

HEALTH MANAGEMENT ASSOCIATES

HMA Weekly Roundup

Trends in State Health Policy

..... December 4, 2019



[RFP CALENDAR](#)

[HMA News](#)

Edited by:
Greg Nersessian, CFA
[Email](#)

Carl Mercurio
[Email](#)

Alona Nenko
[Email](#)

THIS WEEK

- [IN FOCUS: NCQA'S MEDICAID HEALTH PLAN RATINGS, 2019-20](#)
- [ARIZONA ANNOUNCES MEDICAID WHOLE PERSON CARE INITIATIVE](#)
- [FLORIDA UNVEILS FIVE-YEAR MEDICAID HOUSING ASSISTANCE PILOT](#)
- [INDIANA SEEKS EXTENSION OF HIP MEDICAID EXPANSION](#)
- [KENTUCKY ANNOUNCES MEDICAID PLAN AWARDS, LIKELY TO FACE PROTESTS](#)
- [MISSOURI CUTS LEAD TO HCBS WAITING LISTS](#)
- [OKLAHOMA HIRES HMA FOR ALTERNATIVE TO MEDICAID EXPANSION](#)
- [TENNESSEE SUBMITS MEDICAID BLOCK GRANT PROPOSAL TO CMS](#)
- [TEXAS RELEASES SCORING SHEETS FOR STAR+PLUS AWARDS](#)
- [CVS HEALTH TO ACQUIRE CENTENE ILLINICARE](#)
- [NEW THIS WEEK ON HMAIS](#)

IN FOCUS

NCQA'S MEDICAID HEALTH INSURANCE PLAN RATINGS 2019-20

This week, our *In Focus* section reviews the annual Medicaid health plan ratings released in September by the National Committee for Quality Assurance (NCQA), which rated 171 Medicaid plans. For 2019-20, NCQA used a ratings methodology that scored each health plan from 0 to 5 in 0.5 increments - a system similar to the Five-Star Quality Rating System used by the Centers for Medicare and Medicaid Services. A plan is considered top-rated if it scores a 4.5 or 5 and low-rated if it scores a 1 or 2. For 2019-20, only 15 Medicaid plans across the country were awarded a 4.5 or 5.

Below, we briefly summarize the NCQA rating methodology, highlight the highest-rated Medicaid plans, and provide an overview of how the larger multi-state Medicaid MCOs performed.

NCQA Methodology Overview

NCQA ratings are based on three types of quality measures:

1. measures of clinical quality;
2. measures of consumer satisfaction; and
3. results from NCQA's review of a health plan's health quality processes.

NCQA rates health plans that report quality information publicly. Clinical measures include prevention and treatment measures, which are a subset of the NCQA Healthcare Effectiveness Data and Information Set (HEDIS) measures.

Consumer satisfaction measures come from the HEDIS survey measurement set – Consumer Assessment of Healthcare Providers and Systems (CAHPS) 2 – a survey overseen by the Agency for Health Care Quality (AHRQ). Consumer satisfaction measures assess patient experience with care, including their experiences with doctors, services and customer service.

Prevention measures assess the proportion of eligible members who received preventive services like prenatal and postpartum care, immunizations and cancer screenings.

Treatment measures assess the proportion of eligible members who received the recommended care for conditions like diabetes, heart disease and mental illness.

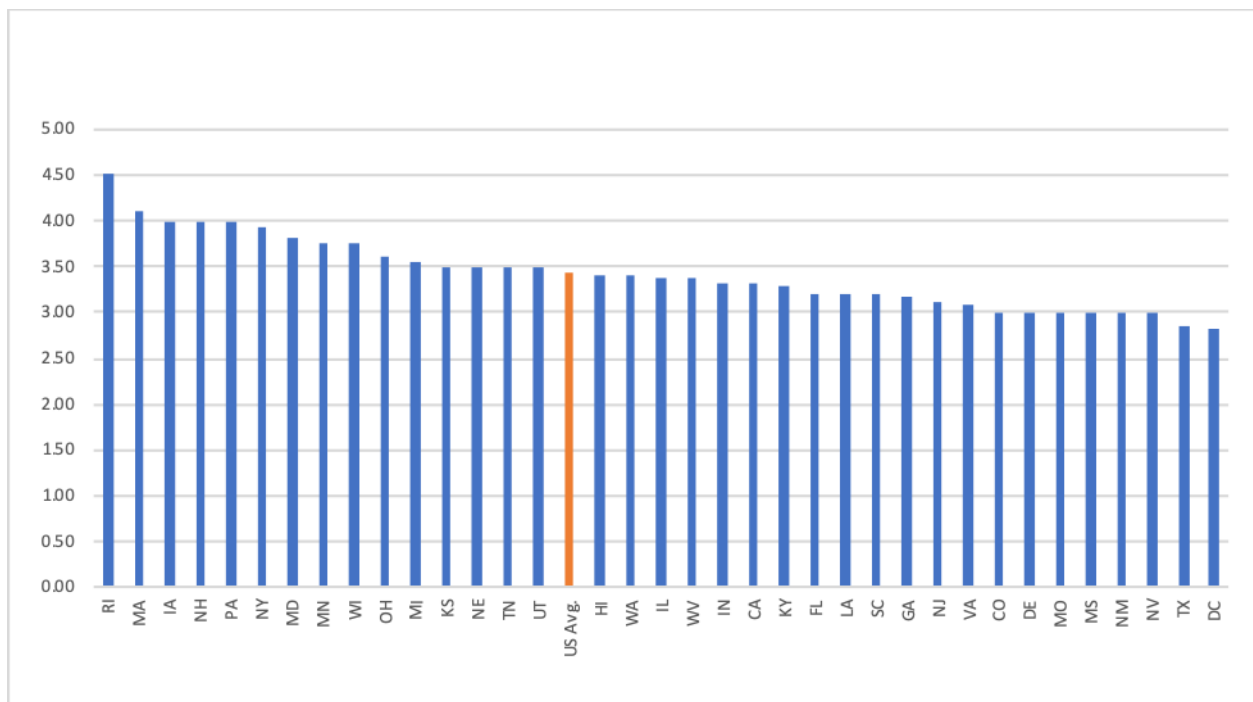
A detailed methodology document for the 2019-20 ratings is available [here](#).

Highest-Rated Medicaid MCOs for 2019-20

The highest-rated Medicaid MCOs for 2019-20 were Jai Medical Systems MCO and Kaiser Foundation Health Plan of the Mid-Atlantic States, both with a five rating. AmeriHealth Caritas' Pennsylvania plan, Centene's New Hampshire Healthy Families and UnitedHealthcare RIte Care in Rhode Island were among those receiving a rating of 4.5. Aetna, Anthem, and WellCare all have at least one plan receiving a rating of four.

