

Health Policy Oversight Committee

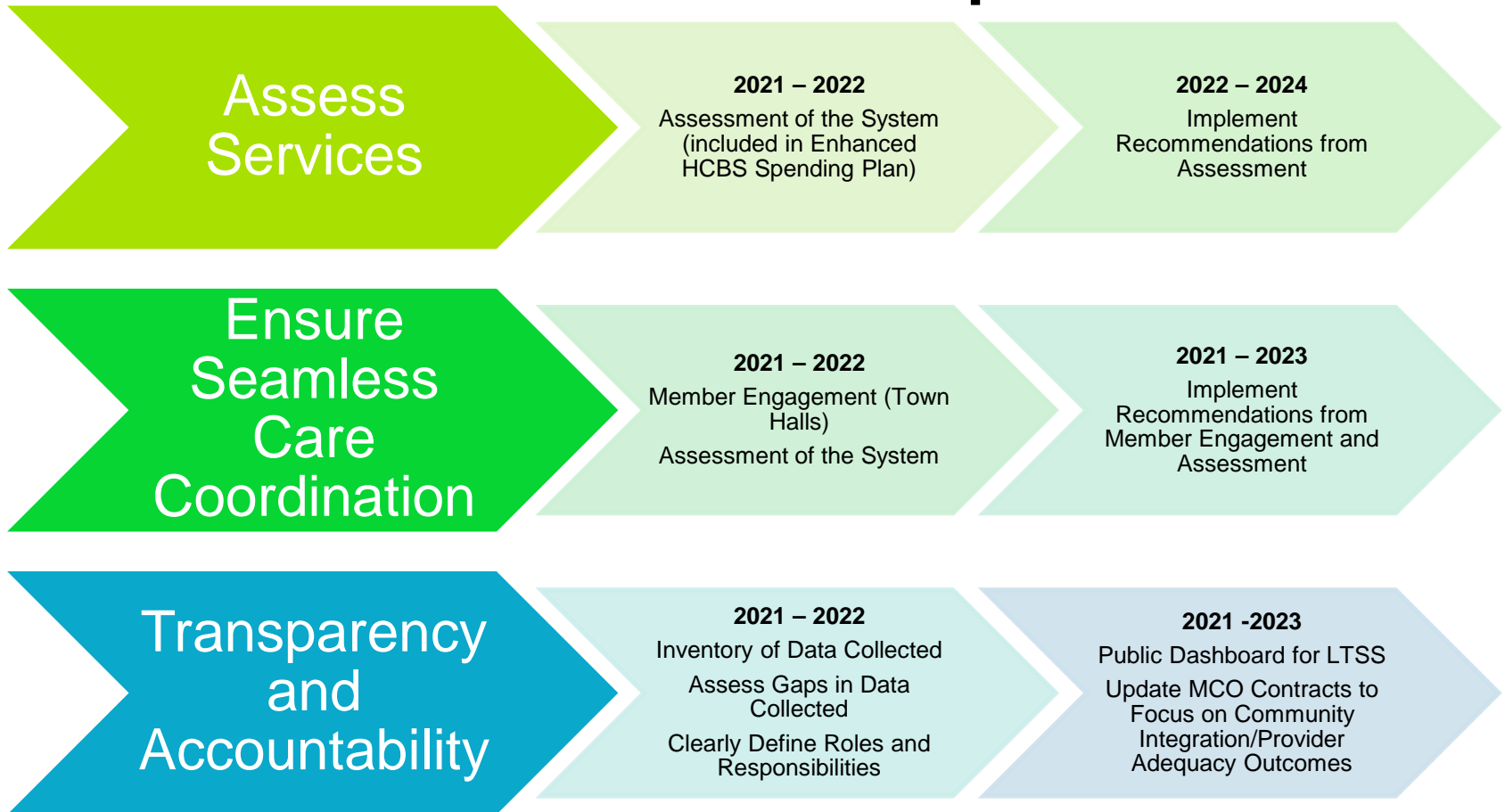
Iowa Medicaid Program Updates

December 20, 2021

Department of Justice Report

- The experience of our members is a priority in everything we do.
- Feedback from the report reinforces where we need to dedicate time and resources.
- Work began two years ago and we have made substantial progress but have much more to do.

Medicaid-Specific Priorities from DOJ Report



Overview

- Iowa Medicaid Strategic Plan
- State Fiscal Year 2022 Managed Care Organization Contracts
- MCO Request For Proposals Timeline
- Iowa Total Care Withhold
- Unwinding the Public Health Emergency (PHE)
- MCO Performance Reports

Iowa Medicaid Mission

The Iowa Medicaid Strategic Plan is comprised of four key objectives that are centered on ensuring all members have equitable access to high quality services that promote dignity; barriers are removed to increase health engagement; and whole-person health is improved across populations.

Iowa Medicaid Strategic Plan

1. Identify and mitigate program gaps in meaningful service delivery.
2. Shift program operations and planning to focus on outcomes.
3. Promote transparency in program development and performance.
4. Modernize Iowa Medicaid infrastructure and operations.

