

HEALTH MANAGEMENT ASSOCIATES

# HMA Weekly Roundup

Trends in Health Policy

..... October 14, 2020 .....



[RFP CALENDAR](#)  
[HMA News](#)

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## THIS WEEK

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- KENTUCKY IS TEMPORARILY BLOCKED FROM MOVING AHEAD WITH MEDICAID MANAGED CARE CONTRACT
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- MORE MEDICARE ADVANTAGE PLANS TO COVER HOME-BASED SUPPORT SERVICES IN 2021
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## IN FOCUS

### HMA SUMMARY OF UNITEDHEALTH GROUP'S 'THE PATH FORWARD'

This week, our *In Focus* section reviews UnitedHealth Group's *The Path Forward to a Next-Generation Health System*, an outline of policy recommendations to achieve a high-quality, affordable health care system. The paper focuses on four goals: 1) achieve universal coverage; 2) improve health care affordability; 3) enhance the health care experience; and 4) drive better health outcomes. UnitedHealth Group (United) advocates for expanding Medicaid in the remaining states, passively enrolling individuals into Medicaid and the Exchanges, implementing a Medicaid Buy-In program,

transitioning Medicaid fee-for-service (FFS) programs to managed care, strengthening Medicare Advantage, eliminating surprise billing, expanding access to telehealth, in addition to other policies.

### *Achieve Universal Coverage*

The Path Forward lays out ways to strengthen and expand existing coverage in order to get 28 million uninsured individuals health care.

#### Medicaid

The Medicaid program can cover an additional 9 million individuals if the remaining 12 states expand Medicaid and all states passively enroll eligible individuals into Medicaid, according to United. Expanding Medicaid could cover 2.3 million individuals, with an estimated 1.5 million of those with mental illness or substance use disorder (SUD), across the 12 states. Auto-enrolling individuals who are eligible for Medicaid but are not currently enrolled and simplifying eligibility determinations could cover 6.7 million individuals.

United also recommends implementing a Medicaid Buy-In program for low-income enrollees in Exchange plans to “reduce churn, lower the per capita cost of coverage by 43 percent on average, and increase choice in rural areas.”

Additionally, to save \$100 billion over 10 years, United proposes transitioning all Medicaid FFS populations into managed care, including the dual eligible population. Today, about two-thirds of Medicaid enrollees are in managed care. United believes that managed care ensures high-quality care, increases access to well-care and primary care, provides access to enhanced services and supports not covered in FFS programs, and reduces costs. To help Managed Care Organizations (MCOs), United suggests broader flexibilities, including: designing localized, flexible health benefits; aligning provider payment rates to reward quality outcomes through value-based care programs; addressing social determinants of health through fully integrated medical and social services care models; and developing performance-based networks to improve quality by modernizing network adequacy standards and promoting premium physician designation based on quality and cost efficiency.

#### Exchanges

United recommends passively enrolling individuals eligible for subsidies into Exchange plans in order to cover an additional 9 million individuals. Those enrolled would have an option to opt-out. To further lower premiums, United believes the federal age rating requirement should be extended from 3:1 to 5:1 to encourage younger, unsubsidized populations. Currently, under the Affordable Care Act (ACA) age banding methodology, premiums charged for older adults are limited to three times the premium for a 21-year old.

#### Individual Market

According to the paper, to enroll an additional 10 million individuals, states should offer public and private coverage platforms to increase choice and competition. High-deductible plans can be modernized to allow coverage of high-value services before the deductible and fund Health Savings Accounts up to the maximum out-of-pocket limit.

### Medicare Advantage

Finally, United advocates protecting Medicare Advantage by ensuring its stability.

### Improve Health Care Affordability

To make health care affordable for individuals, United recommends value-based care arrangements, eliminating surprising billing, and shifting care to lower cost sites.

To accelerate value-based care, United believes in transitioning to value-based arrangements for prescriptions drugs, leveraging private-sector innovation and clinical expertise in Medicare and Medicaid, and supporting Medicare Advantage with sustainable funding and increased flexibilities. According to United, value-based pricing arrangements for prescription drugs could lower consumer out-of-pocket costs by 28 percent.

To end surprise billing, United proposes establishing a median in-network rate for out-of-network provider services. The paper states this is would reduce premiums for consumers and employers by \$250 per person annually.