2019/20 Rating	Plan Name	State	NCQA Accreditation	Consumer Satisfaction	Prevention	Treatment
5	Jai Medical Systems Managed Care Organization	MD	Yes	4.5	4.5	4
5	Kaiser Foundation Health Plan of the Mid-Atlantic States	MD	Yes	3	5	4.5
4.5	Allways Health Partners	MA	Yes	4.5	4.5	4
4.5	Capital District Physicians' Health Plan	NY	Yes	3.5	4	4
4.5	Excellus Health Plan dba Excellus BlueCross BlueShield	NY	Yes	4	4	4
4.5	Excellus Health Plan, dba Univera Healthcare	NY	Yes	4	4	4
4.5	Fallon Community Health Plan	MA	Yes	3.5	4	4
4.5	Granite State Health Plan dba NH Healthy Families	NH	Yes	3.5	3	4
4.5	Health Partners Plans	PA	Yes	3	4.5	3.5
4.5	Kaiser Foundation Health Plan - Hawaii	HI	Yes	3	4.5	4
4.5	Neighborhood Health Plan of Rhode Island	RI	Yes	3.5	4.5	4
4.5	Tufts Health Public Plans	MA	Yes	3.5	4.5	4.5
4.5	UnitedHealthcare of New England dba UnitedHealthcare Community Plan	RI	Yes	3.5	4	4
4.5	Upper Peninsula Health Plan	MI	Yes	4	3.5	4
4.5	Vista Health Plan dba AmeriHealth Caritas Pennsylvania	PA	Yes	4.5	3.5	4

Rhode Island, Massachusetts, Iowa, New Hampshire and Pennsylvania are the top five states in terms of average Medicaid MCO rating. New York, Maryland, Minnesota, Wisconsin, Ohio, Michigan, Kansas, Nebraska, Tennessee and Utah were also above average. District of Columbia, Texas, Nevada, New Mexico and Mississippi make up the bottom five.



Overview of Larger and Multi-State Plan Ratings

Overall, most multi-state managed care organizations had Medicaid plan ratings that were slightly under the national average in 2019-20. AmeriHealth Caritas and Anthem had above average ratings. The table below shows the average rating by MCO, excluding plans without a rating for 2019-20.

MCO	Number of Plans Rated	Average 2019/2020 Rating
Aetna	9	3.22
AmeriHealth Caritas	7	3.57
Anthem	15	3.43
Centene	16	3.28
Humana	2	3.25
Molina	10	3.40
UnitedHealthcare	23	3.39
WellCare	11	3.23
<i>All Other Rated Plans</i>	78	3.49
Total (All Rated Plans)	171	3.42

Full rankings available at: <http://healthinsuranceratings.ncqa.org/>



HMA MEDICAID ROUNDUP

Arizona

Arizona Announces Medicaid Whole Person Care Initiative. On November 22, 2019, the Arizona Health Care Cost Containment System (AHCCCS) announced that it is launching a Whole Person Care Initiative (WPCI) to explore technology that will facilitate screening for social risk factors and referral of members to community resources. The focus will include transitional housing, non-medical transportation and peer support programs. The agency will partner in the initiative with the state's Health Information Exchange, Health Current, and invites collaboration with its contracted managed care organizations, community-based organizations, tribal partners, providers, and other external stakeholders to craft the initiative. [Read More](#)

California

California Lawmakers Urge Congress Not to Cut DSH Payments. *The Sacramento Bee* reported on November 21, 2019, that a bipartisan coalition of 47 California lawmakers urged the U.S House to forego \$4 billion in Medicaid disproportionate-share (DSH) cuts scheduled for fiscal 2020 and another \$8 billion through fiscal 2025. In a letter to House Speaker Nancy Pelosi (D-CA) and House Minority Leader Kevin McCarthy (R-CA), the coalition states that DSH payments are an "essential funding source helping safety-net hospitals serve the uninsured and underinsured." California hospitals could lose as much as \$500 million in fiscal 2020 and another \$950 million through fiscal 2025. [Read More](#)

California Projects \$7 Billion Budget Surplus In Part from MCO Tax. *The Washington Post/The Associated Press* reported on November 20, 2019, that California has forecast a \$7 billion budget surplus by the end of next year, with \$2 billion hinging on whether the Trump administration allows the state to continue a tax on Medicaid managed care plans. Governor Gavin Newsom and the state legislature need to agree on an operating budget by June 15, 2020. [Read More](#)

Colorado

Colorado Hospitals Executives Say Onerous Rules, Outdated Process are Impacting Medicaid Patients. *The Colorado Sun* reported on November 22, 2019, that executives of Colorado's five largest hospital systems accused Governor Jared Polis and his administration of hurting Medicaid patients through cumbersome pre-approval processes, antiquated records-management practices, care delays, and denials. The letter, signed by executives of Centura, UCHHealth, HealthONE, SCL Health, and Banner Health, also said the state is making it more difficult for members to stay in the program. [Read More](#)

Florida

Florida Unveils Five-Year Medicaid Housing Assistance Pilot. *The Orlando Sentinel* reported on November 20, 2019, that Florida unveiled a five-year pilot to cover wrap-around services like counseling, transitional housing services, tenancy sustaining services, and mobile crisis management for up to 4,000 homeless Medicaid members suffering from mental illness or addiction. The program begins December 1 in Osceola, Seminole, Brevard, Pinellas and Pasco counties in partnership with community providers and select Medicaid managed care plans, including Aetna, Magellan, Simply, and Staywell. [Read More](#)

Idaho

BYU-Idaho Reverses Policy that Disqualified Medicaid Enrollment from Meeting School's Health Coverage Requirement. *Post Register* reported on November 25, 2019, that Brigham Young University-Idaho (BYU-ID) will again accept student enrollment in Medicaid to meet the school's health insurance coverage requirement. BYU-ID reversed course after announcing earlier this month that students on Medicaid would have to sign up for other insurance or enroll in a BYU-ID-backed health plan administered by Deseret Mutual Benefit Administrators. [Read More](#)

Idaho Medicaid Expansion Reaches 42,000 in First 3 Weeks. *Idaho State Journal/The Associated Press* reported on November 23, 2019, that the Idaho Medicaid expansion program has enrolled about 42,000 individuals in the first three weeks of open enrollment. An estimated 91,000 are eligible for the program, which is effective on January 1, 2020. Enrollment in the voter-authorized program continues even as the state awaits federal approval of various waivers that would add restrictions. [Read More](#)

