HEALTH MANAGEMENT ASSOCIATES

HMA Weekly Roundup

Trends in State Health Policy

June 1, 2016

RFP CALENDAR

DUAL ELIGIBLES CALENDAR

HMA NEWS

Edited by:
Greg Nersessian, CFA
Email

Andrew Fairgrieve
Email

Alona Nenko
Email

Julia Scully
Email

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IN FOCUS

MEDICAID AND EXCHANGE ENROLLMENT UPDATE – SPRING 2016

This week, our *In Focus* section reviews updated reports issued by the U.S. Department of Health and Human Services (HHS) on Medicaid expansion enrollment from *"Medicaid & CHIP: March 2016 Monthly Applications, Eligibility Determinations, and Enrollment Report,"* published on May 25, 2016. Additionally, we review Exchange enrollment from the HHS Office of the Assistant Secretary for Planning and Evaluation (ASPE) Issue Brief, *"Addendum to the Health Insurance Marketplace 2016 Open Enrollment Period: Final Enrollment Report."* Combined, these reports present a picture of Medicaid and Exchange enrollment at the end of the first quarter of 2016.

Key Takeaways from Medicaid Enrollment Report

- Across all 50 states and DC reporting Medicaid and CHIP monthly enrollment data, nearly 72.5 million individuals were enrolled in Medicaid or CHIP as of March 2016.
- Medicaid and CHIP enrollment is up more than 1 million members since March 2015, a 1.5 percent increase in enrollment.
- In total, Medicaid and CHIP enrollment is up more than 15.1 million (26.5 percent) from the "Pre-Open Enrollment" period prior to Medicaid expansion and the launch of the Exchanges, defined by HHS as July 2013 through September 2013 (Q3 2013).
- The top five states in percentage growth of Medicaid and CHIP enrollment in the past year are Montana (30.7 percent), Indiana (15.8 percent), Alaska (15.4 percent), and Pennsylvania, Nevada, and Arizona (all three at 10.5 percent). Four of these five states implemented Medicaid expansion much later than the initial January 1, 2014 date: Montana – January 2016, Indiana – February 2015, Alaska – September 2015 and Pennsylvania – January 2015.
- The top five states in percentage growth of Medicaid and CHIP enrollment since the Medicaid expansion (as compared to the the pre-open enrollment period) are Kentucky (95.7 percent), Nevada (83 percent), Oregon (71.9 percent), Colorado (71.5 percent), and New Mexico (67.4 percent).
- Another five states (Washington, West Virginia, California, Montana, and Arkasas) have all seen enrollment growth in Medicaid and CHIP of more than 50 percent since the pre-open enrollment period in 2013, while another ten states have seen enrollment growth of more than 25 percent in the same period.
- The top five states in percentage growth of Medicaid and CHIP enrollment from 2013 through March 2016 among states that did not expand Medicaid are Tennessee (28.5 percent), North Carolina (23.8 percent), Idaho (19.4 percent), Florida (15.8 percent), and Georgia (15 percent).
- The top five states in total enrollment growth of Medicaid and CHIP in the past year are Pennsylvania (267,187), Indiana (200,395), Arizona (158,707), Tennessee (133,481), and North Carolina (128,437).
- Two additional states (Florida and Colorado) saw enrollment growth of Medicaid and CHIP in the past year of more than 100,000 members.
- The top five states in total enrollment growth of Medicaid and CHIP from 2013 through March 2016 are California (4.1 million), New York (734,068), Washington (654,794), Ohio (625,596), and Kentucky (580,968).

Key Takeaways from Marketplace Report

- Qualified Health Plan (QHP) enrollment in the Exchanges neared 12.7 million as of the end of open enrollment in February 2016, up nearly 994,000 members from the prior year, an increase of 8.5 percent.

- The top five states in terms of overall Exchange enrollment as of February 2016 are Florida (1.7 million), California (1.6 million), Texas (1.3 million), North Carolina (613,487), and Georgia (587,845).
- The top six states in terms of Exchange enrollment growth from March 2015 through February 2016 are Massachusetts (52.2 percent), Minnesota (39.9 percent), Maryland (35 percent), Oregon (31.3 percent), and Utah and Washington (both at 24.9 percent).
- A total of six states saw declines in Exchange enrollment from March 2015 through February 2016. New York (-33.5 percent), Kentucky (-11.9 percent), and Indiana (-10.5 percent) saw double digit percentage declines, while Pennsylvania, Vermont, and Arizona saw single-digit percentage declines.

The table on the following page (**Table 1**) provides state-level data on Medicaid and Exchange enrollment.

