HMA

HEALTH MANAGEMENT ASSOCIATES

HMA Weekly Roundup
Trends in State Health Policy

IN FOCUS: OKLAHOMA PREMIUM ASSISTANCE PROGRAM EXTENDED AND DUAL ELIGIBLE RFI RELEASED

HMA ROUNDUP: IDAHO, KENTUCKY AND WASHINGTON ANNOUNCE HEALTH INSURANCE EXCHANGE PLANS; NEW YORK APPROVES THREE MLTC PLANS; STUDY FINDS NEW MEDICAID ENROLLEES TO BE YOUNGER, HEALTHIER; FEDERAL DATA HUB SECURITY TESTING COMPLETED

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UPCOMING EVENTS:
"THE AFFORDABLE CARE ACT: OPPORTUNITIES AND CHALLENGES FOR LARGE JAILS"
DONNA STRUGAR-FRITSCH, AURORA, CO, SEPTEMBER 16, 2013

SEPTEMBER 11, 2013

Research and Consulting in the Fields of Health and Human Services Policy, Health Economics and Finance, Program Evaluation, Data Analysis, and Health System Restructuring

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Edited by:

Gregory Nersessian, CFA
212.575.5929
gnersessian@healthmanagement.com

James Kumpel, CFA
212.575.5929
jkumpel@healthmanagement.com

Andrew Fairgrieve
312.641.5007
afairgrieve@healthmanagement.com

IN FOCUS: OKLAHOMA PREMIUM ASSISTANCE PROGRAM EXTENDED AND DUAL ELIGIBLE RFI RELEASED

This week, our *In Focus* highlights Oklahoma's *Insure Oklahoma* premium assistance waiver program, which received a one-year extension from the Department of Health and Human Services (HHS) on Thursday, September 5, 2013. We also highlight a Request for Information that the Oklahoma Healthcare Authority has released seeking input on managed care models for the state's dual eligible population.

Insure Oklahoma provides assistance for employers, employees of small firms, the self-employed, and some uninsured individuals who are seeking work to purchase health insurance. The waiver extension maintains the existing employer-sponsored insurance (ESI) side of the program, while making eligibility changes to the individual side of the program due to the opportunity for enrollment in the exchange beginning in 2014. Under the waiver extension, the program, which was set to expire as of January 1, 2014, will run through December 31, 2014. Governor Mary Fallin's press release on the extension is available here.

Insure Oklahoma Program Overview and Changes

Insure Oklahoma is administered by the Oklahoma Health Care Authority, which also administers the state's SoonerCare Medicaid program. The program is funded through a tobacco tax and matched with federal funding to provide premium assistance for the ESI program, and direct purchase options through the Oklahoma Health Care Authority for the individual program. Roughly half of the nearly 30,000 current *Insure Oklahoma* enrollees would become eligible for Medicaid under the Affordable Care Act's Medicaid expansion; however, Oklahoma is not pursuing the Medicaid expansion at this time.

Employer-Sponsored Insurance (ESI) Program

- Under ESI program, businesses help provide health insurance for eligible employees through qualified health plans. Sixty percent of premium costs are shared by the state and federal Medicaid program, while the employer covers 25 percent and the employee covers 15 percent.
- Eligible employers are those with less than 100 employees, are located in Oklahoma and offer a qualified health plan.
- Eligible ESI members must work for an eligible employer, reside in Oklahoma, be between the ages of 19 and 64, and have family income of no more than 200 percent of the federal poverty level (FPL).
- **ESI Program changes for 2014.** The waiver extension agreement makes no changes to the ESI program for calendar year 2014.

Individual Program

- The individual program provides premium assistance to individuals to purchase insurance through the Oklahoma Health Care Authority.

- Eligible individuals are those with incomes of no more than 200 percent FPL and without coverage options through their employer, those who are self-employed, and some unemployed individuals and college students. The level of premium assistance varies based on individual or family income, with enrollees paying an average of $63.49 towards the monthly premium cost.
- **Individual Program changes for 2014.** Beginning on January 1, 2014, the following changes will take effect for the Insure Oklahoma Individual Program:
  - The maximum income to be eligible for the Individual Program will be lowered from 200 percent FPL to 100 percent FPL, with those individual above 100 percent FPL qualifying for premium assistance tax credits in the federally facilitated exchange in Oklahoma.
  - Individual Program members who remain eligible will, however, see decreased co-pays for services.
  - Generic prescription drug copays will be reduced from $5.00 to $4.00, and brand name drug copays will be reduced from $10.00 to $8.00. Outpatient services and physician copays will be reduced to $4.00 per visit, a decrease from the $10.00 to $25.00 range in place currently.
  - Emergency room services and inpatient hospitals stay copays remain unchanged, at $30 per visit and $50 per stay, respectively.

