Health Plan Forms Medicaid ACOs with Four Provider Organizations. *Health Payer Intelligence* reported on August 21, 2017, that Tufts Health Plan has signed contracts to form Medicaid accountable care organizations (ACOs) with four provider organizations: Atrius Health, Beth Israel Deaconess Care Organization, Boston Children's Hospital ACO, and Cambridge Health Alliance. Provider payments will be value-based and members will be offered medical, behavioral, dental and long-term services and supports in an integrated model of care. [Read More](#)

UMass Memorial Health Care Will Not Participate in ACO Program. *The Boston Globe* reported on August 17, 2017, that UMass Memorial Health Care announced it will not participate in the Massachusetts Medicaid Accountable Care Organization program, citing concerns over financial risks involved. The program is slated to begin March 1, 2018, under a five-year 1115 Medicaid waiver. A total of 17 health care organizations originally agreed to participate, with projected enrollment to top 850,000. The program is expected to bring in \$1.8 billion in federal funding. UMass Memorial was planning to partner with Tufts health plan and other providers. [Read More](#)

Mississippi

Division of Medicaid Submits MCO Contracts to State Review Board. *Mississippi Business Journal* reported on August 22, 2017, that the Mississippi Division of Medicaid has submitted recently awarded Medicaid managed care contracts for review by the Personal Service Contract Review Board (PSCRB), per the request of Governor Phil Bryant. As previously reported, Magnolia Health (Centene), Molina Healthcare, and UnitedHealthcare were awarded contracts in a recent state procurement. Mississippi True and Amerigroup challenged the awards. [Read More](#)

New Hampshire

US Senator Defends State's Medicaid Expansion Program. *SentinelSource.com* reported on August 15, 2017, that U.S. Senator Maggie Hassan (NH-D) is defending the New Hampshire Medicaid expansion program in response to concerns among federal regulators over how the program pays some of its costs. The Center for Medicare & Medicaid Services (CMS) warned that the program may be out of compliance with federal regulations because the state relies on voluntary contributions from insurance companies and hospitals to cover some of the costs. Senator Hassan, who previously served as Governor of New Hampshire, said that the program was vetted by outside legal experts before it was signed into law in April 2016. [Read More](#)

New Jersey

HMA Roundup – Karen Brodsky ([Email Karen](#))

State May See Premium Hikes, Withdrawals from Exchange Market in 2018. *NorthJersey.com* reported on August 14, 2017, that Horizon Blue Cross Blue Shield of New Jersey has requested an average 22 percent premium increase for individual plans due to uncertainty over federal health policies, while AmeriHealth of New Jersey may increase its individual rates as much as 59 percent. At the same time, AmeriHealth is reportedly reassessing its participation in the Exchange market due to health care reform uncertainties. Oscar Health Insurance is planning a return to the New Jersey Exchange market in 2018 following a one-year withdrawal, but their rate information was not yet available. The plans need rate approval from the Department of Banking and Insurance before going into effect. [Read More](#)

Medicaid Public Notice Issued to Increase PCA Service Rate. The Department of Human Services, Division of Medical Assistance and Health Services issued a public notice to seek Centers for Medicare & Medicaid Services (CMS) approval to increase the hourly rate for fee-for-service personal care assistant (PCA) services from \$18.00 to \$19.00 per hour. This rate change was approved as part of the State fiscal year 2018 Appropriations Act. Comments on the notice are due by September 4, 2017, to Margaret.rose@dhs.state.nj.us. A copy of the public notice can be found [here](#).

2018 Annual Medicaid Managed Care Open Enrollment Period Begins in October. The Division of Medical Assistance and Health Services mailed a [notice](#) to Medicaid enrollees to inform them about the upcoming annual open enrollment period, which will run from October 1, 2017, through November 15, 2017. During this period Medicaid enrollees who are in managed care will have an opportunity to choose a new health plan, with an effective enrollment date of January 1, 2018. Five health plans will participate in the program in 2018:

- Aetna Better Health of New Jersey (serving all counties except Cape May, Hunterdon, Monmouth, Ocean and Warren);
- Amerigroup Community Care (serving all counties except Salem);
- Horizon NJ Health (serving all counties);
- UnitedHealthcare Community Plan (serving all counties); and
- WellCare Health Plans, Inc. (serving Bergen, Essex, Hudson, Mercer, Middlesex, Morris, Passaic, Somerset, Sussex and Union counties).