Medicaid and Exchange Enrollment Data Sources

Link to CMS Medicaid Expansion Enrollment Report:

"Medicaid & CHIP: March 2016 Monthly Applications, Eligibility Determinations, and Enrollment Report" (May 25, 2016)

Link to ASPE Health Insurance Marketplace Enrollment Report:

"Addendum to the Health Insurance Marketplaces 2016 Open Enrollment Period: Final Enrollment Report" (March 11, 2016)

Table 1 – Medicaid/CHIP Enrollment (Mar-16) and Exchange Enrollment (Feb-16)

Medicaid and CHIP Enrollment by State (Q3 2013 through Mar-16) and Exchange Enrollment by State (2014 through Feb-16)

State	Expanded Medicaid	Exchange Model	Pre-Open Enrollment Monthly Avg. (Q3 2013)	Medicaid/CHIP Enrollment (Mar-15)	Medicaid/CHIP Enrollment (Mar-16)	Mar-15 to Mar-16 % Change	Mar-15 to Mar-16 # Change	Selected Exchange QHP (2014)	Selected Exchange QHP (Mar-15)	Selected Exchange QHP (Feb-16)	Mar-15 to Feb-16 % Change	Mar-15 to Feb-16 # Change
US Total			**57,278,077**	**71,405,501**	**72,457,339**	***1.5%***	***1,051,838***	**8,019,763**	**11,688,074**	**12,681,874**	***8.5%***	***993,800***
Alabama	No	FFM	799,176	860,213	886,099	*3.0%*	*25,886*	97,870	171,641	195,055	*13.6%*	*23,414*
Alaska	Yes	FFM	122,334	126,603	146,153	*15.4%*	*19,550*	12,890	21,260	23,029	*8.3%*	*1,769*
Arizona	Yes	FFM	1,201,770	1,516,700	1,675,407	*10.5%*	*158,707*	120,071	205,666	203,066	*-1.3%*	*(2,600)*
Arkansas	Yes	FFM	556,851	831,098	842,433	*1.4%*	*11,335*	43,446	65,684	73,648	*12.1%*	*7,964*
California	Yes	State-Based	7,755,381	12,248,555	11,869,623	*-3.1%*	*(378,932)*	1,405,102	1,412,200	1,575,340	*11.6%*	*163,140*
Colorado	Yes	State-Based	783,420	1,240,692	1,343,590	*8.3%*	*102,898*	125,402	140,327	150,769	*7.4%*	*10,442*
Connecticut[2]	Yes	State-Based	618,700	726,253	764,590	*5.3%*	*38,337*	79,192	109,839	116,019	*5.6%*	*6,180*
Delaware	Yes	Partnership	223,324	238,621	251,851	*5.5%*	*13,230*	14,087	25,036	28,256	*12.9%*	*3,220*
District of Columbia	Yes	State-Based	235,786	255,519	265,963	*4.1%*	*10,444*	10,714	18,465	22,693	*22.9%*	*4,228*
Florida	No	FFM	3,104,996	3,482,379	3,595,860	*3.3%*	*113,481*	983,775	1,596,296	1,742,819	*9.2%*	*146,523*
Georgia	No	FFM	1,535,090	1,769,145	1,764,901	*-0.2%*	*(4,244)*	316,543	541,080	587,845	*8.6%*	*46,765*
Hawaii[1]	Yes	State-Based	288,357	320,744	341,501	*6.5%*	*20,757*	8,592	12,625	14,564	*15.4%*	*1,939*
Idaho	No	State-Based	238,150	277,968	284,390	*2.3%*	*6,422*	76,061	97,079	101,073	*4.1%*	*3,994*
Illinois	Yes	FFM	2,626,943	3,198,477	3,145,232	*-1.7%*	*(53,245)*	217,492	349,487	388,179	*11.1%*	*38,692*
Indiana	Yes	FFM	1,120,674	1,264,642	1,464,935	*15.8%*	*200,293*	132,423	219,185	196,242	*-10.5%*	*(22,943)*
Iowa	Yes	FFM	493,515	586,626	619,917	*5.7%*	*33,291*	29,163	45,162	55,089	*22.0%*	*9,927*
Kansas	No	FFM	378,160	406,312	405,108	*-0.3%*	*(1,204)*	57,013	96,197	101,555	*5.6%*	*5,358*
Kentucky	Yes	State-Based	606,805	1,140,261	1,187,773	*4.2%*	*47,512*	82,747	106,330	93,666	*-11.9%*	*(12,664)*
Louisiana[3]	No	FFM	1,019,787	1,071,413	1,069,499	*-0.2%*	*(1,914)*	101,778	186,277	214,148	*15.0%*	*27,871*
Maine[2]	No	FFM	266,900	284,206	276,624	*-2.7%*	*(7,582)*	44,258	74,805	84,059	*12.4%*	*9,254*