Idaho Issues Value-Based Purchasing RFI. On November 22, 2019, the Idaho Department of Health and Welfare announced a Value-Based Purchasing (VBP) Request for Information (RFI) in order to identify organizations interested in participating in new or existing VBP models within Idaho Medicaid. Responses are due January 3, 2020. [Read More](#)

Illinois

Cook County Health Board Votes to Remove CEO. *Crain's Chicago Business* reported on November 22, 2019, that the Cook County Health & Hospitals System board voted unanimously to remove John Jay Shannon, M.D., as chief executive of Cook County Health, effective at year-end. Debra Carey, deputy chief executive of operations, will serve as interim chief executive until a replacement is found. [Read More](#)

Indiana

Indiana Seeks 10-Year Extension of HIP Alternative Medicaid Expansion Program. *U.S. News* reported on December 3, 2019, that Indiana is seeking federal approval to continue the Healthy Indiana Plan (HIP) alternative Medicaid expansion program for another 10 years beginning January 1, 2021. The state also wants to continue the Substance Use Disorder and Serious Mental Illness components of HIP for five years through 2025. [Read More](#)

Kentucky

Medicaid Managed Care Awards to Face Protests from Anthem, Passport. *Healthcare Dive* reported on December 3, 2019, that Anthem and Passport Health Plan will file formal protests after failing to win contracts in Kentucky's recently announced Medicaid managed care contract awards. Barring any changes, incumbents Aetna, Humana and WellCare will be joined by Molina and UnitedHealthcare to provide coverage to approximately 1.3 million Medicaid beneficiaries starting July 1, 2020. The contract is worth about \$7 billion a year. [Read More](#)

Kentucky Announces Medicaid Managed Care, Foster Care Awards. On November 26, 2019, the Kentucky Cabinet for Health and Family Services announced that it has awarded statewide Medicaid managed care contracts to Aetna, Humana, Molina, UnitedHealthcare, and WellCare, with total membership of approximately 1.3 million. WellCare was also awarded the state's managed foster care contract. Contracts are effective July 1, 2020, through December 31, 2025, and may be renewed for five additional two-year periods. Molina and UnitedHealthcare are new entries, while Aetna, Humana and WellCare were incumbents. Incumbent plans that didn't win a new contract were Passport Health Plan and Anthem. [Read More](#)

Louisiana

Louisiana Enables Medicaid Enrollment Via App. *Governing* reported on November 28, 2019, that the Louisiana Department of Health has enabled Medicaid enrollment via an app developed in conjunction with the state's contracted enrollment broker Maximus. The Healthy Louisiana app, which is on Apple and Android, also allows Medicaid beneficiaries to compare health plans and find in-network providers. Digital enrollment accounted for 30 percent of the state's Medicaid health plan enrollment in the past year. [Read More](#)

Louisiana Drops 46,000 from Medicaid for Failing to Respond to Renewal Notices. *The Advocate* reported on November 25, 2019, that Louisiana dropped more than 46,000 individuals from Medicaid for failing to respond to annual renewal notices. The removals, which are part of the state's reinstated auto-disenrollment process, came after individuals failed to respond with additional information proving eligibility. [Read More](#)

Massachusetts

Massachusetts Partners HealthCare Changes Name to Mass General Brigham. *The Boston Globe* reported on November 27, 2019, that Massachusetts-based health system Partners HealthCare has changed its name to Mass General Brigham. [Read More](#)

Michigan

Lawmakers Reject Calls to Delay Implementation of Medicaid Work Requirements. *MLive* reported on December 3, 2019, that lawmakers in the Republican-controlled Michigan legislature have rejected calls from Governor Gretchen Whitmer to delay the implementation of Medicaid work requirements, which are scheduled to take effect January 1, 2020. The program will require most beneficiaries aged 19 to 61 to report 80 hours of work per month. [Read More](#)

Michigan May Delay Implementation of Medicaid Work Requirements. *The Hill* reported on December 2, 2019, that Michigan Governor Gretchen Whitmer is calling on the Republican-controlled legislature to delay the implementation of Medicaid work requirements, which are scheduled to take effect January 1. The state is facing a lawsuit attempting to block the requirements, which could impact more than 270,000 of 670,000 Medicaid beneficiaries. [Read More](#)

Michigan Medicaid Recipients File Lawsuit Challenging Work Requirements. *AP News* reported on November 22, 2019, that the Trump administration has been hit with a federal class action lawsuit challenging the imposition of Medicaid work requirements in Michigan's Medicaid expansion program. The lawsuit, which was filed in U.S. District Court in Washington on behalf of four Medicaid enrollees, argues that work requirements undermine the Affordable Care Act. Work requirements, which are scheduled to take effect January, could impact more than 270,000 of 670,000 participants covered by the state's Medicaid expansion. [Read More](#)

Michigan Approves Total Health Care, Priority Health Merger. *HealthLeaders Media* reported on November 21, 2019, that the Michigan Department of Insurance and Financial Services (DIFS) approved the merger of Total Health Care and Priority Health. As part of the deal, the two Michigan-based health plans will establish a \$25 million foundation to improve health outcomes in Detroit. The deal is expected to be completed by the end of 2019. [Read More](#)

Missouri

Missouri Cuts Lead to HCBS Waiting Lists for Individuals with Disabilities. *The St. Louis Post-Dispatch* reported on November 22, 2019, that 86 individuals with developmental disabilities have been placed on a waiting list for Missouri's home and community-based waiver program following funding cuts. The Missouri Department of Mental Health has asked for funding to eliminate the waiting lists in fiscal 2021, which starts July 1. [Read More](#)

New Hampshire

New Hampshire to Apply for Medicaid IMD Exclusion Waiver. *NHPR* reported on November 26, 2019, that New Hampshire is planning to apply for an Institutions for Mental Diseases (IMD) exclusion waiver, which would allow the state to use Medicaid funds for inpatient mental health care in facilities with more than 16 beds. The state Department of Health and Human Services is expected to release the waiver proposal for public comment soon. The Trump administration announced this month it would consider IMD exclusion waivers. [Read More](#)

New Jersey

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

Legislation Would Change Health Plan's Corporate Status. *ROI* reported on November 26, 2019, that a bill was introduced to the New Jersey Assembly that would convert Horizon Blue Cross and Blue Shield of New Jersey from a not-for-profit health services corporation to a not-for-profit mutual. This change would ease current restrictions on investments in new technologies, which have become essential to keep pace with health care market developments. Horizon officials believe this change will increase their flexibility to invest in consumer-friendly technologies, new models of care and collaborations to address social determinants of health, the use of web and mobile-based tools to achieve cost efficiencies, and on-demand services for members managing critical health needs. [Read More](#)

