

Strong States, Strong Nation



NCSL SOUTHERN STATES FISCAL LEADERS MEETING
Medicaid Waivers: Sharing State Experience

 NATIONAL CONFERENCE *of* STATE LEGISLATURES

New Orleans, Louisiana, Sept. 14, 2018

Welcome!



- ❑ Medicaid waivers explained: a mechanism for innovation
 - ❑ *Samantha Scotti, NCSL*

- ❑ Medicaid waivers: state experiences
 - ❑ *Joe Thompson, M.D., President and CEO, Arkansas Center for Health Improvement*

- ❑ Q & A and Round Table Discussion

Medicaid: Why so important?



- ❑ Medicaid represents \$1 out of every \$6 spent on health care in the US
- ❑ 28.2% of total state spending
 - ❑ (FY 15, both federal and state funds)
- ❑ Total cost was \$565.5 Billion, FY16
- ❑ Pays 3 out of 4 nursing home residents
 - ❑ Primary payer of long-term services and supports (LTSS)
- ❑ Funds about 46% of U.S. births
- ❑ Covers about 39% of children
- ❑ Subsidizes care for the uninsured



Medicaid policy options – “levers”

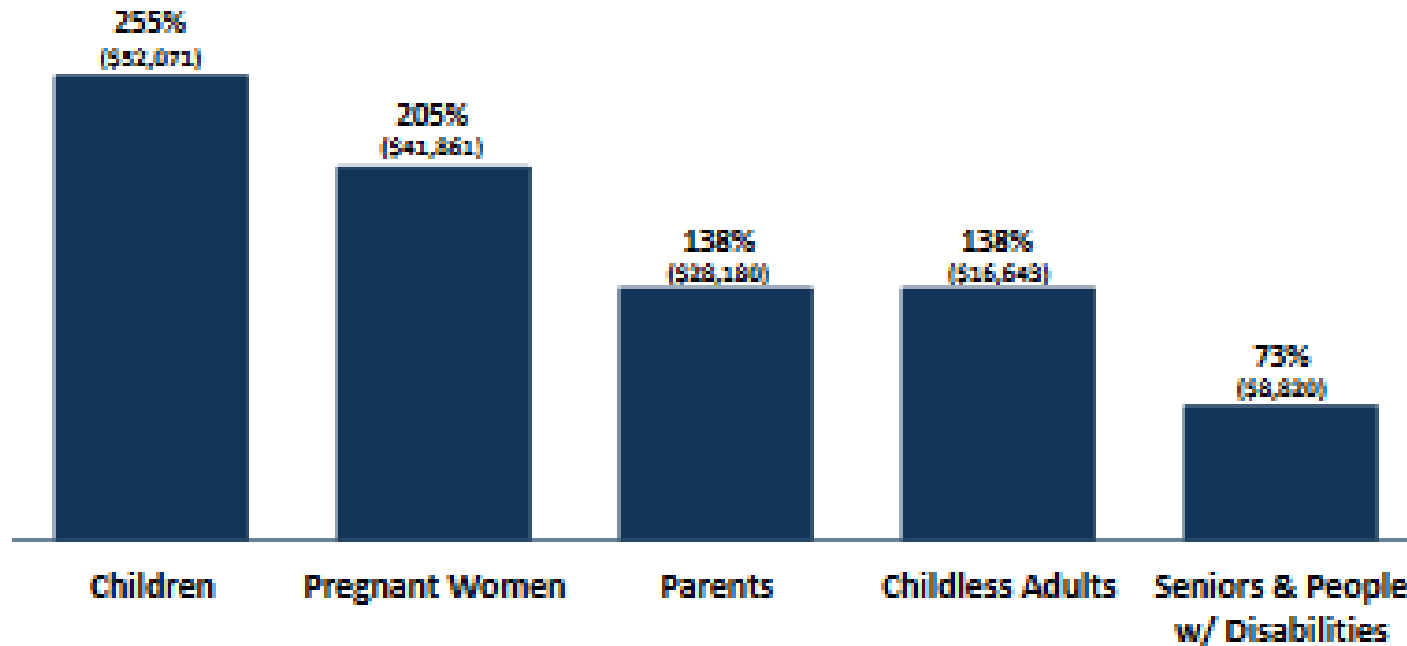
- ❑ Identify eligibility levels
- ❑ Provide optional benefits for enrollees
- ❑ Consider delivery system reforms (managed care vs. fee-for-service)
- ❑ Set provider payment levels (compared to Medicare fee scale)
- ❑ Re-design long-term care (and home/community based care)



