HEALTH MANAGEMENT ASSOCIATES

HMA Weekly Roundup

Trends in State Health Policy

February 11, 2015

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THIS WEEK

IN FOCUS

GEORGIA ISSUES MEDICAID MANAGED CARE REQUEST FOR PROPOSALS (RFP)

This week, our *In Focus* section reviews the Request for Proposals (RFP) for care management organizations (CMOs) to serve the Georgia Families and Georgia Families 360° populations under the Georgia Medicaid program. The Georgia Department of Community Health (DCH) intends to award up to four contracts to CMOs for the Georgia Families population and one contract to a CMO for the Georgia Families 360° population. As of the end of 2014, Georgia Families enrolled more than 1.3 million individuals.

RFP Overview

- **Scope and Covered Populations:** Georgia Families CMOs currently serve a little over 1.3 million beneficiaries, which includes Georgia Families populations (pregnant women, children and low-income, non-disabled adults), as well as Planning for Healthy Babies (P4HB) participants and enrollees in PeachCare for Kids (Georgia's CHIP program). Georgia Families 360° serves the foster care and adoption assistance populations, as well as select youth involved in the juvenile justice system, with enrollment of close to 24,000 individuals.

Medicaid Managed Care Enrollment (November 2014)	
Georgia Families	1,304,079
Planning for Healthy Babies	12,414
Georgia Families 360°	23,386
Total	**1,339,879**

- **Excluded Populations:** The following eligibility groups are excluded from enrollment in either Georgia Families or Georgia Families 360°: Medicare/Medicaid dual eligibles, hospice care recipients, the aged, blind and disabled (ABD), and persons in a nursing home eligibility category. As a note, Georgia cancelled an RFP for ABD managed care issued in 2014 after determining that the proposals received were over budget.
- **Contract Awards/Term:** Georgia DCH intends contract with up to four CMOs for Georgia Families, including one CMO that will also receive the sole Georgia Families 360° contract. The initial contract term runs from July 1, 2016, through June 30, 2017, with up to five additional one-year renewal option periods through June 30, 2022. All CMO contracts will be statewide, serving all six managed care regions.
- **Award Scenarios:** In the event that one or more new (non-incumbent) CMOs are awarded Georgia Families contracts, there will be an open enrollment period for all Georgia Families members prior to the operational start date. If no new CMOs are awarded, there will not be an open enrollment period and members will only be able to select a new CMO based on their current change period schedule.
- **Health Insurance Provider Fee (HIPF):** The RFP states that DCH intends to fully reimburse CMOs for the amount of the HIPF attributable to the populations served in the state.

Request for Qualified Contractors (RFQC)

In early November 2014, Georgia DCH issued a RFQC to prequalify potential CMOs for the Georgia Families and Georgia Families 360° bid. Only those potential CMOs who were named as qualified contractors on December 15, 2014, are eligible to bid on the new RFP. Out of 10 RFQC responses, nine of the ten organizations were prequalified.

Qualified to Bid on RFP	Incumbent
Amerigroup (Anthem)	X
AmeriHealth Caritas	
CareSource	
Gateway	
Humana	
Molina	
Peach State (Centene)	X
UnitedHealthcare	
WellCare	X
Not Qualified to Bid on RFP	
University Health Care	

Source: RFQC List of Qualified Contractors

RFP Timeline

RFP responses are due on May 4, 2015, with two rounds of questions and answers in the meantime. The state currently plans to announce awards in early July. Services under the new contracts will begin on July 1, 2016.

Timeline	Date
RFP Released	February 9, 2015
Proposals Due	May 4, 2015
Announcement of Awards	July, 2015
Implementation	July 1, 2016

Current Medicaid Managed Care Market

Georgia Families is currently served by three multi-state CMOs. WellCare holds the largest market share with more than 45 percent of all enrollments (nearly 600,000 lives), followed by Centene's Peach State Health Plan and Anthem's Amerigroup at 29 percent and 25 percent market share, respectively. If a fourth CMO is added, the incumbent plans could see a 15 percent drop in enrollment if the new CMO achieves a minimum enrollment of 200,000, as is assumed in the RFP.

Georgia Families CMO	December, 2014 Enrollment	Market Share
Amerigroup	325,287	25.0%
Peach State Health Plan (Centene)	379,810	29.2%
WellCare	597,149	45.9%
Total Georgia Families Enrollment	**1,302,246**	

Source: DCH monthly enrollment data

Amerigroup currently holds the contract for Georgia Families 360° with around 24,000 enrollees as of November 2014 (not included in above total).

