

HEALTH MANAGEMENT ASSOCIATES

# HMA Weekly Roundup

Trends in Health Policy

..... June 23, 2021 .....



[RFP CALENDAR](#)

[HMA News](#)

**Edited by:**

Alona Nenko

[Email](#)

Carl Mercurio

[Email](#)

Mary Goddeeris, MA

[Email](#)

Lisette Diaz

[Email](#)

Scott Silberberg

[Email](#)

## THIS WEEK

- [IN FOCUS: COVID-19 POLICY FLEXIBILITIES AFFECTING CHILDREN AND YOUTH WITH SPECIAL HEALTH CARE NEEDS](#)
- [HCBS SPENDING PLANS: CALIFORNIA, PENNSYLVANIA](#)
- [FLORIDA TO ROLL BACK MEDICAID FLEXIBILITIES ON JULY 1](#)
- [GEORGIA DEPARTMENT OF COMMUNITY HEALTH CHIEF TO RETIRE](#)
- [DENTAL NEWS: ILLINOIS, NEW HAMPSHIRE, VIRGINIA](#)
- [KENTUCKY MUST REBID MEDICAID MANAGED CARE CONTRACTS](#)
- [MISSISSIPPI INVESTIGATES HEALTH PLAN, MEDICAID PBM](#)
- [MISSOURI JUDGE RULES AGAINST MEDICAID EXPANSION](#)
- [PENNSYLVANIA LAW TO EXPAND CAREGIVERS ELIGIBILITY, SUPPORT](#)
- [OHIO DENIES MEDICAID MANAGED CARE AWARD PROTEST](#)
- [VERMONT AUDIT SAYS MEDICAID ACO MISSED FINANCIAL TARGETS](#)
- [CMS ANNOUNCES GRANTS TO IMPROVE STATE-BASED MARKETPLACES](#)
- [LIFEPOINT HEALTH TO ACQUIRE KINDRED HEALTHCARE](#)
- [NEW THIS WEEK ON HMAIS](#)

## IN FOCUS

### COVID-19 POLICY FLEXIBILITIES AFFECTING CHILDREN, YOUTH WITH SPECIAL NEEDS

This week, our *In Focus* section reviews a new report from Health Management Associates, *COVID-19 Policy Flexibilities Affecting Children and Youth with Special Health Care Needs: What to Keep, Modify, or Discard?*. In response to the COVID-19 pandemic, the federal government and states rapidly established new, temporary regulations and flexibilities, while providers deployed innovative technologies to connect with their patients. The report examines how COVID-

19 and the responses by federal and state governments, health systems, and providers affect health care for children and youth with special health care needs (CYSHCN).

With support from the [Lucile Packard Foundation for Children's Health](#), an HMA team of principals Sharon Silow-Carroll and Helen DuPlessis, Consultant Elaine Henry, and Research Associate Samantha Di Paola conducted a comprehensive review of policy changes and identified those with particular implications for CYSHCN. These included flexibilities in Medicaid eligibility and reimbursement, access to services, and in particular, telehealth. The team discussed these policy changes and their impact on CYSHCN with frontline clinicians, legal and family advocates for CYSHCN, researchers, program leaders, and other public and private stakeholders.

The report identifies key policy flexibilities and the regulatory and administrative mechanisms used enact them during the public health emergency (PHE). It summarizes stakeholders' perspectives about the impact of the flexibilities on CYSHCN and their families and providers. The report and a series of issue briefs also present recommendations for continuing certain temporary policy changes after the PHE and suggests new policies to support CYSHCN and better prepare for future emergencies.

**The study's findings include the following:**

Policies that expanded reimbursement for telehealth have significantly affected and been largely advantageous to CYSHCN and their families. These included flexibility in services provided via telehealth, patient and practitioner location, technologies used, and types of providers.

Expansions in telehealth also highlighted disparities, however, as many low-income and rural families face language barriers or lack broadband access, technologies required for telehealth, and safe locations from which to conduct visits in private, or training on how to request or use telehealth. Further, states, health systems, and providers did not consistently adopt the flexibilities and make telehealth opportunities universally available, suggesting additional access challenges and inequities that warrant further study.