Maryland	Yes	State-Based	856,297	1,194,697	1,183,846	*-0.9%*	*(10,851)*	67,757	120,145	162,177	*35.0%*	*42,032*
Massachusetts	Yes	State-Based	1,296,359	1,710,122	1,647,644	*-3.7%*	*(62,478)*	31,695	140,540	213,883	*52.2%*	*73,343*
Michigan	Yes	FFM	1,912,009	2,342,079	2,307,018	*-1.5%*	*(35,061)*	272,539	341,183	345,813	*1.4%*	*4,630*
Minnesota	Yes	State-Based	873,040	1,053,357	1,017,357	*-3.4%*	*(36,000)*	48,495	59,704	83,507	*39.9%*	*23,803*
Mississippi	No	FFM	637,229	719,290	696,165	*-3.2%*	*(23,125)*	61,494	104,538	108,672	*4.0%*	*4,134*
Missouri	No	FFM	846,084	893,452	952,532	*6.6%*	*59,080*	152,335	253,430	290,201	*14.5%*	*36,771*
Montana	Yes	FFM	148,974	174,145	227,648	*30.7%*	*53,503*	36,584	54,266	58,114	*7.1%*	*3,848*
Nebraska	No	FFM	244,600	243,082	235,119	*-3.3%*	*(7,963)*	42,975	74,152	87,835	*18.5%*	*13,683*
Nevada[1]	Yes	State-Based	332,560	550,816	608,719	*10.5%*	*57,903*	45,390	73,596	88,145	*19.8%*	*14,549*
New Hampshire	Yes	FFM	127,082	174,908	188,446	*7.7%*	*13,538*	40,262	53,005	55,183	*4.1%*	*2,178*
New Jersey	Yes	FFM	1,283,851	1,699,114	1,737,744	*2.3%*	*38,630*	161,775	254,316	288,573	*13.5%*	*34,257*
New Mexico[1]	Yes	State-Based	457,678	697,425	766,013	*9.8%*	*68,588*	32,062	52,358	54,865	*4.8%*	*2,507*
New York	Yes	State-Based	5,678,417	6,414,843	6,412,485	*0.0%*	*(2,358)*	370,451	408,841	271,964	*-33.5%*	*(136,877)*
North Carolina	No	FFM	1,595,952	1,847,722	1,976,159	*7.0%*	*128,437*	357,584	560,357	613,487	*9.5%*	*53,130*
North Dakota	Yes	FFM	69,980	89,143	84,313	*-5.4%*	*(4,830)*	10,597	18,171	21,604	*18.9%*	*3,433*
Ohio	Yes	FFM	2,341,481	2,951,420	2,967,077	*0.5%*	*15,657*	154,668	234,341	243,715	*4.0%*	*9,374*
Oklahoma	No	FFM	790,051	808,307	780,157	*-3.5%*	*(28,150)*	69,221	126,115	145,329	*15.2%*	*19,214*
Oregon[1]	Yes	State-Based	626,356	1,100,014	1,076,961	*-2.1%*	*(23,053)*	68,308	112,024	147,109	*31.3%*	*35,085*
Pennsylvania	Yes	FFM	2,386,046	2,539,514	2,806,701	*10.5%*	*267,187*	318,077	472,697	439,238	*-7.1%*	*(33,459)*
Rhode Island	Yes	State-Based	190,833	272,711	282,386	*3.5%*	*9,675*	28,485	31,337	34,670	*10.6%*	*3,333*
South Carolina	No	FFM	889,744	983,208	958,933	*-2.5%*	*(24,275)*	118,324	210,331	231,849	*10.2%*	*21,518*
South Dakota	No	FFM	115,501	118,794	119,140	*0.3%*	*346*	13,104	21,393	25,999	*21.5%*	*4,606*
Tennessee	No	FFM	1,244,516	1,465,364	1,599,225	*9.1%*	*133,861*	151,352	231,440	268,867	*16.2%*	*37,427*
Texas	No	FFM	4,441,605	4,700,214	4,707,919	*0.2%*	*7,705*	733,757	1,205,174	1,306,208	*8.4%*	*101,034*
Utah	No	FFM	294,029	307,777	310,162	*0.8%*	*2,385*	84,601	140,612	175,637	*24.9%*	*35,025*
Vermont	Yes	State-Based	161,081	184,843	191,745	*3.7%*	*6,902*	38,048	31,619	29,440	*-6.9%*	*(2,179)*
Virginia	No	FFM	935,434	967,813	967,004	*-0.1%*	*(809)*	216,356	385,154	421,897	*9.5%*	*36,743*
Washington	Yes	State-Based	1,117,576	1,693,603	1,772,370	*4.7%*	*78,767*	163,207	160,732	200,691	*24.9%*	*39,959*
West Virginia	Yes	FFM	354,544	527,957	556,843	*5.5%*	*28,886*	19,856	33,421	37,284	*11.6%*	*3,863*
Wisconsin	No	FFM	985,531	1,063,425	1,054,411	*-0.8%*	*(9,014)*	139,815	207,349	239,034	*15.3%*	*31,685*
Wyoming	No	FFM	67,518	69,915	63,648	*-9.0%*	*(6,267)*	11,970	21,092	23,770	*12.7%*	*2,678*

