

HEALTH MANAGEMENT ASSOCIATES

HMA Weekly Roundup

Trends in Health Policy

..... March 25, 2020



[RFP CALENDAR](#)

[HMA News](#)

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THIS WEEK

- **IN FOCUS: D-SNP 2021 HOSPITAL AND SKILLED NURSING FACILITY ADMISSION DATA SHARING REQUIREMENTS: STATES AND HEALTH PLAN OPPORTUNITY TO SUPPORT CARE TRANSITIONS**
- 1135 WAIVER NEWS: ARIZONA, CALIFORNIA, ILLINOIS, IOWA, MASSACHUSETTS, MINNESOTA, NEW YORK, NORTH CAROLINA, OKLAHOMA, WASHINGTON
- ALASKA TO RATION MEDICAID PAYMENTS
- ARIZONA LEGISLATURE PASSES HOSPITAL FEE
- MISSOURI MEDICAID EXPANSION INITIATIVE HAS ENOUGH SIGNATURES FOR NOVEMBER BALLOT, BACKERS SAY
- OKLAHOMA HEALTH CARE AUTHORITY RELEASES HAO WAIVER FOR PUBLIC COMMENT
- CMS ISSUES GUIDANCE ON 6.2 PERCENT MEDICAID FMAP INCREASE
- MARKET FOR AMBULATORY ANGIOPLASTY HEATS UP
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IN FOCUS

D-SNP 2021 HOSPITAL AND SKILLED NURSING FACILITY ADMISSION DATA SHARING REQUIREMENTS: STATES AND HEALTH PLAN OPPORTUNITY TO SUPPORT CARE TRANSITIONS

This week, our *In Focus* section provides an overview of new requirements and opportunities for states and Medicare Advantage (MA) Dual Eligible Special Needs Plans (D-SNPs) to increase Medicare and Medicaid coordination in plan year 2021. Specifically, states and health plans will need to partner for compliance with calendar year (CY) 2021 Medicare Advantage Dual Eligible Special Needs Plan (D-SNP) data sharing requirements for D-SNPs that are not

designated as a fully integrated D-SNP (FIDE SNP) or a highly integrated D-SNP (HIDE SNP)ⁱ. CY 2021 State Medicaid Agency Contracts (SMACs) with these D-SNPs must document the notification process for sharing hospital and skilled nursing facility (SNF) admissions for at least one group of high-risk enrollees.ⁱⁱ

States are given flexibility to:

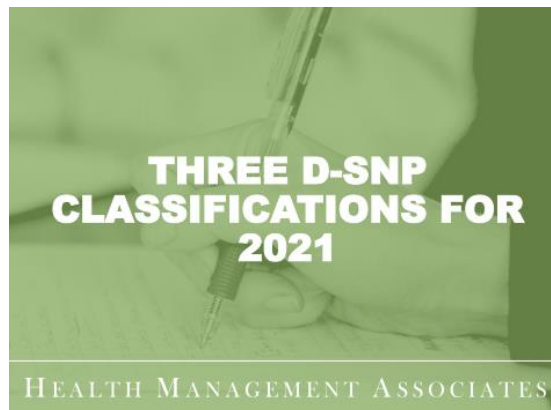
- Identify group(s) of high-risk full-benefit dual eligible individuals
- Outline the manner of notification
- Designate what entity receives the notificationⁱⁱⁱ

States are not limited in setting the size of the group of high-risk individuals for which D-SNPs must share this data. It may be a subgroup or could include all full benefit dual eligible individuals.^{iv}

States and health plans have an opportunity to work together and engage stakeholders to identify entities to receive the hospital and SNF admission data and support care transitions for high-risk dual eligible individuals. Designated entities to receive the admission information may be Medicaid health plans, fee-for-service providers or care managers.

Health Management Associates is working with states, plans, and other stakeholders to establish and inform these processes and support integrated care for Medicare-Medicaid dually eligible individuals. CY 2021 SMACs are due to the Centers for Medicare and Medicaid Services (CMS) by July 6, 2021.

Supporting slides for states, health plans, and other stakeholders may be accessed [here](#).



For more information, please contact [Sarah Barth](#), principal, HMA.

ⁱ Link to slide deck identifying key characteristics of FIDE SNP and HIDE SNPs provided at end of article.

ⁱⁱ October 7, 2019 Medicare-Medicaid Coordination Office Memorandum to Dual Eligible Special Needs Plans, CY 2021 Medicare-Medicaid Integration and Unified Appeals and Grievance Requirements for Dual Eligible Special Needs Plans (D-SNPs)

ⁱⁱⁱ States, or their designee may receive the data.

^{iv} Over 12 million people nationwide are dually eligible for Medicare and Medicaid. Some qualify for full Medicaid benefits, referred to as full benefit dually eligible (FBDE) individuals. Others solely qualify for assistance with payment of Medicare premiums, and in some cases, Medicare cost sharing, referred to as partial benefit dually eligible individuals.