Impact of Individual Program Changes

As of August 2013, there were nearly 29,300 individuals enrolled in both the ESI and Individual Programs. Roughly 13,300 of these are enrolled in the Individual program and will be impacted by the changes in the waiver extension. The Oklahoma Health Care Authority estimates that 8,000 of the 13,300, just over 60 percent, have incomes above 100 percent FPL and will be eligible for premium assistance tax credits and subsidies in the health insurance exchange. The 5,300 enrollees in the Individual Program under 100 percent FPL will remain in the program. The eligibility changes in the waiver extension will likely decrease total *Insure Oklahoma* enrollment by around 27 percent.

The state-federal combined share of coverage for this population varies monthly, with an August 2013 per member per month (PMPM) cost of $357. Assuming an average PMPM of $345 (based on September 2012 through August 2013), the state can expect savings in the Individual Program of $2.76 million per month and $33.12 million over the entire calendar year 2014 from transition an estimated 8,000 Individual Program enrollees into the exchanges.

Oklahoma Health Care Authority Issues RFI for Dual Eligibles

Oklahoma issued a request for information (RFI) for managed care organizations that could serve the roughly 100,000 dual eligible individuals in the state. The RFI is in response to a legislative mandate to that the Health Care Authority conducts a feasibility study of current and potential care coordination models for the dual eligibles. The RFI would also inform any future RFP for managed care organizations to provide capitated care on a per member per month basis for the duals in Oklahoma under a three-way contract with the Health Care Authority and CMS. RFI responses are due October 14, 2013.

HMA Medicaid Roundup

Arizona

HMA Roundup

Medicaid Expansion Opponents' Petition Drive May Fall Short of Threshold. According to the Associated Press, activists opposing Medicaid appear to be shy of the 86,405 signatures needed to put a referendum for its repeal on the November 2014 ballot. The signatures are needed by Wednesday, September 11, 2013, and it appears that the Republican Alliance of Principled Conservatives, had obtained about 81,000 signatures. To cover names that might be rejected by state officials, the group had targeted at least 92,000 signatures. The group indicated it would not likely submit the petition if it fell short of its goal by the deadline. However, the Goldwater Institute is reportedly considering a lawsuit to block the expansion on the grounds that additional hospital assessments are tax increases that require a two-thirds legislative vote.

California

HMA Roundup—Jennifer Kent

Exchange On-Track for October 1 Opening. Last week, Covered California's Executive Director, Peter Lee, confirmed that the state's exchange should be fully prepared to accept online enrollment on October 1, following successful systems tests. This confirmation dismisses earlier concerns that the system might not be fully operational at the outset. However, California and all other state exchanges are required to verify certain enrollee data, which is contingent on the Federal data hub functionality.

Bill for Licensing and Registering Home Care Aides Referred to Senate Committee. On September 10, 2013, the Senate Rules Committee referred the Home Care Services Consumer Protection Act of 2013 (A.B. 1217) to the Senate Human Services Committee. A.B. 1217 was passed by the Assembly in late May by a 52-26 vote to implement statewide licensing of home care agency workers, including a certification process and a publicly accessible caregiver registry. Unions and advocates for the elderly have promoted this legislation, while the California Home Care Association has opposed it. Last week, the bill was amended in the Senate to identify a number of changes including to limit the scope of a registry, modify certification requirements for agency-employed aides, and remove the requirements for independent aides to become certified or listed in a registry.

Medi-Cal Provider Cuts Being Phased In. Last week, on September 5, 2013, California began implementing a phased 10 percent reduction in Medi-Cal provider rates, initially for medical transportation and dental providers. On October 24, 2013, rates paid for durable medical goods will be cut. On January 9, 2014, physicians, pharmacists, and clinics will be subject to the cuts. However, some provider groups are holding out hope for an appeal to the US Supreme Court, although the deadline to appeal is September 23, 2013.

Colorado

HMA Roundup—Joan Henneberry

Bipartisan Praise for Exchange Progress and Concern Over Certain ACA Provisions. According to Kaiser Health News and Colorado Public Radio, last Thursday, Connect for Health Colorado received bipartisan praise from a legislative oversight committee. However, lawmakers from both parties are concerned about access to premium subsidies for family coverage, which might be unavailable if a worker is offered an "affordable" individual plan, despite family plans that may cost more than the 9.5 percent cap on income. There was bipartisan concern from the committee about people who will miss the open enrollment window, and will remain uninsured until the next open enrollment period.