To soften the pandemic's negative consequences on access to care, the federal government and state governments also relaxed provider enrollment, eligibility, and out-of-state licensure requirements for Medicare and Medicaid; broadened the scope of practice for certain health care workers; reduced administrative requirements for accessing specialty care and services; and expanded the ability of states to pay family caregivers for providing personal care to CYSHCN.

The sudden and long-term school closures, isolation, cessation of many in-person clinical visits and home care visits (both home health and personal care/direct services), lack of child care and respite care, rampant unemployment, and social determinants of health (SDOH) that have been created or exacerbated by the pandemic have put tremendous strains on CYSHCN and their families. While use of telehealth for behavioral health services increased significantly during the PHE, there has been a dearth of policies or flexibilities focused on identifying and addressing the stressors on CYSHCN and their caregivers – many of which will continue beyond the PHE.

Recommendations for improving care for CYSHCN beyond the PHE include to:

- Continue policies supporting telehealth in Medicaid through payment parity and reimbursement for services provided through telehealth including audio-only telephone access and asynchronous contact, therapies provided by appropriate therapists, care coordination. Extend flexibility for originating and distant sites, and in out-of-state licensing for telehealth providers.
- Target funding to reduce disparities in access to telehealth through providing telehealth equipment and training for families and providers, extending broadband coverage, and ensuring the availability of interpretation services during telehealth visits.
- Collect and disseminate best practices for implementing or expanding telehealth in school-based health centers and settings.
- Reassess the workforce (specialists, therapists, etc.) serving CYSHCN to identify gaps, and consider addressing these shortages by continuing expanded scope of practice for certain non-physician clinicians with clinical and training standards.
- Address shortages in the home care workforce through a combination of strategies, such as: funding education programs for professional and paraprofessionals, increasing Medicare and Medicaid reimbursement rates, establishing or continuing home and community based service waiver program retainer payments, ensuring availability of basic materials, and expanding flexibility to pay family caregivers for providing personal care and health-related services to CYSHCN with appropriate training and ‘guardrails’ to ensure quality and program integrity.
- Secure and increase Medicaid reimbursement for care coordination services for CYSHCN and consider covering care coordination by certain paraprofessionals and other service providers.
- Establish tools, protocols, and incentives to promote routine screenings for SDOH, especially for CYSHCN.
- Include family members and advocates of CYSHCN in emergency preparedness planning, and develop communication channels that provide timely, accurate, and reliable information to all families of CYSHCN to offer guidance about accessing needed services during a PHE.
- Encourage and incentivize more routine behavioral health screenings and services, including screening of caregivers of CYSHCN for mood disorders.

Efforts to improve our future readiness for pandemics must include an understanding of the broader socioeconomic ramifications of pandemics and other emergencies on high-risk groups. Systematic evaluation is needed to assess and document the impact of the temporary policy flexibilities during the COVID-19 PHE on access, utilization, child/caregiver experience, physical and behavioral health, and developmental outcomes of CYSHCN and other at-risk populations. This will equip policymakers and practitioners with evidence-based data to further inform decisions about policies to modify, cease, or expand further.

The full report, a brief presenting recommendations, and short briefs with recommendations for specific stakeholders are available on the HMA website including:

[Recommendations for Federal Government Actions](#)

[Recommendations for States](#)

[Recommendations for Public Health and Maternal and Child Health Programs](#)

[Recommendations for Medicaid Managed Care Plans](#)

[Recommendations for the Health Care Community](#)

[Recommendations for the State of California](#)

The Lucile Packard Foundation for Children's Health will be hosting a **webinar featuring this report and COVID-19 telehealth policies affecting CYSHCN, on Tuesday, July 6 at 1:30 p.m. EDT**. The webinar will offer an engaging discussion on policy changes that are important to retain and how to apply lessons learned during the pandemic moving forward. Speakers will discuss their experiences with how telehealth flexibilities have affected CYSHCN, families, providers, and health systems. They will reflect on what is important to retain and how to apply lessons learned moving forward