Link to Georgia Families/Georgia Families 360° RFP

https://ssl.doas.state.ga.us/PRSapp/PublicBidNotice?bid_op=154190041900-DCH0000100

HMA Medicaid Roundup

Arkansas

Arkansas Medicaid Expansion Reauthorized for Another Year. On February 5, 2015, *The New York Times* reported that the Arkansas Legislature voted to reauthorize expansion funding through June 2016, despite opposition from new Republican lawmakers seeking to end the private option. Governor Asa Hutchinson also formed a task force that will provide recommendations for Medicaid next year, including larger reforms. Arkansas was the first state in the nation to receive a Medicaid waiver to create an alternative Medicaid expansion plan. Read More

California

HMA Roundup – Warren Lyons (Email Warren)

John Baackes Selected as L.A. Care CEO. On February 5, 2015, California-based L.A. Care Health Plan announced that John Baackes will replace Howard A. Kahn as CEO, effective March 23, 2015. Currently, Baackes oversees the Medicare Advantage line of business for AmeriHealth Caritas. L.A. Care's Chief Operating Officer, John Wallace, will act as interim CEO. Read More

Court Rules California Violated Disability Law. On February 4, 2015, *California HealthLine* reported that a federal judge ruled that California violated the Americans with Disabilities Act by placing disabled inmates in solitary confinement because prisons lacked rooms with accommodations such as wheelchair accessibility. The state Department of Corrections and Rehabilitation said the improper placements mainly occurred at the Richard J. Donovan Correctional Facility, but inmates' lawyers said that similar placements occurred at 10 other facilities. Read More

Funds for HIV/AIDS healthcare contracts reduced by L.A. County. On February 10, 2015, Los Angeles County officials cut back contracts to provide medical care to AIDS and HIV patients, citing increased numbers of people now insured under the federal government's overhaul of healthcare. The move to cut $4 million from the contracts, paid for with federal money, marked the latest clash between the county and the nonprofit AIDS Healthcare Foundation, one of the largest providers of medical services to HIV patients in the region. Read more

Colorado

HMA Roundup – Joan Henneberry (Email Joan)

Colorado Providers, Health Plans Eager to Expand Access to Telehealth Services. A bill requiring health plans in Colorado to reimburse health care services delivered through telehealth has passed the House and is headed to the Senate. The Colorado Association of Health Plans, the trade association of the state's private insurance carriers, is supporting the bill and considers it a win-win for patients and providers. The bill would also remove the current telehealth population restriction which says that a health plan is not required to reimburse telehealth services if the care was provided in a county with a population of more than 150,000 people. There may be other rule changes needed by the Board of Medicine and the Board of Pharmacy to fully implement the availability of telehealth throughout Colorado and not just in isolated, rural areas.

Connect for Health Colorado Requests Additional $2.8M for Call Center. Connect for Health Colorado, the state insurance Marketplace, has informed its board that it needs an additional $2.8 million to operate the health insurance exchange's call centers, as problems with the online enrollment system has driven up call volume. The requested budget for the two call center sites is now $17.7 million. Board members deferred a decision on the request; they have been somewhat critical of staff budget request increases in recent months. More than two dozen enrollment-system flaws have contributed to call volume, including more than 3,600 insurance purchasers who unknowingly forfeited automatic renewal of their health plans by browsing other plans online.

Connecticut

Connecticut Hospital Association Proposes Hospital Tax Phase-out. On February 10, 2015, The *CT Mirror* reported that the Connecticut Hospital Association (CHA) has proposed phasing out the state's hospital provider tax over the next five years. Initially implemented with the goal of providing enhanced reimbursements as well as a boost to state funds, legislative cuts to hospital payment rates now mean that Connecticut hospitals lose $294 million to the tax on an annual basis, according to a CHA spokesperson. The proposal comes just a week before Governor Malloy is set to unveil his biennial budget. Read more

Tenet Withdraws Applications for Hospital Acquisitions. On February 4, 2015, *The CT Mirror* reported that Texas-based Tenet Healthcare and Governor Dannel P. Malloy's administration have ended discussions regarding Tenet acquiring five non-profit CT hospitals. Tenet stated they have withdrawn its applications over strict controls of staffing, services, and pricing. Read More

Delaware

Christiana Care Health System Closing Outpatient Psychiatric Services. On February 9, 2015, *Delaware Online* reported that Christiana Care Health System will close the Rosenblum Center on February 20, 2015, and move to end other outpatient behavioral services by May. This is part of the company's overhaul to move psychiatrists, social workers, and therapists into primary care practices in an effort to diagnose illnesses earlier. Read More

Florida

HMA Roundup – Elaine Peters (Email Elaine)