New York

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

New York Facing Budget Gap Driven By Medicaid Spending. New York released its Fiscal Year (FY) 2020 Mid-Year Financial Plan Update last week, indicating that the state is facing a \$6 billion shortfall for the coming year. That is up from an estimate of \$4 billion that was projected in July. The out-year projections show gaps of \$7.5 billion for FY 2022 and \$8.5 billion for FY 2023. As described by *State of Politics*, the budget gap is fueled largely by a gap in Medicaid spending. The governor's budget office points to three issues: the increase in the minimum wage, Medicaid enrollment growth, and a decline in federal funding. The state has not yet outlined its strategy for reducing Medicaid spending beyond a decision to defer \$2.2 billion in Medicaid payment into next year's budget. The governor will provide details about an additional \$1.8 billion in savings in his FY 2021 budget address, and may

include “across the board reductions in rates paid to providers and health plans, reductions in discretionary payments, and other actions that can be executed administratively in the current fiscal year.” [Read More](#)

New York Submits Delivery System Reform Incentive Payment Program Extension, Renewal Request. The New York State Department of Health submitted an 1115 Medicaid waiver amendment request to the Centers for Medicare and Medicaid Services (CMS) that builds on the current Delivery System Reform Incentive Payment Program (DSRIP). The amendment request includes both a one-year extension of the current waiver program and a subsequent three-year renewal. The request seeks both unused funding from the original waiver to continue supporting the current program and additional federal funding to support a new health care transformation framework, totaling \$8 billion over a four-year period. In response to public comment, the state made some changes to its earlier draft. The state proposes establishing Value Management Organizations, which would allow the current DSRIP Performing Provider Systems (PPS) to better integrate with both managed care plans and community-based organizations in furtherance of value-based arrangements. According to the request, the proposal will “build upon prior efforts in a targeted way and align with federal goals to enhance the collective payment and delivery models.” The state seeks to make the current PPSs more robust by adding both managed care plans and community-based organizations that address social determinants of health. The proposal describes Social Determinants of Health Networks coming together on a regional basis to develop and scale comprehensive interventions in alignment with the population health agenda of the Value Management Organizations, convening CBOs, coordinating CBO activities, and providing infrastructure necessary for value-based payment arrangements. New York’s DSRIP program ends on March 31, 2020; its current Medicaid waiver runs through March 31, 2021. The waiver renewal and extension requests submitted to CMS can be found [here](#).

New York Governor Vetoes Expanded Medicaid Coverage for Mental Health Professionals. *Crain’s HealthPulse* reported on November 22, 2019, that New York Governor Andrew Cuomo vetoed two bills that would have expanded Medicaid coverage to allow licensed clinical social workers and licensed mental health practitioners to directly bill Medicaid for their services. The bills, which were approved by both houses of the legislature in June, aimed to improve access to mental health treatment. [Read More](#)

New York Delays Foster Care Carve-in. New York State has delayed the managed care carve-in for Voluntary Foster Care Agency (VFCA) services and the foster care population from February 1, 2020 to July 1, 2020. The adjusted timeline is intended to provide ample time for the completion of transition activities, including contracting and relationship-building between Managed Care Plans and VFCA providers, to ensure a smooth and effective transition. [Read More](#)

Issue Briefs Describe New York Mental Health Self-Directed Care Pilot. The Human Service Research Institute has published two issue briefs describing New York's mental health self-directed care pilot program. The two briefs describe early findings from an evaluation of New York's Self-Directed Care pilot, operated through the state's Office of Mental Health. The first brief describes the implementation of the program, which began in 2017 and is being piloted as part of the State's Medicaid 1115 Waiver Demonstration; the second brief covers preliminary findings from the outcomes evaluation, which examined participant-reported quality of life outcomes before and after self-direction. Currently, 219 individuals are enrolled in the pilot, which operates in two sites. Individuals enrolled in the pilot demonstrated significant improvement in several quality of life domains, including involvement in work, participation in community activities, independence, and self-esteem. The pilot is scheduled to run through 2020, at which time, should the pilot be found successful, the state intends to transition the program into its Medicaid program. [Read More](#)

Medicaid 1115 Waiver Public Comments Posted. The New York State Department of Health held two public comment days for New York's 1115 Waiver programs in October. Public comment was specifically directed at New York's draft Medicaid Redesign Team Waiver Extension and Renewal Request. Public comments that were submitted in writing have been posted on the Health Department web site. [Read More](#)

New York Medicaid Spending Drives State Budget Gap. *Bloomberg* reported on November 22, 2019, that increased Medicaid spending in New York is driving an increase in the state budget gap, which is expected to rise nearly 60 percent to about \$6.1 billion next fiscal year. Key components of the increase include higher minimum wages for providers, growing enrollment and costs in managed long-term care, and greater payments to hospitals. Governor Andrew Cuomo is expected to outline potential savings in his executive budget due in January 2020. [Read More](#)

Ohio

Ohio Pharmacies Await New Medicaid Network Contracts, Express Concerns Over Reimbursements. *The Columbus Dispatch* reported on December 1, 2019, that local and small-chain pharmacies in Ohio have yet to receive new Medicaid network contracts for 2020, raising concerns about the adequacy of payments under the state's revamped drug pricing model. A state study suggested that reimbursements have improved somewhat, but Ohio Medicaid officials acknowledged uncertainty over whether the rates are adequate. [Read More](#)

Lawmakers Hear Testimony on Medicaid Drug Costs from PBM Critic. *The Columbus Dispatch* reported on November 21, 2019, that a critic of the pharmacy benefit management (PBM) industry testified before the Ohio legislature's Joint Medicaid Oversight Commission. Consultant Linda Cahn told lawmakers that PBMs are finding loopholes that enable them to increase profits rather than control costs, despite the state's switch to a pass-through pricing model earlier this year. [Read More](#)

Ohio MCO May Exit State Medicaid Market Following Losses. *Modern Healthcare* reported on November 21, 2019, that ProMedica subsidiary Paramount may exit the Ohio Medicaid market after reporting an operating loss of \$102.8 million through nine months of 2019, according to chief financial officer Steve Cavanaugh. Cavanaugh said the company would either partially or completely exit the business unless it received “adequate” payment rates from the state. Paramount, which has 237,000 Ohio Medicaid members, has stopped enrolling new Medicaid expansion beneficiaries. [Read More](#)