Learn more and register: <https://www.lpfch.org/cshcn/join-us/events/covid-19-telehealth-policies-affecting-cyshcn-what-keep-modify-or-discard>

Report Author:

**Sharon Silow-Carroll, MSW, MBA**, Principal, Health Management Associates

Speakers:

**Cara Coleman, JD, MPH**, Director of Public Policy and Advocacy, Family Voices

**Alison Curfman, MD, MBA**, Clinical Director of the Pediatric Operations, Mercy Clinic

**Cheryl Roberts, JD**, Deputy of Programs and Operations, Virginia Department of Medical Assistance Services

Moderator:

**Ed Schor, MD**, Consultant, Lucile Packard Foundation for Children's Health



## HMA MEDICAID ROUNDUP

### *Arkansas*

**Arkansas Submits Medicaid Expansion Work Incentive Waiver to Federal Regulators.** *The Texarkana Gazette* reported on June 20, 2021, that Arkansas has submitted a proposed Medicaid expansion work incentive waiver to federal regulators. The Arkansas Health and Opportunity for Me (ARHOME) waiver is designed to replace the state's inoperative work requirements program. ARHOME allows expansion members who work to continue to enroll in Exchange plans instead of Medicaid fee-for-service. [Read More](#)

### *California*

**California Releases \$5.2 Billion Medicaid HCBS Spending Plan.** California health officials announced on June 3, 2021, the release of a \$5.2 billion spending [plan](#) for Medicaid home and community-based services (HCBS) using enhanced federal Medicaid funds. The American Rescue Plan Act temporarily increased federal Medicaid HCBS matching funds by 10 percent. [Read More](#)

### *Florida*

**Florida to Stop Publishing Certain Medicaid Progress Reports.** *State of Reform* reported on June 22, 2021, that Florida will stop publishing certain Medicaid progress reports effective July 1, including the Medicaid Managed Care Transition Report, Pharmaceutical Expense Assistance Program Report, and Medicaid Drug Spending Control Program Report. The bill also revises fee-for-service drug reimbursement benchmarks, clarifies response times for prescribed drug authorization requests, and allows doctoral-level, certified behavior analysts to make medical necessity determinations. [Read More](#)

**Florida to Roll Back Medicaid Flexibilities on July 1.** *Health News Florida* reported on June 21, 2021, that starting July 1, Florida will roll back Medicaid flexibilities offered to providers and beneficiaries during the COVID-19 pandemic, resulting in the reinstatement of prior authorization for behavioral health services among other changes. The state will also return to quarterly Medicaid "wrap around" payments to federally qualified health centers, instead of monthly. [Read More](#)

## Georgia

**Department of Community Health Chief to Retire.** *Georgia Health News* reported on June 22, 2021, that Frank Berry is retiring as commissioner for the Georgia Department of Community Health, which operates the state's Medicaid program, after six years. Berry will be replaced effective July 1 by Caylee Noggle, who is currently deputy chief of staff for operations for Governor Brian Kemp. Noggle joined the Kemp administration in January 2020. [Read More](#)

## Illinois

**Illinois to Increase Medicaid Reimbursements for Dentists Beginning 2022.** *Illinois State Dental Society* reported on June 16, 2021, that Illinois will increase reimbursement rates for dentists treating Medicaid patients, effective January 2022. [Read More](#)

## Kentucky

**Officials Calls for Increased Accountability of Medicaid Plans.** *Louisville Business First* reported on June 18, 2021, that Lisa Lee, the commissioner of the Kentucky Department of Medicaid Services, told the state Medicaid Oversight and Advisory Committee that the state should incorporate more accountability measures and penalties into contracts with Medicaid health plans. Lawmakers offered other ideas, including a mandate on Medicaid providers to partner with local health departments and establishing different accountability measures for adults and children. [Read More](#)