New York

HMA Roundup – Denise Soffel ([Email Denise](#))

Health Insurance Rate Increases for 2018. The New York Department of Financial Services (DFS) announced the 2018 health insurance rates for New York's individual and small group markets, including rates for the NY State of Health, New York's official health plan marketplace. For 2018 DFS reduced insurers' requested 2018 rate increases by more than 3.8 percent overall for individuals, granting rate increases of 13.9 percent overall (ranging from 4.4

percent for Excellus to 31.5 percent for HealthFirst). For small group plans, DFS reduced insurers' requested 2018 rate increases by 2.4 percent, granting rate increases of 9.3 percent overall (ranging from actual decreases for Crystal Run and Oscar to 20.4 percent for CDPHP. Approximately 350,000 New Yorkers are enrolled in an individual commercial plan; more than one million New Yorkers are enrolled in small group plans. [Read More](#)

Children's Medicaid System Transformation Draft Transition Plan Released.

New York has shared a draft of its Transition Plan for the Children's Medicaid System Transformation for public comment. The Children's Medicaid System Transformation is aimed at simplifying the delivery system for high needs children currently served under a number of different waiver programs, expanding care management, and adding new Home and Community Based Services to the Medicaid benefit. Assuming federal approval, the state will initiate a Transition Plan for the Children's Medicaid System Transformation beginning in January 2018. The Transformation will:

- Move the various and disparate authorizations for home and community based services (HCBS) now provided under six separate Section 1915(c) waivers to New York State's 1115 Medicaid Redesign Team Waiver (1115 Waiver);
- Align those separate HCBS authorizations into a single array of 12 home and community based services available under the 1115 Waiver or the Medicaid State Plan;
- Unify and provide care management for high needs children with chronic conditions under the Health Home program;
- Create six new Medicaid State Plan services for children and expand eligibility criteria for aligned children's HCBS from including only children that meet Level of Care criteria (i.e., at risk of institutional level of care) to also include children that meet or exceed Level of Need criteria.

Children in receipt of 1915(c) waiver services will move from the Medicaid fee for service delivery system to the Medicaid managed care delivery system. Children otherwise exempt or excluded from Medicaid managed care enrollment will continue to access these services through the fee for service delivery model. The state is holding a webinar to review the draft transition plan on August 24, 2017 from 3:00pm - 5:00 pm. [Link to Webinar Registration](#)

Comments on the draft are due no later than August 31, 2017, and must be submitted to BH.Transition@health.ny.gov; with the subject line "Draft Children's Transition Plan Comments".

New York Department of Health Considering an Integrated Provider License. The Department of Health has drafted a proposed scope of services for a new provider license that would permit a single medical provider to offer primary care, mental health and substance-use disorder services. The draft scope, known as an Article 99 license, was discussed at the first meeting of the Integrated Primary Care and Behavioral Health Workgroup, part of the Department of Health Regulatory Modernization Initiative. The workgroup is focusing on regulatory reforms that will facilitate the integration of primary care and behavioral health. Current licensure restrictions limit the ability to integrate primary care and behavioral health. [Read More](#)

Affinity Health Plan to Leave New York Exchange for 2018. Affinity Health Plan will not be participating in New York's Exchange market, NY State of Health, in 2018. The health plan failed to meet the state's cash reserve requirements, and as a result the state marketplace could not certify Affinity. As reported in *Crain's HealthPulse*, Affinity earned \$13.2 million in net income on \$1.35 billion in revenue in 2015 across all lines of business. Affinity remains an important player in New York's Medicaid managed care program, with 225,000 enrollees. Their marketplace plan had 6,600 members. [Read More](#)

Public Hearing on Statewide Comprehensive Plan on Developmental Disabilities Transformation. The New York State Office for People With Developmental Disabilities (OPWDD) will be holding a public hearing on its Statewide Comprehensive Plan on September 7, 2017 from 3pm - 7pm. The hearing will be held at nine locations throughout the state and will be conducted as a live video-conference. The Statewide Comprehensive Plan for Services is a 5-year plan to transform the OPWDD service delivery system, aimed at creating a system of services and supports that is person-centered, outcome driven, measurable and sustainable. [Read More](#)

Funding for Community-Based Organizations Participating in DSRIP. The Department of Health has announced the final award of funds to support strategic planning activities for Community Based Organizations to facilitate their engagement in Delivery System Reform Incentive Payment (DSRIP) activities. The Health and Welfare Council of Long Island is the winning applicant in the Long Island and Mid-Hudson region for the Community Based Organization (CBO) Planning Grant RFA #1612201231. CBOs are seen as essential for Performing Provider Systems (PPS) to be able to impact the social determinants of health. The state is concerned that smaller CBOs can be challenged in their ability to engage and contract with the lead organizations running PPS in DSRIP. The grant is meant to assist a CBO Consortium in planning activities to identify business requirements and formulate strategies for short-term needs as well as longer term plans that the CBO consortium may envision for sustainability in system transformation. The winning application for the other 2 regions were announced in December. The New York City region award went to the Arthur Ashe Institute for Urban Health and the winning application for the Rest of State region is S2AY Rural Health Network, Inc.