Oklahoma

Oklahoma Hires HMA to Develop Alternative to Medicaid Expansion. *U.S. News & World Report/The Associated Press* reported on November 23, 2019, that the Oklahoma Health Care Authority has contracted with Health Management Associates (HMA) to develop an alternative to Medicaid expansion. The contract is worth up to \$1.49 million. [Read More](#)

Pennsylvania

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

Pennsylvania House Passes Bill for More PBM Transparency. *Pocono Record* reported on November 21, 2019, that the Pennsylvania House passed a bipartisan bill intended to increase transparency into pharmacy benefit managers’ (PBMs) practices that set prescription drug reimbursement rates. Legislators and Pennsylvania Auditor General Eugene DePasquale have expressed concern that current PBM practices are squeezing out independent pharmacies that cannot survive on reduced reimbursements. In February, DePasquale released a report on drug rebates and called for state and federal action to reform the prescription drug rebate system. The House bill now goes to the state Senate for consideration. [Read More](#)

Pennsylvania Selects Vendor to Create State-Based Exchange Platform. *Fierce Healthcare* reported on November 26, 2019, that the Pennsylvania Health Insurance Exchange Authority (Exchange Authority) announced a partnership with GetInsured, a health insurance marketplace platform provider, to run the state-run health insurance exchange, set to launch in 2021. The Exchange Authority Board of Directors approved the seven-year contract with GetInsured, which was awarded through a competitive procurement process. State officials said the authority will pay GetInsured \$23.9 million to set up the system and then between \$24.9 million and \$29.5 million to operate it for the first six years, starting in 2021. The state currently pays \$90 million to use the federal site, Healthcare.gov; the new contract is expected to save the state more than \$350 million over six years. [Read More](#)

Medicaid Housing Support Creates Positive Effects for Recipients, Study Shows. On November 21, 2019, Pennsylvania's Department of Human Services (DHS) released results of a study on the impact of supportive housing programs on long-term health and health care spending among Medicaid recipients experiencing homelessness. The study found that people who experienced homelessness saw improving health outcomes and decreased Medicaid utilization and spending after receiving permanent supportive housing services. Among the population studied, 90 percent had a minimum of two chronic health conditions, and 43 percent had seven or more. After introducing permanent supportive housing services, spending stabilized and declined. The study also found that by the third year after beginning permanent supportive housing, total Medicaid spending fell by an average of \$162 per person, or 13 percent, each month. [Read More](#)

Tennessee

Tennessee Medicaid Block Grant Proposal Is Opened for Final Public Comment Period. *The Tennessean* reported on November 29, 2019, that the Centers for Medicare & Medicaid Services (CMS) has opened a public comment period for Tennessee's Medicaid block grant proposal, which state officials submitted to federal regulators in November. The comment period will be open until December 27, 2019, followed by an expected six months of negotiations between the state and federal regulators. Any agreement would have to be approved by the state legislature. [Read More](#)

Tennessee Submits Medicaid Block Grant Proposal for Federal Approval. *The Hill* reported on November 20, 2019, that Tennessee has submitted a Medicaid block grant proposal to federal regulators for approval. No state has been approved for a Medicaid block grant, and the Centers for Medicare & Medicaid Services (CMS) recently withdrew proposed guidance concerning block grants and per capita caps. [Read More](#)

Texas

Texas Files Lawsuit to Avoid Having to Return \$25 Million in Supplemental Medicaid Payments. *Modern Healthcare* reported on December 3, 2019, that the Texas Health and Human Services Commission has filed a federal lawsuit to avoid having to pay back more than \$25 million in supplemental Medicaid payments. The complaint names the U.S. Department of Health & Human Services, arguing that the agency exceeded its authority in concluding the state made improper uncompensated care payments to private hospitals. [Read More](#)

Texas Releases Scoring Sheets for STAR+PLUS Contract Awards. On November 26, 2019, the Texas Health and Human Services Commission released scoring evaluation documents for its recently announced STAR+PLUS contract awards. Rankings were awarded to the following Medicaid managed care plans by service area.

- Bexar: 1. Centene/Superior, 2. UnitedHealthcare, 3. Anthem/Amerigroup, 4. Aetna, 5. Molina
- Central TX: 1. Centene/Superior, 2. UnitedHealthcare, 3. Molina, 4. Anthem/Amerigroup, 5. Blue Cross Blue Shield
- Dallas: 1. Centene/Superior, 2. UnitedHealthcare, 3. Anthem/Amerigroup, 4. Aetna, 5. Molina
- El Paso: 1. Centene/Superior, 2. UnitedHealthcare, 3. Anthem/Amerigroup, 4. Molina
- Harris: 1. Centene/Superior, 2. UnitedHealthcare, 3. Anthem/Amerigroup, 4. Aetna
- Hidalgo: 1. Centene/Superior, 2. UnitedHealthcare, 3. Aetna, 4. Molina
- Jefferson: 1. UnitedHealthcare, 2. Anthem/Amerigroup, 3. Aetna, 4. Molina
- Lubbock: 1. Centene/Superior, 2. UnitedHealthcare, 3. Anthem/Amerigroup, 4. Molina
- North East TX: 1. Centene/Superior, 2. UnitedHealthcare, 3. Molina, 4. Anthem/Amerigroup, 5. Aetna
- Nueces: 1. Centene/Superior, 2. UnitedHealthcare, 3. Molina, 4. Humana
- Tarrant: 1. Centene/Superior, 2. UnitedHealthcare, 3. Anthem/Amerigroup, 4. Aetna, 5. Molina
- Travis: 1. Centene/Superior, 2. UnitedHealthcare, 3. Anthem/Amerigroup, 4. Molina
- West TX: 1. Centene/Superior, 2. UnitedHealthcare, 3. Molina, 4. Anthem/Amerigroup

Contracts are set to begin on September 1, 2020, and will run for three years with possible extension periods not to exceed a total of eight years. The STAR+PLUS programs integrates acute care with long-term services and supports (LTSS) for the aged, blind, or disabled (ABD) population. Current incumbent plans are Anthem, Cigna, Centene, Molina, and UnitedHealthcare, serving approximately 525,000 individuals. [Read More](#)

Texas HHS Appoints Michelle Alletto Chief Program, Services Officer. The Texas Health and Human Services Commission (HHS) announced on November 22, 2019, the appointment of Michelle Alletto as chief program and services officer, effective January 20, 2020. Alletto was previously deputy secretary for the Louisiana Department of Health. [Read More](#)