Florida Low Income Pool Program Renewal Denied in Current Form, Negotiations Continue on Alternative. On February 10, 2015, *Health News Florida* reported that CMS announced that the Low Income Pool (LIP) program funding will end in June. Eliot Fishman, Director of the CMS Children and Adults Health Programs Group, and former HMA Principal, stated that there is "no way" the program will continue in its current form. Although hospitals will face high costs from uninsured patients, the state is adamant about refusing federal funding and preventing expansion. Read More. However, on February 11, 2015, *The Tampa Bay Times* reported that talks are ongoing with CMS and that the federal government may approve a modified or similar program to LIP. Justin Senior, Florida's Medicaid Director, indicated that there were already several "areas of agreement" between Florida and CMS. Read more

Nursing Homes Want Change to State's Medicaid Managed Care Program. On February 9, 2015, *Saint Peters Blog* reported that nursing homes are seeking changes to Florida's Medicaid managed care program. The Florida Health Care Association wants long term care (LTC) patients to have the same managed-care plan for both their traditional health-care needs and their long term services and supports. Currently, the 85,000 enrolled in managed LTC must select two plans, leaving many confused about their health services. Read More

Disabled Face Issues with State's Medicaid Managed Care Program. On February 4, 2015, *Miami Herald* reported that the deaf and disabled are facing problems with Florida's Medicaid managed care program, which rolled out six months ago. Complaint topics include access, communication, prescriptions, lack of ASL interpreters, and confusing paperwork, in addition to other issues. The Agency for Health Care Administration established contractual requirements for insurers under the managed care program but patients are still filing approximately 100 complaints a month. Read More

Georgia

HMA Roundup – Kathy Ryland (Email Kathy)

Emory University and WellStar Health System Discuss Merger. On February 9, 2015, *Georgia Health News* reported that Emory University and WellStar Health System are talking about merging their medical assets in Atlanta. If the merger goes through, the nonprofit health system will become the largest in the state. Talks will continue for 45 days and a merger may take over a year to finalize. Many providers are following similar steps to make up for low payments from

insurers. Tenet is seeking a partner or buyer for its hospital and Piedmont Healthcare is discussing a partnership with St. Francis Hospital. Read More

Illinois

HMA Roundup – Andrew Fairgrieve (Email Andrew)

Audit Leads to Call for Contractor to Again Scrub Medicaid Rolls. On February 6, 2015, *Chicago Tribune* reported that Illinois made $3.7 million in Medicaid payments for 1,100 people who are deceased. Furthermore, 6,000 people who were listed as eligible for receiving medical services were also listed as deceased in other state or federal records. The audit has led to calls for a contractor to be hired to review Medicaid rolls. The state previously hired MAXIMUS, Inc. to conduct eligibility reviews; however, that contract was contested by state employee labor unions and MAXIMUS assumed a more limited role in the eligibility review process. Department of Healthcare and Family Services spokesman John Hoffman expects to get back 99.9 percent of this money from insurers. Read More

Iowa

Three Health Insurers May Join Iowa Exchange. On February 5, 2015, *Muscatine Journal* reported that insurance commissioner Nick Gerhart announced that as many as three health insurers may apply to join the Marketplace, which currently only has one company since the liquidation of CoOportunity. The deadline for companies to apply is April 15. Read More

Kansas

Alternative Medicaid Expansion Plan Introduced. On February 9, 2015, *Kansas Health Institute* reported that the state introduced a new Medicaid expansion proposal, House Bill 2270, meant to appeal to Republicans who have previously opposed accepting federal funds. The proposal gives permission to the Department of Health and Environment to charge providers a fee in order to reduce state costs and sets up work requirements for those who become eligible for Medicaid through the expansion. Read More

Kentucky

Court Rules Kentucky Spirit Must Pay for Breaching Contract. On February 6, 2015, *The Kansas City Star* reported that for leaving a three year contract early, the Kentucky Court of Appeals ruled that Kentucky Spirit Health, a subsidiary of Centene, which managed 125,000 Medicaid recipients, must pay damages to the state. Kentucky Spirit was one of three health insurers to take on Medicaid beneficiaries when the state switched to managed care. The company left after one year although the contract stated it would face a significant penalty. Read More

Maine

Community Health Clinics Reporting Financial Struggle after Medicaid Cuts. On February 9, 2015, *Portland Press Herald* reported that health centers across the state are reporting financial problems after Medicaid eligibility was reduced in recent years. Medicaid enrollment has dropped from 357,000 in 2011 to 290,000 this year. Community health clinics that use income sliding scales to determine out of pocket costs for patients are seeing revenues drop, with some reporting high deficits. The Maine Primary Care Association, which represents 17 clinics, has asked the state to fund $3 million to clinics over two years. Read More