Medicaid Eligibility

Eligibility levels are highest for children and pregnant women.

Median Eligibility Level in the US as a Percent of FPL, as of January 1, 2017



Eligibility levels are based on the FPL for a family of three for children, pregnant women, and parents, and for an individual for childless adults and seniors & people w/ disabilities. Seniors & people w/ disabilities eligibility may include an asset limit.

Medicaid Services



Mandatory Benefits/ Services

- Inpatient hospital services
- Outpatient hospital services
- EPSDT: Early and Periodic Screening, Diagnostic, and Treatment Services (for individuals under 21)
- Nursing Facility Services
- Home health services
- Physician services
- Rural health clinic services
- Federally qualified health center services
- Laboratory and X-ray services
- Family planning services
- Nurse Midwife services
- Certified Pediatric and Family Nurse Practitioner services
- Freestanding Birth Center services (when licensed or otherwise recognized by the state)
- Transportation to medical care
- Tobacco cessation counseling for pregnant women

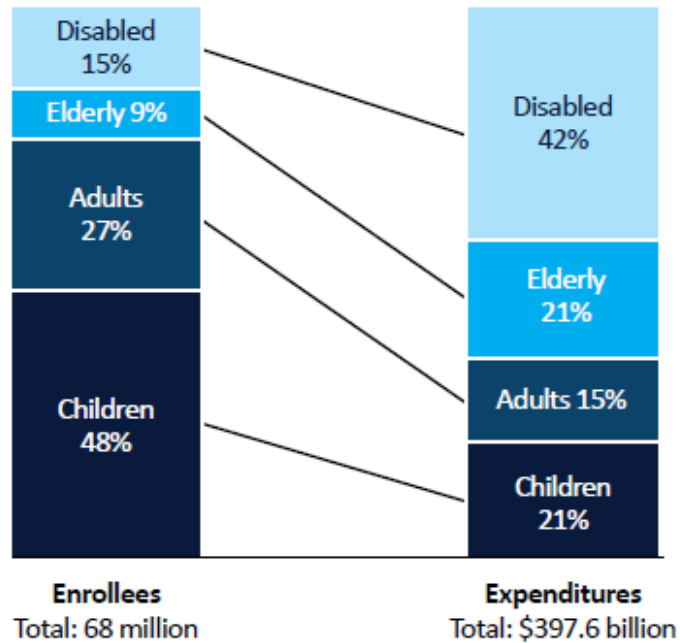
Optional Benefits/ Services

- Prescription Drugs
- Clinic services
- Physical therapy
- Occupational therapy
- Speech, hearing and language disorder services
- Respiratory care services
- Other diagnostic, screening, preventive and rehabilitative services
- Podiatry services
- Optometry services
- Dental Services
- Dentures
- Prosthetics
- Eyeglasses
- Chiropractic services
- Other practitioner services
- Private duty nursing services
- Personal Care
- Hospice
- Case management
- Services for Individuals Age 65 or Older in an Institution for Mental Disease (IMD)
- Services in an intermediate care facility for Individuals with Intellectual Disability
- State Plan Home and Community Based Services- 1915(i)
- Self-Directed Personal Assistance Services- 1915(j)
- Community First Choice Option- 1915(k)
- TB Related Services
- Inpatient psychiatric services for individuals under age 21
- Other services approved by the Secretary
- Health Homes for Enrollees with Chronic Conditions – Section 1945