Vermont

Vermont to Submit Drug Importation Proposal for Federal Approval. *Modern Healthcare* reported on November 26, 2019, that Vermont is expected to submit a prescription drug importation proposal for federal approval next week. Florida was the first state to submit a drug importation proposal. Other states that have passed drug importation laws include Colorado and Maine. [Read More](#)

Washington

Washington Nursing Homes File for Chapter 11 Bankruptcy. *The Kitsap Sun* reported on November 29, 2019, that Washington-based nursing homes Forest Ridge Health and Bremerton Health, run by Cornerstone Healthcare Services, filed for Chapter 11 bankruptcy on November 24, 2019, citing \$30 million in debt and a default notice from lender MidCap Financial Trust. Cornerstone chief executive Will Masterson said both nursing facilities will stay open and provide services during the reorganization period. [Read More](#)

National

Federal Judge Issues Temporary Injunction Blocking Requirement that Visa Applicants Show Proof of Health Insurance. *AP News* reported on November 27, 2019, that U.S. District Court Judge Michael Simon granted a temporary injunction blocking a Trump administration rule that would require immigrants seeking visas from abroad to show proof of individual or employer-sponsored health insurance. Medicaid or government-sponsored Exchange coverage wouldn't count. The injunction applies until a lawsuit opposing the rule makes its way through the courts. [Read More](#)

States Win Federal Approval to Bill Medicaid for Health Care Provided in Schools. *PEW* reported on November 27, 2019, that Florida, Kentucky, Louisiana, Massachusetts, Michigan, Nevada and North Carolina have received approval from the Centers for Medicare & Medicaid Services (CMS) to bill Medicaid for health care services provided in schools, including management of chronic conditions such as asthma, diabetes and food allergies; mental health and addiction treatment; and dental, vision, hearing, and speech services. California and Georgia are awaiting approvals, and Colorado and Oregon are expected to apply. CMS has allowed schools to bill Medicaid since 2014, but only recently have states begun applying. [Read More](#)

CMS Issues RFA for Primary Care Payment Model. *Modern Healthcare* reported on November 25, 2019, that the Centers for Medicare & Medicaid Services (CMS) is soliciting applications for its two-track, voluntary Primary Care Payment Model, which allows small Medicare primary care providers to shift from fee-for-service to full or partial risk starting Spring 2020. Applications are due February 24, 2020. CMS is considering a third option for the Primary Care First model, which would allow larger providers to accept full risk for the total cost of care. [Read More](#)

Buttigieg Releases Medicare, Long-Term Care Proposal. *Yahoo Finance* reported on November 25, 2019, that Mayor Pete Buttigieg (D-IN) released a Medicare proposal that would preserve Medicare Advantage plans and add a long-term care program for individuals over age 65. The program would give \$90 per day to retirees who need help with at least two daily activities to help pay for home health aides or nursing home care. [Read more](#)

Trump Administration to Release Prescription Drug Importation Plan. *The New York Times/Reuters* reported on November 22, 2019, that President Trump will soon release a prescription drug importation plan, according to his Twitter feed. Trump said earlier this month his administration would work with Florida Governor Ron DeSantis to develop the plan. [Read More](#)

Lawmakers Seek Answers Concerning Drop in ACA Exchange Enrollment. *The Hill* reported on November 21, 2019, that a group of six Congressional Democrats wrote the Trump administration seeking an explanation for the decline in Affordable Care Act sign-ups of 100,000 on the first day of open enrollment. The letter, signed by Democratic chairmen and ranking members of House and Senate health committees, pointed to technical glitches on the Healthcare.gov website and a shortened open enrollment period. The lawmakers also sought assurances that the problems have been resolved for the rest of the open enrollment period, which ends December 15. [Read More](#)

HHS is Hit With Lawsuit Over Medicare Rate Cuts. *Modern Healthcare* reported on November 21, 2019, that the U.S. Department of Health and Human Services (HHS) was hit with a lawsuit from more than 600 hospitals after cutting Medicare inpatient hospital reimbursement rates by 0.7 percent in 2018 and 2019. According to the lawsuit, the cuts were made without Congressional authorization. Congress did approve rate cuts for 2014 through 2017. [Read More](#)

Medicaid IAP Hosting Reducing Substance Use Disorder Informational Webinar for New TA Opportunities. The Medicaid Innovation Accelerator Program (IAP) Reducing Substance Use Disorders (SUD) program area is launching two new technical assistance opportunities for Medicaid agencies. All interested states are encouraged to attend an information session on Tuesday, December 17, 2019 from 2:00 pm to 3:00 pm EST. During the information session, states will learn about the two technical assistance opportunities and state selection process and will have an opportunity to ask questions. These collaborative learning opportunities are:

- Medication-Assisted Treatment (MAT): Participating states will focus on methods to improve and expand MAT delivery services.
- SUD Data Dashboards: Participating states will design and/or update SUD data dashboards for internal and/or external audiences.

These opportunities are open to states at all levels of expertise and experience. Additional information, including the Program Overview, Expression of Interest form, and webinar slides will be posted on the IAP webpage on the day of the webinar. *HMA is one of several organizations working as a subcontractor under a Center for Medicaid and CHIP Services (CMCS) contract with Truven Health Analytics, an IBM company, to provide support to CMCS on the Medicaid Innovation Accelerator Program (IAP). HMA is providing CMCS with subject matter expert assistance for the Reducing Substance Use Disorder (SUD) and Improving Care for Medicaid Beneficiaries with Complex Care Needs and High Costs (BCN) program areas through webinars, technical support assistance to participating states, resource papers, and bi-weekly program updates.* To participate in this webinar, [register here](#).

Medicaid IAP Releases State Medicaid-Housing Agency Partnerships Toolkit. The Medicaid Innovation Accelerator Program (IAP) State Medicaid-Housing Agency Partnerships Toolkit is designed to assist states as they consider systems-level changes that further community integration, including the intersection between health care and housing. This toolkit is based on the tools used to provide program support to 16 states that participated in the IAP State Medicaid-Housing Agency Partnerships Tracks between 2016 and 2018.

The toolkit contains the following resources and instructions for states' use:

- The driver diagram articulates the high-level plan for systems change.
- The housing-related services crosswalk maps out programmatic and funding information for currently-available housing-related services.
- The housing assessment maps out programmatic and funding information for currently available affordable housing resources and helps identify opportunities to improve capacity.
- The gap analysis prompts discussion to help state teams determine what is needed to reach the state's goals related to housing and community integration.
- The action plan sets forth the goals, objectives, deliverables, and action steps in the state's effort around systems change.
- The glossary defines key terms in housing and Medicaid to help partners understand each other's language.