**Kentucky Must Rebid Medicaid Managed Care Contracts, Judge Affirm.** *The Louisville Business First* reported on June 17, 2021, that Kentucky must rebid the state's Medicaid managed care contracts for a third time, after Franklin Circuit Judge Phillip Shepherd affirmed a prior order. The list of winners included Aetna, Centene/WellCare, Humana, Molina, and UnitedHealthcare. Anthem was also awarded a contract following a protest. [Read More](#)

## Mississippi

**Mississippi Investigates Another Health Plan Concerning Medicaid PBM.** *The Daily Journal* reported on June 20, 2021, that Mississippi is investigating UnitedHealthcare and its pharmacy benefits management (PBM) subsidiary OptumRx concerning Medicaid pharmacy benefits. United and Optum are also being investigated in other states, and Ohio filed a lawsuit concerning generic drug discounts for state employees. Last week, Centene settled allegations that it was overcharging Medicaid members for prescription drugs in Ohio and Mississippi. [Read More](#)

**Mississippi to Raise Medicaid Case Management Wraparound Rates for Children with Serious Emotional Disturbance.** The Mississippi Division of Medicaid (DOM) announced on June 15, 2021, that the state will raise Medicaid case management wraparound rates for children with serious emotional disturbance effective July 1, as part of a payment change aimed at complying with federal regulations. Wraparound services were previously included with ancillary therapeutic services in a bundled rate; however, federal rules require wraparound services to be billed separately. The state's decision to increase wraparound rates is aimed at easing the transition. [Read More](#)

## Missouri

**Missouri Judge Rules Against Medicaid Expansion.** *The Missouri Times* reported on June 23, 2021, that Missouri Cole County Circuit Judge Jon Beetem ruled the state is not obligated to implement Medicaid expansion by July 1, deeming the voter-approved initiative violates the state constitution concerning appropriations. Plaintiffs in the lawsuit have pledged to immediately appeal the decision to the Court of Appeals for the Western District of Missouri. [Read More](#)

**Governor Calls Special Session for Medicaid Funding.** *Fox 4* reported on June 21, 2021, that Missouri Governor Mike Parsons has called a special session for lawmakers to focus on renewing the Medicaid hospital tax. The announcement comes after lawmakers failed to meet a noon deadline to work out a deal. The special session begins June 23. The Federal Reimbursement Allowance (FRA) tax, which expires September 30, finances nearly 80 percent of Medicaid in the state. Parson has warned of budget cuts if the legislature fails to extend the FRA tax by July 1. [Read More](#)

**Missouri Faces Lawsuit Aimed at Blocking Medicaid Payment Changes for Inpatient Care.** *Patch/Missouri Independent* reported on June 19, 2021, that Missouri is facing a lawsuit from the Missouri Hospital Association (MHA) aimed at blocking Medicaid payment changes for inpatient care. MHA, which projects payments could be reduced by \$45 million annually, says that the state Department of Social Services is improperly pushing the changes through by altering managed care contracts and circumventing public comment and legislative oversight. The change is expected to take effect July 1. [Read More](#)

## New Hampshire

**New Hampshire House Strips Medicaid Adult Dental Benefit From State Budget.** *WMUR* reported on June 22, 2021, that the New Hampshire House stripped adult Medicaid dental benefits from the state budget. The state's share of the annual cost of the benefit would be \$7.45 million. [Read More](#)

## *New Jersey*

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

**New Jersey Senate Budget Committee Clears Legislation to Address Opioid Epidemic.** *EIN Presswire* reported on June 17, 2021, that the New Jersey Senate Budget Committee cleared a pair of bills earmarking all current and future opioid settlement dollars into a state Treasury “Opioid Recovery and Remediation Fund.” The funds would be dedicated to enhancing substance use disorder prevention and treatment programs and ensuring opioid antidotes are accessible to all residents. The legislation, which is sponsored by state Senators Dawn Addiego (D-Burlington) and Troy Singleton (D-Burlington), would also require Medicaid, health plans, and other payers to cover opioid antidotes without prior authorization. [Read More](#)