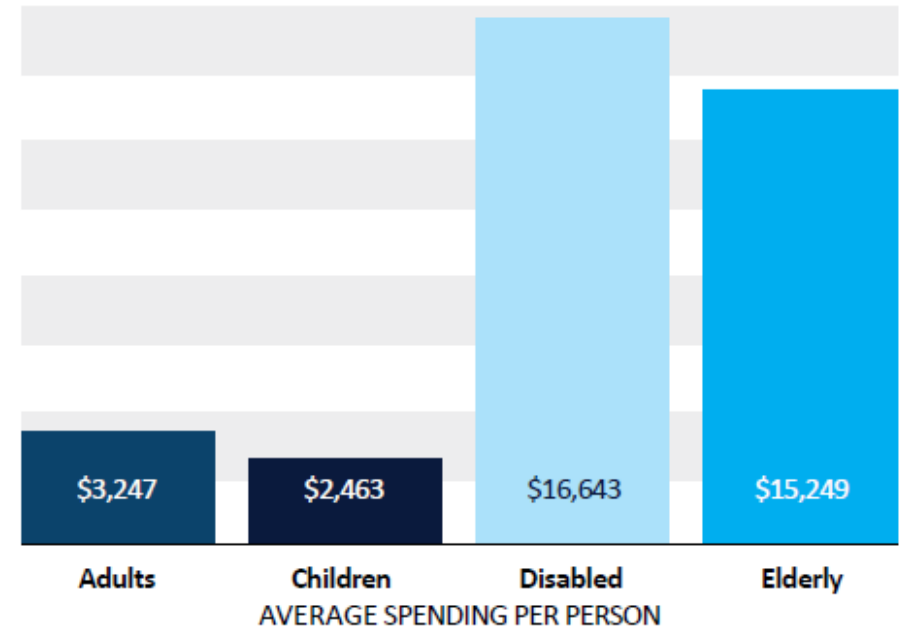
Medicaid Spending

Medicaid Spending by Enrollment Group



Source: Kaiser Family Foundation

Medicaid Spending by Population



Source: Kaiser Family Foundation, 2011



What is a Medicaid waiver?

States seeking additional flexibility to design their Medicaid programs (influence “policy levers”) may apply for formal waivers of some statutory requirement from the Department of Health and Human Services:

- 1115 Demonstration Waivers
- 1915 (b) Managed Care Waivers
- 1915 (c) Home- and Community-based Services (HCBS) Waiver
- What is a Medicaid waiver?
- Combined or concurrent Section 1915(c) waivers

“Today, we commit to ushering in a new era for the federal and state Medicaid partnership where states have more freedom to design programs that meet the spectrum of diverse needs of their Medicaid population.”