Source(s): U.S. Department of Health and Human Services (HHS), HHS Office of the Assistant Secretary for Planning and Evaluation (ASPE).

[1] Several states use the FFM Marketplace for enrollment, despite being a state-based Exchange; these states are Hawaii, Nevada, New Mexico, and Oregon.

[2] Connecticut and Maine did not report Pre-Open Enrollment Period enrollment data to HHS for the report. HMA has substituted the December 2013 Medicaid enrollment total from the Kaiser Family Foundation, compiled by Health Management Associates (HMA) from state Medicaid enrollment reports for the Kaiser Commission on Medicaid and the Uninsured (KCMU). Data available at: http://kff.org/medicaid/state-indicator/monthly-medicaid-enrollment-in-thousands-december/

[3] Louisiana's Medicaid expansion was authorized in January 2016 but had not yet been implemented as of March 2016.

HMA Medicaid Roundup

Alabama

Medicaid Officials Testify in House Speaker Conflict of Interest Trial. *AL.com* reported on May 26, 2016, that Alabama Medicaid officials testified that they had opposed a provision in the state' 2013 Medicaid budget that would have benefitted a pharmacy benefit management company that at the time had a $5,000 per month consulting contract with House Speaker Mike Hubbard. Hubbard is being charged with ethics violations for failing to disclose his contract with American Pharmacy Cooperative (APCI). The provision, which was ultimately removed by a conference committee, would have deemed APCI the only company eligible to serve as Medicaid's PBM. Medicaid Commissioner Stephanie Azar, Clinical Services DIrector Kelli Littlejohn Newman, and former state Health Officer Don Williamson testified that they were not consulted about the language and were concerned about its limitations, considering the state was still deciding whether to use a PBM and did not want to be limited to APCI. Read More

Alaska

State Temporarily Suspends Medicaid Payments to Hospitals, Clinics. *Juneau Empire* reported on May 26, 2016, that Alaska is temporarily suspending Medicaid payments to hospitals and clinics. Margaret Brodie, Director of the Division of Health Care Services at the Alaska Department of Health and Social Services, blamed the suspension on the state's budget situation leading up to the end of fiscal year 2016 on June 30. She said the suspension would be brief and that payments would comply with federal timeliness standards. Read More

Colorado

HMA Roundup – Lee Repasch (Email Lee)

Bright Health Applies to Join Colorado Exchange in 2017. *Denver Business Journal* reported on May 27, 2016, that Minnesota-based Bright Health plans to offer individual insurance plans on Colorado's health insurance Exchange in 2017. Bright Health will partner exclusively with Centura Health's Colorado Health Neighborhoods (CHN) provider network. Currently, there are seven insurers in the country who offer products featuring only one health system. Bright Health's announcement comes after United Healthcare revealed last month that it will exit the Colorado Exchange market. The Colorado Division of Insurance is reviewing Bright Health's application. Read More

Connecticut

Husky A Parents Transitioning from Medicaid to Qualified Health Plans. *Hartford Business* reported on May 26, 2016, that 18,000 parents and caretaker relatives enrolled in Connecticut's Husky A Medicaid program will no longer quality for the program effective of August 1, 2016, following a change in income eligibility requirements. Members will be transferred to Qualified Health Plans (QHPs) available through the Access Health CT Exchange. Access Health will work with the Connecticut Department of Social Services, Office of Healthcare Advocate, and Office of Policy and Management to assist members with the transition. Connecticut reduced income eligibility requirements from 201 percent of the federal poverty level (FPL) to 155 percent of FPL in 2015 and provided a year of transitional medical assistance through July 31, 2016. Read More

Tentative Approval Granted for Prospect Medical Holdings Hospital Acquisitions. *The Hartford Courant* reported on May 26, 2016, that Connecticut regulators have granted California-based Prospect Medical Holdings tentative approval to purchase Manchester Memorial and Rockville General hospitals for $105 million. The two hospitals, which are the primary assets of Eastern Connecticut Health Care Network, would be converted to for-profit following the sale. Prospect would be required to make no less than $75 million in capital improvements over five years, and both facilities must continue to operate as acute-care hospitals for at least three years. Prospect currently own 13 hospitals and 40 clinics and outpatient centers in California, Texas, and Rhode Island. The office of Attorney General George Jepsen and the Office of Health Care Access issued the tentative approval. Read More

Florida

HMA Roundup – Elaine Peters (Email Elaine)

Under Agreement, Caregiver Wages to Increase to $15 Per Hour by 2020. *West Orlando News* reported on May 26, 2016, that Consulate Health Care and caregivers represented by 1199 SEIU United Healthcare Workers East in Florida agreed to a minimum wage increase from $8.05 to $10.40 per hour. The contract will benefit 700 SEIU caregivers. While some won't see an increase until 2017, a large number are now on track to earn $15 per hour by 2020. Consulate specializes in post-acute care for seniors, operating more than 200 centers in 21 states. 1199 SEIU United Healthcare Workers East is one of the largest and fastest-growing unions in the nation, representing 25,000 nurses and healthcare workers in Florida alone. Read More

Georgia

HMA Roundup – Kathy Ryland (Email Kathy)

Stratus Healthcare, Central Georgia Health Network to Form Integrated Network. *Georgia Health News* reported on May 25, 2016, that Stratus Healthcare and Central Georgia Health Network (CGHN) are in discussions to form a clinically integrated network for patients in southern and central Georgia. Stratus is an alliance of 13 health systems in central and southern Georgia, in which members do not share equity interests. CGHN is an organization with 650

physicians and 300 physician assistants and nurse practitioners. Stratus Executive Director Julie Windom cited a recognized need to be a clinically integrated network, adding that a big challenge is improving IT connectivity to allow hospitals and physicians to share data. Read More