Ohio

HMA Roundup - Jim Downie ([Email Jim](#))

The Ohio Department of Medicaid Decides to Take No Immediate Action to Implement MLTSS. In an August 21, 2017 letter to Senate President Larry Obhof and Speaker of the House Cliff Rosenberger, Medicaid Director Barbara Sears informed the legislature of the Administration's intent to hold off on implementation of Managed Long-Term Services and Supports (MLTSS). The Administration strongly believes in the benefits of MLTSS, but recognizing the concerns of the General Assembly, will work with the newly created Patient-Centered Medicaid Managed Care Long-Term Services and Supports Study Committee. The Committee has until December 31, 2018 to issue a report of its findings.

Ohio Senate Overrides Six Vetoes by Governor Kasich. *The Columbus Dispatch* reported on August 22, 2017 that the Ohio Senate has overridden six vetoes of legislative budget language. The Governor had vetoed 47 budget items in House Bill 49, Ohio's Operating Budget. In July, the House voted to override 11 of those vetoes. Of those 11 vetoes, the Senate concurred with the House on six all of which pertain to the Ohio Medicaid Program. One of the overrides limits the amount of additional spending that the Controlling Board, a legislative spending-oversight panel, can approve. The authority of the Controlling Board was very contentious when that group voted in 2013 to expand Medicaid, without involvement of the full legislature. Another veto delays the date on which behavioral health services can be integrated into Medicaid managed care until July 1, 2018. [Read More](#)

Pennsylvania

HMA Roundup - Julie George ([Email Julie](#))

State Names Teresa Miller Acting Secretary for Human Services. The *Pittsburgh Post-Gazette* on August 17, 2017 reported that Teresa Miller, Pennsylvania's insurance commissioner, has been named Pennsylvania's acting Department of Human Services (DHS) secretary. Governor Tom Wolf had already tapped Miller in May to head what he hoped would become the consolidated agency resulting from a merger of the departments of Human Services, Health, Aging and Drug and Alcohol Programs. The General Assembly has since declared that the consolidation needs more time, but Governor Wolf is moving forward with Miller's transition, likely in part because current DHS Secretary Ted Dallas has been out on a medical leave since mid-June. Governor Wolf will nominate Miller's current chief of staff, Jessica Altman, to succeed her at the state Insurance Department. Both Miller and Altman will need Senate confirmation to assume their new roles permanently, but they can start as the governor's nominees in the interim. [Read More](#)

Wolf Administration Uses Federal Grant to Expand Access to Medication-Assisted Treatment (MAT). Governor Wolf's Administration announced four \$1 million grants that will establish the Pennsylvania Coordinated Medication-Assisted Treatment (PacMAT) program. The grants are funded through the 21st Century Cures grant, a \$26.5 million federal grant, and will be awarded jointly by the departments of Health, Human Services, and Drug and Alcohol Programs. Through PacMAT, organizations and institutions will create a hub-and-spoke network of health care providers to provide access to MAT for patients who are suffering from opioid use disorder. [Read More](#)

State to get \$8.2 Million from Settlement over Epi-Pen Pricing. The Justice Department announced Pennsylvania will receive \$8.3 million from a \$465 million settlement with drug manufacturer Mylan Inc. over claims that the company overcharged taxpayers for its EpiPen emergency allergy treatment. The settlement resolved claims that Mylan misclassified the EpiPen as a generic instead of a brand name drug for years, thereby knowingly underpaying rebates owed to state Medicaid programs. [Read More](#)

Rhode Island

Exchange Plan Rate Increases Approved for 2018. *AP News* reported on August 18, 2017, that Rhode Island approved health Exchange plan rate increases ranging from 5 percent to 12.1 percent for 2018. The rate increases are attributed to higher hospital usage, increased cost of prescription drugs, and the reinstatement of the federal health insurance tax. [Read More](#)