Florida

HMA Roundup – Gary Crayton and Elaine Peters

Kaiser Foundation Cites Florida for "Opaque" ACA Rates. At a press briefing on September 10, 2013, officials from the Kaiser Family Foundation discussed an analysis of insurance plans offered in 17 states. However, Florida's data were deemed "too vague" and "fairly opaque." Florida Insurance Commissioner Kevin McCarty rebutted the characterization and promised that final rates would be posted before the October 1 deadline. While rate proposals have been posted, many supporting documents have been unavailable as some insurers view them as trade secrets.

Advocacy Group Fights Placement of Disabled Children in Nursing Homes. On September 6, 2013, Disability Rights Florida filed a motion to join a Federal lawsuit challenging the state's efforts to place 200 disabled children in nursing homes. The advocacy group further alleges that Florida failed to screen for appropriate community settings. The Justice Department has accused the state of violating the Americans with Disability Act and the Supreme Court's Olmstead ruling by not adequately funding and managing its Medicaid home and community based services.

Health Department Bans Navigators from DOH Properties. On Monday, September 9, 2013, C. Meade Grigg, deputy secretary of the Department of Health, issued an order to 60 local health department directors to prevent health navigators from conducting outreach activities on the grounds of the health departments, partly due to concerns about the potential for navigators violating privacy standards. The order does allow navigators to operate at federally qualified health centers that are operating within local health departments. Representatives from HHS clarified that consumers will not be asked to provide personal health information to navigators.

Budget Commission to Meet on September 12. The Florida Joint Legislative Budget Commission will meet on September 12, 2013 to discuss the Three-Year Long Range Plan and budget amendments. For fiscal 2014-2015, there is a budget surplus of $845.7 million projected, although there is a projected need for $397 million in additional funding for the Medicaid program due to enrollment increases associated with the woodwork effect and the transfer of children from CHIP to Medicaid. The AHCA budget amendment transfers funds to allow for the transition of eligible beneficiaries from ICF/DD to Developmental Disabilities home and community-based waiver alternatives.

Georgia

HMA Roundup – Mark Trail

Concerns About Changes to State Employees Health Benefit Plan. Following the decision to standardize the Georgia State Employees Health Benefit Plan on Blue Cross Blue Shield of Georgia, there has been some pushback from retirees and employees facing bigger out-of-pocket expenses and no alternative carrier (except in Atlanta). Traditionally, employees had a choice of two carriers, which afforded slightly different networks of physicians and hospitals. The Department of Community Health, however, estimates that the bidding process helped to tamp down premiums and should save the state $200 million annually.

Enroll America Launches in Georgia. Over the weekend, Enroll America launched operations in Georgia with local staff and volunteers fanning out to educate residents about health plan options on the exchange. Enroll America has targeted 10 states, including Georgia, to supplement the efforts of navigators in community outreach.

Idaho

HMA Roundup

Idaho Exchange Features Eight Carriers and 161 Plans. On September 4, 2013, Idaho's state health insurance exchange announced the availability of 161 insurance plans from eight different carriers. There will be 76 individual plans and 55 small group plans, in addition to 13 individual dental plans and 17 small group dental plans. The premiums will range from a low of $160 for an individual to as much as $1,098 for family coverage, not counting subsidies.

Illinois

HMA Roundup – Andrew Fairgrieve

Illinois Exchange Rates Due October 1. It was reported in Crain's Chicago Business on September 11, 2013, that health insurance exchange premium rates and qualified health plans will likely not be made public until the open enrollment period begins on October 1, 2013. According to the article, the state is waiting on federal approval before releasing this information to the public. Illinois' legislature did not pass authorizing legislation in time for the state to run its own state-based exchange and is instead operating a partnership exchange, at least for the calendar year 2014. Advocates of a state-based exchange claim this delay would not have occurred if Illinois was running its own exchange this year.

Indiana

HMA Roundup—Cathy Rudd

Speculation about Indiana's Openness to Medicaid Expansion. With the recent one-year extension in Healthy Indiana Plan (HIP), some observers now speculate that the state may be more open to consider Medicaid expansion. While HIP, as currently constructed, cannot be the vehicle for expansion given enrollment caps, the cost-sharing elements so critical to Gov. Mike Pence could be acceptable to the US Department of Health and Human Services. An additional element important to the Pence Administration is a health savings account that gives forces individuals to be more price sensitive and make trade-offs.

Kentucky

HMA Roundup

Five Insurers to Offer Exchange Plans. On Tuesday, September 10, 2013, Governor Steve Beshear announced that five health insurers would offer plans on the state's health exchange: Humana, United Healthcare, Anthem Blue Cross Blue Shield, Bluegrass Family Health, and Kentucky Health Cooperative.