Illinois

HMA Roundup – Andrew Fairgrieve (Email Andrew)

Illinois Legislative Session Ends without Budget Deal. Reuters reported on June 1, 2016, that the Illinois Legislature was unable to reach a budget agreement for fiscal year 2017 as the spring session ended on May 31. After optimistic reports in the past week of a potential budget deal, the House passed a budget, which Governor Rauner vowed to veto, claiming it to be $7 billion short in necessary revenue. That budget bill was defeated in the Senate. Now that the spring session has ended, the legislature will need a three-fifths majority to pass a budget agreement before the end of the fiscal year, on June 30, 2016. Illinois has been without a budget since July 1, 2015. Read More

Kansas

Kansas Hospital Association Criticizes, Prepares to Challenge Medicaid Cuts. *Kansas Health Institute* reported on May 27, 2016, that Kansas hospitals are ready to challenge the state's recently announced Medicaid cuts "in any appropriate way," according to Tom Bell, chief executive of the Kansas Hospital Association. Bell called the cuts "bad policy" in a letter to Kansas Governor Sam Brownback. "The Administration's proposal to cut provider reimbursement would be inconsistent with state and federal law…and not permitted by provider contracts in place with all Kansas hospitals," Bell wrote. Governor Brownback announced $56.3 million in cuts to the state's KanCare Medicaid managed care program as part of a broader budget package. The cuts will trigger the loss of an additional $72.3 million in federal Medicaid matching funds. Of the total of $128 million reduction, about $87 million would come from a four percent cut in reimbursement rates paid by KanCare plans to providers. Read More

Kentucky

Medicaid Overhaul Not Likely to Include Premiums for Expansion Population. *The Richmond Register/AP* reported on May 29, 2016, that Kentucky isn't likely to require Medicaid expansion members to pay premiums as part of a broader overhaul of the state's Medicaid program. Kentucky Medicaid Commissioner Stephen Miller did say, however, that the state may reduce certain benefits, such as vision and dental. According to Miller, CMS indicated it wouldn't approve a Medicaid reform plan that included member premiums. Over 400,000 individuals have signed up for the state's Medicaid expansion. Read More

Louisiana

Louisiana Receives Federal Approval to use SNAP eligibility information for Medicaid. *The New Orleans Advocate* reported on May 31, 2016, that Louisiana has received federal approval to use information from beneficiaries in the Supplemental Nutrition Assistance Program (SNAP) to determine their eligibility for automatic enrollment in the state's Medicaid expansion plan. Of the 300,000 expected to quality for expansion, which became effective June 1, the state estimates that 105,000 receive SNAP benefits. Eligible recipients will receive an enrollment package from the state Department of Health and Hospitals. Louisiana is the latest state to expand Medicaid and the first to use SNAP information to qualify and enroll beneficiaries. The state estimates that it will save $184 million in the coming year from expansion. Read More

Michigan

HMA Roundup – Eileen Ellis & Esther Reagan (Email Eileen/Esther)

SAMHSA Awards Michigan $475,194. On May 31, 2016, the federal Substance Abuse and Mental Health Services Administration (SAMHSA) awarded the state of Michigan a $475,194 SAMHSA Emergency Response Grant to help provide behavioral health and other supportive services to people affected by the water crisis in Flint, Michigan. The grant will help provide specialized outreach, crisis counseling, emergency case management and coordinated health care programs for Flint residents. The outreach could improve access to needed care for people with special challenges such as hearing or vision impairments or limited English proficiency. Read More

New York

HMA Roundup – Denise Soffel (Email Denise)

Aligning Primary Care Initiatives. The New York State Department of Health (DoH) is encouraging health plans to apply for federal financing under the CMS Center for Medicare & Medicaid Innovation (CMMI) Comprehensive Primary Care Plus (CPC+) model. The CPC+ model is a multi-payer advanced primary care medical home model that is designed to give practices greater financial resources and flexibility to make appropriate investments to improve the quality and efficiency of care, and reduce unnecessary health care utilization. In response to inquiries from Medicaid health plans in New York, DoH reviewed the CPC+ model with an eye to whether it aligns with New York initiatives around primary care. New York has developed an Advanced Primary Care model that supports primary care transformation and improves primary care practice readiness for value based payment. The Value Based Payment (VBP) Roadmap that is part of New York's Delivery System Reform Incentive Payment program includes a bundled payment arrangement for Integrated Primary Care with the Chronic Bundle arrangement (IPC-CB). Having reviewed the CPC+ Request for Applications and met with CMMI, DoH has concluded that the New York State Medicaid IPC-CB model, APC and CPC+ are aligned. All seek to support primary care transformation through:

- Value-based payments to participating primary care practices, allowing for significant increase in funding and upfront investment

- Focused measurement on costs (e.g., reducing avoidable hospital use) and quality for the practice's population
- A defined, but limited set of quality measures
- Transformation resources to support development of advanced primary care capabilities over time

The state is encouraging health plans to apply for CPC+ in an effort to engage Medicare in primary care practice transformation in New York. DoH notes that for Medicaid health plans, attesting the intention to contract IPC-CB arrangements with (potential) VBP contractors provides the answer to many of the CPC+ Request for Application questions. CMS has approved the New York Roadmap, and CMMI is familiar with the New York State Medicaid VBP models. CPC+ would leverage alignment with the state's efforts around Advanced Primary Care.