- HHS letter to governors, March, 2017

1915(C) Home- and Community-based Services (HCBS) Waivers

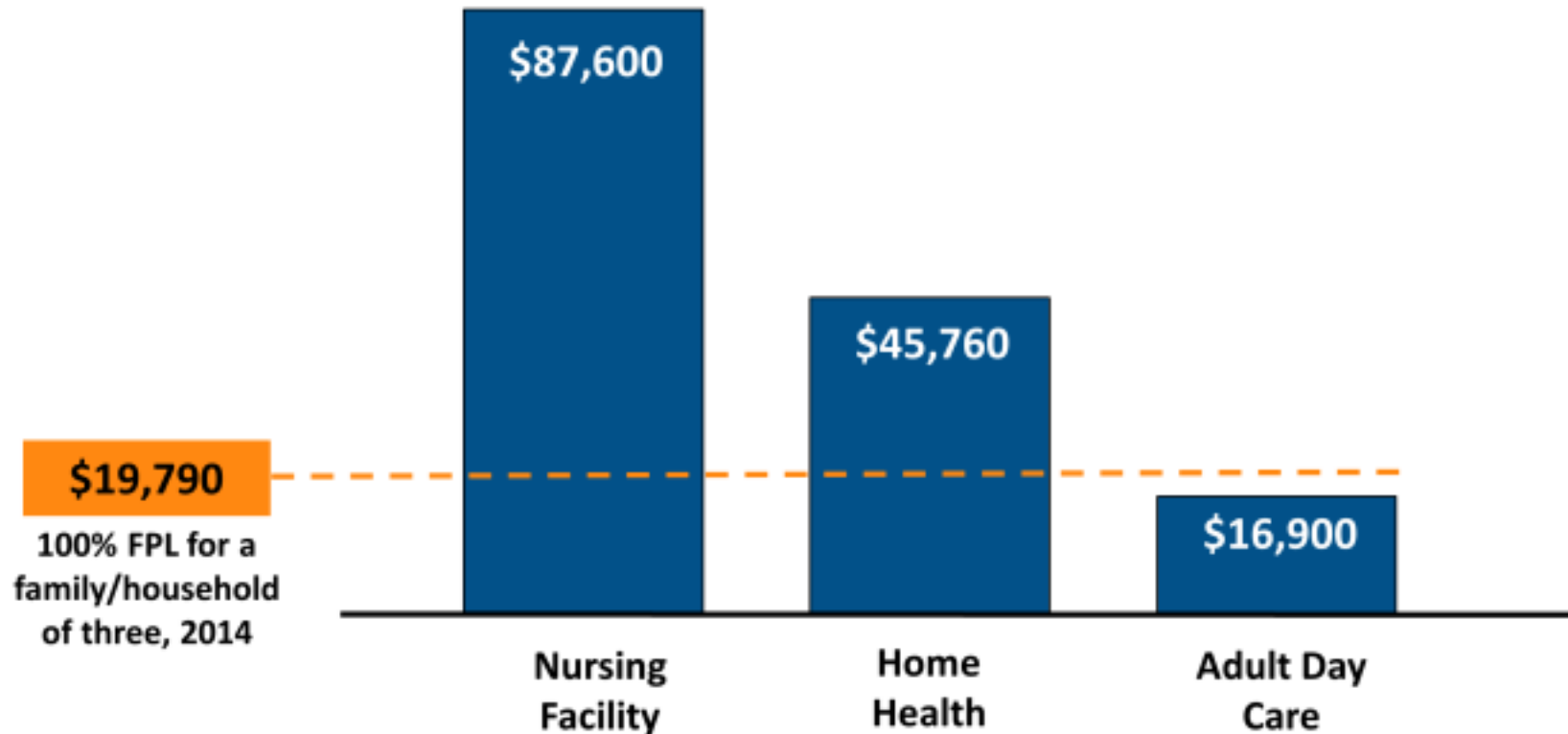


- ❑ This waiver allows states to meet the needs of people who prefer to get long-term care services and supports in their home or community, rather than in an institutional setting.
- ❑ 1915 (c) HCBS programs provide a combination of medical and non-medical services, including: home health aide, personal care, adult day health services, habilitation (both day and residential), and respite care.
- ❑ 47 states offer services through this waiver, with the other three (Arizona, Rhode Island and Vermont) offering HCBS through an 1115 demonstration waiver.