## *North Carolina*

**Senate Budget Proposal to Extend Medicaid Postpartum Coverage to Full Year.** *The News & Observer* reported on June 16, 2021, that a North Carolina Senate budget proposal includes a provision that extends Medicaid postpartum coverage from 60 days to a full year. Implementation of the extension would take effect April 2022. [Read More](#)

## *Pennsylvania*

**Pennsylvania Law Aims to Expand Eligibility, Support for Caregivers.** The Pennsylvania Department of Aging said on June 18, 2021, that a new law will expand eligibility and provide support to caregivers serving loved ones living with an illness or disability. The law impacts caregivers participating in the state’s Caregiver Support Program (CSP), including caregivers serving older adults, grandparents raising grandchildren, and adults living with disabilities. Other provisions of the law include eliminating the spending cap on monthly care plans and the \$2,000 lifetime limit on home modification reimbursements. [Read More](#)

**Pennsylvania Medicaid Plans Await Ruling on Managed Care Contract Protests.** *The Pittsburgh Post Gazette* reported on June 21, 2021, that Pennsylvania health plans continue to await a final ruling concerning protests over the state’s most recent Medicaid managed care contract procurement. Protests were filed by CVS/Aetna, Gateway Health Plan, Centene/Pennsylvania Health and Wellness, and UnitedHealthcare. Contracts were slated to be implemented January 1, 2021, but the state is prohibited from moving forward with the new contracts until protests are resolved. Contracts were awarded to AmeriHealth Caritas/Vista Health Plan, Gateway Health Plan, Geisinger Health Plan, Health Partners Plans, UnitedHealthcare, and UPMC for You. [Read More](#)



**Pennsylvania Submits Medicaid HCBS Spending Plan to CMS.** The Pennsylvania Department of Human Services, on June 14, 2021, submitted a spending plan to federal regulators outlining how the state would use enhanced Medicaid funds to increase access to home and community-based services (HCBS), including improved provider rates and investments in capacity, protective equipment, and mental health and substance use disorder treatment. The American Rescue Plan Act temporarily increased federal Medicaid HCBS matching funds by 10 percent. States have until July 12 to submit a plan to the Centers for Medicare & Medicaid Services. Enhanced funding will be available from April 1, 2021, through March 31, 2022. Public comments on the Pennsylvania plan must be submitted by July 6, and a live virtual public comment session will take place on June 30. [Read More](#)

## *Puerto Rico*

**Governor Visits DC to Push for Medicaid Funding Parity.** *The Miami Herald* reported on June 22, 2021, that Puerto Rico Governor Pedro Pierluisi will meet with federal officials and lawmakers to advocate for parity in federal funding for Medicaid. Pierluisi is requesting \$5.2 billion in federal Medicaid funds for Puerto Rico in fiscal 2022, compared to \$2.7 billion in fiscal 2021. Current funding, which is capped, does not cover all of Puerto Rico's Medicaid expenditures. [Read More](#)

## *Ohio*

**Ohio Medicaid Data Breach Affects Nearly 335,000 Providers.** *Becker's Hospital Review* reported on June 22, 2021, that the personal data of nearly 335,000 Ohio Medicaid providers may have been compromised in a breach between May 17 and May 19, according to the state's data management contractor Maximus. No patient data was accessed. Compromised data may include provider credentialing and licensing information, Social Security numbers, names, and birthdates. [Read More](#)

**Ohio Releases OhioRISE Waiver for Public Comment.** The Ohio Department of Medicaid released on June 15, 2021, the state's OhioRISE (Resilience through Integrated Systems and Excellence) 1915(c) and 1915(b) waiver for public comment. Earlier this year, CVS Health/Aetna won the contract for OhioRISE, a new prepaid inpatient program for foster children and children with serious or complex behavioral health needs. Public comments on the waiver will be accepted through July 15. [Read More](#)

**Ohio Denies Medicaid Managed Care Award Protest.** *The Dayton Daily News* reported on June 17, 2021, that Ohio denied a protest from ProMedica/Paramount Health Plan concerning the state's recent Medicaid managed care contract awards. Promedica/Paramount, which was the only incumbent plan that failed to win a new contract, "did not do as well as the other plans" in its procurement application, the state said. [Read More](#)