New York's Individual Insurance Market. A recent report from the United Hospital Fund reviews the experience of New York's individual insurance market subsequent to the implementation of the Affordable Care Act. Before the rollout of the ACA in 2013, monthly premiums in New York's individual health insurance market often exceeded $1,000, and the market was in a death spiral. By 2014, a range of new programs and new enrollment resulted in an average individual New York monthly premium of $430.97, along with drops in health plans' expenses on a per member per month basis. In addition to the new enrollment in the exchange Qualified Health Plans, there was also increased enrollment in the individual off-exchange market. The report looks at the steps New York took to improve its individual health insurance market, and the steps that will be necessary to sustain that improvement. These include attending to the stability of the risk pool, expanding coverage to those still uninsured, and especially the continued affordability of premiums. Read More

Behavioral Health Carve-In to Medicaid Managed Care. In preparation for the carve-in of all behavioral health services across New York, the New York Office of Alcoholism and Substance Abuse Services has developed a presentation for Medicaid beneficiaries who will be affected. The presentation, "Transition to Medicaid Managed Care – What it Means for You" has been posted on YouTube. The presentation gives consumers an overview of the upcoming changes to Medicaid, including the differences between fee-for-service and managed care arrangements, as well as actions that consumers need to take. The behavioral health carve-in occurred in New York City in October 2015; it will extend to the rest of the state in July 2016. Link to Video

Ohio

HMA Roundup – Jim Downie (Email Jim)

InHealth Mutual Co-op to Shut Down. *The Hill* reported on May 26, 2016, that InHealth Mutual, a co-op health plan on the Ohio health insurance Exchange will be shutting down. The Ohio Department of Insurance stated that the company's losses would prevent it from paying future claims. Approximately 22,000 InHealth Mutual enrollees will have 60 days to select a new plan. Currently, only 10 co-ops remain nationally from the original 23, with many suffering similar financial troubles. Read More

Oklahoma

HMA Roundup – Amy Einhorn (Email Amy)

ABD Care Coordination RFP to Move Forward Following Budget Agreement. The Oklahoma Health Care Authority (OHCA) announced on June 1, 2016, that it will resume stakeholder meetings and continue the development of a Request for Proposal (RFP) for the state's aged, blind, and disabled (ABD) Care Coordination program. With the fiscal 2017 budget process concluded, OHCA efforts in the development of the RFP will proceed, including the engagement of an actuary to develop rates for the program. The next ABD Care Coordination stakeholder meeting will be held on Tuesday, June 14, from 2-4pm. Read More

Medicaid Expansion Fails, Providers Avoid 25 Percent Rate Cut in Budget Deal. *CQ Roll Call* reported on May 31, 2016, that Medicaid expansion in Oklahoma is on hold after failing to make it in the budget recently passed by state legislators. The budget also forgoes proposed Medicaid provider rate cuts of 25 percent, which state officials said are off the table for now. The expansion plan would have offered premium assistance to 175,000 uninsured adults and moved another 175,000 Medicaid members, many pregnant women and children, into the Exchange. Although Medicaid expansion failed during this legislative session, National Association of Medicaid Directors Executive Director Matt Salo believes the issue could be revisited after the presidential election. Thirty states and the District of Columbia have implemented expansion. Oklahoma Governor Mary Fallin has 15 days to sign or veto the budget.

Pennsylvania

HMA Roundup – Julie George (Email Julie)

May 26, 2015 Medical Assistance Advisory Committee Meeting. The following information was discussed at the monthly MAAC meeting.

- Office of Medical Assistance Programs Updates. A written statement of policy, along with an operational process regarding clarification of "within a provider's office" or Shared Space will be published in the PA Bulletin by the end of May. The next step in the regulatory process will determine the regulatory changes needed in Chapter 1101. The department's goal is to complete this by March 2017.

  Department staff are also preparing for the HealthChoices Readiness Review. MCOs have a July 31 deadline to submit network adequacy data to the Department of Human Services (DHS) and the Department of Health (DOH), with the mandate that all contracted providers must be "pristine, contracted and credentialed". The DHS set a Go/No Go decision date of September 28 for inclusion of MCOs in HealthChoices as of January 1, 2017. Auto-assignment will be part of HealthChoices, if the consumer doesn't make a choice. Auto-assignment doesn't take into consideration the consumer's current PCP but continuity of care rules apply.

  Provider credentials are also being revalidated for the Medicaid program. As of May 13, 2016, 62 percent of providers have been revalidated. To be revalidated by September 25, an application must be

into DHS by July 30. Beginning September 25, claims from ordering, referring and prescribing will be denied if they are submitted by providers that have not been validated.