Massachusetts

HMA Roundup – Rob Buchanan (Email Rob)

With Rising Costs, Governor Baker to Overhaul MassHealth. On February 5, 2015, *Telegram.com* reported that Governor Baker is looking to overhaul the state's Medicaid program through his upcoming budget proposal. Medicaid spending in the Commonwealth has surpassed all other health and human services. In addition, Medicaid spending has been growing disproportionally faster, going up 13 percent this year, while other health and human services spending has gone up by only 2 percent. One issue Baker will work on is disenrolling people covered by both Medicaid and private insurance. Overall, he hopes to close a $768 million budget gap in the state. Read More

Michigan

HMA Roundup – Esther Reagan (Email Esther)

Michigan Governor Issues Executive Order Combining DCH and DHS. Governor Rick Snyder has released an Executive Order combining the Departments of Community Health (DCH) and Human Services (DHS) into a single department to be called the Michigan Department of Health and Human Services. The two departments currently administer the state's cash, food, social services and medical assistance programs that encompass about 46 percent of the state budget and serve a combined population of more than 2.5 million people with 14,000 staff. The order takes effect in 60 days. Governor Snyder has also asked Nick Lyon, the director of DCH and interim director of DHS to head the new department. Mr. Lyon's appointment requires the advice and consent of the State Senate.

The order creates a Michigan Children's Services Agency within the new department responsible for children's services and programs, including but not limited to services for foster children, juvenile justice and homeless youth. Licensing processes, currently performed within the Office of Children and Adults Services in DHS are transferred to the Department of Licensing and Regulatory Affairs. The order also replaces the current Office of Services to the Aging with a new Aging and Adult Services Agency within the new department, focused on coordinating all services for Michigan's adult and aging population. Lastly, the order creates an Office of Inspector General as an independent and autonomous entity within the new department to supervise activities to prevent, detect, and investigate fraud, waste, and abuse within the programs administered by the new department. Read more

Nebraska

Former Louisiana Official Chosen as Nebraska Medicaid Director. On February 9, 2015, *1011Now.com* reported that Nebraska Governor Pete Ricketts has chosen Calder Lynch as the new Nebraska Medicaid Director, effective March 9, 2015. Lynch is currently chief of staff to the Secretary of the Louisiana Department of Health and Hospitals. Read More

New Jersey

Karen Brodsky (Email Karen)

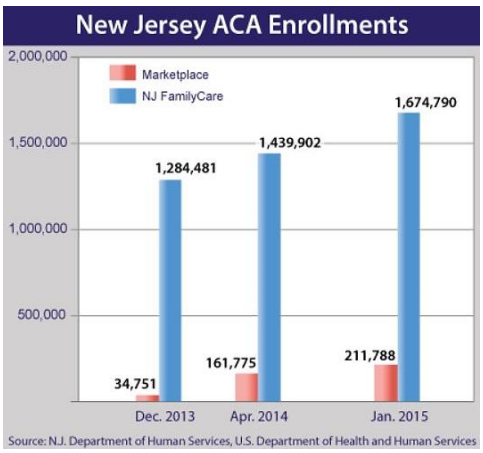
Department of Human Services, Office of Autism releases updated consumer guide. The second edition of the guide, "Autism, Navigating Through the Maze," was produced by the state's Interdepartmental Work Group on Autism Spectrum Disorder within the DHS Division of Developmental Disabilities (DDD) and in partnership with the Departments of Children and Families, Education, Health, Labor and Workforce Development, and the New Jersey Housing Mortgage Finance Agency. The Office of Autism within DDD was established in August 2010 and serves as a centralized location to coordinate the information about services available for children and adults with autism and their families.

New Jersey residents save $309 per month on Marketplace premiums. The February 9, 2015. issue of *NJBIZ* reported that the Department of Health and Human Services has found, on average, savings of $309 in monthly premiums for New Jersey residents due to the financial assistance available through the federal health exchange. In 2015 there are five carriers selling coverage on HealthCare.gov:

- AmeriHealth New Jersey
- Health Republic Insurance of New Jersey
- Horizon Blue Cross Blue Shield of New Jersey
- Oscar Insurance, and
- UnitedHealthcare.

Open enrollment to sign up for a Marketplace plan ends on February 15, 2015. Read more.

The graphic below, highlighted in *NJSpotlight*, details enrollment growth in Marketplace health plans as well as NJ FamilyCare over the past 13 months.