HMA MEDICAID ROUNDUP

Alaska

Alaska to Ration Medicaid Payments as Funding Begins to Run Out. *The Anchorage Daily News* reported on March 22, 2020, that Alaska will ration Medicaid payments as funding to pay doctors, hospitals, and clinics begins to run out. The funding shortfall is a result of budget cuts and the state legislature's failure to pass a supplemental budget. This is the fourth time Alaska's Medicaid program has either run out of funding or has come close to doing so. [Read More](#)

Arizona

Legislature Passes Hospital Fee. *Modern Healthcare/The Associated Press* reported on March 18, 2020, that the Arizona legislature passed a \$350 million annual hospital fee on outpatient services. The fee, which now heads to Governor Doug Ducey, is expected to generate additional Medicaid reimbursements of about \$1.1 billion to hospitals, physicians, and other providers. [Read More](#)

Arizona Submits 1135 Waiver Request to Relax Medicaid Requirements Amid COVID-19 Crisis. On March 17, 2020, the Arizona Health Care Cost Containment System (AHCCCS) submitted a section 1135 waiver request to the Centers for Medicare & Medicaid Services (CMS) to ease certain Medicaid and Children's Health Insurance Program (CHIP) requirements to help the state address the COVID-19 pandemic. Arizona is seeking emergency authorities to strengthen the provider workforce, remove barriers to care, enhance services and supports, and remove cost sharing.

California

California Submits 1135 Waiver Seeking Medicaid Flexibilities in Response to COVID-19. On March 17, 2020, California submitted a federal 1135 waiver request, seeking significant flexibility in how Medicaid services and funds are used to respond to COVID-19. California is seeking to streamline enrollment, expand telehealth and virtual communications, ease rules requiring prior authorization, expand access to Medicaid providers, and expand presumptive eligibility to individuals over 65 or disabled. [Read More](#)

Florida

FL Lawmakers Pass Fiscal 2021 Budget, with \$29.7 Billion for Medicaid, \$660 Million for KidCare. The Florida legislature unanimously adopted a \$93.2 billion fiscal 2021 budget, including \$29.7 billion earmarked for Medicaid, with 3.8 million beneficiaries, and \$660.6 million for Florida KidCare, with 296,000 beneficiaries. The budget includes \$75 million for higher salaries at nursing homes and other long-term care providers, and allocates \$157.5 million in increased funding for the iBudget HCBS Waiver to serve individuals with developmental disabilities. Lawmakers also included \$241 million to fund past iBudget Waiver deficits.

The legislature had to extend their session by one week in order to pass the budget to account for the economic impact from COVID-19. Under the budget, \$300 million is earmarked for reserves to combat COVID-19. The budget also includes \$52.5 million to combat COVID-19, of which \$25.2 million relates to this year's budget and \$27.3 million in federal assistance. There is the potential for a special legislative session to revisit the spending plan this summer devoted to the economic consequences of the COVID-19 crisis. The budget is comprised of \$35.2 billion in general revenue (GR), setting aside \$3.9 billion in reserves, concluding the 66-day 2020 legislative session that ended on March 19, 2020.

Below is a summary of the major Medicaid issues funded in the budget as well as major health care legislation that passed.

Medicaid Program Highlights FY 2020-21

- **Medicaid Price Level and Workload - \$900.7M Total; \$144.5M GR** - Fully funds the Medicaid program to serve an estimated 3.8 million beneficiaries.
- **Medicaid Contingency Reserve - \$68.9M Total; \$36.8M GR** - Funds held in reserve contingent upon the agency submitting a budget amendment and providing sufficient justification for authorization of release.
- **Florida KidCare Workload - \$31.5M Total; \$74.7M GR** - Fully funds the Florida KidCare program to serve an estimated 296,185 children
- **MediKids Combined Risk Pool - \$31.0M Total; \$2.6M GR** - Provides authority for MediKids Full Pay and Subsidized premiums to be combined into the same pool to mitigate medical premium increases to Full Pay participants
- **Electronic Visit Verification (EVV) for Behavior Analysis - \$3.15M TF Total** - Provides funding to maintain the current use of EVV for Medicaid behavior analysis services and to expand the use of EVV for behavior analysis services statewide
- **Florida Medicaid Management Information System (FMMIS) - \$47.1M TF Total** - Provides funding for the modular replacement of the FMMIS and fiscal agent that complies with all applicable federal and state laws and requirements.
- **Medicaid School Faculty Physician Supplemental Payments - \$4.6M TF Total; \$1.8M IGTs** - Provides additional funding to continue medical school faculty physician supplemental payments

- **HCBS iBudget Waiver Resources - \$97.3M (\$37.1M GR)** - Provides funds to serve the greatest number of individuals from the waiver waitlist (\$30.2M) and for growth within the iBudget Home and Community Based Services waiver (\$67.1M)
- **HCBS iBudget Waiver Provider Rate Increases - \$60.2M (\$23.0M GR)** - Provides funds to increase provider reimbursement rates for the following services:
 - Adult Training - \$16.1M Total; \$6.1M GR
 - Personal Supports - \$36.8M Total; \$14.1M GR
 - Residential Habilitation - \$5.5m Total; \$2.1M GR
 - Respite - \$1.8M Total; \$0.7M GR
- **Program of All-Inclusive Care (PACE) Expansion \$6.3M (\$2.4M GR)** - Provides funding for 50 PACE slots in Martin County; 50 PACE slots in Palm Beach County; 50 PACE slots total in Baker, Clay, Duval, Nassau, and St. Johns counties; and 53 PACE slots in Miami-Dade County