Member and Provider Town Halls

- All town hall transcripts and recordings are available to public.
- Themes from town halls are driving subgroup work:
 - Consumer Choices Option
 - Provider Administrative Burden
 - Health and Disability Waiver
 - Transportation

Enhanced Home and Community Based Spending Plan

- Fully approved by CMS on December 16, 2021
- Work on several projects underway
- Focus on three primary areas:
 - Provider Training
 - Expanding Access
 - Supporting Workforce

SFY22 MCO Contracts

Rate Changes

- The latest contract amendments are pending approval by the Centers for Medicare and Medicaid Services (CMS).
- The total capitation rate increase of \$153 million is based on overall enrollment distribution.
- A portion of the increase in capitation rates is a result of an increase in appropriations by the Iowa Legislature.

SFY22 MCO Contracts

Legislative Appropriations

Provider/Service	Change	State Appropriation
Psychiatric Medical Health Institution for Children (PMIC)	52% rate increase	\$3.9 M
Nursing facilities	7.587% increase	\$19M
Home- and Community-Based Services (HCBS) service codes	3.55% increase	\$8.3M
Revised payment rates for tiers 1 through 6 and added a new seventh payment tier (most intensive) for home-based habilitation	--	\$9.8M
Pharmacy dispensing fee	Increased from \$10.07 to \$10.35	\$600,000
Air ambulance	Fee schedule was increased from \$250.35 to \$550	\$600,000
Home Health Agency Low-Utilization Payment Adjustment (LUPA)	Fee schedule was increased	\$2M

MCO RFP Timeline

DHS intends to release an RFP in the winter of 2021/2022 to procure the most qualified MCO(s) to deliver high-quality health care services to lowans.

- The RFP is necessary because Amerigroup's contract ends June of 2023 and the contract must go out for bid.
- Summer 2022: Deadline for bid proposals.
- Fall 2022: DHS to award contract(s).
- Fall 2022: Onboarding with MCO(s) begins.
- Spring 2023: MCO(s) readiness review.
- July 2023: MCO(s) operations begin.

ITC Withhold

- In January 2020, DHS withheld \$44 million from Iowa Total Care (ITC) for multiple payment issues with providers.
- DHS calculated the withhold based on a methodology that took into account the number of outstanding claims and the number of months ITC failed to correct the issues.
- To ensure the identified issues were fully resolved, DHS contracted with Myers and Stauffer to provide an independent review.

ITC Withhold

- There were two phases of the independent review.
- The review was completed in March 2021.
- Withheld funds were released to ITC based on claims count and verification that issues were resolved.
 - February 2021: DHS released \$14 million
 - March 2021: DHS released \$2.5 million
 - April 2021: DHS released \$27 million

Resuming Normal Medicaid and Hawki Eligibility

- Since March 2020, DHS has maintained enrollment for most Medicaid members as part of the maintenance of effort (MOE) requirement tied to the increased federal Medicaid funding (increased F-MAP).
- DHS has used CMS guidance to establish a phased approach to resuming normal eligibility business processes.
- Phases 1 through 3 have been implemented and the final phase will begin when the federal public health emergency (PHE) declaration ends.

Phase 1

- Resumed some regular day-to-day Medicaid eligibility processes that do not require technical assistance and are not subject to the MOE.

Phase 2

- Resumed some regular day-to day Medicaid eligibility processes that require technical assistance and are not subject to the MOE.

Phase 3

- Resumed issuing annual renewal forms to some targeted households.
- Updated the Department's website to include Unwinding Plan information.
- Started issuing a PHE Ineligible Letter to members.
 - Discontinued after New State Health Official (SHO) letter from CMS was released on August 13, 2021, which included updated guidance that disallowed the use of PHE Ineligible Letters to members.

Planning for the Final Phase

- Will include resuming all regular Medicaid eligibility processes including discontinuances.
- CMS requires that staff complete a redetermination of eligibility for Medicaid members after the PHE ends.
 - Priority will be first focusing on processing households that include someone who was found ineligible during the PHE, but whose eligibility was maintained due to the MOE.
 - Then the renewal process will begin for the rest of the Medicaid population.
- Also includes re-initiating member premiums and cost-sharing for applicable members after the PHE ends.

COVID-19 Flexibilities

- Iowa Medicaid has several different waivers and State Plan Amendments in place to ensure continuous and expanded services for Medicaid members during the PHE.
- While the flexibilities remain in place, we are encouraged to see that providers are operating based on member preferences and outcomes.
- Some expanded telehealth codes may be recommended to continue post-PHE.

MCO Performance Reporting

- Medical Loss Ratio
 - Unaudited results show annual MLR at:
 - AGP 88.1%
 - ITC 92.3%
- Children's Summary
- LTSS
 - Care and Quality Outcomes
 - Top 5 Waiver Services Utilized

Questions?