New York

HMA Roundup – Denise Soffel (Email Denise)

E-Prescribing Mandate. The state Senate yesterday passed bill S.2486 to delay the mandate requiring electronic prescribing of controlled substances by one year, to March 27, 2016. The delay is supported by the Medical Society of the State of NY due to concerns about provider readiness to meet the requirements of the law. The e-prescribing mandate was enacted into law in 2012 as part of the I-Stop (Internet System for Tracking Over-Prescribing) legislation. I-Stop requires that, effective March 2015, all prescriptions for controlled substances must be submitted electronically, in an effort to eliminate the problem of forged or stolen prescriptions. The bill was sent to the state Assembly, where it was referred to the Health Committee.

Changes in Certificate of Need Process. NYS requires a certificate of need for any health care provider seeking to establish, construct or renovate their facilities. The Department of Health is transitioning from paper forms and uploaded documents to electronic data collection for certificate of need applications. This will be a multi-step process, the first of which is the introduction of a new tab in the on-line application labeled "Executive Summary." The Executive Summary will be visible to the general public upon application submission. The Executive Summary should be a succinct description of the project conveying key aspects including, as appropriate, services to be provided, ownership proposed, an overview of construction, and/or other pertinent aspects of the proposal.

North Carolina

Legislature Won't Vote on Medicaid Reform Bill. On February 8, 2015, *Winston-Salem Journal* reported that North Carolina's legislative Program Evaluation Oversight Committee will not vote on a controversial Medicaid reform bill that creates an independent board within the Department of Health and Human Services (DHHS) to increase transparency and accountability. Responding to criticism of the DHHS for lack of dependable data and forecasting, the bill sought to create the Health Benefits Authority, which would oversee the Medicaid program. Read More

Ohio

HMA Roundup – Mel Borkan (Email Mel)

More Than Two-Thirds of MyCare Ohio Duals Opting In for Integrated Medicare-Medicaid Benefits. At a January 28, 2015 meeting of the MyCare Ohio Implementation Team (MCOIT), status of the MyCare duals demonstration enrollment was reported by health plan. The five health plans are seeing around 70 percent opt-in rates for integrated dual benefits since the beginning of the year. Under the MyCare program, dual eligibles were enrolled in the demonstration in 2014 for Medicaid-only benefits, with integrated of dual benefits launching in 2015. CareSource has the largest enrollment overall and of dual benefits, with more than 23,000 total enrollees and more than 16,000 opting for dual benefits (see following table). Read more

Managed Care Plan	Total Enrollment	Dual Benefits	Opt-In %
CareSource	23,037	16,271	70.6%
Aetna	21,105	14,739	69.8%
United	19,902	14,350	72.1%
Molina	16,862	11,837	70.2%
Buckeye (Centene)	15,747	11,065	70.3%
Total	**96,653**	**68,262**	**70.6%**

Reportedly Half a Million People Could Lose Medicaid Coverage Within Six Months. On February 6, 2015, *The Columbus Dispatch* reported that Ohio is terminating Medicaid coverage for those who have not verified their income. So far, 107,000 termination notices have been sent out, 140,000 will be sent next week, and 100,000 more will be sent in March. Executive Director of the Ohio Job and Family Services Association, Joel Potts, said that about 500,000 individuals stand to lose benefits in the first six months of this year. Read More

Medicaid Pharmacy Benefit Manager RFP Extended. The due date for responses to Ohio's Medicaid's Pharmacy Benefit Manager Request for Proposals has been extended from February 23, 2015 to March 9, 2015 at 1pm. Read more

Subcommittee Hearings Begin on Governor's Budget Proposal. Subcommittee hearings on Governor John Kasich's proposed budget have begun. Early press appears to be focused on changes to school funding distribution and the tobacco tax. There is also growing attention to Ohio's proposal to phase out the option of using independent/non-agency providers in Ohio's home and community-based services programs. A hearing of the Health and Human Services provisions of the Governor's budget, which includes the Medicaid initiatives, was held Wednesday morning in the House Finance Committee. The Governor's Health Transformation Team testified and answered follow up questions posed by the members. Read more

Oklahoma

Republicans Steady in Opposition to Medicaid Expansion. On February 8, 2015, *KGOU* reported that Oklahoma Republican leaders continue to oppose Medicaid expansion. There is currently no effort to seek expansion nor develop any state-specific Medicaid waiver proposals. Governor Mary Fallin has also stated she has no interest in expansion. Read More

Pennsylvania

HMA Roundup – Matt McGeorge (Email Matt)

Governor Tom Wolf Launches Medicaid Expansion in Pennsylvania. Moving forward on a campaign promise to implement a traditional Medicaid expansion, Governor Wolf announced that the Department of Human Services (the Department) submitted a letter to the federal government to withdraw the Healthy PA low-risk health care package from further consideration. The press release on the Governor's website also outlined problems that have arisen under the Healthy PA program and indicated that movement to a full Medicaid expansion will simplify the process for individuals to get coverage. The Pittsburgh Post-Gazette reports that a Department spokesperson stated the