Utah

State Submits Amendments to 2016 Medicaid Expansion Proposal. *The Salt Lake Tribune* reported on August 17, 2017, that Utah has proposed amendments to its Medicaid expansion waiver application, including work requirements, an enrollment cap, a 60-month lifetime coverage limit, and higher copayments. The original 1115 Primary Care Network (PCN) Waiver application was sent to the Centers for Medicare & Medicaid Services on August 18, 2016. The state hopes the waiver can be approved in time for January 1, 2018, enrollment. [Read More](#)

Virginia

Governor McAuliffe Again Calls for Medicaid Expansion. *Richmond Times-Dispatch* reported on August 21, 2017, that Virginia Governor Terry McAuliffe once again urged lawmakers in the state to expand Medicaid. And once again, they declined. Governor McAuliffe added that a move to block grants at the federal level could significantly impact states that have not expanded Medicaid. [Read More](#)

National

HHS Delays Changes to 340B Drug Discount Program. *Modern Healthcare* reported on August 17, 2017, that the U.S. Department of Health and Human Services is delaying changes to the 340B drug discount program until July 2018. The new rule, originally set to take effect April 2017 and then delayed until October 2017, sets new drug ceiling prices and fines pharmaceutical companies that intentionally charge hospitals over the ceiling price. [Read More](#)

Senate HELP Committee to Hold Bipartisan Hearings with Governors, State Insurance Commissioners. *Roll Call* reported on August 22, 2017, that the Senate Health, Education, Labor and Pensions (HELP) Committee will hold bipartisan meetings with governors and state insurance commissioners to discuss ways to curb the rising cost of health insurance premiums and stabilize the individual market. Governor John Kasich (R-OH) and Governor John Hickenlooper (D-CO) hope to appear before the committee to present their joint market stabilization proposal. The committee will hold a hearing for state insurance commissioners on September 6 and a hearing for governors on September 7. [Read More](#)

Senator Schatz to Propose Medicaid Buy-in Option. *Vox* reported on August 22, 2017, U.S. Senator Brian Schatz (D-HI) is drafting legislation that would give Americans the option of buying into Medicaid through the Affordable

Care Act Exchange markets. The bill would create an exclusive plan for the buy-in population, which is expected to offer provider reimbursement rates comparable to Medicare. [Read More](#)

CMS Releases Medicaid/CHIP MCO, PIHP Payment FAQ. The Centers for Medicare & Medicaid Services (CMS) released on August 18, 2017, frequently asked questions (FAQ) and answers to the Medicaid and CHIP Managed Care Final Rule released last year. The FAQs cover payments to managed care organizations (MCOs) and prepaid inpatient health plans (PIHPs) for patients in an institutional setting for mental disease (IMD). [Read More](#)

Congress Will Have Less Than Two Weeks to Pass Health Legislation Before Final Exchange Participation Decisions Due. *The Wall Street Journal* reported on August 20, 2017, that Congress will have less than two weeks beginning September 5, 2017, to pass a bipartisan bill to repeal and replace the Affordable Care Act (ACA) before insurers must commit to Exchange markets for 2018. A bipartisan plan from Senators Lamar Alexander (R-TN) and Patty Murray (D-WA) would maintain billions of dollars in cost-sharing reduction subsidies for next year. Cutting the insurer subsidies could increase 2018 premiums by an average 20 percent, according to the Congressional Budget Office. Meanwhile, a bill from Lindsey Graham (R-SC) and Bill Cassidy (R-LA) that would dismantle most of the ACA is gaining traction among Republicans in Congress. The bill would allow states to draw on block grant funding models and end the individual mandate. [Read More](#)

Trump Administration to Make Cost-sharing Payments for August. *AP News* reported on August 17, 2017, that the Trump administration announced it will make cost-sharing reduction (CSR) payments to insurers for August. Insurers are now calling upon the administration and Congress to commit to funding the CSR payments through next year. [Read More](#)



INDUSTRY NEWS

Ascension to Acquire Presence Health. Ascension announced on August 22, 2017, an agreement to acquire Illinois-based Presence Health. Operationally, Presence would become part of AMITA Health Accountable Care Organization, a joint venture between Ascension's Alexian Brothers Health System and Adventist Midwest Health. All of Presence's facilities, including medical centers and outpatient facilities, would become part of AMITA Health, except for Presence Life Connections, which would become part of Ascension Living. [Read More](#)