- Office of Long Term Living (OLTL) Updates - Community HealthChoices Update. On May 2, 2016, 14 applications for Community HealthChoices (CHC) were received. OLTL Deputy Secretary Jen Burnet said that awards may be announced by the end of June, but there is still a possibility that the date will be pushed back. To prepare for the CHC Readiness Review, OLTL staff is receiving training from the Office of Medical Assistance Programs and also looking at best practices from other states regarding Long Term Supports and Services.

Pennsylvania Market Review Process Begins for Health Plans in 2017. Twenty small-group health plans and 18 individual plans have filed to provide coverage in Pennsylvania for individuals under the ACA for 2017. The Pennsylvania Insurance Department (PID) released the preliminary rate requests for all plans last week. PID will review all rates requests. The proposed premiums average a 7.9 percent increase for small group plans and 23.6 percent increase for individual plans. The rate requests and summaries of these requests by health plan are posted on the Insurance Department website, www.insurance.pa.gov. Read More

Court Orders Stay in Hershey-Pinnacle Merger Case. The U.S. Third Circuit Court of Appeals granted the Federal Trade Commission and Pennsylvania Attorney General's request for extending a temporary stay on the potential merger between PinnacleHealth Systems and Penn State Health Milton S. Hersey Medical Center. The federal and state agencies appealed a lower court decision that ruled against their request. The appellate court granted an expedited hearing on the merits of the merger which should result in a final decision this summer. Read More

South Dakota

Governor May Call Special Session on Medicaid Expansion. *The Washington Times* reported on May 31, 2016, that South Dakota Governor Dennis Daugaard is considering holding a special legislative session this summer to discuss expanding Medicaid, covering up to 50,000 residents. The Governor believes that the availability of additional federal funds for Medicaid spending on Native Americans could offset state expansion costs. The plan requires majority support in both the state House and Senate and could face opposition from Republican lawmakers. "If there's no possibility, then I'm not going to call a session and waste everyone's time," Daugaard said. Read More

Washington

State Ordered to Provide Hepatitis C Drugs to All Members. *The Washington Times/AP* reported on May 29, 2016, that a U.S. District Court in Washington ordered the state to make Hepatitis C medication available to all Medicaid patients. Judge John C. Coughenour granted a preliminary injunction in a class action lawsuit brought by two Medicaid recipients, ending a 2015 policy that had limited treatment to patients based on their level of liver scarring. There are nearly 28,000 Medicaid individuals with Hepatitis C in the state. Read More

National

CMS' Andy Slavitt Pitches Medicaid IT to Silicon Valley. CMS Acting Administrator Andy Slavitt on May 25, 2016, encouraged innovative Silicon Valley companies and their investors to help bring technological advances to Medicaid. Slavitt's comments were published on The CMS Blog, adding that he was participating in a forum "convening states, innovative tech companies, and federal Medicaid officials on how to collaborate to improve the delivery of Medicaid health coverage in states." Slavitt noted that the federal government invests more than $5 billion annually in Medicaid IT and "matches up to 90 percent on new projects." To overcome apprehension by IT companies to bid for state contracts, Slavitt said CMS has created a website to connect vendors to state Medicaid procurements, and CMS is also inviting IT vendors to pre-certify their organizations and products. Read More

State Medicaid Agencies Limit Opioid Prescriptions to Combat Overdoses. *Modern Healthcare* reported on May 26, 2016, that Medicaid agencies in 20 states are putting limits on opioid prescriptions. The limits are aimed at preventing opioid overdoses and death. Colorado has limited prescriptions for short-acting opioids to a maximum of four tablets daily or 120 tablets in 30 days. Nebraska will begin limiting short-acting opioid prescriptions to five pills daily or 150 tablets in 30 days effective October 1, 2016. A CMS report released in January 2016 found that Medicaid beneficiaries are prescribed painkillers twice as often as other patients, putting them at a higher risk of overdose. Read More

INDUSTRY NEWS

WellCare Completes South Carolina Advicare Acquisition. WellCare announced on June 1, 2016, that it has completed the acquisition of certain assets of Advicare's Medicaid business, adding 30,000 members in South Carolina. As part of the deal, health system Regional HealthPlus will join WellCare's South Carolina provider network. Regional HealthPlus includes Spartanburg Medical Center, Pelham Medical Center, Union Medical Center, four ambulatory surgery centers, and over 500 physicians and health professionals. Financial terms were not disclosed. As of March 31, 2016, WellCare served 61,000 Medicaid, 3,000 Medicare Advantage and 13,000 Medicare Prescription Drug Plan members in South Carolina. Read More