Healthy PA Private Coverage Option will close in the spring and full transition will be complete by the fall. Read More 2

Pennsylvania Attorney General Files Medicaid Fraud Charges. Kathleen Kane, Pennsylvania's Attorney General, announced that charges have been filed in three separate Medicaid fraud cases. The announcements from the Attorney General's website indicate the accused engaged in more than $1 million in fraudulent activity. The cases involve a psychiatrist who saw patients and issued prescriptions on a suspended licensed, a company billing for services that were not provided since January 2010, and a family who billed for home care services that were not rendered. Read More 2 3

Governor Tom Wolf Announces Exemption from Tax Penalty for CHIP Buy-in Families, Ensures Special Enrollment Period. Governor Wolf states that families enrolled in the CHIP Buy-In Plan will not be subject to a 2014 federal tax penalty and will be able to enroll with a new plan during an extended enrollment period. According to an announcement on the Pennsylvania Insurance Department's website, the issue stems from the plan not meeting the minimum essential coverage (MEC) requirements. The tax exemption and extended enrollment period are based on conversations between the Wolf Administration and the federal government. The Insurance Department has also requested that CHIP insurers work with families to find plans that meet the MEC requirements. Read More

Rhode Island

Medicaid Contributing to High Deficit. On February 5, 2015, *Providence Journal* reported that Medicaid costs are contributing to a projected state deficit of $166.6 million to $200 million. One fourth of Rhode Island's population receives Medicaid and per person costs are 31 percent higher than the national average. Total Medicaid costs are approximately $2.78 billion since June 30, 2013, and the state expects to spend another $2.7 billion this coming year. Read More

Vermont

Vermont to Impose Medicaid Payroll Tax. On February 4, 2015, *VTDigger* reported that Vermont Governor Peter Shumlin is proposing a 0.7 percent payroll tax to fund Medicaid. Vermont would be the first state in the nation to impose such a payroll tax, which would raise $90 million and be used to increase Medicaid reimbursement rates to Medicare levels. However, lawmakers fear this tax would hinder the state's ability to attract new businesses. Read More

Virginia

House GOP Budget Includes $124 Million For Mental Health Care and For the Poor. On February 5, 2015, *The Washington Post* reported that Virginia's House Republicans' budget allots $124 million to mental health care and health care for the poor. House leaders announced they are rejecting Governor McAuliffe's "Healthy Virginia" plan. The lawmakers made clear that the budget does not expand Medicaid but rather builds upon the current safety net for the needy.

The plan nearly doubles funding for free clinics. It also covers 30,000 mentally ill people, but only provides psychiatric care, not broader health care. Read More

Washington

HMA Roundup – Doug Porter (Email Doug)

Washington Confirms Cancellation of Capitated Duals Demonstration. On February 2, 2015, a letter from the Medicaid Director and Assistant Secretary of Behavioral Health and Service Integration Administration confirmed that the state has cancelled its plan to implement a capitated dual eligible demonstration. The letter states that the decision was made in consultation with CMS in the wake of one health plan withdrawing from the program. The demonstration had hoped to enroll a targeted 48,000 dual eligibles in King and Snohomish counties. The state's fee-for-service demonstration is currently active and will not be impacted by the cancellation. Read more

Washington Exchange Enrolled Only 60 Percent of Its Goal With Two Weeks Left. On February 6, 2015, *Kaiser Health News* reported that Washington is falling behind its Healthplanfinder enrollment goal of 213,000, needed to help cover operating costs of the website. Officials believe the holiday season hindered sign-ups, as well as the fact that many have not filed their taxes yet and do not realize how much penalties will be. Furthermore, state projections underestimated the number of people eligible for Medicaid, which grew by half a million in the last 16 months, taking them out of the exchange pool. Lastly, current enrollees received confusing or insufficient information about renewing coverage, leaving some uninsured. Read More

Wisconsin

SeniorCare Cuts Can Leave the Elderly Struggling. On February 8, 2015, *AP/Miami Herald* reported that proposed cuts to SeniorCare will require enrollees to sign up for the Medicare Part D prescription drug program, leaving many struggling financially. Governor Scott Walker's proposal is set to save $15 million over the next two years. SeniorCare is both cheaper and easier to enroll in than Medicare Part D so many current enrollees are concerned by the Governor's proposal. Rep. Andy Jorgenson is petitioning to drop the proposal from the budget. Read More