Home- and Community-based Services

Median Annual Care Costs, by Type of Service, 2014





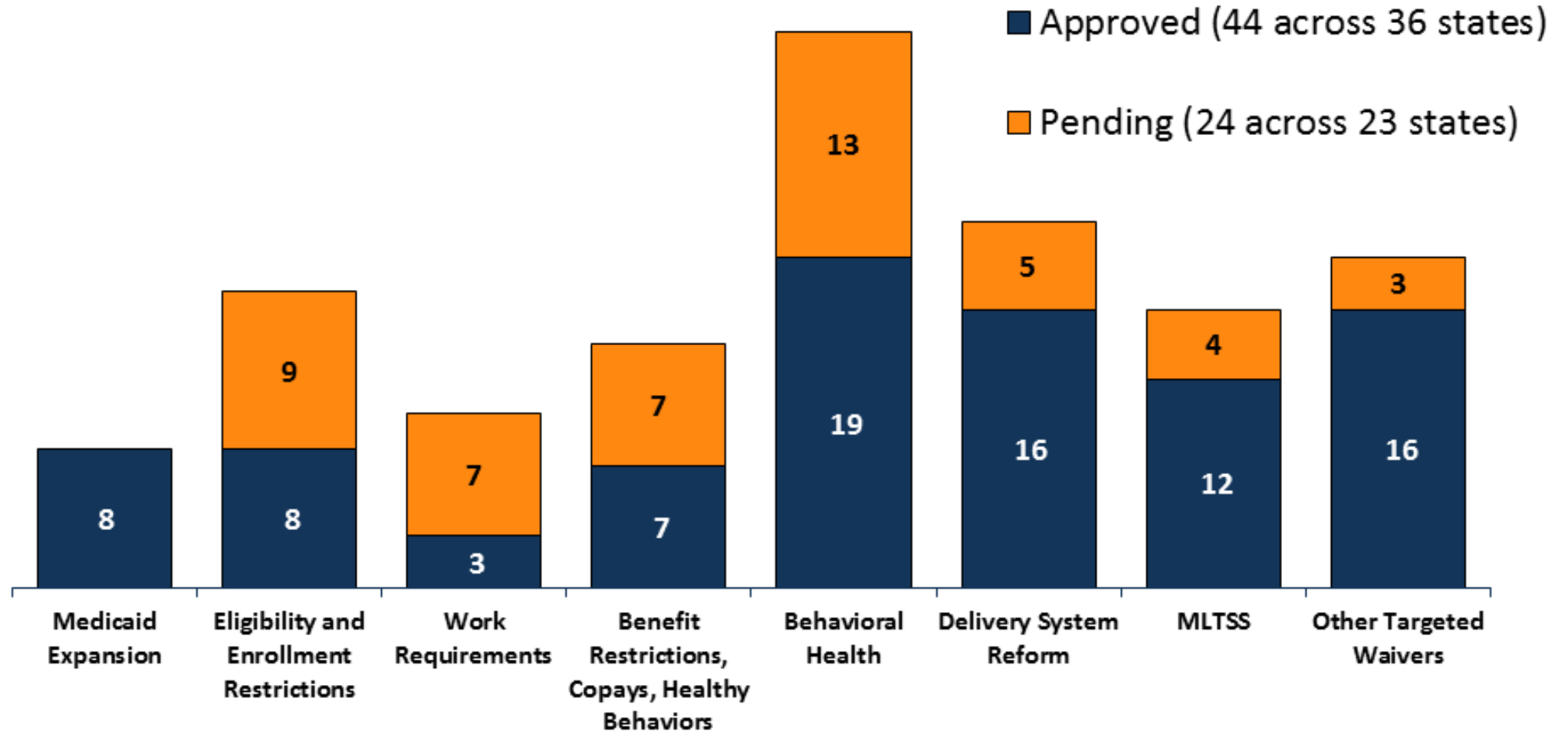
1115 Demonstration Waiver

Under the waivers, states have considerable flexibility to:

- Expand eligibility to individuals who are not otherwise Medicaid or CHIP eligible;
- Provide services not typically covered by Medicaid; and
- Use innovative service delivery systems that improve care, increase efficiency and reduce costs

Landscape of Section 1115 Medicaid

Demonstration Waivers, March 5 2018





Thank you!

Samantha Scotti

samatha.scotti@ncsl.org