## Texas

**Bill Would Allow Cities, Counties to Apply for Medicaid Expansion.** *The Houston Chronicle* reported on June 19, 2021, that U.S. Representative Lloyd Doggett (D-TX) introduced a bill that would empower cities and counties in non-expansion states to implement Medicaid expansion, bypassing the need for state legislative approval. More than 40 House Democrats, including lawmakers from 11 other Republican-led states, co-signed the Cover Outstanding Vulnerable Expansion-eligible Residents (COVER) Now Act. Doggett estimates that in Texas, if Dallas, Houston, and San Antonio implemented expansion, then half of uninsured individuals in the state would be eligible for Medicaid. [Read More](#)

## Vermont

**Vermont Medicaid ACO Fails to Meet Financial Targets, State Audit Finds.** *Valley News/The Associated Press* reported on June 21, 2021, that OneCare Vermont, the state's all-payer Medicaid accountable care organization, failed to meet financial targets from 2017 to 2019, according to a state audit. Operating costs for OneCare Vermont, which was formed by the University of Vermont Medical Center and Lebanon-based Dartmouth-Hitchcock Health, "have greatly exceeded any savings achieved by the ACO," the audit said. The audit did not measure the impact on member health. [Read More](#)

## Virginia

**Virginia to Offer Medicaid Adults Dental Coverage July 1.** The Virginia Department of Medical Assistance Services announced on June 17, 2021, that it will begin implementation of adult dental benefits effective July 1, 2021. Services will include cleanings, preventive care, X-rays, fillings, and exams. About 750,000 adult Medicaid members will be eligible for dental services under the benefit. [Read More](#)

## National

**Nine of 12 Remaining Non-Expansion States Do Not Allow Ballot Initiatives.** *Health Affairs* reported on June 23, 2021, that nine of the remaining 12 non-expansion states do not allow ballot initiatives. Even in the states where ballot initiatives are allowed, Republican state legislatures are making it more difficult for ballot initiatives to pass or moving to block Medicaid expansion efforts following voter approval. *Health Affairs* made the case for an urgent need for alternative pathways to Medicaid coverage, including allowing Medicaid eligibles to obtain coverage through marketplace plans free of charge and with nominal cost-sharing. [Read More](#)

**CMS Announces \$20 Million in Grants to Improve State-based Marketplaces.** The Centers for Medicare & Medicaid Services (CMS) announced on June 21, 2021, the availability of \$20 million in grants to support state-based marketplaces. Funding, available through the American Rescue Plan, would help states modernize systems, programs, and technology to comply with federal requirements. States can submit grant applications through July 20, with awards expected in early September 2021. The grant period of performance will run from the date of the award through September 9, 2022. [Read More](#)

**Success of Social Services Interventions Is Unclear, Reports Find.** NPR reported on June 21, 2021, that the success of attempts to impact social determinants of health (SDOH) through interventions is unclear, according to various studies. Even when SDOH interventions showed promising results, NPR reported, the successes were limited to a small number of patients. Several studies did not go on long enough to detect an impact or did not evaluate health outcomes or health costs. [Read More](#)

**Democrats Likely To Use Reconciliation to Enhance Medicaid, Medicare, Exchange Benefits.** *Modern Healthcare* reported on June 18, 2021, that Congressional Democrats are likely to use reconciliation in order to pass a series of healthcare policies before the 2022 midterm elections, including closing the Medicaid coverage gap and adding dental and vision benefits to Medicare. Other possible changes include lowering Medicare eligibility from 65 to 60, permanently extending Affordable Care Act subsidies to middle income earners, lowering Exchange plan deductibles, lowering drug prices, addressing maternal mortality, and expanding access to home and community based services. [Read More](#)

