



**Iowa Department of Human Services**

# **Medicaid Modernization: Iowa High Quality Health Care Initiative**

**February 27, 2015**



## Presentation Overview

- Overview of Current Medicaid Service Delivery
- Iowa's Opportunities for Change
- Nationwide Trends on Managed Care
- The Iowa High Quality Health Care Initiative
- Member Impact and Provider Impact
- Transition and Timelines



## Medicaid Today

- Medicaid in Iowa currently provides health care assistance to about 560,000 people at a cost of approximately \$4.2 billion dollars annually.
- A key budgetary challenge is the increasing costs to provide services and decreasing federal funds to do so.
- The cost of delivering this program has grown by 73 percent since 2003.
- And, Medicaid total expenditures are projected to grow by 21% in the next three years.

# What is the current service delivery model?

Iowa currently enrolls a portion of the Medicaid population in managed care plans.

Excluding PACE, none of the managed care plans provide a comprehensive benefit plan.

The vast majority of enrollees are served in fee-for-service model.

## Managed Care

- MediPASS – physician managed population
- Health Maintenance Organization (HMO)
- Iowa Health & Wellness Plan
- Dental Wellness Plan
- Iowa Plan
- Non-Emergency Medical Transportation (NEMT)
- Program for All Inclusive Care for the Elderly (PACE)

## Children's Health Insurance Program (CHIP)

- *hawk-i*

## Fee-for-Service (FFS)

# What are the challenges with today's model?

The current program doesn't fully incent **quality** and **outcomes**.

## Current Iowa Medicaid model

No single entity responsible for overall management of enrollee's healthcare	Many enrollees do not receive assistance in accessing or coordinating services	Provider payment not linked to outcomes or customer service	Provider payment is driven by volume of services versus outcomes	There is a lack of financial incentive to prevent duplication of services	Limits budget stability and predictability
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# What are the challenges with today's model?

The current program doesn't fully incent **quality** and **outcomes**.

## Current HMO Model

- Excludes services provided by separate entities
  - Lack of care coordination among providers
  - Limits financial incentives to actively manage a patient's health care
- Excludes Medicaid enrollees when they become eligible for HCBS waivers or long-term care
- No financial incentive to prevent institutionalization

## Current MediPASS Model

- Service delivery generally not tied to quality measures or clinical outcomes
- Lacks incentives for integration and care coordination
- No overarching entity responsible for outcomes across the delivery system

# What are the challenges with today's model?

The current system does not adequately manage care for the most expensive members. This results in care that is expensive for Iowa's taxpayers.

**Iowa's top 5% of high-cost, high-risk members accounted for the following:**

90% of hospital readmissions within 30 days

75% of total inpatient cost

50% of prescription drug cost

Have an average of 4.2 conditions, 5 physicians and 5.6 prescribers



## **What do other states do to manage Medicaid?**

- Nationally, over half of Medicaid beneficiaries are enrolled in comprehensive risk-based MCOs.
- Under comprehensive risk-based managed care, an MCO receives a fixed monthly fee per enrollee and assumes full financial risk for delivery of covered services.
- 39 states, and the District of Columbia, contract with MCOs to provide services to various populations.



## How does Medicaid managed care work?

- Medicaid agencies contract with managed care organizations (MCO) to provide and pay for health care services.
- MCOs establish an organized network of providers.
- MCOs establish utilization guidelines to assure appropriate services are provided at the right way, in the right time and in the right setting.
- Shifts focus from volume to per member, per month capitated payments and patient outcomes.



## What is Medicaid Modernization?

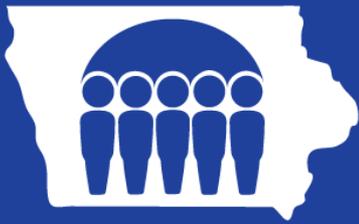
- Medicaid Modernization is:
  - the movement to a **comprehensive risk-based** approach for the majority of current populations and services in the Medicaid program.
- The **goals** include:
  - Improved quality and access
  - Greater accountability for outcomes
  - Create a more predictable and sustainable Medicaid budget



## What is Iowa doing to Modernize Medicaid?

Creating a single system of care that will:

- Promote the delivery of **efficient, coordinated** and **high quality** health care.
- Enable all members who could benefit from comprehensive care management to receive care through MCOs, including long term care members.
- Changing from volume-based payment to value-based payment will allow incentives to enhance clinical outcomes or quality including **reduced duplication of services** and **unnecessary hospitalizations**.