Louisiana

HMA Roundup

CNSI Lawsuit for Contract Termination May Proceed. On Tuesday, September 10, 2013, State District Judge Tim Kelley lifted his previous stay order, allowing Client Network Services Inc. (CNSI) to move forward with its lawsuit against the Jindal Administration for wrongful termination of its contract. Assistant Attorney General David Caldwell said he would refile a request for a stay on any civil litigation to protect the integrity of a grand jury investigation into the contract award.

Mississippi

HMA Roundup

State Allowed to Run Small Business Exchange. Last week, the US Department of Health and Human Services approved a proposal from Mississippi Insurance Commissioner Mike Chaney that allows Mississippi to establish a Small Business Health Options (SHOP) exchange. On September 18, 2013, Chaney plans to meet with federal officials to get formal approval. Utah has also been granted the right to run only a SHOP exchange, without an individual exchange.

New Hampshire

HMA Roundup

Anthem Drops 10 Hospitals from Exchange Plans. Anthem Blue Cross and Blue Shield has dropped 10 of New Hampshire's 26 hospitals from its provider network for individual plans available on the state's exchange, effective January 2014. Anthem is the only carrier offering individual plans and said that premiums could have been as much as 25 percent higher with a more expansive network.

New Jersey

HMA Roundup

New Jersey Exchange Plan Rates Unavailable Until Late September. On September 9, 2013, HHS Secretary Kathleen Sebelius announced that New Jersey's health insurance exchange will open on October 1, 2013, as planned, but that plan rates would not be available until the end of this month. According to the Asbury Park Press, major health plans that will offer plans on the exchange are still awaiting final approval of rates from CMS.

New York

HMA Roundup—Denise Soffel

Medicaid Enrollment and Spending. The NYS Department of Health released the Medicaid Global Spending Cap for July, 2013. Total state Medicaid expenditures for the fiscal year that began April 1, 2013 are $17 million or 0.3 percent below projections. Fee-for-service spending on emergency department visits was 7 percent under projections, while spending on clinic visits was 11 percent over projections, due to increases in both volume and price of mental hygiene services. Spending on Medicaid managed care was running slightly above projections.

Medicaid enrollment has increased by 86,000 individuals, or 1.6 percent, since the beginning of the fiscal year. Enrollment in Medicaid managed care is now 4.0 million, up 2.4 percent, while fee-for-service enrollment, at 1.3 million, is down 0.7 percent. Care Management for All continues to moves populations and benefits into managed care arrangements. Three additional benefits were transitioned into the managed care benefit: Adult Day Health Care, AIDS Adult Day Health Care, and Directly Observed Therapy for Tuberculosis. The Hospice Program is scheduled for carve-in in October 2013, and the nursing home benefit in January 2014.

Interfaith Submits Plan to Shut Down by in late December 2013. According to Crain's, Interfaith Medical Center has submitted a revised closure plan to the New York State Department of Health that would shut down operations in late December 2013. All inpatients would be discharged or transferred by Oct. 26 and all outpatient services would conclude by Nov. 26. HIV, detox and rehabilitation services would be provided through December 25. The closure plan must be approved by both the DOH and the U.S. Bankruptcy Court, Eastern District.

Adult Day Health Care Program Proposed Rules Changes Posted. In the August 28 State Register, the New York State Department of Health posted proposed changes to regulations of adult day health care programs in residential health care facilities. Under the proposed rules, programs could contract with managed long-term care plans and co-ordinated-care models for Medicaid recipients. Nursing homes would be permitted to operate a hybrid program in which the adult day program space could accommodate both those requiring ADHC services and those using only social adult day services.

Managed Long-Term Care Update. The mandatory managed long-term care program, which affects dual-eligibles requiring more than 120 days of community-based long-term care, continues to transition eligible individuals. The mandatory program began in August 2012 in the 5 boroughs of New York City, and expanded to the city's suburban counties of Nassau, Suffolk and Westchester in June 2013. The phase-in in NYC will be complete in September, after which program growth will be limited to newly eligible beneficiaries. The phase-in in the suburban counties will be complete in November 2013. The third phase of the transition includes Orange and Rockland counties. Phase 3 has not yet been approved by CMS due to concerns about network adequacy; the state anticipates beginning the phase-in in September. Since the mandatory managed long-term care program began, enrollment has grown by 83 percent and now totals 111,000.

New MLTC Plans Started in New York City in August. Last month, three new managed long term care plans began operating in New York City.