UnitedHealth Group Names Dave Wichmann CEO; Stephen Hemsley to Join Board. *Star Tribune* reported on August 16, 2017, that UnitedHealth Group named Dave Wichmann chief executive officer, effective September 1, replacing Stephen Hemsley, who will become executive chairman of the board. Current chairman Richard Burke will become lead independent director. Hemsley has acted as the chief executive since December 2006. Wichmann was president of UnitedHealth Group and led the UnitedHealthcare business. [Read More](#)

RFP CALENDAR

Date	State/Program	Event	Beneficiaries
TBD	Delaware	Contract Awards (Optional)	200,000
August, 2017	Alabama ICN (MLTSS)	RFP Release	25,000
September 1, 2017	New Mexico	RFP Release	700,000
September 1, 2017	Virginia MLTSS	Implementation - Central	23,000
September 8, 2017	Virginia Medallion 4.0	Proposals Due	700,000
October 1, 2017	Arizona ALTCS (E/PD)	Implementation	30,000
October 1, 2017	Virginia MLTSS	Implementation - Charlottesville/Western	17,000
October 1, 2017	Texas CHIP (Rural, Hidalgo Service Areas)	Contract Awards	85,000
October, 2017	Alabama ICN (MLTSS)	Proposals Due	25,000
October, 2017	Ohio MLTSS	Contract Awards	130,000
November 1, 2017	Florida Statewide Medicaid Managed Care (SMMC)	Proposals Due	3,100,000
November 1, 2017	Virginia MLTSS	Implementation - Roanoke/Alleghany, Southwest	23,000
November 2, 2017	Arizona Acute Care/CRS	RFP Release	1,600,000
November 15, 2017	New Mexico	Proposals Due	700,000
December 1, 2017	Virginia MLTSS	Implementation - Northern/Winchester	26,000
December 18, 2017	Massachusetts	Implementation	850,000
January 1, 2018	Delaware	Implementation (Optional)	200,000
January 1, 2018	Illinois	Implementation	2,700,000
January 1, 2018	Pennsylvania HealthChoices	Implementation (SW, NW Zones)	640,000
January 1, 2018	Pennsylvania MLTSS/Duals	Implementation (SW Zone)	100,000
January 1, 2018	Alaska Coordinated Care Demonstration	Implementation	TBD
January 1, 2018	Washington (FIMC - North Central RSA)	Contract Awards	66,000
January 1, 2018	Virginia MLTSS	Implementation - CCC Demo, ABD in Medallion 3.0	105,000
January 25, 2018	Arizona Acute Care/CRS	Proposals Due	1,600,000
Winter 2018	Massachusetts One Care (Duals Demo)	Contract Awards	TBD
March, 2018	North Carolina	RFP Release	1,500,000
March 1, 2018	Pennsylvania HealthChoices	Implementation (NE Zone)	315,000
March 8, 2018	Arizona Acute Care/CRS	Contract Awards	1,600,000
March 15, 2018	New Mexico	Contract Awards	700,000
April 16, 2018	Florida Statewide Medicaid Managed Care (SMMC)	Contract Awards	3,100,000
June, 2018	North Carolina	Proposals Due	1,500,000
July 1, 2018	Pennsylvania HealthChoices	Implementation (SE Zone)	830,000
July 1, 2018	Pennsylvania MLTSS/Duals	Implementation (SE Zone)	145,000
July 1, 2018	MississippiCAN	Implementation	500,000
July, 2018	Alabama ICN (MLTSS)	Implementation	25,000
August 1, 2018	Virginia Medallion 4.0	Implementation	700,000
September 1, 2018	Texas CHIP (Rural, Hidalgo Service Areas)	Implementation	85,000
September, 2018	North Carolina	Contract awards	1,500,000
October 1, 2018	Arizona Acute Care/CRS	Implementation	1,600,000
January 1, 2019	Florida Statewide Medicaid Managed Care (SMMC)	Implementation	3,100,000
January 1, 2019	Pennsylvania HealthChoices	Implementation (Lehigh/Capital Zone)	490,000
January 1, 2019	Pennsylvania MLTSS/Duals	Implementation (Remaining Zones)	175,000
January 1, 2019	New Mexico	Implementation	700,000
January, 2019	Massachusetts One Care (Duals Demo)	Implementation	TBD
July 1, 2019	North Carolina	Implementation	1,500,000
September 1, 2019	Texas STAR+PLUS Statewide	Implementation	530,000
September 1, 2019	Texas STAR, CHIP Statewide	Implementation	3,400,000

DUAL ELIGIBLE FINANCIAL ALIGNMENT DEMONSTRATION IMPLEMENTATION STATUS

Below is a summary table of state dual eligible financial alignment demonstration status.