## What is the Iowa High Quality Health Care Initiative ?

- DHS will contract for delivery of **high quality healthcare services** for the Iowa Medicaid, Iowa Health and Wellness Plan, and Healthy and Well Kids in Iowa (*hawk-i*) programs.
  - 2 to 4 MCOs who have capacity to **coordinate care** on a statewide basis and demonstrate how they will provide **quality outcomes**.
  - Estimated SFY16 savings = \$51.3 M in first 6 months
  - Services set to begin January 1, 2016

# What are the initiative's goals?

Improve the quality of care and health outcomes for enrollees

Integrate care across the healthcare delivery system

Emphasize member choice & increase access to care

Increase program efficiencies and provide budget accountability

Hold contractor responsible for outcomes

Create a single system of care which delivers **efficient, coordinated** and **high quality** health care that promotes **member choice** and **accountability** in health care coordination.

# How will this initiative achieve quality and outcomes?

**Holding contractors accountable for costs and outcomes creates incentives for:**

- Increased care coordination and reduced duplication
- Investment in preventative services which lead to long-term savings
- Prevention of unnecessary hospitalizations

**Combining accountability for costs and outcomes enables:**

- Savings will be achieved through appropriate utilization management
- MCO payments tied to outcomes
- Performance outcomes can be increased each contract year

# How will this initiative achieve quality and outcomes?

Contractors must develop strategies to **integrate** care across the system.

This will include physical health, behavioral health and long-term care services.

## Design includes all Medicaid covered medical benefits

- Provides entities responsible for oversight and coordination of all medical services
- Provides incentives for coordinating care and avoid duplication
- Supports integration and efficiency
- Prevents fragmentation of services and misaligned financial incentives for shifting care to more costly setting

# How will this initiative achieve quality and outcomes?

## Member Benefits

- All members may receive health screening and receive services tailored to their individual needs.
- Individuals with special health care needs will have comprehensive health risk assessment.
- Care coordination must be person-centered and address unique client needs through individualized care plans.
- Contractors can provide enhanced services not available through a fee-for-service model.

# Who is included in this initiative?

## Included

- Majority of Medicaid members
- *hawk-i* members
- Iowa Health and Wellness Plan
- Long Term Care
- HCBS Waivers
- Medically Needy

## Excluded

- PACE (member option)
- Programs where Medicaid already pays premiums: Health Insurance Premium Payment Program (HIPP), Eligible for Medicare Savings Program only
- Undocumented persons eligible for short-term emergency services only

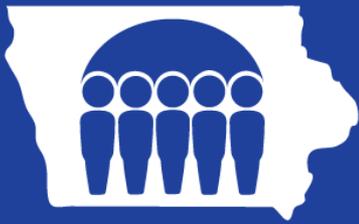


## What Services are Included?

- Traditional Medicaid services including medical care in inpatient and outpatient settings; behavioral health care, transportation, etc.
- Facility based services such as nursing facilities, Intermediate Care for Persons with Intellectual Disabilities, Psychiatric Mental Institute for Children, mental health institutes and state resource centers.
- Home and Community-Based Services (HCBS) waiver services like HIV/AIDS, brain injury, children's mental health waiver, etc.

## What Services are Excluded?

- Dental services will be carved out.



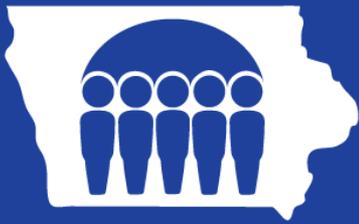
## What does this mean for members?

- Will eligibility for Medicaid, Iowa Health and Wellness and *hawk-i* change? **No.**
- Will members get to pick their managed care entity? **Yes. If they don't they will be auto enrolled.**
- Will services/benefits change? **No.**
- Who will members contact with questions about services? **The MCOs.**
- Who will authorize services? **The MCOs, based on state policy and administrative rule.**



## What does this mean for members?

- Will service providers be the same as today? **Yes, for at least the first 6 months.**
- Will they still pay premiums? **Yes, per existing requirements.**
- If members have a case manager can they keep the same case manager? **Members will have the option of keeping their same case manager for at least 6 months.**
- Will there be appeal rights? **Yes, members will be able to appeal to the MCO and then will have state appeal rights like they do today.**



## What does this mean for providers?

- Will MCOs honor existing service authorizations? **Yes, for a minimum of at least 3 months.**
- Will MCO retain the current providers network and pay the same rates? **Yes, as follows:**
  - Health and behavioral care providers until July 2016. At that time, the MCOs will negotiate their provider network and rates.
  - Long term care providers including facilities and HCBS Wavier , and CMHCs providers until July 2018. At that time, MCOs will negotiate their provider network and rates.
- Can providers be part of multiple provider networks? **Yes.**



## What does this mean for providers?

- Who will pay the providers? **The MCOs will pay claims within similar timeframes as Medicaid does today.**
- Who will authorize services? **The MCOs, based on state policy and administrative rule.**
- Who will be responsible for utilization management? **The MCOs as approved by the Department.**
- Will there be appeal rights? **Yes, providers will be able to appeal to the MCOs and then will have state appeal rights like they do today.**
- When will providers contract with the MCOs? **MCOs will build up their provider networks in the months prior to implementation.**



## How does this initiative work with the State Innovation Model (SIM)

The SIM grant is designed to help the state plan, design, test, and evaluate new payment and service delivery.