HMA is one of several organizations working as a subcontractor under a Center for Medicaid and CHIP Services (CMCS) contract with Truven Health Analytics, an IBM company, to provide support to CMCS on the Medicaid IAP. HMA is providing CMCS with subject matter expert assistance for the Reducing Substance Use Disorder (SUD) and Improving Care for Medicaid Beneficiaries with Complex Care Needs and High Costs (BCN) program areas through webinars, technical support assistance to participating states, resource papers, and bi-weekly program updates. [Read More](#)



INDUSTRY NEWS

CareFinders Acquires At Home Quality Care, Philadelphia Home Care.

Home healthcare provider CareFinders announced on December 3, 2019, its expansion into Pennsylvania through the acquisition of home care providers At Home Quality Care and Philadelphia Home Care, Inc. CareFinders is the largest home care provider in New Jersey and also has operations in Connecticut. [Read More](#)

Ensign Group Acquires Skilled Nursing Facilities in Arizona, Texas. The Ensign Group, Inc. announced on December 3, 2019, that it has acquired the real estate and operations of Mission Palms Post Acute, a skilled nursing facility in Mesa, Arizona. Separately, Ensign also announced that it had acquired the operations of four skilled nursing facilities in Dallas, TX. The Texas facilities include Crestwood Health and Rehabilitation Center, Beacon Harbor Healthcare and Rehabilitation, Rowlett Health and Rehabilitation Center, and Pleasant Manor Healthcare and Rehabilitation. The acquisitions bring Ensign's portfolio to 223 skilled nursing facilities. [Read More](#)

Providence Service Corporation, LogistiCare Name CEO. The Providence Service Corporation and its non-emergency medical transportation subsidiary LogistiCare Solutions announced on December 2, 2019, the appointment of Daniel Greenleaf as chief executive, effective December 11, 2019. Greenleaf, who was previously chief executive of BioScrip, replaces Carter Pate, who has been serving as interim chief executive. [Read More](#)

CVS Health to Acquire Centene Illinois Medicaid, Medicare Plan Business. Centene announced on December 2, 2019, a definitive agreement to sell Illinois-based IlliniCare Health Plan to CVS Health, including Medicaid managed care and Medicare Advantage lines of business. Centene will retain the IlliniCare Medicare-Medicaid Alignment Initiative and YouthCare foster care business. The deal is subject to regulatory approvals. Financial terms were not disclosed. [Read More](#)

Seaside Healthcare Acquires Strategic Interventions, Inc. Seaside Healthcare announced on November 21, 2019, the acquisition of North Carolina-based mental health services provider Strategic Interventions, Inc., effective November 1. The deal expands Seaside's behavioral health presence in North Carolina. Seaside also operates in Louisiana, Georgia, and Texas. [Read More](#)

Growth in Hospital Uncompensated Care, Unreimbursed Costs Slow.

Modern Healthcare reported on November 21, 2019, that growth in uncompensated care and unreimbursed costs at hospitals and health systems slowed to about 3 percent annually from 2016 to 2018, after rising about 8 percent from 2015 to 2016, according to data from Definitive Healthcare. The figures include uncompensated care, unpaid bills, and unreimbursed costs from Medicaid and the Children's Health Insurance Program. High-deductible health plans and co-insurance played a role, according to hospital executives. [Read More](#)

RFP CALENDAR

Date	State/Program	Event	Beneficiaries
2019	Washington DC	RFP Release	276,000
December 2019	Massachusetts One Care (Duals Demo)	Awards	150,000
December 2019	Texas STAR and CHIP	Awards	3,400,000
December 17, 2019	Pennsylvania HealthChoices Physical Health	Proposals Due	2,260,000
2020	California Two Plan Commercial - Alameda, Contra Costa, Fresno, Kings, Madera, San Francisco, Santa Clara	RFP Release	315,000
2020	California Two Plan Commercial - Los Angeles	RFP Release	960,000
2020	California Two Plan Commercial - Riverside, San Bernardino	RFP Release	148,000
2020	California Two Plan Commercial - Kern, San Joaquin, Stanislaus, Tulare	RFP Release	265,500
2020	California GMC - Sacramento	RFP Release	430,000
2020	California GMC - San Diego	RFP Release	700,000
2020	California Imperial	RFP Release	76,000
2020	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	RFP Release	295,000
2020	California San Benito	RFP Release	8,000
January - March 2020	Ohio	RFP Release	2,360,000
Spring 2020	Washington DC	Awards	276,000
January 1, 2020	Louisiana - Protests May Delay Implementation Date	Implementation	1,500,000
January 1, 2020	Wisconsin MLTC Family Care and Family Care Partnership Select Service Areas in GSR 9, 10, and 13	Implementation	
January 1, 2020	Pennsylvania MLTSS/Duals	Implementation (Remaining Zones)	175,000
January 1, 2020	Washington Integrated Managed Care - Great Rivers (Cowlitz, Grays Harbor, Lewis, Pacific, and Wahkiakum Counties); Salish (Clallam, Jefferson, and Kitsap Counties); Thurston-Mason (Mason and Thurston Counties)	Implementation for RSAs Opting for 2020 Start	~1,600,000 program total
January 1, 2020	Florida Healthy Kids	Implementation	212,500
January 1, 2020	Oregon CCO 2.0	Implementation	840,000
January 6, 2020	Hawaii	Awards	340,000
January 6, 2020	Indiana Hoosier Care Connect ABD	Proposals Due	90,000
February 1, 2020 (DELAYED)	North Carolina - Phase 1 & 2	Implementation	1,500,000
April 30, 2020	Indiana Hoosier Care Connect ABD	Awards	90,000
July 1, 2020	Hawaii	Implementation	340,000
July 1, 2020	Kentucky	Implementation	1,200,000
September 1, 2020	Texas STAR+PLUS	Operational Start Date	530,000
December 1, 2020	Texas STAR and CHIP	Operational Start Date	3,400,000
January 1, 2021	Massachusetts One Care (Duals Demo)	Implementation	150,000
January 1, 2021	Pennsylvania HealthChoices Physical Health	Implementation	2,260,000
April 1, 2021	Indiana Hoosier Care Connect ABD	Implementation	90,000
September 1, 2021	Texas STAR Health (Foster Care)	Operational Start Date	34,000
January 2023	California Two Plan Commercial - Alameda, Contra Costa, Fresno, Kings, Madera, San Francisco, Santa Clara	Implementation	315,000
January 2023	California Two Plan Commercial - Los Angeles	Implementation	960,000
January 2023	California Two Plan Commercial - Riverside, San Bernardino	Implementation	148,000
January 2023	California Two Plan Commercial - Kern, San Joaquin, Stanislaus, Tulare	Implementation	265,500
January 2023	California GMC - Sacramento	Implementation	430,000
January 2023	California GMC - San Diego	Implementation	700,000
January 2023	California Imperial	Implementation	76,000
January 2024	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	Implementation	295,000
January 2024	California San Benito	Implementation	8,000