- **AlphaCare of New York** was established in 2012 as a for-profit managed long-term care plan. Its MLTC is approved to operate in Bronx, Kings, New York, Queens and Westchester Counties. AlphaCare also applied to participate in the New York State Fully Integrated Duals Advantage (FIDA) Demonstration. AlphaCare's participation in the FIDA program is subject to completion of a readiness review, the receipt of adequate rates and finalization of a contract with the state. Magellan Health Services owns a 65 percent stake in the company.
- **Extended MLTC** was established by Extended Home Care, a not-for-profit Special Needs Certified Home Health Care Agency, which has been in operation since 1997. Extended Home Care specializes in providing home care services to patients and their families with mental retardation and developmental disabilities (MR/DD). They have been approved to operate in the five counties in NYC as well as in Long Island's Nassau and Suffolk Counties.
- **Integra MLTC, Inc**., which was incorporated in 2011, is jointly owned by Personal-Touch Home Care of N.Y., Inc. (a New York licensed home care services agency), and Personal Touch Home Aides of New York, Inc. (a New York certified home health agency), both of which are part of a larger Personal Touch family of companies providing long term care services. Personal-Touch Home Care began operations in 1974, and since that time has grown into a national company with more than 50 locations in 13 states. Personal Touch has been serving patients in the metropolitan New York area for over 38 years. Integra's service area will include the five counties of New York City, Nassau, Suffolk, and Westchester.

North Carolina

HMA Roundup

Leading Legislators Resolve to Address Medicaid Systems Problems. Last week, Sen. Phil Berger, leader of the North Carolina Senate, told his top-ranking Democratic counterpart that the legislature would work in a bipartisan manner to address problems associated with delayed payments from the new Medicaid Management Information System (NCTracks) and the state's comprehensive enrollment system, NC FAST. NCTracks was unveiled on July 1, 2013, replacing a 36-year old legacy system, while NC FAST is a system that aims to determine eligibility for a slew of social services and Medicaid.

BCBSNC Posts Proposed Premiums. On Thursday, September 5, 2013, Blue Cross and Blue Shield of North Carolina posted proposed premiums online, with a range of premiums from $145 to $947 per month depending on age and metal tier of the coverage. North Carolina has given health insurers until the start of October to post its rate information.

Ohio

HMA Roundup

Advocates Begin Process to Put Medicaid Expansion on the Ballot. In light of the various delays associated with legislatively approving Medicaid expansion in Ohio, Healthy Ohioans Work submitted a petition to start the process of putting Medicaid expansion on the 2014 ballot. Assuming the Attorney General accepts the proposal as valid, the group would have to collect more than 100,000 valid signatures to have the legislature consider the initiative. The effort may not be necessary, should the legislature pass Medicaid expansion on its own sometime in the fall.

Pennsylvania

HMA Roundup –Matt Roan

Geisinger-Holy Spirit Affiliation Indicative of Hospital Consolidation Trend. Geisinger Health System of Danville, PA and Holy Spirit Health System of Camp Hill, PA have announced an agreement to explore affiliation. The announcement continues a trend of Geisinger acquiring community hospitals across the state. Over the past two years Geisinger has acquired or has pending agreements to acquire Shamokin Area Community Hospital, Bloomsburg Health System, Community Medical Center in Scranton and Lewistown Hospital. Holy Spirit officials announced that under an affiliation agreement, their facilities would benefit from the depth of resources available at Geisinger, a much larger health system, but that local control of the facilities would be maintained.

Medicaid Expansion to be Discussed with Legislature. As the Department of Public Welfare continues to work on a proposal to expand Medicaid, Secretary Bev Mackereth is engaging legislators to discuss the concepts of such a proposal. The Secretary continued to highlight aspects of proposed plan which has not yet been submitted to CMS which includes work search requirements, benefit package changes, and the potential for pre-

mium subsidies to purchase private insurance, similar to the Arkansas model. Senate Democrats, who have been pushing for a traditional Medicaid expansion, express concerns that the proposal would provide watered down coverage and too much complexity. They argue that not expanding the current Medicaid program as is, would be like "re-inventing the wheel."

State Task Force Admonishes Highmark, UPMC. An interagency task force composed of top officials from the State Insurance and Health Departments have sent a letter to the CEOs of Highmark and UPMC admonishing them for their recent public relations battle over network contracting. The State officials directed the two dominant Healthcare companies from Western PA to "Re-focus on your primary mission to serve patients and subscribers".

UPMC Tax Exempt Status Questioned. A rally organized by UPMC workers, union groups and elected officials drew hundreds of people in Pittsburgh, questioning the tax-exempt status of UPMC. UPMC which has $10B in annual revenues and is the largest private property holder in the city of Pittsburgh is exempt from paying local property taxes due to its non-profit mission. Among the elected officials calling for UPMC to pay their fair share were the Controllers of the City of Pittsburgh and Allegheny County. UPMC defended its status by highlighting its civic mission and the fact that the health system has donated $622M in services including $238M in charity care in 2012. Questions about tax exempt status of non-profit health systems are being raised across the country as cities struggling with their finances are looking for ways to mitigate large swaths of tax exempt property. Increased access to health coverage made possible through healthcare reform is expected to decrease the amount of charity care provided by organizations like UPMC and may cause cities to challenge tax exempt statuses in court.