To shift care to lower cost sites, United proposes modifying federal laws and regulations that restrict care to specific care settings and promoting benefit designs that reward physicians and consumers for choosing more efficient sites of care.

### Enhance the Health Care Experience

United lays out ways to creating a system that is simpler and more transparent. Consumer engagement can be increased by creating financial and benefit incentives for Medicare and Medicaid beneficiaries who act on their health and by creating easy to use digital tools for consumers. To reduce physician burden, a single, national set of evidence-based care measures should be established and technologies that embed actionable clinical information in the physician workflow should be adopted. By simplifying and standardizing how physicians measure and track the quality of care, they can spend more time on patients. Additionally, United believes that the flexibilities in telehealth established during the Covid-19 pandemic should be made permanent.

### Drive Better Health Outcomes

To improve health outcomes and quality of care, United recommends more flexibility in value-based provider reimbursement models and implementing a physician-designation program in Medicare and Medicaid that financially rewards providers practicing high-quality and efficient care. Medicare and Medicaid should have adequate funding for integrated medical, behavioral, and social determinants of health care models for individuals with multiple chronic conditions. Medicaid should also promote the use of comprehensive, outcomes-based maternal care models. Addressing low health literacy in patients by training clinicians and providing them with tools and resources can reduce emergency room visits and hospital admissions.

[UnitedHealth Group's The Path Forward to a Next-Generation Health System](#)



## HMA MEDICAID ROUNDUP

### *Illinois*

**Illinois to Offer Health Coverage to Elderly Undocumented Immigrants.** *The Associated Press* reported on October 11, 2020, that Illinois will be the first state to offer health coverage to low-income, undocumented immigrants aged 65 and older effective in December with coverage retroactive for one year. The program, which is similar to Medicaid, is expected to cost the state \$5 million annually, according to the Illinois Department of Healthcare and Family Services. [Read More](#)

### *Kentucky*

**Kentucky Is Temporarily Blocked from Moving Ahead with Medicaid Managed Care Contract.** *The Louisville Business First* reported on October 7, 2020, that Kentucky was hit with a temporary restraining order blocking the state from moving forward with a new Medicaid managed care contract following a protest to the award. The order from Franklin Circuit Court Judge Phillip Shepherd prevents Kentucky from sending notices to Medicaid beneficiaries informing them that Anthem Kentucky Managed Care Plan would no longer operate in the state as a Medicaid health plan while the lawsuit is considered. Anthem argued in the lawsuit filed in September that the procurement process was biased. The restraining order is slated to end October 30. [Read More](#)

### *New Hampshire*

**New Hampshire Nursing Homes Raise Issues of Low Pay, Staffing Shortages to State Lawmakers.** *InDepthNH.org* reported on October 8, 2020, New Hampshire nursing homes continue to struggle to attract workers in part because they cannot pay competitive wages given low Medicaid reimbursements, industry representatives told lawmakers in a hearing of the state legislative Committee to Study the Safety of Residents and Employees in Long-Term Care Facilities. COVID-19 has only made matters worse, impacting staff and residents. [Read More](#)

## New Jersey

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

**New Jersey Assembly Committee Clears Bill That Would Allow Medicaid MCOs to Assess Quality of Nursing Facilities.** *InsiderNJ.com* reported on October 9, 2020, that the New Jersey Assembly Aging and Senior Services Committee cleared a bill that would require the state Department of Human Services (DHS) to review existing requirements between Medicaid managed care organizations (MCOs) and providers and decide whether to pursue a state plan amendment or waiver allowing MCOs to suspend or terminate a contract with a nursing home that has a history of licensure violations. The bill would strengthen quality of care oversight in long-term care facilities and allow MCOs “to define their own standards for providers and terminate contracts with facilities with a history of deficiencies.” [Read More](#)

## New York

HMA Roundup – Cara Henley ([Email Cara](#))

**New York Awards Additional Telehealth Funding to 30 Providers.** *Crain's New York* reported on October 9, 2020, that New York awarded a second round of funding to 30 providers for computers, software, webcams, and other equipment used to deliver addiction services via telehealth. Awardees include Montefiore Medical Center in the Bronx, Flushing Hospital Medical Center in Queens, and 11 other institutions. To date, more than \$883,000 has been awarded through the federal State Opioid Response Grant and administered by the state Office of Addiction Services and Supports. [Read More](#)