COMPANY ANNOUNCEMENTS

Pediatric and Neonatal Hospitalization: Challenges in Caring for Our Youngest Patients

HMA NEWS

Local Insights for Every State, Any Project. HMA has always had deep roots at the state level. With the launch of HMA State Connect, we are expanding the range and depth of our state knowledge by working with expert local partners. This expanded coverage means that we now have on-the-ground intel and resources in all 50 states, providing the kind of information you just can't get from research reports or Internet searches. [Learn more](#)

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

Medicaid Data

Public Documents:

- Kansas Medicaid Managed Care Enrollment is Down 7.5%, Jul-19 Data
- Maryland Medicaid Managed Care Enrollment Is Flat, Oct-19 Data
- Missouri Medicaid Managed Care Enrollment is Down 11.6%, Oct-19 Data
- Missouri Medicaid Managed Care Enrollment is Down 9.9%, Nov-19 Data
- New Mexico Medicaid Managed Care Enrollment is Up 1.2%, Nov-19 Data
- New York CHIP Managed Care Enrollment is Up 8.1%, Oct-19 Data
- New York Dual Demo Enrollment is Down 30.6%, Oct-19 Data
- New York Medicaid Managed Care Enrollment is Down 1.4%, Oct-19 Data
- Rhode Island Dual Demo Enrollment is 14,217, Nov-19 Data
- South Carolina Dual Demo Enrollment is Up 17.2%, Oct-19 Data
- South Carolina Medicaid Managed Care Enrollment is Up 2.6%, Nov-19 Data
- West Virginia Medicaid Managed Care Enrollment is Down 2.5%, Nov-19 Data

Medicaid RFPs, RFIs, and Contracts:

- California Medi-Cal Publication Services RFP, Nov-19
- Delaware Medicaid Dental Benefit RFI and Responses, 2019
- Idaho Medicaid Value-Based Purchasing RFI, Nov-19
- Indiana Hoosier Care Connect Managed Care RFP and Related Documents, 2019
- Indiana Proposed Approach for Medicaid Services for Eligible DCS Children and Youth RFI and Related Documents, Oct-19
- Kentucky Medicaid Managed Care Organization (MCO) RFP, Award Notice, Contracts, 2019
- Texas STAR+PLUS RFP Reissue, Evaluation Scoring, and Related Documents, 2018-19
- Washington Fraud and Abuse Detection Solution RFP and Related Documents, Nov-19

Medicaid Program Reports, Data and Updates:

- HMAIS Medicaid Managed Care Rate Certifications Inventory
- MACPAC Issue Brief on Changes in Medicaid and CHIP Enrollment, Nov-19
- Arizona AHCCCS Population Demographics, Dec-19
- Arizona Medicaid Managed Care Capitation Rate Certifications, CY 2018-19
- Arizona Opioid Treatment Program Implementation Update, Nov-19
- Arkansas Monthly Enrollment and Expenditures Report, Sep-19
- California Medi-Cal Managed Care Performance Dashboard, Sep-19

- Connecticut Medical Assistance Program Oversight Council Meeting Materials, Nov-19
- Delaware Diamond State Health Plan Redacted Rate Certifications, CY 2019
- Florida Medicaid Eligibility by County, Age, Sex, Oct-19 Data
- Idaho Family Planning 1115 Waiver Application, Oct-19
- Idaho IMD 1115 Draft Waiver Application, Nov-19
- Idaho Work Requirements 1115 Waiver Application, Sep-19
- Indiana Medicaid Advisory Committee Meeting Materials, Nov-19
- Indiana Medicaid Managed Care Demographics by Age, Aid Category, and Program, 2016-18, Oct-19
- Louisiana Medicaid Financial Forecast Reports, SFY 2018-19, Nov-19
- Maryland Medicaid Advisory Committee Meeting Materials, Nov-19
- Maryland Medicaid Eligibles by Age, Race, Gender, by Month, CY 2019 to Oct-19
- Massachusetts Health Care System Annual Performance Report, 2015-19
- Medicaid Fiscal Accountability Regulation Analysis, Nov-19
- Minnesota DHS 90-Day Report, Dec-19
- Ohio Joint Medicaid Oversight Committee Meeting Materials, Nov-19
- Oregon CCO 2.0 Provider Webinar, Nov-19
- South Carolina Medicaid Enrollment by County and Plan, Oct-19
- South Carolina Medical Care Advisory Committee Meeting Materials, Dec-19
- Tennessee Medicaid Managed Care Enrollment by Age, Gender, County, 2015-18, Oct-19
- Texas HHSC Medicaid Rate Setting Reports, FY 2018
- Texas Medicaid and CHIP MCO Potentially Preventable Events Data, 2015-19
- Utah Medical Care Advisory Committee Meeting Materials, Nov-19
- Virginia Medicaid and CHIP Data Book, SFY 2019
- Virginia Medicaid Managed Care Delivery Systems Overview Presentation, Nov-19

A subscription to HMA Information Services puts a world of Medicaid information at your fingertips, dramatically simplifying market research for strategic planning in healthcare services. An HMAIS subscription includes:

- State-by-state overviews and analysis of latest data for enrollment, market share, financial performance, utilization metrics and RFPs
- Downloadable ready-to-use charts and graphs
- Excel data packages
- RFP calendar

If you're interested in becoming an HMAIS subscriber, contact Carl Mercurio at cmercurio@healthmanagement.com.

HMA is an independent, national research and consulting firm specializing in publicly funded healthcare and human services policy, programs, financing, and evaluation. We serve government, public and private providers, health systems, health plans, community-based organizations, institutional investors, foundations, and associations. Every client matters. Every client gets our best. With 23 offices and over 200 multidisciplinary consultants coast to coast, our expertise, our services, and our team are always within client reach.

Among other services, HMA provides generalized information, analysis, and business consultation services to investment professionals; however, HMA is not a registered broker-dealer or investment adviser firm. HMA does not provide advice as to the value of securities or the advisability of investing in, purchasing, or selling particular securities. Research and analysis prepared by HMA on behalf of any particular client is independent of and not influenced by the interests of other clients.