Medicaid May Absorb 50,000 CHIP Children. On Tuesday, September 10, 2013, the Corbett Administration announced that HHS had rejected the state's request to allow all children enrolled under the current Children's Health Insurance Program (CHIP) to remain in the plan, contrary to terms of the Affordable Care Act. As many as 50,000 children may shift into the Medicaid program, as of January 1, 2014, as a result. In some cases, children may have to change providers. Many advocates applauded the move given Medicaid's more expansive benefits coverage and the simplicity of being on the same plan as other family members.

South Carolina

HMA Roundup

Medicaid Director Moves to Expand Healthcare Access. According to the Associated Press, South Carolina Medicaid Director Tony Keck is working to make healthcare more convenient and accessible. Medicaid has moved to cover visits to retail clinics and offer bonus payments to physicians who see patients outside normal hours. The Medicaid agency aims to reduce the use of emergency rooms by ensuring that convenient outpatient options are available.

Vermont

HMA Roundup

Vermont Health CO-OP Still Waiting for State and Federal Approvals. The Vermont Health CO-OP was launched in mid-2012 as an alternative to commercial plans. However, the organization faces an existential crisis following the state's rejection of a state license and a $34 million loan from CMS that hangs in abeyance. The CO-OP has lowered its rates, improved its governance structure, and has filed a rquest for reconsideration for its licensure. CO-OP leadership has commented to the press that it does not expect to get both issues addressed until sometime in 2014, meaning it will not likely be able to benefit from the publicity and initial burst of enrollment activity in the October to January timeframe.

Washington

HMA Roundup—Doug Porter

Washington Exchange Expands Health Plan Options. On September 4, 2013, the Washington Health Benefit Exchange Board unanimously approved the health plans of seven insurers: Premera Blue Cross, LifeWise Health Plan of Washington, BridgeSpan, Group Health Cooperative, Kaiser Foundation Health Plan of the Northwest and two Medicaid insurers, Community Health Plan of Washington and Molina Healthcare of Washington. On August 30, Insurance Commissioner Mike Kreidler announced settlements with Community Health Plan and Kaiser Foundation Health Plan, reversing previous rejections of their applications. Just prior to the September 4 meeting, he likewise settled with Molina to allow its two plans for sale on the exchange. Subsequently, on September 5, 2013, Kriedler approved Coordinated Care's three health plans for sale on the exchange, expanding the number of individual plans on the exchange to 46.

National

HMA Roundup

New Medicaid Enrollees to Be Younger and Healthier. According to a University of Michigan study published in the Annals of Family Medicine, newly eligible Medicaid enrollees will be healthier and younger than the current Medicaid population. The authors found that the newly eligible will be about 36 years of age, on average, compared to 39 years old for the current enrollees. Nearly 60 percent of the newly eligible will be non-Hispanic white versus 50 percent in the current enrollment base. Moreover, the newly eligible will be equally split between males and females, as compared to just 33 percent males in the current Medicaid beneficiary base. The authors speculate that providers might be less reluctant to take on Medicaid beneficiaries, given these findings, although the woodwork effect could result in additional enrollment of the currently eligible and slightly sicker population.

SEIU to Promote Affordable Care Act. On September 10, 2013, the Service Employees International Union announced it would take part in the HHS Department's "Champions of Change" initiative. SEIU members will go door-to-door to talk up the benefits of the health law, as well as host community education events with like-minded advocacy

groups. The focus will be in Pennsylvania, California, Colorado, Connecticut, Florida, Illinois, Maryland, Minnesota, New Jersey New York, Ohio, Rhode Island, Texas and Washington.

AMA Pushes for Permanent Doc Fix. On September 9, 2013, the AMA launched a new website to call on Congress to pass a permanent fix to the Medicare physician payment system, which has been subject to annual efforts to delay progressively more draconian Medicare rate cuts. FixMedicareNow.org features statistics, infographics, videos, and other resources that make the case for a permanent solution.

Data Hub Milestone Achieved. Following a flurry of attacks from ACA opponents about falling behind schedule, the Obama Administration announced on September 10, 2013 that it had completed the Federal "data hub", which will allow systems to verify personal information as part of the process of enrolling in health plans and qualifying for tax subsidies. Todd Park, chief technology officer of the United States, confirmed that security testing had been completed and systems were certified to operate in time for open enrollment on October 1.