## Oklahoma

**Oklahoma Proposal to Transition Medicaid to Managed Care Faces Bipartisan Opposition.** *The Oklahoman* reported on October 12, 2020, that a plan from Oklahoma Governor Kevin Stitt to transition the state's Medicaid program to managed care faces opposition from both Republican and Democratic lawmakers. Hospitals have also voiced concerns over lower supplemental payments. The Oklahoma Health Care Authority is expected to release a request for proposals in fall 2020 with implementation to begin in October 2021. [Read More](#)

## Rhode Island

**Rhode Island Nursing Home Industry Seeks Increase in Medicaid Reimbursements.** *NBC 10 News* reported on October 8, 2020, that Rhode Island Health Care Association executive director Scott Fraser called on the state to increase reimbursement rates to better reflect the rising cost of care. Fraser says the rate of increase is not meeting the Medicaid Inflation Index, which rises about three percent annually. A proposed state budget would increase rates one percent. [Read More](#)

## Texas

**Texas Is Hit With Federal Order to Fix Early Childhood Intervention Program.** *The Houston Chronicle* reported on October 12, 2020, that federal officials gave the Texas Health and Human Services Commission (HHSC) three months to submit a plan to fix the state's Early Childhood Intervention program following revelations that providers are dropping out because of low Medicaid reimbursement rates. Annual funding for the program, which serves about 57,000 children, fell by \$18 million between 2011 and 2019. The state has one year to implement an improvement plan or risk losing federal funding. [Read More](#)

## National

**Supreme Court Nominee Amy Coney Barrett Declines to Say How She Would Rule on ACA.** *Reuters* reported on October 13, 2020, that Supreme Court nominee Amy Coney Barrett declined to say how she would rule on a case concerning the constitutionality of the Affordable Care Act (ACA). The court will hear the case on November 10. [Read More](#)

**Census Undercounts Would Impact Funding for Dozens of Federal Healthcare and Related Programs.** *Modern Healthcare* reported on October 13, 2020, that 2020 Census undercounts would impact funding for more than 50 healthcare and healthcare-related programs, including Medicaid and Medicare Part B, according to an analysis by the George Washington Institute of Public Policy. The response rate for the 2020 census has declined because of the COVID-19 pandemic. A one percent undercount, for example, could cost states up to one dollar in federal Medicaid funds on every \$100 spent, according to a 2018 report by Reamer. [Read More](#)

**Rate of Uninsured Children Rises to 5.7 Percent in 2019, Report Shows.** *Health News Florida* reported on October 10, 2020, that the rate of uninsured children nationwide rose to 5.7 percent, according to a [report](#) from the Georgetown University Center for Children & Families. The report notes that after reaching a historic low of 4.7 percent in 2016, the rate of uninsured children increased every year since. Latino children alone saw their uninsured rate rise from 7.9 percent in 2017 to 9.2 percent in 2019. [Read More](#)

**Trump Administration Extends Public Health Emergency Declaration Until January 21.** *HealthLeaders* reported on October 7, 2020, that the Trump administration extended the COVID-19 public health emergency declaration by 90 days, allowing regulatory adjustments attached to the declaration to continue until January 21, 2021. Flexibilities under the authority of the declaration include expanded telehealth services, increased federal funding to state Medicaid programs, and expanded scope of practice for many non-physician practitioners. The public health emergency declaration was set to expire October 23. [Read More](#)

**Unsubsidized ACA Exchange Enrollment Falls for Third Year in a Row.** *Fierce Healthcare* reported on October 9, 2020, that individuals enrolling in Affordable Care Act (ACA) Exchanges who do not qualify for income-based subsidies declined by 45 percent from 2016 to 2019, according to a report from the Centers for Medicare & Medicaid Services (CMS). Meanwhile, enrollment for those who qualify for subsidies continues to rise. Overall, enrollment in ACA Exchanges has remained stable at about 10.2 million. [Read More](#)

**HCA to Repay COVID-19 Relief Funds, Medicare Loan.** *Modern Healthcare* reported on October 8, 2020, that Tennessee-based HCA Healthcare is repaying in full a \$1.6 billion grant it received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act as well as a \$4.4 billion Medicare provider relief loan. Recently, Congress eased the repayment requirements. [Read More](#)