State	Model	Opt- in Enrollment Date	Passive Enrollment Date	Duals Eligible For Demo	Demo Enrollment (June 2017)	Percent of Eligible Enrolled	Health Plans
California	Capitated	4/1/2014	5/1/2014 7/1/2014 1/1/2015	350,000	117,302	33.5%	CalOptima; Care 1st Partner Plan, LLC; Community Health Group Partner; Health Net; Health Plan of San Mateo; Inland Empire Health Plan; LA Care; Molina; Santa Clara Family Health Plan; Anthem (CareMore)
Illinois	Capitated	4/1/2014	6/1/2014	136,000	50,064	36.8%	Aetna; Centene; Blue Cross Blue Shield of IL; Cigna-Health Spring; Humana; Meridian Health Plan; Molina
Massachusetts	Capitated	10/1/2013	1/1/2014	97,000	16,809	17.3%	Commonwealth Care Alliance; Network Health
Michigan	Capitated	3/1/2015	5/1/2015	100,000	39,046	39.0%	AmeriHealth Michigan; Coventry (Aetna); Michigan Complete Health (Centene); Meridian Health Plan; HAP Midwest Health Plan; Molina Healthcare; Upper Peninsula Health Plan
New York	Capitated	1/1/2015	4/1/2015	124,000	4,566	3.7%	There are 14 FIDA plans current serving the demonstration. A full list is available on the MRT FIDA website.
New York - IDD	Capitated	4/1/2016	None	20,000	561	2.8%	Partners Health Plan
Ohio	Capitated	5/1/2014	1/1/2015	114,000	74,347	65.2%	Aetna; CareSource; Centene; Molina; UnitedHealth
Rhode Island	Capitated	7/1/2016	10/1/2016	25,400	13,717	54.0%	Neighborhood Health Plan of RI
South Carolina	Capitated	2/1/2015	4/1/2016	53,600	7,915	14.8%	Absolute Total Care (Centene); Molina Healthcare of South Carolina; Select Health of South Carolina (AmeriHealth)
Texas	Capitated	3/1/2015	4/1/2015	168,000	39,919	23.8%	Anthem (Amerigroup); Cigna-HealthSpring; Molina; Superior (Centene); United
Virginia	Capitated	3/1/2014	5/1/2014	66,200	27,194	41.1%	Humana; Anthem (HealthKeepers); VA Premier Health
Total Capitated	10 States			1,254,200	391,440	31.2%	

Note: Enrollment figures in the above chart are based on state enrollment reporting, where available, and on CMS monthly reporting otherwise.

HMA NEWS

HMA Report Summarizes Key Survey Findings Related to States' Readiness to Implement Electronic Visit Verification

In December 2016, the 114th U.S. Congress enacted the 21st Century Cures Act. Section 12006 of the Act requires states to implement Electronic Visit Verification (EVV) for Medicaid-financed Personal Care Services and Home Health Care Services by January 1, 2019 and January 1, 2023, respectively, to avoid an escalating reduction in their federal match. Sandata Technologies LLC, a national leader in delivering EVV solutions, enlisted HMA's Karen Brodsky, Barbara Butler-Moore, Anh Pham, and David Rogers to survey states about their awareness and familiarity with the components of the Cures Act, EVV deployment models, and where states are in the process of implementing an EVV solution to meet the mandate. [Link to Report](#)

Nearly 400 Registered to Attend HMA Conference on Future of Medicaid

Nearly 400 leading executives from health plans, providers, state and federal government, and community-based organizations have already registered to attend HMA's conference, *The Future of Medicaid is Here: Implications for Payers, Providers and States*, September 11-12, 2017, at the Renaissance Chicago Downtown Hotel.

This is the second annual conference held by HMA on trends in publicly sponsored healthcare, and registrations have increase significantly.

The event will bring a sharp focus to the opportunities and challenges faced by health care organizations in an evolving Medicaid landscape. A high-level list of 37 industry-leading speakers, including health plan executives and state Medicaid directors, will address the challenges and opportunities for organizations serving Medicaid and other vulnerable populations given the priorities of the new Administration and Congress.

Visit the conference website for details: <https://2017futureofmedicaid.healthmanagement.com/> or contact Carl Mercurio at 212-575-5929 or cmercurio@healthmanagement.com. Group rates and sponsorships are available.

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