Health Care Passed Legislation 2020

- **Implementing Bill (HB 5003)** - Implements specified appropriations of the General Appropriations Act for fiscal 2021. Below are several new provisions that will have an impact on Medicaid managed care plans.
 - **Essential Providers** - Requires certain essential providers to offer to contract with each managed care plan in their region/state to be eligible for low-income pool (LIP) funding or other forms of supplemental payments funded by intergovernmental transfers
 - **Home Health Performance Incentive Program** - Requires the Medicaid agency to withhold and set aside a portion of the managed care rates from the rate cells for special needs and home health services in the managed medical assistance (MMA) and managed long-term care (LTC) programs to implement a home health performance incentive program
 - **LTC Managed Care Automatic Enrollment of Dually Eligibles** - Requires the Medicaid agency to automatically enroll certain dually eligible recipients receiving Medicare services into the long-term care managed care program under certain circumstances
- **Individuals with Disabilities (SB 82)** - Makes operational changes to the Medicaid Home and Community-Based Services Waiver operated by the Agency for Persons with Disabilities (APD) to improve the quality of services provided and to standardize agency processes. The bill requires waiver support coordinators who act as case managers for individuals on the waiver to be employees of qualified waiver support coordination organizations.
- **Florida KidCare Program (SB 348)** - Repeals the \$1 million lifetime benefit maximum on covered expenses for a child enrolled in the Florida Healthy Kids program.
- **Agency for Health Care Administration (HB 731)** - Addresses statutory authority and duties of the Agency for Health Care Administration (AHCA) relating to the regulation of health care facilities and

providers. The bill requires the agency, beginning with the contract procurement process initiated during the 2023 calendar year, to extend the term of contracts awarded to Statewide Medicaid Managed Care (SMMC) plans (MMA, LTC, and Dental) from 5 years to 6 years and extends current 5-year contracts by one year through December 31, 2024.

- **Long-term Care (HB 1373)** – Provides additional clarity for individuals on the Medicaid LTC managed care waitlist regarding the likelihood that they will be eligible for services through the program. Provides that personnel of an aging resource center will annually rescreen a person on the waitlist only if that person has a high priority score or upon notification of a significant change in circumstances of a person with a low priority score.

Illinois

Illinois Submits 1135 Waiver Request For Medicaid, CHIP Flexibilities. The Illinois Department of Healthcare and Family Services (HFS) announced on March 19, 2020, that it submitted a section 1135 waiver seeking Medicaid, Children's Health Insurance Program (CHIP), and Health Insurance Portability and Accountability Act (HIPAA) flexibility during the COVID-19 outbreak. The state is seeking flexibility concerning provider participation and conditions for payment, service authorization and utilization controls, pharmacy, and administrative activities. In addition, Illinois will also be submitting an 1115 waiver request, State Plan Amendments, and notifications of Medicaid eligibility and enrollment processes, among others. [Read More](#)

Iowa

Iowa to Submit 1135, 1115, 1915(c) Waivers to Ease Medicaid Requirements. The Iowa Department of Human Services (DHS), on March 17, 2020, announced it will submit Section 1115, 1915(c) and 1135 waivers to the Centers for Medicare & Medicaid Services (CMS), aimed at easing Medicaid requirements and ensuring continuous coverage for recipients amid the COVID-19 pandemic. The state is asking to waive Medicaid co-pays and premiums, pause dis-enrollments, and allow additional flexibility for home and community-based services (HCBS) and care facilities for individuals with intellectual disabilities. DHS is requesting the waivers be effective March 13, 2020. [Read More](#)

Kentucky

Legislature Sends PBM Bill to Governor. *The Louisville Courier Journal* reported on March 18, 2020, that the Kentucky Senate passed a bill requiring the state to hire a single pharmacy benefit manager (PBM) to establish a single state Medicaid drug formulary and handle all prescription drug claims for the state's five Medicaid managed care organizations (MCOs). The bill, which was already passed by the House, now heads to Governor Andy Beshear. [Read More](#)

Massachusetts

Massachusetts Moves Rapidly to Tackle COVID-19 Crisis. Since Massachusetts Governor Charlie Baker declared a State of Emergency on March 10, 2020, in response to the COVID-19 outbreak, the Commonwealth has moved aggressively to issue new guidance, rules, and funding to respond to the public health emergency. The following summary includes a list of key directives and guidance. For more information on all of Massachusetts' updates, emergency orders, and guidance, see the Commonwealth's [COVID-19 website](#).

1135 Waiver Request

- *1135 Waiver Request (March 20):* The Massachusetts Executive Office of Health and Human Services (EOHHS) filed a [Section 1135 waiver request](#) to the Centers for Medicare & Medicaid Services (CMS) asking CMS for over two dozen temporary legal and regulatory flexibilities to address the pandemic. EOHHS requested the following flexibilities: allowing providers to be paid for services provided at alternative sites including mobile testing sites, temporary shelters, and field hospitals; allowing hospitals and nursing facilities to adjust staff ratios; waiving lab certification requirements; waiving Medicaid upper payment limit requirements for certain provider supplemental payments and other pass-through payments; and, allowing costs for temporary housing for homeless and quarantine sites to be federally reimbursable.

Hospital and Facility Services

- *Authorizing use of Alternative Acute Inpatient Care Space (March 22):* The Massachusetts Department of Public Health (DPH) issued [guidance](#) authorizing acute hospitals to meet a surge of COVID-19 patients to use alternate inpatient spaces. Acute hospitals must space beds at least six feet apart and are encouraged to cohort confirmed COVID-19 patients in same care areas.
- *Implementing Emergency Credentialing and Licensed Staff Transfers (March 17):* DPH [directed](#) all hospitals and DPH regulated facilities to implement emergency credentialing procedures. All licensed clinical staff who are employed by or work at any DPH regulated facility are authorized to work at any other DPH regulated facility.
- *Limiting Hospital Visitor Policies (March 16):* DPH issued updated [policy](#) limiting hospital patients to one visitor at a time. Visitors must remain six feet from patients and visits may not exceed 15 minutes. Hospitals must screen all visitors for symptoms of a respiratory infection and those with any symptoms may not be permitted to visit.
 - *Postponing/Canceling Non-Essential, Elective Invasive Procedures (March 15):* DPH directed all hospitals and ambulatory surgical centers to postpone or cancel any nonessential, elective, invasive procedures.