**CMS Administrator Seema Verma Reiterates Support for Medicaid Work Requirements.** *Fierce Healthcare* reported on October 7, 2020, that the Centers for Medicare & Medicaid Services (CMS) Administrator Seema Verma reiterated support for Medicaid work requirements during an interview with the Aspen Institute. Ten states have had their waivers approved by CMS. However, federal courts have struck down the requirements for going against the intent of the Medicaid law. [Read More](#)

**More Medicare Advantage Plans to Cover Home-Based Support Services in 2021.** *Home Health Care News* reported on October 12, 2020, that 738 Medicare Advantage (MA) plans will offer home-focused supplemental benefits under the “primarily health-related” pathway in 2021, up from nearly 500 plans in 2020, according to the Centers for Medicare & Medicaid Services (CMS). Anthem and WellCare, for example, will offer in-home support services benefits in more than 100 plans in 2021. Additionally, 127 plans will offer adult day health services benefits, 176 therapeutic massage, and 95 caregiver support. [Read More](#)

**Medicare Advantage Plans with At Least Four Stars Attract 77 Percent of Membership.** The Centers for Medicare & Medicaid Services (CMS) announced on October 8, 2020, that about 77 percent of Medicare Advantage (MA) members will be in plans with four or more stars in 2021, compared to 69 percent in 2017. Average Star Rating for all MA plans with prescription drug coverage improved to 4.06 out of 5 stars in 2021 from 4.02 in 2017. [Read More](#)



## INDUSTRY NEWS

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### **CareFirst Completes Acquisition of University of MD Medicaid, SNP Plans.**

*The Baltimore Sun* reported on October 13, 2020, that CareFirst Blue Cross Blue Shield completed the acquisition of the Medicaid managed care and Special Needs Plan (SNP) operations of University of Maryland Medical System. The deal includes University of Maryland Health Partners, a Medicaid managed care organization with 56,000 members; and University of Maryland Health Advantage, a Medicare Advantage dual eligible Special Needs Plan, with 6,000 members. [Read More](#)

### **HHAeXchange Acquires FMS Software Provider Annkissam, LLC.**

HHAeXchange announced on October 8, 2020, the acquisition of Boston-based Annkissam LLC, which provides software to financial management services (FMS) organizations involved in self-direction home and community-based services across 38 states. HHAeXchange offers homecare management solutions for payers, providers, and state Medicaid agencies. Shasta Partners, LLC served as financial advisor to Annkissam on the deal. [Read More](#)

### **UPMC to Expand Inpatient Care into South Central PA in November.**

The University of Pittsburgh Medical Center (UPMC) Children's Hospital announced on October 7, 2020, that it is set to open a 26-bed inpatient unit at UPMC Pinnacle Harrisburg. UPMC Children's Harrisburg is set to open November. [Read More](#)



## RFP CALENDAR

Date	State/Program	Event	Beneficiaries
October 2020	North Dakota Expansion	RFP Release	19,500
November 2020	Ohio	Proposals Due	2,450,000
Fall 2020	Oklahoma	RFP Release	800,000
Late 2021	California Two Plan Commercial - Alameda, Contra Costa, Fresno, Kern, Kings, Los Angeles, Madera, Riverside, San Bernardino, Santa Clara, San Francisco, San Joaquin, Stanislaus, and Tulare	RFP Release	1,640,000
Late 2021	California GMC - Sacramento, San Diego	RFP Release	1,091,000
Late 2021	California Imperial	RFP Release	75,000
Late 2021	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	RFP Release	286,000
Late 2021	California San Benito	RFP Release	7,600
January 2021	Nevada	RFP Release	465,000
January 1, 2021	Kentucky Rebid	Implementation	1,200,000
January 1, 2021	Massachusetts One Care (Duals Demo)	Implementation	150,000
January 1, 2021	Pennsylvania HealthChoices Physical Health	Implementation	2,260,000
January 1, 2021	Washington Integrated Managed Care (Expanded Access)	Implementation	NA
January 25, 2021	Ohio	Awards	2,450,000
April 1, 2021	Indiana Hoosier Care Connect ABD	Implementation	90,000
July 1, 2021	North Carolina - Phase 1 & 2	Implementation	1,500,000
January 5, 2022	Ohio	Implementation	2,450,000
Early 2022 – Mid 2022	California Two Plan Commercial - Alameda, Contra Costa, Fresno, Kern, Kings, Los Angeles, Madera, Riverside, San Bernardino, Santa Clara, San Francisco, San Joaquin, Stanislaus, and Tulare	Awards	1,640,000
Early 2022 – Mid 2022	California GMC - Sacramento, San Diego	Awards	1,091,000
Early 2022 – Mid 2022	California Imperial	Awards	75,000
Early 2022 – Mid 2022	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	Awards	286,000
Early 2022 – Mid 2022	California San Benito	Awards	7,600
January 2024	California Two Plan Commercial - Alameda, Contra Costa, Fresno, Kern, Kings, Los Angeles, Madera, Riverside, San Bernardino, Santa Clara, San Francisco, San Joaquin, Stanislaus, and Tulare	Implementation	1,640,000
January 2024	California GMC - Sacramento, San Diego	Implementation	1,091,000
January 2024	California Imperial	Implementation	75,000
January 2024	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	Implementation	286,000
January 2024	California San Benito	Implementation	7,600