Wyoming

Wyoming Will Not Expand Medicaid. On February 7, 2015, *Jackson Hole News & Guide* reported that the Wyoming Senate has defeated a Medicaid expansion bill. Republican Governor Matt Mead, who previously opposed Medicaid, urged lawmakers to accept federal funds this year, but the Senate voted 19-11 against his proposal. Senators stated that they did not trust the government to keep its promise and provide the funding. Read More

National

GAO Report Claims Medicaid Bills Paid for Individuals with Private Insurance. On February 10, 2015, *The Hill* highlighted findings from a Government Accountability Office audit report, which claims the federal government could save millions by truly establishing Medicaid as a payer of last resort. Using 2013 data, the report found that 7.5 million individuals enrolled in Medicaid were also insured by a private insurance company. The report also found that older adults were more likely to have private insurance in addition to Medicaid, with 35 percent of those over age 65 having private insurance, compared to only 12.4 percent ages 18 to 64. Read more

Kaiser Presents Q&A on the Mental Health Parity and Addiction Equity Act. On February 6, 2015, *Kaiser Health News* conducted a Q&A with Emily Feinstein, the director of health law and policy at the substance abuse and addiction center CASAColumbia, regarding the Mental Health Parity and Addiction Equity Act of 2008 – its implementation and issues at hand. The Act requires health insurers who provide mental health coverage under managed care to meet the same bar as for medical coverage. Feinstein talks about how important the Act can be, with insurers finally providing comprehensive behavioral coverage. Currently, a big problem is Medicaid excluding or limiting drugs that treat opioid addiction. This can lead to patients to drop out of treatment and relapse, which can be fatal. Furthermore, there is opposition to the Act from private insurers who contract with Medicaid and fear high drug costs. Another challenge the Act will need to overcome is finding enough providers to meet patient demand. Read More

Industry News

CVS Reports Increased Earnings on Pharmacy Growth. On February 10, 2015, the Wall Street Journal reported that CVS posted a 22 percent increase in pharmacy services revenue for Q2 2014, citing growth in specialty-pharmacy sales and increased claims under Medicaid expansion. Pharmacy network claims rose 8.2 percent, primarily attributable to growth in Medicaid, while specialty sales continued to grow in the wake of CVS' acquisition of Coram Specialty Infusion Services. Read more

Ensign Group Announces Public Offering. On February 9, 2015, Ensign Group announced a public offering of 2,500,000 shares of common stock. Proceeds will be used for paying debt, working capital, capital expenditures, and acquisitions. Ensign Group subsidiaries specialize in skilled nursing, rehabilitative care services, assisted living, home health, home care, hospice care and urgent care and operate in 12 states. Read More

RFP Calendar

Date	State/Program	Event	Beneficiaries
February, 2015	Louisiana MLTSS - Frail Elderly	RFP Release	50,000
March 1, 2015	Michigan Duals	Implementation	70,000
March 2, 2015	Florida Healthy Kids	Proposals Due	185,000
March 27, 2015	Mississippi CHIP	Proposals Due	50,300
April 1, 2015	Rhode Island (Duals)	Implementation	28,000
April 1, 2015	Puerto Rico	Implementation	1,600,000
April 15, 2015	Florida Healthy Kids	Contract Awards	185,000
April 24, 2015	Mississippi CHIP	Contract Awards	50,300
April, 2015	Louisiana MLTSS - DD	RFP Release	15,000
May 1, 2015	Michigan	RFP Release	1,500,000
May 4, 2015	Georgia	Proposals Due	1,300,000
July 1, 2015	Missouri	Implementation	398,000
July 1, 2015	Mississippi CHIP	Implementation	50,300
July, 2015	Georgia	Contract Awards	1,300,000
August, 2015	Michigan	Contract Awards	1,500,000
September 1, 2015	Texas NorthSTAR (Behavioral)	Implementation	840,000
September 1, 2015	Texas STAR Health (Foster Care)	Implementation	32,000
October 1, 2015	Arizona (Behavioral)	Implementation	23,000
October 1, 2015	Florida Healthy Kids	Implementation	185,000
Fall 2015	Louisiana MLTSS - Frail Elderly	Implementation	50,000
January 1, 2016	Michigan	Implementation	1,500,000
Early 2016	Louisiana MLTSS - DD	Implementation	15,000
July, 2016	Georgia	Implementation	1,300,000
September 1, 2016	Texas STAR Kids	Implementation	200,000

Dual Eligible Financial Alignment Demonstration Calendar

Below is a summary table of the progression of states toward implementing dual eligible financial alignment demonstrations in 2014 and 2015.