Substance Use Disorder Treatment

- *Use of Telemedicine to Issue Prescriptions for Controlled Substances (March 24):* DPH authorized DEA-registered practitioners to issue prescriptions for buprenorphine and other controlled substances to patients for whom they have conducted a telemedicine evaluation.

- *Take-Home Dosing for Opioid Treatment Programs (March 18)*: DPH issued guidance adding flexibility to Take-Home dosing quantities for opioid use disorder medications.
- *Administration of Opioid Use Disorder Medications (March 18)*: DPH ordered that licensed pharmacists and pharmacy interns may administer medication for the treatment of opioid disorder in licensed Opioid Treatment Programs and Acute Treatment Services pursuant to a qualified practitioner's order.

Long Term Care Facilities

- *Nursing Homes and Rest Homes Visitor Policies (March 16)*: DPH issued updated policy restricting visitation of all visitors and non-essential health care personnel, except for certain compassionate care situations.
- *Assisted Living Facility Visitor Policies (March 15)*: DPH ordered Assisted Living Facilities to adopt policies published by the Executive Office of Elder Affairs to restrict visitation as necessary to protect health of residents and staff.

Telehealth Services

- *Expansion of Access to Telehealth Services (March 15)*: Governor Baker ordered that all commercial insurers are required to cover medically necessary telehealth services in the same manner they cover in-person services and may not require prior authorization.

Dental Services

- *Elective and Non-Urgent Dental Care (March 17)*: DPH and Board of Registration in Dentistry recommended dentists close their offices to patients seeking elective and non-urgent care.

Social Distancing

- *Closure of Non-Essential Businesses and 'Stay at Home' Advisory (March 23)*: The Governor issued an emergency order requiring all businesses and organizations that do not provide essential services to close their physical workplaces and facilities to workers, customers and the public until April 7, 2020. DPH issued a 'stay at home' advisory outlining self-isolation and social distancing protocols.
- *Closure of Child Care Programs (March 18)*: Governor Baker issued an emergency order temporarily closing all child care programs and authorizing the temporary creation and operation of emergency child care programs.
- *Closure of Elementary and Secondary Schools (March 17)*: The Governor ordered a 3-week suspension of all public and private schools.
- *Prohibition of Public Gatherings (March 13)*: The Governor issued several emergency orders to prohibit most gatherings in an effort to limit the spread of COVID-19. The initial order (March 13) covered all public gatherings over 250 people including community, civic, public, leisure, faith-based events, sporting events with spectators, concerts, conventions, and similar events. The limit was later reduced to 25 people on March 15 and lowered to ten people on March 23.

MassHealth (Medicaid/CHIP)

EOHHS implemented MassHealth program flexibilities to respond to the COVID-19 crisis, both to reduce COVID-19 exposure and transmission among members and providers, and to the extent possible, preserve health system capacity. Guidance for MassHealth providers is summarized on the Commonwealth's [website](#). As of March 24, 2020, key flexibilities include allowing early prescription refills and providing a 90-day supply of medications; allowing eligible consumers to schedule Personal Care Attendants to work overtime without prior authorization; and, enabling Community Partner organizations to use reciprocated text messaging and telehealth communications for certain outreach, care coordination, and care transition activities. The Commonwealth's Section 1135 waiver request, described above, includes a variety of additional flexibilities that address MassHealth issues including provider participation, billing requirements, conditions for payment, authorizations, and fair hearings.

Massachusetts Requests 1135 Waiver Related to COVID-19. On March 20, 2020, the Massachusetts Executive Office of Health and Human Services filed a Section 1135 waiver request asking for over two dozen temporary legal and regulatory flexibilities to address the COVID-19 public health emergency. Key requested flexibilities include: allowing providers to be paid for services provided at alternative sites including mobile testing sites, temporary shelters, and field hospitals; allowing hospitals and nursing facilities to adjust staff ratios; waiver of lab certification requirements; waiver of upper payment limit requirements for certain provider supplemental payments and other pass-through payments; and, allowing costs for temporary housing for homeless and quarantine sites to be federally reimbursable. [Read More](#)

Minnesota

Minnesota Seeks 1135 Waiver While Suspending Dis-enrollments, Renewal Notices for Medicaid, CHIP Members. Minnesota Governor Tim Walz issued on March 20, 2020, executive orders indicating that the state will submit an 1135 waiver to the Centers for Medicare & Medicaid Services (CMS) in response to the COVID-19 pandemic. In the meantime, the executive orders also directs the state Department of Human Services (DHS) to halt dis-enrollments for Medical Assistance, MinnesotaCare, and Children's Health Insurance Program during the crisis. The state will also stop sending out renewals notices to beneficiaries. [Read More](#)

Mississippi

Mississippi to Expand Telehealth Coverage in Response to Coronavirus Outbreak. *The Mississippi Business Journal* reported on March 19, 2020, that the Mississippi Division of Medicaid (DOM) will expand its telehealth coverage in response to the COVID-19 outbreak, effective immediately through April 30, 2020. Telehealth options will be available in fee-for-service Medicaid, Medicaid managed care, and the Children's Health Insurance Program (CHIP). The state is also seeking federal approval for an 1135 Medicaid waiver to give the program a wider range of Medicaid flexibilities. [Read More](#)

Missouri

Medicaid Expansion Initiative Has Enough Signatures for November Ballot, Backers Say. *The Rolla Daily News* reported on March 23, 2020, that Medicaid expansion advocates in Missouri collected the 172,000 signatures necessary to put expansion on the ballot in November. Medicaid expansion in the state would cover more than 230,000 individuals. [Read More](#)