There are two key features going forward with this initiative:

- Value Index Score (VIS): MCOs will be required to use the VIS, which will enable evaluation of outcomes
- Value-based Purchasing: MCO's will identify the % of value based contracts that will be in place by 2018.

# What is the Request for Proposal (RFP) Timeline?

Major Activities	Current Schedule
Release RFP	February 16, 2015
Series of Stakeholder Engagements	Began February 19, 2015
Stakeholder/Public Comments Due	March 20, 2015
Amended RFP Release	March 26, 2015
RFP Responses Due	May 8, 2015
RFP Awards Published	July 31, 2015
Medicaid Modernization Effective	January 1, 2016



## What is the 1115 Demonstration Waiver Timeline?

With federal approval, Medicaid Modernization will be operational on **January 1, 2016**

- Stakeholder engagement process is underway
- DHS has also started working with CMS to obtain federal approval through an 1115 demonstration waiver.
- Formal public comment period for the waiver begins in June 2015
- The Department will formally submit the waiver to the Centers for Medicare and Medicaid Services (CMS) by July 1, 2015



## How can stakeholders and the public provide input and ask questions?

- Stakeholders can attend a series of public meetings – see dates and times here:  
<https://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization>
- Questions and Comments may also be submitted to:  
[MedicaidModernization@dhs.state.ia.us](mailto:MedicaidModernization@dhs.state.ia.us)
- The Request for Proposal is available at:  
[http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp\\_id=11140](http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp_id=11140)



## How can bidders comment and ask questions?

- Comments and questions regarding the RFP from potential bidders should be addressed to the issuing officer in accordance with the RFP. The RFP can be found at:  
[http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp\\_id=11140](http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp_id=11140)



***DHS seeks greater **stability** and **predictability** in the Medicaid budget which will allow the state to continue offering **quality, comprehensive** care now and into the future.***

***For more information visit:***

***<https://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization>***

**MAAC SIGN-IN SHEET**  
**February 27, 2015**

NAME	ORGANIZATION
Nancy Hale	NAUI IOWA
Gloria Symons	MICA
Frank Velinsky	Contract
MITCHELL EVANS	HUMANA
Mardi Delahery	Citizen
Megan Bendixen	IA Medical Society
Dennis Tibben	" "
Terry Flatt	MAMES
Jack Tomblin	Public Member
Erin Halverson	GAS, Emdeon
Mike Spaight	Telligen
Tom Brown	Governors Advisory Council on Brain Injuries
Dub Kormazal	Iowa Primary Care Association
Bob Schlueter	IME
Carol Steudel	Well Care Health Plans
Tanya Sikkels	Telligen
Kimberly Murphy	IDA
Steve Robino	Aetna

**MAAC SIGN-IN SHEET**  
**February 27, 2015**

NAME	ORGANIZATION
Denise Rathman	NASW, IA
Barbara Nebel	ISHA
Jeremy Morgan	MAXIMUS
Matt Eide	Telligan
Dan Royer	Iowa Hospital Assn.
Cindy Baddelow	IHCA
Debra Walden	IA-AAP
Emily Berg	Title V - CYSHCN
Madison Kelley	Title V - CYSHCN
Cynthia Skell Bishop	Every Day CMHS
Kristie Oliver	Coalition for Family & Children's Services
Michelle Eustrom	AETNA
Jelf Masten	Myers and Stauffer
Tom G	AOC
<del>James K. Gind</del>	i4a
GARY ELLIS	IA OPTOMETRIC ASS'N.
Erin Davison-Rippy	Planned Parenthood - Heartland

**MAAC SIGN-IN SHEET**  
**February 27, 2015**

NAME	ORGANIZATION
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ANDY McGUIRE	MERICATED
MARY WELLE TREFZ	mwt@cfpciowa.org
Shelly Chandler	IACP
Paula Connolly	MAAC Member
Adele McWilliams	IOMA
Susan Benhoff	NANIEGM
Sandi Hurtado-Peters	IDOM
Anthony Carroll	AARP

# Attendee Report Medical Assistance Advisory Council (MAAC)

Report Generated:

3/2/15 8:39 AM CST

Webinar ID	Actual Start Date/Time	Duration
105-706-251	2/27/15 2:09 PM CST	1 hour 60 minutes

## Attendee Details

Attended	Interest Rating	Last Name
Yes		11 Baker
Yes		45 Bringle
Yes		35 Carl
Yes		19 Gatzemeyer
Yes		50 Hernandez
Yes		29 Hillyard
Yes		18 Lauer
Yes		33 Less
Yes		30 Nielsen
Yes		22 Nutty
Yes		60 Osborn, PA
Yes		41 Patterson
Yes		16 Sample
Yes		49 Shannon
Yes		59 Williams
Yes		18 w
No		0 Buechel
No		0 Carmichael
No		0 EIDE
No		0 Kruse
No		0 Mandracchia
No		0 Russo
No		0 Smith

# Registered # Attended

23

Clicked Registration Link

16

32

First Name	Email Address	Registration Date/Time
Susan	smbaker@apshealthcare.com	2/27/15 2:27 PM CST
Lisa	lbringle@co.cherokee.ia.us	2/27/15 2:07 PM CST
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Alicia	agatzemeyer@bvcountyiowa.com	2/27/15 2:15 PM CST
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Stacy	carmichael.stacy@gmail.com	2/27/15 10:56 AM CST
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Rocco	rrosso@dhs.state.ia.us	2/26/15 9:41 AM CST
Jess	smithjeffreyr@johndeere.com	2/27/15 2:36 PM CST



**Special MAAC Meeting:  
Medicaid Modernization  
February 27, 2015**

**IN ATTENDANCE**

Nancy Hale	Deb Kazmerzak	Emily Berg	Teresa Bomhoff
Gloria Symons	Carol Steckel	Madison Kelley	Sandi Hurtado-Peters
Frank Velinsky	Tonya Sickels	Cynthia Steial Bishop	Anthony Carroll
Mitchell Evans	Kimberly Murphy	Kristie Oliver	
Mardi Deluhery	Steve Rubino	Mike Enfrdy???	<b>DHS</b>
Megan Bendixen	Denise Rathman	Jeff Marston	Julie Lovelady
Dennis Tibben	Barbara Nebel	Tom Cope	Andria Seip
Terry Flatt	Jeremy Morgan	Gary Ellis	Debbie Johnson
Jodi Tomlonovic	Matt Eide	Erin Davison-Rippey	Bob Schlueter
Erin Halverson	Dan Royer	Mikki Stier	Maggie Eischeid
Mike Speight	Cindy Baddeloo	Andy McGuire	Lindsay Buechel
Tom Brown	Debra Waldron	Mary Nelle Trefz	Jennifer Steenblock
Shelly Chandler	Paula Connolly	Leah McWilliams	

Michael Boussetot started with a quick intro on DHS and Medicaid.

**Questions to Michael:**

Teresa Bomhoff- There are two things that are going to make this go or fall flat, what is the Governor's plan to beef up the work force and what is going to be done about reimbursement levels?

Michael- This RFP isn't about negotiating better rates for Medicaid, our rates are already low, there are protections in this RFP saying if you are a willing provider who contracts with a plan then you get the rates that you are paid now. That is to help protect some providers who have been great Medicaid partners. In the long term we face some challenges in provider services in Iowa, what are we going to do to deliver mental health services in rural Iowa? We are in the bottom 5% of the nation when it comes to certain areas, but we're also with an aging population and are always looking for solutions when it comes to down level professionals. We've invested new state money into rural areas to help get people in those areas that provide

medical services. We're investing millions in helping fund new medical residencies to help professionals stay in Iowa. This program will add flexibility in HCBS services.

Teresa- There is a lot more steps that can be taken right now. I dropped off a binder on your desk. There are loan forgiveness program and incentives, and zero people in the mental health field have benefited from this.

Michael- The Governor's budget suggests a greater investment into these areas.

Paula Connolly- From what I understand we're going to include SSI 19 and under and dual eligibles. What waiver are you applying for to be able to do that and why did you choose that waiver?

Michael- The direction for the waivers is still being considered. This is the first phase of the RFP and we want stakeholder feedback. When it comes to what population to include, we took a look at the entire Medicaid program and what other states have done. Not every population that Medicaid currently serves will be included. We think that bringing along some of the services and other supports that comes along with these supports, will be in the long term interests in serving those patients.

Tom Cope- The details on which populations are included, is that in the RFP?

Michael- Yes, it is included. There are other phases of the RFP coming, and it will be publically available.

Tom Brown- In the defined population that you'll speak to, it addresses traumatic brain injuries as included, but Iowa doesn't have this. Is this an error?

Michael- Thank you for pointing that out.