INDUSTRY NEWS

Magellan Receives Six Month Extension of Maricopa Contract. On September 10, 2013, Magellan Health Services issued an 8K indicating a six month extension of its Maricopa County behavioral health contract through March 31, 2014. A hearing on the company's protest of the state's March 25 award decision (to a subsidiary of Aetna) will be held sometime later this month.

WellCare Acquires Windsor Health Group. On September 5, 2013, WellCare Health Plans announced the acquisition of Windsor Health Group, which serves lower income Medicare beneficiaries. Windsor offers Medicare Advantage plans in Mississippi, Tennessee, Arkansas, and South Carolina, serving 59,000 members. Windsor's Prescription Drug Plans serve more than 160,000 members. Thorugh a subsidiary, Windsor offers Medicare Supplement products to 52,000 members in 40 states. The deal should close within three to four months.

WellCareNames Kulich as Region President, Georgia and South Carolina. On September 11, 2013, WellCare Health Plans named Roman Kulich as Region President, Georgia and South Carolina, with day-to-day leadership for WellCare of Georgia, the company's largest plan by membership. Kulich joined WellCare from Coventry Health Care, where he had served as president and CEO for the Missouri and Illinois plans. Previously, Kulich had worked with Molina Healthcare of Michigan, SelectCare, and Health Alliance Plan.

CareSource Names Streator VP of Health Insurance Marketplace. CareSource named Scott Streator as VP of its Health Insurance Marketplace product line. Streator most recently served as Aetna's vice president of new business development and strategy, after having served as CEO of the Ohio State University Health Plan.

Whistleblower Accuses Quest and LabCorp of Medicaid Fraud. In a 2007 whistleblower lawsuit filed this past week in Federal court, Hunter Labs alleges that Quest Diagnostics and Laboratory Corp. of America—the two dominant medical labs in the United States—billed Virginia's Medicaid program higher rates than were charged to other customers, in violation of Virginia law. Hunter filed a similar case in Georgia. In a previous case filed by Hunter in California, Quest settled for $241 million.

RFP CALENDAR

Below is an updated Medicaid managed care RFP calendar. The events are color coded by state/program and are listed in date order.

Date	State	Event	Beneficiaries
TBD	Wisconsin MLTC (Select Regions)	Contract awards	10,000
September 10, 2013	Michigan Duals	Proposals Due	70,000
September 16, 2013	Florida acute care	Contract awards	2,800,000
September 20, 2013	Massachusetts CarePlus (ACA)	Contract Awards	305,000
October 1, 2013	Arizona - Acute Care	Implementation	1,100,000
October 1, 2013	Arizona - Maricopa Behavioral	Implementation	N/A
October 1, 2013	Tennessee	RFP Released	1,200,000
November 1, 2013	Rhode Island Duals	Implementation	22,700
November 1, 2013	Florida LTC (Regions 2,10)	Implementation	11,935
November 1, 2013	Hawaii	Proposals Due	292,000
December 1, 2013	New Hampshire	Implementation	130,000
December 1, 2013	Florida LTC (Region 11)	Implementation	17,257
"Early 2014"	North Carolina	RFP released	TBD
January 1, 2014	Massachusetts CarePlus (ACA)	Implementation	305,000
January 1, 2014	Massachusetts Duals	Implementation	115,000
January 1, 2014	Illinois Duals	Implementation	136,000
January 1, 2014	New Mexico	Implementation	510,000
January 1, 2014	Wisconsin MLTC (Select Regions)	Implementation	10,000
January 1, 2014	Virginia Duals	Implementation	79,000
January 1, 2014	Texas Duals	Implementation	214,400
January 6, 2014	Hawaii	Contract Awards	292,000
February 1, 2014	Florida LTC (Regions 5,6)	Implementation	19,538
March 1, 2014	Florida LTC (Regions 1,3,4)	Implementation	18,971
April 1, 2014	California Duals	Implementation	456,000
April 1, 2014	Ohio Duals	Implementation	115,000
April 1, 2014	Idaho Duals	Implementation	17,700
April 1, 2014	Washington Duals	Implementation	48,500
July 1, 2014	South Carolina Duals	Implementation	68,000
July 1, 2014	New York Duals	Implementation	178,000
July 1, 2014	Michigan Duals	Implementation	70,000
September 1, 2014	Vermont Duals	Implementation	22,000
September 1, 2014	Texas Rural STAR+PLUS	Operational Start Date	110,000
October 1, 2014	Florida acute care	Implementation (All Regions)	2,800,000
January 1, 2015	Hawaii	Implementation	292,000

DUAL INTEGRATION PROPOSAL STATUS

Below is a summary table of the progression of states toward implementing dual eligible integration demonstrations in 2013 and 2014.