New Jersey

HMA Roundup – Karen Brodsky ([Email Karen](#))

New Jersey Prescription Regulations Waived in Response to COVID-19. On March 10, 2020, New Jersey Department of Human Services Commissioner Carole Johnson issued a waiver easing requirements for early prescription refills and permitting 90-day prescription fills on maintenance medications. The waiver applies to Medicaid beneficiaries and older adults participating in state-funded prescription discount programs managed by the Division for Aging Services. [Read More](#)

New Jersey to Expand Hospital Bed Capacity in Response to COVID-19. *NJ Spotlight* reported on March 19, 2020, that the Commissioner of the New Jersey Department of Health is working to expand the state's hospital bed capacity by 800 in a rush to manage a likely surge in COVID-19 cases. Three acute care hospitals will immediately reopen a total of 260 beds and an additional 227 hospital beds will be restored in the near future. The state is working with Inspira Health in the southern part of the state to reopen a 300-bed acute care hospital in Gloucester County. In all, close to 800 beds will be added to the state's current bed capacity. [Read More](#)

New York

New York Submits Section 1135 Waiver Request. On March 23, 2020, New York submitted an 1135 Medicaid waiver request to the Centers for Medicare & Medicaid Services (CMS). Many aspects of the request mirrors that of other states in the areas of provider screening and enrollment, and hospital and Emergency Medical Treatment and Active Labor Act (EMTALA) requirements. Similar to other states, New York is requesting suspension of face-to-face encounters in numerous settings and situations. The request also includes easing of work force restrictions in many arenas, for example, allowing students of medical professions such as certified nurse aides and nurses to step in as nurse aides. New York is also requesting waiver authority to temporarily suspend the application of sanctions and penalties arising from non-compliance with various HIPAA requirements.

New York seeks additional flexibility in covering certain community-based and social care services to help contain the spread of COVID-19. These additional flexibilities include extending Medicaid coverage to housing-related services, and extending Medicaid coverage to nutritional services, including healthy meals for families who may not have access to meals during the interrupted period of social distancing.

In addition to requesting that prior authorization and medical necessity processes be waived, New York is seeking a number of other changes in the

area of eligibility, including extending Medicaid eligibility beyond the end of the redetermination period for an additional 12 months to maintain monthly caseloads at current levels and expanding Hospital Presumptive Eligibility to include the over 65/aged and disabled population. Finally, New York is seeking 1135 authority for the following additional flexibilities not specifically mentioned in recent CMS guidance.

- Simplifying program administration by allowing for temporary state plan flexibilities, such as lifting benefit limits, cost sharing, applying targeted rate increases for certain providers, rather than requiring states go through the SPA submission and approval process
- Allowing state to draw federal financing match for payments, such as hardship or supplemental payments, to stabilize and retain providers of Behavioral Health, Long Term Care settings (including home care workers), Health Homes, and Early Intervention providers
- Extending the implementation timeline for New York to implement an Electronic Visit Verification (EVV) system by the length of the public health emergency
- Temporarily allowing non-emergency ambulance suppliers and non-enrolled Non-Emergency Medical Transportation (NEMT) providers to provide NEMT services
- Suspending replacement requirements for Durable Medical Equipment, such that the face-to-face requirement, a new physician's order, and new medical necessity documentation are not required for replacement;
- Allowing Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC) providers to bill for their Prospective Payment System (PPS) rate, or other permissible reimbursement, when providing services from alternative physical settings, such as a mobile clinic or temporary location.

Governor Continues Push for Medicaid Changes to Address Budget Shortfall. *City & State New York* reported on March 21, 2020, that New York Governor Andrew Cuomo continues to push for Medicaid changes to help the state address a \$6 billion budget deficit. The Governor has spoken out against a federal COVID-19 relief package that limits the state's ability to shift Medicaid costs to city and county governments and make other changes to Medicaid. [Read More](#)

North Carolina

North Carolina Submits 1135 Waiver Request for Medicaid Flexibilities. On March 17, 2020, the North Carolina Department of Health and Human Services submitted a section 1135 waiver request, seeking significant Medicaid flexibility to respond to COVID-19. North Carolina is seeking to streamline Medicaid provider enrollment, waive facility access and length of stay limits, and allow alternative settings to deliver care. The state is additionally requesting temporary modifications to home and community-based services provided through Medicaid state plan waivers. [Read More](#)

Ohio

Ohio Independent Pharmacists Again Complain of Falling Reimbursements from Medicaid PBM. *The Columbus Dispatch* reported on March 23, 2020, that Ohio independent pharmacists are again complaining of falling Medicaid reimbursements from pharmacy benefits manager CVS Caremark. A spokesman for CVS Caremark called the claims “baseless.” [Read More](#)

Oklahoma

Oklahoma Receives Federal Approval of 1135 Waiver Request. On March 24, 2020, the Oklahoma Health Care Authority (OHCA) received approval from the Centers for Medicare & Medicaid Services (CMS) for an 1135 waiver, providing Medicaid with flexibility to respond to COVID-19. The waiver allows the state to expand the use of telehealth services, waive certain provider enrollment requirements, remove or modify prior authorization requirements, and to postpone recertification processing for Medicaid members. The state submitted the waiver on March 19. [Read More](#)

Health Care Authority Releases HAO Waiver for Public Comment. *The Oklahoman* reported on March 19, 2020, that the Oklahoma Health Care Authority (OHCA) released its SoonerCare 2.0 Healthy Adult Opportunity (HAO) waiver for public comment through April 15, 2020. The state submitted a state plan amendment to expand Medicaid on July 1, 2020. The waiver would impose premiums and work requirements, and transition the state’s Medicaid program to managed care starting with the expansion population on July 1, 2021. OHCA expects to submit the HAO waiver application in April and receive approval by November. [Read More](#)