Tom- It left out a significant number of providers who serve Iowans with brain injuries; both in state and out of state. It left all of the specialized providers in the RFP.

Michael- A lot of the detail Julie will handle in her presentation. In a broad sense, the RFP was designed not to be an exhaustive list. It's part of the procurement. We're asking for your feedback on this.

Shelly Chandler- There is a great deal of talk with other states about the flexibility that MCO's may bring in Medicaid, what are the plans for the department to lighten up on some of the rules while compiling with federal regulations and still having flexibility?

Michael- The waiver should have flexibility. The development of this plan has been with a working group that has included the Governor's office, DHS, DIA, IID, IDPH, IDA, EDU, DOC, this

is an encompassing program. It touches everything in government and impacts almost everyone. We're working and formulating with these other departments and agencies on how we can simplify how we do business, and this is something that we are currently working on. There are many protections for providers also in this RFP. It will be at least the standards we have now and we can bring that flexibility more long term. This is why we are seeking a waiver and not business as usual. It is still being formulated.

**Julie started on the presentation:**

This is an overview on Iowa Medicaid's modernization initiative.

We are having meetings across the state and we have a dedicated webpage and email inbox that will take written comments and questions.

Theresa Bomhoff- There is supposed to be new Medicaid rates published, is that in April?

Julie- We'll do a check on that and put it on our Q and A.

Dan Royer- How does managed care work with federal FMAP rate setting? And also how does that impact the provider assessment that hospitals fall under?

Julie- Rates will remain the same, and the MCO will negotiate rates after that time period.

Andria- Some of the things we're working with CMS on. I don't think there will be many changes on the federal FMAP rates. For the hospital assessment we will have to check in to that and get back to you.

Dan- When you talk about contracting with MCOs and providers, does that envision that ACOs can contract with MCOs?

Julie- The RFP doesn't have any specific requirements about ACOs and MCOs contracting, but we think it's likely these will develop.

Tom Brown- What is the length of time for the LTC providers that the MCOs will honor existing relationships?

Julie- Through December 31, 2017.

Deb Waldron- The American Academy of Pediatrics thought there could be more attention towards children and care for children, this is a suggestion. Secondly, there are a number of statements that the American Academy of Pediatrics has come out with and I would recommend that you read those and take them into account. We want to make sure that the children's needs are accounted for too. And medically necessity is a concern, different MCOs

would operationalize that differently and there could be disparities in health care delivery. Everyone is concerned with budget. Nowhere did it address the requirement for Title 129 and Title 5 comply with federal regulations. Title 5 has developed a number of tools recently and we think the state should take a look at these for children and youth with special health care needs. The adult tools don't care for children and we think you need to make sure the children needs are addressed. Concerns about transition, we would like to make sure that the needs would be addressed, what is the care delivery model that will be used?

Jodi Tomlonovic- We have submitted more questions than comments, but what happens with the questions and comments, will there be a response back to the entity who asked the question?

Julie- Everything that people submit we are reviewing, the Q and A will be posted weekly and that would include any questions we receive. Every idea will be read.

Jason Velinsky- One of the reasons why there are no more agencies is because the agencies can't obtain a contract for HCBS services because they cannot fit the qualifications. That is why there are no services in this area. There are a very large number of audits and the department is so nit-picky with their audits and regulations. And I know they say it's because of CMS but the state suggests these regulations and if you set the regulations to high there won't be as many providers, if you lower the regulations there could be more providers available for these people. My questions are, is DHS actively looking to cultivate in-home HCBS providers and does DHS understand the barriers HCBS providers are up against?

Julie- All of our providers are important to us. If there are specific things you think we should be looking at we welcome those comments. We want members to be able to stay in their homes in their communities.

Andria- I don't know if you're familiar with the BIP program, but Iowa is focused on adding access to in home services. It is challenging for many reasons. But we appreciate the comments.

Dennis Tibben- Throughout the course of this week we have been in contact with other members of the MAAC and we have come up with a list of recommendations. Could we take a role call so we can adopt these comments from the MAAC?

Lindsay called roll.

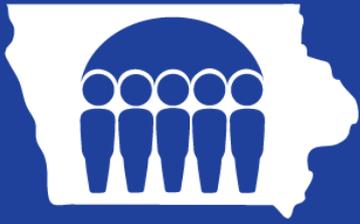
Dennis went through the recommendations that they came up with.

Nancy Hale seconded this motion.

Julie- All of the MAAC members in favor?

MAAC Members- Yes.

Andria- I want to give you a quick update. Julie did give the dates of the stakeholder meetings; please get the information from our website as there were wrong dates sent out.