State	Model	Duals eligible for demo	RFP Released	RFP Response Due Date	Contract Award Date	Signed MOU with CMS	Opt- in Enrollment Date	Passive Enrollment Date	Health Plans
California	Capitated	350,000	X	3/1/2012	4/4/2012	3/27/2013	4/1/2014	5/1/2014 7/1/2014 1/1/2015	CalOptima; Care 1st Partner Plan, LLC; Community Health Group Partner; Health Net; Health Plan of San Mateo; Inland Empire Health Plan; LA Care; Molina; Santa Clara Family Health Plan; WellPoint/Amerigroup (CareMore)
Colorado	MFFS	62,982				2/28/2014		9/1/2014	
Connecticut	MFFS	57,569						TBD	
Illinois	Capitated	136,000	X	6/18/2012	11/9/2012	2/22/2013	4/1/2014	6/1/2014	Aetna; Centene; Health Alliance; Blue Cross Blue Shield of IL; Health Spring; Humana; Meridian Health Plan; Molina
Massachusetts	Capitated	90,000	X	8/20/2012	11/5/2012	8/22/2013	10/1/2013	1/1/2014	Commonwealth Care Alliance; Fallon Total Care; Network Health
Michigan	Capitated	105,000	X	9/10/2013	11/6/2013	4/3/2014	3/1/2015	5/1/2015	AmeriHealth Michigan; Coventry; Fidelis SecureCare; Meridian Health Plan; Midwest Health Plan; Molina Healthcare; Upper Peninsula Health Plan
New York	Capitated	178,000	Application			8/26/2013	1/1/2015 4/1/2015	4/1/2015 7/1/2015	
North Carolina	MFFS	222,151						TBD	
Ohio	Capitated	114,000	X	5/25/2012	6/28/2012	12/11/2012	5/1/2014	1/1/2015	Aetna; CareSource; Centene; Molina; UnitedHealth
Oklahoma	MFFS	104,258						TBD	
Rhode Island*	Capitated	28,000	X	5/12/2014	9/1/2014		4/1/2015		
South Carolina	Capitated	53,600	X		11/1/2013	10/25/2013	2/1/2015	6/1/2015	Absolute Total Care (Centene); Advicare; Molina Healthcare of South Carolina; Select Health of South Carolina (AmeriHealth)
Texas	Capitated	168,000	N/A	N/A	N/A	5/23/2014	3/1/2015	4/1/2015	Amerigroup, Health Spring, Molina, Superior, United
Virginia	Capitated	78,596	X	5/15/2013	12/9/2013	5/21/2013	3/1/2014	5/1/2014	Humana; Health Keepers; VA Premier Health
Washington	Capitated	48,500	*Cancelled Capitated Financial Alignment Model*						
	MFFS	66,500	X			10/24/2012		7/1/2013; 10/1/2013	
Totals	**10 Capitated 5 MFFS**	**1.3M Capitated 513K FFS**	***10***			***11***			

** Phase I enrollment of duals only includes Medicaid benefits. Medicare-Medicare integration to occur within 12 months.*

Dual Eligible Financial Alignment Demonstration Enrollment Update

Below are enrollment totals in the four states with active dual eligible demonstration enrollments in a capitated model as of this week's publication. *Please note revised enrollment totals in Illinois; previous version of the table overstated duals demonstration enrollment for December 2014.*

State	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
California	3,445	15,322	17,846	39,731	42,473	44,804	48,976	51,527	58,945
Illinois	455	2,831	19,461	37,248	48,114	46,870	49,060	49,253	57,967
Massachusetts	13,191	13,274	13,409	18,836	18,067	17,739	17,465	18,104	
Virginia				11,169	11,983	21,958	28,642	29,648	27,701
Total Fully Integrated	**17,091**	**31,427**	**50,716**	**106,984**	**120,637**	**131,371**	**144,143**	**148,532**	**N/A**

Source: State enrollment reporting compiled by HMA

HMA NEWS

Webinar Replay: *"Shoulder to Shoulder: A Guide to Planning Integrated Care for Underserved Populations"*

Link to Webinar Replay and Slide Deck

On January 28, 2015, HMA Information Services (HMAIS) hosted the webinar, "Shoulder to Shoulder: A Guide to Planning Integrated Care for Underserved Populations."

Just in time for those planning to apply for SAMHSA's $1.6 million Primary and Behavioral Health Care Integration (PBHCI) opportunity, the webinar featured our integration experts discussing key factors for successfully planning, coordinating, and delivering integrated healthcare to high need, vulnerable populations in any setting.

HMA speakers included:

- Heidi Arthur, Principal
- Terry Conway, M.D., Managing Principal
- Pat Dennehy, DNP, Principal
- Gina Lasky, Ph.D, HMA Community Strategies Project Manager
- Jeffrey Ring, Ph.D, Principal