Pennsylvania

Pennsylvania Encourages Medicaid Providers to Use Telemedicine. On March 20, 2020, the Pennsylvania Department of Human Services (DHS) issued guidance to Medicaid providers and managed care organizations to use telemedicine technology with members to lessen the spread of COVID-19. The Office of Medical Assistance Program’s (OMAP) most recent guidance establishes a preference for the use of telemedicine as a delivery method for medically necessary healthcare services when the patient is quarantined or self-isolated. OMAP is encouraging the Physical HealthChoices managed care organizations to work with providers to provide information to Medicaid members about the use of telemedicine. [Read More](#)

Pennsylvania Hospitals, Other Providers Request Additional Emergency Funding to Combat COVID-19. *Modern Healthcare* reported on March 24, 2020, that hospitals, nursing homes and child care centers in Pennsylvania are requesting emergency aid to expand surge capacity, repurpose critical care units for COVID-19 patients, hire more clinicians, pay for housing, establish on-site childcare facilities for healthcare workers, and purchase protective equipment. [Read More](#)

Washington

Washington Receives Federal Approval of 1135 Waiver Request. On March 19, 2020, the Centers for Medicare & Medicaid (CMS) announced that it has approved Washington's section 1135 waiver request, giving the state a wide range of flexibility to combat COVID-19. Flexibilities involve enrollment, alternative settings of care for evacuated facilities, waiver of service prior authorization, pre-admission screenings, and annual resident review. Washington is the second state to receive approval. The waiver takes effect March 15, with a retroactive date effective date of March 1. [Read More](#)

National

CMS Approves Section 1135 Medicaid Waivers for Seven More States. On March 25, 2020, the Centers for Medicare & Medicaid Services (CMS) announced that it has approved Medicaid 1135 waivers for seven additional states in response to COVID-19, bringing the total approved states to 23. The seven states are: Indiana, Iowa, Kansas, Kentucky, Missouri, Oregon, and Rhode Island. The waivers give the states significant flexibility in how Medicaid services and funds are used to respond to COVID-19.

CMS Issues Guidance on 6.2 Percent Medicaid FMAP Increase. The Centers for Medicare & Medicaid Services (CMS) issued on March 24, 2020, guidance on a temporary 6.2 percent increase in the Federal Medical Assistance Percentage (FMAP) as part of the Families First Coronavirus Response Act. For states to be eligible for the enhanced funding, states must maintain eligibility standards, not charge premiums that exceed those that were in place as of January 2020, and cover any cost sharing, testing, services and treatments related to COVID-19. Additionally, states are required to provide continuous coverage for all Medicaid beneficiaries until the end of the month in which the emergency period ends. The increase will be retroactive to January 1, 2020. [Read More](#)

Senate Agrees to COVID-19 Bill with \$130 Billion for Hospitals, Other Providers. *Modern Healthcare* reported on March 25, 2020, that Senate leaders agreed on a \$2 trillion COVID-19 economic stimulus deal, including \$130 billion for hospitals and other providers. The funding will help providers support operations, expand surge capacity, and buy protective equipment. The Senate is expected to pass the bill, and House Speaker Nancy Pelosi (D-San Francisco) is considering passing the measure by unanimous consent. [Read More](#)

ACAP Urges Congress to Incentivize Further Medicaid Expansion in Response to COVID-19. On March 18, 2020, the Association for Community Affiliated Plans (ACAP) urged Congress to incentivize 14 remaining states through additional Federal Medical Assistance Percentage (FMAP) enhancements to implement Medicaid expansion in response to COVID-19. In a separate letter to the Centers for Medicare & Medicaid Services (CMS), ACAP recommended CMS require states to cease performing eligibility redeterminations, provide strong oversight of Medicaid managed care rate-setting, and withdraw the Medicaid Fiscal Accountability Regulation (MFAR) proposed rule.

11 More States Receive Approval for Medicaid 1135 Waivers. On March 23, 2020, the Centers for Medicare & Medicaid Services (CMS) announced that it has approved Medicaid 1135 waivers for 11 additional states in response to COVID-19, bringing the total of approved states to 13. The 11 states are: Alabama, Arizona, California, Illinois, Louisiana, Mississippi, North Carolina, New Hampshire, New Jersey, New Mexico, and Virginia. CMS had previously approved requests from Florida and Washington. The waivers, effective March 1, 2020, give the states significant flexibility in how Medicaid services and funds are used to respond to COVID-19. [Read More](#)

CMS to Temporarily Suspend Routine Nursing Home Inspections. *The Wall Street Journal* reported on March 23, 2020, that the Centers for Medicare & Medicaid (CMS) is suspending routine nursing home inspections for at least three weeks to focus on COVID-19. There will still be inspections related to complaints and reported incidents of high concern. [Read More](#)

HRSA-Funded Health Centers are Awarded \$100 Million to Combat COVID-19. On March 24, 2020, the U.S. Department of Health and Human Services awarded \$100 million to 1,381 health centers funded by the Health Resources and Services Administration (HRSA) to combat COVID-19. The funding, provided by the Coronavirus Preparedness and Response Supplemental Appropriations Act, will help expand COVID-19 screening and testing capacity, pay for supplies such as personal protective equipment, and provide safety education. [Read More](#)