RFP CALENDAR

Date	State/Program	Event	Beneficiaries
May 27, 2016	Massachusetts MassHealth ACO - Pilot	Applications Open	TBD
TBD	Minnesota SNBC	Contract Awards	45,600
June 24, 2016	Massachusetts MassHealth ACO - Pilot	Responses Due	TBD
June 30, 2016	Virginia MLTSS	Proposals Due	212,000
June, 2016	Indiana	Contract Awards	900,000
July 1, 2016	Missouri (Statewide)	Proposals Due	700,000
July 1, 2016	West Virginia	Implementation	450,000
July 1, 2016	Minnesota SNBC	Impementation (Northern Counties)	45,600
July-August, 2016	Massachusetts MassHealth ACO - Full	Applications Open	TBD
September 1, 2016	Texas STAR Kids	Implementation	200,000
September, 2016	Massachusetts MassHealth ACO - Pilot	Selection	TBD
October 1, 2016	Missouri (Statewide)	Contract Awards	700,000
November 1, 2016	Arizona ALTCS (E/PD)	RFP Release	30,000
November, 2016	Oklahoma ABD	RFP Release	177,000
December 1, 2016	Massachusetts MassHealth ACO - Pilot	Implementation	TBD
December 9, 2016	Virginia MLTSS	Contract Awards	212,000
December, 2016	Massachusetts MassHealth ACO - Full	Selection	TBD
January 1, 2017	Georgia	Implementation	1,300,000
January 1, 2017	Pennsylvania HealthChoices	Implementation	1,700,000
January 1, 2017	Nebraska	Implementation	239,000
January 1, 2017	Pennsylvania MLTSS/Duals	Implementation (SW Region)	100,000
January 1, 2017	Minnesota SNBC	Implementation (Remaining Counties)	45,600
January 18, 2017	Arizona ALTCS (E/PD)	Proposals Due	30,000
January, 2017	Oklahoma ABD	Proposals Due	177,000
March 7, 2017	Arizona ALTCS (E/PD)	Contract Awards	30,000
May 1, 2017	Missouri (Statewide)	Implementation	700,000
July 1, 2017	Virginia MLTSS	Implementation	212,000
October 1, 2017	Arizona ALTCS (E/PD)	Implementation	30,000
October, 2017	Massachusetts MassHealth ACO - Full	Implementation	TBD
TBD 2017/2018	Oklahoma ABD	Implementation	177,000
January 1, 2018	Pennsylvania MLTSS/Duals	Implementation (SE Region)	145,000
January 1, 2019	Pennsylvania MLTSS/Duals	Implementation (Remaining Regions)	175,000

Dual Eligible Financial Alignment Demonstration Implementation Status

Below is a summary table of the progression of states toward implementing a dual eligible financial alignment demonstration.

State	Model	Opt- in Enrollment Date	Passive Enrollment Date	Duals Eligible For Demo	Demo Enrollment (April 2016)	Percent of Eligible Enrolled	Health Plans
California	Capitated	4/1/2014	5/1/2014 7/1/2014 1/1/2015	431,000	123,981	28.8%	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; Anthem (CareMore)
Illinois	Capitated	4/1/2014	6/1/2014	148,000	48,272	32.6%	Aetna; Centene; Blue Cross Blue Shield of IL; Cigna-Health Spring; Humana; Meridian Health Plan; Molina
Massachusetts	Capitated	10/1/2013	1/1/2014	94,000	12,307	13.1%	Commonwealth Care Alliance; Network Health
Michigan	Capitated	3/1/2015	5/1/2015	105,000	31,766	30.3%	AmeriHealth Michigan; Coventry (Aetna); Fidelis SecureCare; Meridian Health Plan; HAP Midwest Health Plan; Molina Healthcare; Upper Peninsula Health Plan
New York	Capitated	1/1/2015 *(Phase 2 Delayed)*	4/1/2015 *(Phase 2 Delayed)*	124,000	5,617	4.5%	There are 17 FIDA plans selected to serve the demonstration. A full list is available on the MRT FIDA website.
Ohio	Capitated	5/1/2014	1/1/2015	95,000	61,535	64.8%	Aetna; CareSource; Centene; Molina; UnitedHealth
Rhode Island	Capitated	5/1/2016	7/1/2016	30,000			Neighborhood INTEGRITY
South Carolina	Capitated	2/1/2015	4/1/2016	53,600	5,954	11.1%	Absolute Total Care (Centene); Advicare; Molina Healthcare of South Carolina; Select Health of South Carolina (AmeriHealth)
Texas	Capitated	3/1/2015	4/1/2015	168,000	45,219	26.9%	Anthem (Amerigroup), Cigna-HealthSpring, Molina, Superior (Centene), United
Virginia	Capitated	3/1/2014	5/1/2014	70,500	27,116	38.5%	Humana; Anthem (HealthKeepers); VA Premier Health
Total Capitated	**10 States**			**1,319,100**	**361,767**	**27.4%**	

Note: Enrollment figures in the above chart are based on state enrollment reporting, where available, and on CMS monthly reporting otherwise.

HMA NEWS

HMA Upcoming Webinars

"Trauma Informed Care: The Benefits of Clinical Integration and Organizational Buy-In"

June 8, 2016

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"Community-Based Participatory Research: How to Identify Social Determinants of Health and Engage Hard-to-Reach Populations in Your Community"

June 28, 2016

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