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## HMA NEWS

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### New this week on HMA Information Services (HMAIS):

#### Medicaid Data

- Georgia Medicaid Management Care Enrollment is Up 19.7%, Oct-20 Data
- Illinois Dual Demo Enrollment is Up 4.2%, Sep-20 Data
- Illinois Medicaid Managed Care Enrollment is Up 16.8%, Sep-20 Data
- Iowa Medicaid Managed Care Enrollment is Up 10%, Oct-20 Data
- Louisiana Medicaid Managed Care Enrollment is Up 10.1%, Sep-20 Data
- Michigan Dual Demo Enrollment is Up 4.6%, Sep-20 Data
- Michigan Medicaid Managed Care Enrollment is Up 12.6%, Sep-20 Data
- Missouri Medicaid Managed Care Enrollment is Up 23.7%, Sep-20
- MLRs at Connecticut Medicare Advantage MCOs Average 90.7%, 2019 Data
- New Jersey Medicaid Managed Care Enrollment is Up 12.3%, Sep-20 Data
- New Mexico Medicaid Managed Care Enrollment is Up 8.5%, Sep-20 Data
- South Carolina Medicaid Managed Care Enrollment is Up 9.6%, Sep-20 Data
- Tennessee Medicaid Managed Care Enrollment is Up 5.6%, Sep-20 Data

#### Public Documents:

##### *Medicaid RFPs, RFIs, and Contracts:*

- Arizona AHCCCS Contract Amendments, 2020
- Arizona Housing Program Administration Services RFP, Oct-20
- California Dental Administrative Services Organization RFP and Contract, 2015
- North Dakota Draft Technology Dependent Medicaid HCBS 1915c Waiver, Sep-20
- North Dakota Medicaid Quality Improvement Organization (QIO) RFP, Award Notice, and Model Contract, 2020
- Oklahoma Medicaid HCBS Waiver Waiting List Management Assessment and Navigation Services RFP, Oct-20
- Washington Medicaid Integrated Managed Care (IMC) – Expanded Access RFP, Proposals, Award, and Related Documents, 2020
- West Virginia Managed Care Enrollment Broker Services RFQ and Related Documents, Oct-20

##### *Medicaid Program Reports, Data and Updates:*

- HMAIS Medicaid Managed Care Rate Certifications Inventory
- Arizona AHCCCS Behavioral Health Enrolled and Served Reports, Sep-20
- Florida Medicaid Program Rate Certification, SFY 2020-21
- Florida Statewide Medicaid Managed Care Financial Summaries, 2016-20
- Idaho MMCP & IMPlus Capitation Rate Certification, CY 2020
- Kansas Medical Assistance Reports, FY 2014-21
- Louisiana Medicaid Annual Reports, 2011-19
- Louisiana Medicaid Year-End Financial Reports, SFY 2015-20
- North Dakota Home and Community-Based Services Waivers, 2018-20
- Ohio Medicaid Waiver Comparison Charts, SFY 2021
- Utah ACO Actuarial Rate Certifications, 2015-21

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- RFP calendar

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