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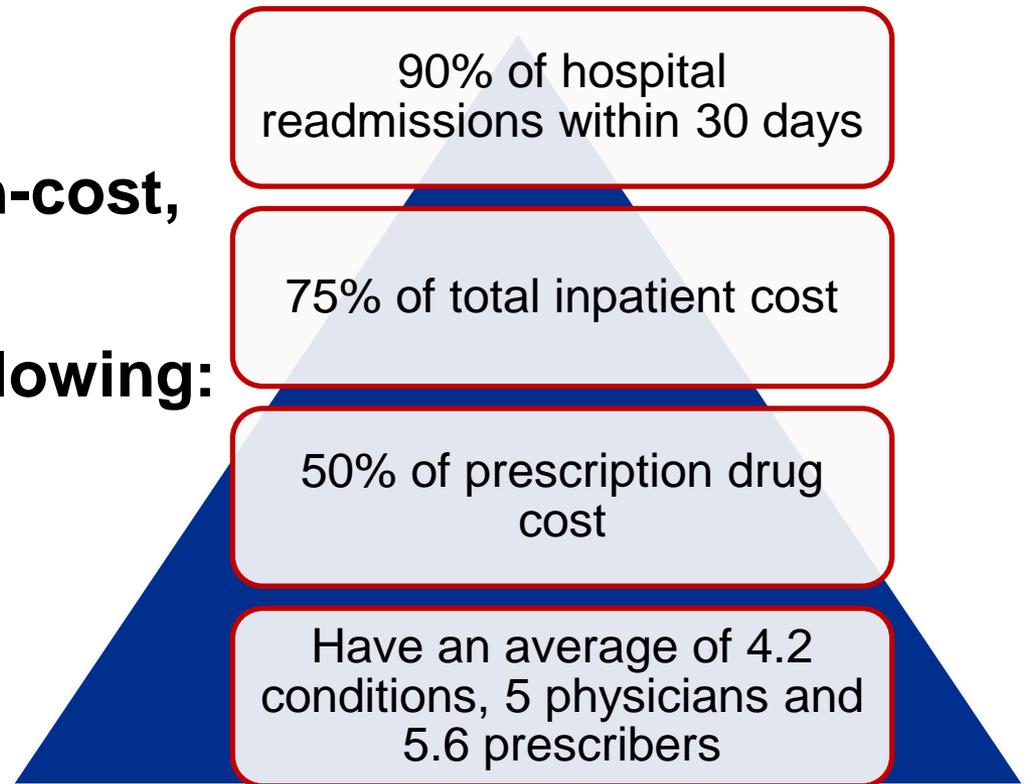
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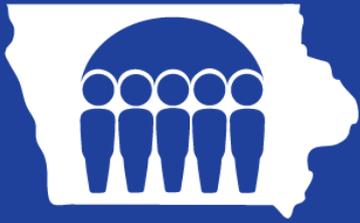
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## What is Medicaid Modernization?

- Medicaid Modernization is:
  - the movement to a **comprehensive risk-based** approach for the majority of current populations and services in the Medicaid program.
- The **goals** include:
  - Improved quality and access
  - Greater accountability for outcomes
  - Create a more predictable and sustainable Medicaid budget



## What is Iowa doing to Modernize Medicaid?

Creating a single system of care that will:

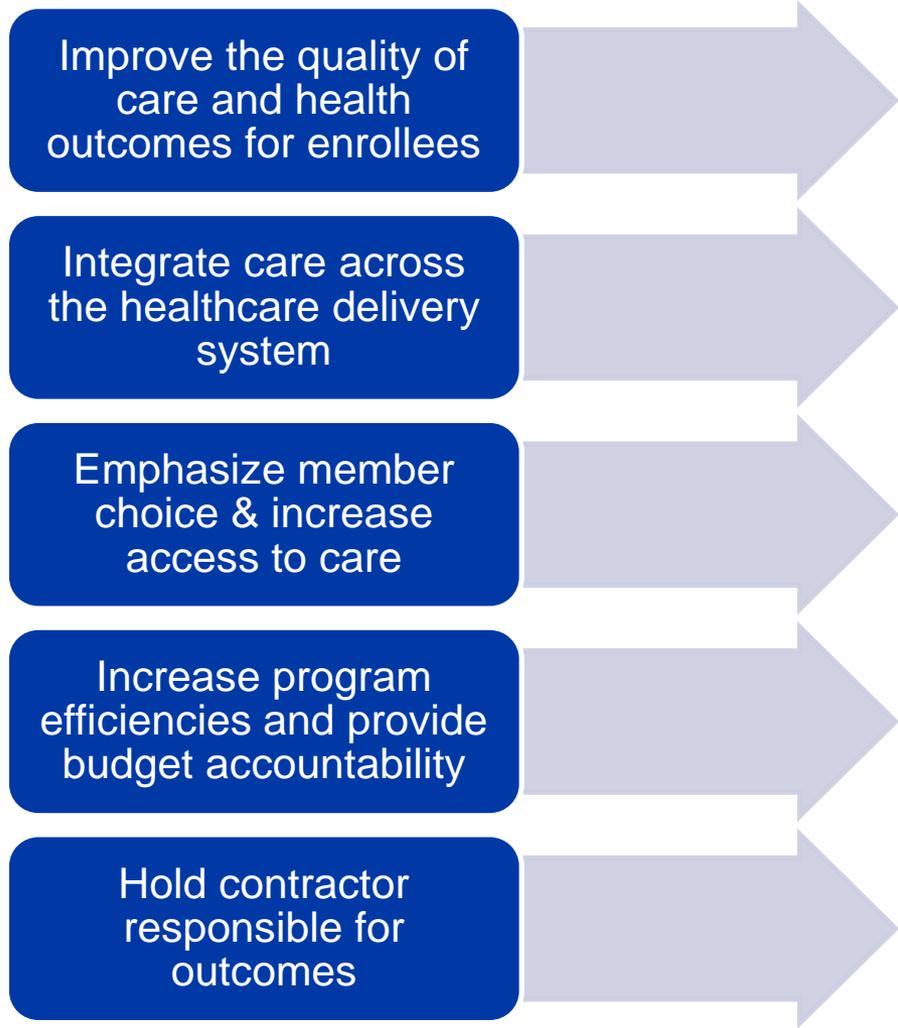
- Promote the delivery of **efficient, coordinated** and **high quality** health care.
- Enable all members who could benefit from comprehensive care management to receive care through MCOs, including long term care members.
- Changing from volume-based payment to value-based payment will allow incentives to enhance clinical outcomes or quality including **reduced duplication of services** and **unnecessary hospitalizations**.



## What is the Iowa High Quality Health Care Initiative ?

- DHS will contract for delivery of **high quality healthcare services** for the Iowa Medicaid, Iowa Health and Wellness Plan, and Healthy and Well Kids in Iowa (*hawk-i*) programs.
  - 2 to 4 MCOs who have capacity to **coordinate care** on a statewide basis and demonstrate how they will provide **quality outcomes**.
  - Estimated SFY16 savings = \$51.3 M in first 6 months
  - Services set to begin January 1, 2016

# What are the initiative's goals?



Create a single system of care which delivers **efficient, coordinated** and **high quality** health care that promotes **member choice** and **accountability** in health care coordination.



# How will this initiative achieve quality and outcomes?

**Holding contractors accountable for costs and outcomes creates incentives for:**

- Increased care coordination and reduced duplication
- Investment in preventative services which lead to long-term savings
- Prevention of unnecessary hospitalizations

**Combining accountability for costs and outcomes enables:**

- Savings will be achieved through appropriate utilization management
- MCO payments tied to outcomes
- Performance outcomes can be increased each contract year



# How will this initiative achieve quality and outcomes?

Contractors must develop strategies to **integrate** care across the system.

This will include physical health, behavioral health and long-term care services.

## Design includes all Medicaid covered medical benefits

- Provides entities responsible for oversight and coordination of all medical services
- Provides incentives for coordinating care and avoid duplication
- Supports integration and efficiency
- Prevents fragmentation of services and misaligned financial incentives for shifting care to more costly setting



# How will this initiative achieve quality and outcomes?

## Member Benefits

- All members may receive health screening and receive services tailored to their individual needs.
- Individuals with special health care needs will have comprehensive health risk assessment.
- Care coordination must be person-centered and address unique client needs through individualized care plans.
- Contractors can provide enhanced services not available through a fee-for-service model.



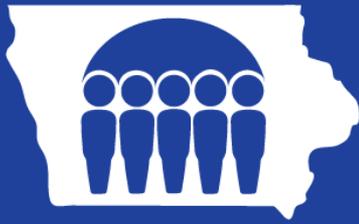
# Who is included in this initiative?

## Included

- Majority of Medicaid members
- *hawk-i* members
- Iowa Health and Wellness Plan
- Long Term Care
- HCBS Waivers
- Medically Needy

## Excluded

- PACE (member option)
- Programs where Medicaid already pays premiums: Health Insurance Premium Payment Program (HIPPP), Eligible for Medicare Savings Program only
- Undocumented persons eligible for short-term emergency services only



## What Services are Included?

- Traditional Medicaid services including medical care in inpatient and outpatient settings; behavioral health care, transportation, etc.
- Facility based services such as nursing facilities, Intermediate Care for Persons with Intellectual Disabilities, Psychiatric Mental Institute for Children, mental health institutes and state resource centers.
- Home and Community-Based Services (HCBS) waiver services like HIV/AIDs, brain injury, children's mental health waiver, etc.