State	Model	Duals eligible for demo	RFP Released	RFP Response Due Date	Contract Award Date	Signed MOU with CMS	Enrollment effective date	Health Plans
Arizona		98,235	Not pursuing Financial Alignment Model					
California	Capitated	456,000	X	3/1/2012	4/4/2012	3/27/2013	4/1/2014	Alameda Alliance; 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; WellPoint/Amerigroup
Colorado	MFFS	62,982					11/1/2013	
Connecticut	MFFS	57,569					TBD	
Hawaii		24,189	Not pursuing Financial Alignment Model					
Illinois	Capitated	136,000	X	6/18/2012	11/9/2012	2/22/2013	1/1/2014	Aetna; Centene; Health Alliance; Blue Cross Blue Shield of IL; Health Spring; Humana; Meridian Health Plan; Molina
Iowa	MFFS	62,714					TBD	
Idaho	Capitated	22,548	June 2013	TBD	August 2013		4/1/2014	Blue Cross of Idaho
Massachusetts	Capitated	109,636	X	8/20/2012	11/5/2012	8/22/2013	1/1/2014	Commonwealth Care Alliance; Fallon Total Care; Network Health
Michigan	Capitated	70,000	X	9/10/2013	TBD		7/1/2014	
Missouri	MFFS‡	6,380					10/1/2012	
Minnesota		93,165	Not pursuing Financial Alignment Model					
New Mexico		40,000	Not pursuing Financial Alignment Model					
New York	Capitated	178,000				8/26/2013	7/1/2014	
North Carolina	MFFS	222,151					TBD	
Ohio	Capitated	114,000	X	5/25/2012	Scoring: 6/28/12	12/11/2012	4/1/2014	Aetna; CareSource; Centene; Molina; UnitedHealth
Oklahoma	MFFS	104,258					TBD	
Oregon		68,000	Not pursuing Financial Alignment Model					
Rhode Island	Capitated	28,000	X	3/27/2013	August 2013		11/1/2013*	Neighborhood Health Plan of RI
South Carolina	Capitated	68,000	Summer 2013	TBD	TBD		7/1/2014	
Tennessee		136,000	Not pursuing Financial Alignment Model					
Texas	Capitated	214,402					1/1/2014	
Virginia	Capitated	78,596	X	5/15/2013	6/27/2013	5/21/2013	1/1/2014	Humana; VA Premier; WellPoint/Amerigroup
Vermont	Capitated	22,000	10/1/2013	TBD	TBD		9/1/2014	
Washington	MMFS Capitated	115,000	X X	5/15/2013	6/6/2013	MFFS Only	7/1/2013 4/1/2014	Regence BCBS/AmeriHealth; UnitedHealth
Wisconsin	Capitated	5,500-6,000	X	Not pursuing Financial Alignment Model				
Totals	**14 Capitated 6 MFFS**	**1.5M Capitated 485K FFS**	***9***			***7***		

** Phase I enrollment of duals only includes Medicaid benefits. Medicare-Medicare integration to occur within 12 months.*

*** Wisconsin is completing a comment period on a draft MOU with CMS. Finalized MOU will determine implementation date.*

‡ Capitated duals integration model for health homes population.

HMA Upcoming Appearances

"Assuring Innovation in the Era of Healthcare Reform"
Sponsored by: Healthcare Businesswomen's Association and Deloitte
Mona Shah, Panelist
September 12, 2013
Costa Mesa, California

"The Affordable Care Act: Opportunities and Challenges for Large Jails"
National Institute of Corrections Large Jail Network
Donna Strugar-Fritsch, Presenter
September 16, 2013
Aurora, Colorado

"Goals and Challenges of Current State Innovation Models"
Driving Transformation in Medicaid (Sponsored by Treo Solutions)
Joan Henneberry, Panelist
September 18, 2013
New York, New York

"Managed Care Environment and its Impact on PAC/LTC"
Sponsored by: American Health Care Association (AHCA)
Greg Nersessian, Presenter
October 8, 2013
Phoenix, Arizona

"Health Behind Bars: What Obamacare Means for Courts, Prison, Jails and the Justice-Involved (And How to Report the Story)"
Center on Media, Crime, and Justice
Donna Strugar-Fritsch, Panelist
October 21-22, 2013
New York, New York

"Health Insurance Exchanges"
American Institute of CPAs Healthcare Industry Conference
Barbara Markham Smith, Presenter
November 15, 2013
New Orleans, Louisiana

"Where Payor Meets Provider: Managing in a World of Managed Care"
HCap Conference sponsored by: Lincoln Healthcare Group
Greg Nersessian, Panelist
December 5, 2013
Washington, DC