States Re-Open Health Exchanges to Help Uninsured During COVID-19 Crisis. *Kaiser Health News* reported on March 20, 2020, that many state-run insurance Exchanges have re-opened to help uninsured residents during the COVID-19 pandemic. States with special open enrollment periods include Colorado, Connecticut, Maryland, Massachusetts, Nevada, New York, Rhode Island and Washington. The federal health Exchange has not opened a similar special enrollment period. [Read More](#)

CMS Releases COVID-19 Tools to Help States Access Emergency Flexibilities. On March 22, 2020, the Centers for Medicare & Medicaid Services (CMS) released new tools and checklists to help states access emergency flexibilities to support Medicaid and the Children's Health Insurance Program (CHIP) during the COVID-19 outbreak. CMS released an 1115 Waiver Opportunity and Application Checklist, 1135 Waiver Checklist, 1915(c) Appendix K Template, and Medicaid Disaster State Plan Amendment Template, all of which can be effective retroactively to March 1, 2020. These tools will allow states to access emergency administrative relief, make temporary changes to Medicaid eligibility and benefit requirements, relax rules to ensure that individuals with disabilities and the elderly can be effectively served in their homes, and modify payment rules to support health care providers. [Read More](#)

COVID-19 Economic Stimulus Bill Falters, Holding Up Potential Medicaid Relief. *Modern Healthcare* reported on March 22, 2020, that Senate Democrats held up a COVID-19 economic stimulus package, which includes a \$75 billion provider reimbursement fund for COVID-19 expenses, a two-year delay in cuts to Medicaid disproportionate-share hospital (DSH) payments, suspension of the Medicare sequester, and additional funding for community health centers. Negotiations are ongoing. [Read More](#)

CMS Eases Quality Payment Program Reporting Requirements. *Modern Healthcare* reported on March 22, 2020, that the Centers for Medicare & Medicaid Services (CMS) is granting providers exemptions and extensions of quality payment program reporting requirements through the first six months of 2020 in light of the COVID-19 pandemic. The changes impact the Merit-Based Incentive Payment System, Ambulatory Surgical Center Quality Reporting Program, and other programs. In a [press release](#), CMS stated that it “seeks to hold organizations harmless for not submitting data during this period.” [Read More](#)

Rural Hospitals Lobby for Funds to Offset Costs of Combating COVID-19. *Kaiser Health News* reported on March 21, 2020, that rural hospitals are lobbying Congress for cash assistance, zero-interest loans, Medicare reimbursement increases, and other suggestions to offset costs associated with combating COVID-19. The American Hospital Association is asking Congress for \$100 billion for all hospitals to combat the pandemic. [Read More](#)

U.S. Raises Medicaid Matching Funds as Part of Newly Enacted COVID-19 Relief Package. *Modern Healthcare* reported on March 18, 2020, that President Trump signed the Families First Coronavirus Response Act, a COVID-19 relief package, including an increase in Medicaid matching funds, free testing, family and sick leave benefits, unemployment and food security funding, the easing of telehealth requirements, and liability protections for respiratory protective devices. [Read More](#)

11 More States Receive Approval for Medicaid 1135 Waivers. On March 23, 2020, the Centers for Medicare & Medicaid Services (CMS) announced that it has approved Medicaid 1135 waivers for 11 additional states in response to COVID-19, bringing the total of approved states to 13. The 11 states are: Alabama, Arizona, California, Illinois, Louisiana, Mississippi, North Carolina, New Hampshire, New Jersey, New Mexico, and Virginia. CMS had previously approved requests from Florida and Washington. The waivers, effective March 1, 2020, give the states significant flexibility in how Medicaid services and funds are used to respond to COVID-19. [Read More](#)



INDUSTRY NEWS

Self-Administered COVID-19 Tests Are 90 Percent Accurate, UnitedHealth Group Study Finds. UnitedHealth Group released a study on March 25, 2020, showing that self-collected COVID-19 swab tests are as effective in identifying infection as clinician-collected tests, with a 90 percent accuracy rate. The study, based on nearly 500 OptumCare patients in Washington state, suggests that adoption of the self test has the potential to decrease exposure for healthcare workers and increase testing efficiency across the country. [Read More](#)

Caregiver Inc. Acquires Companies in Indiana, Ohio, Tennessee. On March 19, 2020, Caregiver Inc., a Texas-based provider of long-term services and supports (LTSS) to individuals with intellectual and developmental disabilities (IDD), announced that it has acquired four companies across three states. Caregiver acquired Houston Group Homes, an Indiana-based intermediate care group home provider. In Ohio, Caregiver bought Cori Care and Absolute Care, two providers of community residential care. And in Tennessee, Caregiver purchased Personal Care Choices, which provides individuals with in-home care, community-based day services, personal assistance, and personal care, representing a new service line for Caregiver in the state. [Read More](#)

Addus HomeCare to Continue to Provide Services Amid Shelter in Place Orders. On March 23, 2020, Addus HomeCare announced that it will continue to provide home care services in California, New York, and Illinois amid shelter in place orders from those states. Addus anticipates that it will be exempted from similar restrictions other states may implement. [Read More](#)

Market for Ambulatory Angioplasty Heats Up. *Modern Healthcare* reported on March 21, 2020, that ambulatory surgery centers (ASCs), independent cardiology groups, private equity investors, and some hospitals are rushing to enter into or expand their outpatient cardiovascular business, following a Medicare payment policy change allowing for angioplasty outside of a hospital setting. An ASC receives 40 percent less for the procedure than a hospital outpatient facility. [Read More](#)