## What Services are Excluded?

- Dental services will be carved out.



## What does this mean for members?

- Will eligibility for Medicaid, Iowa Health and Wellness and *hawk-i* change? **No.**
- Will members get to pick their managed care entity? **Yes. If they don't they will be auto enrolled.**
- Will services/benefits change? **No.**
- Who will members contact with questions about services? **The MCOs.**
- Who will authorize services? **The MCOs, based on state policy and administrative rule.**



## What does this mean for members?

- Will service providers be the same as today? **Yes, for at least the first 6 months.**
- Will they still pay premiums? **Yes, per existing requirements.**
- If members have a case manager can they keep the same case manager? **Members will have the option of keeping their same case manager for at least 6 months.**
- Will there be appeal rights? **Yes, members will be able to appeal to the MCO and then will have state appeal rights like they do today.**



## What does this mean for providers?

- Will MCOs honor existing service authorizations? **Yes, for a minimum of at least 3 months.**
- Will MCO retain the current providers network and pay the same rates? **Yes, as follows:**
  - Health and behavioral care providers through the end of June 2016. At that time, the MCOs will negotiate their provider network and rates.
  - Long term care providers including facilities and HCBS Wavier , and CMHCs providers through the end of December 2017. At that time, MCOs will negotiate their provider network and rates.
- Can providers be part of multiple provider networks? **Yes.**



## What does this mean for providers?

- Who will pay the providers? **The MCOs will pay claims within similar timeframes as Medicaid does today.**
- Who will authorize services? **The MCOs, based on state policy and administrative rule.**
- Who will be responsible for utilization management? **The MCOs as approved by the Department.**
- Will there be appeal rights? **Yes, providers will be able to appeal to the MCOs and then will have state appeal rights like they do today.**
- When will providers contract with the MCOs? **MCOs will build up their provider networks in the months prior to implementation.**



## How does this initiative work with the State Innovation Model (SIM)

The SIM grant is designed to help the state plan, design, test, and evaluate new payment and service delivery.

There are two key features going forward with this initiative:

- Value Index Score (VIS): MCOs will be required to use the VIS, which will enable evaluation of outcomes
- Value-based Purchasing: MCO's will identify the % of value based contracts that will be in place by 2018.



# What is the Request for Proposal (RFP) Timeline?

Major Activities	Current Schedule
Release RFP	February 16, 2015
Series of Stakeholder Engagements	Began February 19, 2015
Stakeholder/Public Comments Due	March 20, 2015
Amended RFP Release	March 26, 2015
RFP Responses Due	May 8, 2015
RFP Awards Published	July 31, 2015
Medicaid Modernization Effective	January 1, 2016



## What is the 1115 Demonstration Waiver Timeline?

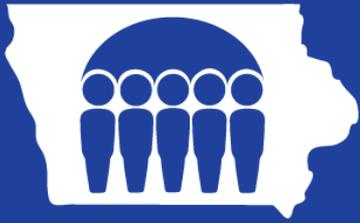
With federal approval, Medicaid Modernization will be operational on **January 1, 2016**

- Stakeholder engagement process is underway
- DHS has also started working with CMS to obtain federal approval through an 1115 demonstration waiver.
- Formal public comment period for the waiver begins in June 2015
- The Department will formally submit the waiver to the Centers for Medicare and Medicaid Services (CMS) by July 1, 2015



## How can stakeholders and the public provide input and ask questions?

- Stakeholders can attend a series of public meetings – see dates and times here:  
<https://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization>
- Questions and Comments may also be submitted to:  
[MedicaidModernization@dhs.state.ia.us](mailto:MedicaidModernization@dhs.state.ia.us)
- The Request for Proposal is available at:  
[http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp\\_id=11140](http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp_id=11140)



## How can bidders comment and ask questions?

- Comments and questions regarding the RFP from potential bidders should be addressed to the issuing officer in accordance with the RFP. The RFP can be found at:  
[http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp\\_id=11140](http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp_id=11140)



***DHS seeks greater **stability** and **predictability** in the Medicaid budget which will allow the state to continue offering **quality, comprehensive** care now and into the future.***

***For more information visit:***

***<https://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization>***



Iowa Department of Human Services

Medical Assistance  
Advisory Council  
MAAC

Julie Lovelady, Interim Medicaid Director

# **Medical Assistance Advisory Council (MAAC) Meeting**

**Friday, February 27, 2015**

**2:30 p.m. – 4:00 p.m.**

**Grimes Building,  
Lower Level  
South Meeting Room**