RFP CALENDAR

Date	State/Program	Event	Beneficiaries
2020	Louisiana	RFP Rebid Release	1,500,000
January - March 2020	Ohio	RFP Release	2,360,000
February 1, 2020 (DELAYED)	North Carolina - Phase 1 & 2	Implementation	1,500,000
April 30, 2020	Indiana Hoosier Care Connect ABD	Awards	90,000
May 5, 2020	Minnesota SNBC - Morrison, Todd, and Wadena Counties	Proposals Due	NA
June 16, 2020	Minnesota SNBC - Morrison, Todd, and Wadena Counties	Awards	NA
July 1, 2020	Minnesota SNBC - Morrison, Todd, and Wadena Counties	Implementation	NA
July 1, 2020	Hawaii	Implementation	340,000
July 1, 2020	West Virginia Mountain Health Trust	Implementation	400,000
September 1, 2020	Texas STAR Kids - Dallas Service Area	Implementation	21,000
October 1, 2020	Washington DC	Implementation	224,000
2021	California Two Plan Commercial - Alameda, Contra Costa, Fresno, Kern, Kings, Los Angeles, Madera, Riverside, San Bernardino, Santa Clara, San Francisco, San Joaquin, Stanislaus, and Tulare	RFP Release	1,640,000
2021	California GMC - Sacramento, San Diego	RFP Release	1,091,000
2021	California Imperial	RFP Release	75,000
2021	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	RFP Release	286,000
2021	California San Benito	RFP Release	7,600
January 2021	Nevada	RFP Release	465,000
January 1, 2021	Kentucky Rebid	Implementation	1,200,000
January 1, 2021	Massachusetts One Care (Duals Demo)	Implementation	150,000
January 1, 2021	Pennsylvania HealthChoices Physical Health	Implementation	2,260,000
April 1, 2021	Indiana Hoosier Care Connect ABD	Implementation	90,000
September 1, 2021	Texas STAR Health (Foster Care)	Operational Start Date	34,000
January 2024	California Two Plan Commercial - Alameda, Contra Costa, Fresno, Kern, Kings, Los Angeles, Madera, Riverside, San Bernardino, Santa Clara, San Francisco, San Joaquin, Stanislaus, and Tulare	Implementation	1,640,000
January 2024	California GMC - Sacramento, San Diego	Implementation	1,091,000
January 2024	California Imperial	Implementation	75,000
January 2024	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	Implementation	286,000
January 2024	California San Benito	Implementation	7,600

HMA NEWS

HMA Article Highlights Value-Based Payment Models. With a focus on value-based payment (VBP) models and helping primary care practices prepare for a value-driven future, HMA experts [Suzanne Daub](#), [Caroline Rosenzweig](#) and [Meggan Christmas Schilkie](#) will publish their article in the American Psychological Association journal Families, Systems & Health. [Read more](#)

Framework Examines Behavioral Health Crisis Diversion Facilities. Individuals with behavioral health needs often find themselves involved with law enforcement or in hospital emergency rooms during times of crisis. Health Management Associates (HMA) has released a model framework examining a third option for care – Crisis Diversion Facilities. [Read more](#)

[New this week on HMA Information Services \(HMAIS\):](#)

Medicaid Data

- Arizona Medicaid Managed Care Enrollment is Down 0.6%, Mar-20 Data
- Florida Medicaid Managed Care Enrollment is Flat, Feb-20 Data
- Illinois Medicaid Managed Care Enrollment is Up 0.5%, Feb-20 Data
- Illinois Dual Demo Enrollment is Down 4.7%, Feb-20 Data
- New York Medicaid Managed Care Enrollment is Flat, Jan-20 Data
- New York CHIP Managed Care Enrollment is Flat, Jan-20 Data
- South Carolina Medicaid Managed Care Enrollment is Down 1%, Mar-20 Data
- South Carolina Dual Demo Enrollment is Up 16.5%, Feb-20 Data

Public Documents:

Medicaid RFPs, RFIs, and Contracts:

- Maryland Maximization of Third Party Liability Recoveries RFP, Mar-20
- New Hampshire Medicaid FFS Non-Emergency Medical Transportation (NEMT) RFP, Mar-20

Medicaid Program Reports, Data and Updates:

- Federal Guidance and Legislation Related to COVID-19, 2020
- Preliminary CMS-64 Medicaid Financial Management Report, 2019
- Arizona Section 1135 Waiver Approval, Mar-20
- Arizona Section 1135 Waiver Request, Mar-20
- California Section 1135 Waiver Approval and Request, Mar-20
- Illinois Integrated Health Homes Program Implementation Resources, Mar-20
- Illinois Section 1135 Waiver Request, Mar-20
- Massachusetts Section 1135 Waiver Request, Mar-20
- Maryland Medicaid Advisory Committee Meeting Materials, Mar-20
- Medicaid Managed Care Accounts for 52.6% of Total Medicaid Spending, Preliminary 2019 Data
- Missouri Section 1135 Waiver Request, Mar-20
- Missouri Section 1135 Waiver Approval, Mar-20

- North Carolina Medical Care Advisory Committee Meeting Materials, Mar-20
- North Carolina Section 1135 Waiver Request, Mar-20
- North Dakota Section 1135 Waiver Request, Mar-20
- New Hampshire Section 1135 Waiver Request and Approval, Mar-20
- New York Section 1135 Waiver Request, Mar-20
- Oklahoma Section 1135 Waiver Approval, Mar-20
- Oklahoma SoonerCare 2.0 1115 Healthy Adult Opportunity Waiver Application, Mar-20
- South Carolina Medicaid Enrollment by County and Plan, Feb-20
- Vermont DVHA Budget Recommendations, SFY 2019-21
- Washington Section 1135 Waiver Approval, Mar-20

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