**States Look to Healthcare Cost Growth Benchmarking to Control Spending.** *Modern Healthcare* reported on June 17, 2021, that states are increasingly gathering data to benchmark annual total healthcare cost growth. According to a [report](#) released by Manatt Health, healthcare cost benchmarking can help improve transparency, control costs, and boost alternative payment models like those used by Medicaid programs. [Read More](#)

**Medicaid Enrollment Swelled by 9 Million Since Start of Pandemic, Study Finds.** *Kaiser Health News* reported on June 17, 2021, that Medicaid enrollment increased by more than 9 million beneficiaries to a total of 80.5 million from February 2020 to January 2021, driven by the COVID-19 pandemic, according to an analysis by the [Kaiser Family Foundation](#). Medicaid and Medicare cover 43 percent of Americans. [Read More](#)

**Medicaid Managed Care Programs Should More Fully Integrate Family Planning Services, Study Finds.** *Newswise* reported on June 17, 2021, that state Medicaid managed care programs should place greater emphasis on ensuring coverage and access to family planning services for members, according to a [study](#) produced by the George Washington University Milken Institute School of Public Health in collaboration with Health Management Associates. The study recommends a higher degree of integration of family planning services into managed care and updating of the scope of family planning services covered by the freedom-of-choice safeguard. [Read More](#)

**Senate Bill Would Fund Additional Certified Community Behavioral Health Clinics.** *Modern Healthcare* reported on June 15, 2021, that Senators Debbie Stabenow (D-Mich.) and Roy Blunt (R-Mo.) introduced a bill to fund additional Certified Community Behavioral Health Clinics (CCBHCs), based on the promising results of a federal demonstration aimed at better integrating primary care and behavioral health. The two-year demonstration across several states helps CCBHCs partner with federally certified health centers to integrate primary care and provide enhanced Medicaid reimbursements for mental health and addiction treatment. Separately, lawmakers are proposing additional measures, including waivers for primary and behavioral care integration, making enhanced Medicaid reimbursements permanent and building on current community models. [Read More](#)

**U.S. Supreme Court Upholds Affordable Care Act.** *The New York Times* reported on June 17, 2021, that the U.S. Supreme Court upheld the Affordable Care Act (ACA), with six justices joining Chief Justice John Roberts in a technical ruling that plaintiffs lacked standing to pursue a lawsuit. The court did not rule on the key issue of whether the ACA could stand after Congress eliminated the penalty for not purchasing health insurance. [Read More](#)

**MedPAC Recommends Changes to Medicare Advantage Benchmarks, Alternative Payment Models.** *McKnight's Senior Living* reported on June 16, 2021, that the Medicare Payment Advisory Commission (MedPAC) released a [report](#) to Congress recommending changes to the Medicare Advantage benchmark policy and a reduction in the number of Medicare alternative payment models. MedPAC said the current benchmark policy has attracted plans and members but has not saved money. [Read More](#)

**Fewer Medicare Advantage Plan Members Actively Managed Their Care, Study Shows.** *Modern Healthcare* reported on June 17, 2021, the percentage of Medicare Advantage (MA) members actively managing their care declined in 2020 as health plans struggle with member communication and engagement, according to a study by J.D. Power. Newly enrolled MA members also tend to have poorer health and lower incomes than existing members, the study said. [Read More](#)



## INDUSTRY NEWS

**BCBS Plans Fund Drug Analytics, Value-Based Contracting Start-up.** *Modern Healthcare* reported on June 22, 2021, that five Blue Cross Blue Shield plans announced the launch of Evio, a for-profit, Colorado-based company that will use member data to measure the effectiveness of pharmaceuticals and foster value-based contracts with drug makers. Evio, which received an equal investment from all five plans, is not meant to replace pharmacy benefit management companies currently utilized by the plans. Plans involved are Blue Cross Blue Shield of Massachusetts, Blue Cross Blue Shield of Michigan, Blue Shield of California, Highmark Health, and Independence Blue Cross. [Read More](#)

**Select Medical Expands Hospital, Outpatient Clinic Footprint.** *Modern Healthcare* reported on June 21, 2021, that Pennsylvania-based Select Medical agreed to add seven long-term acute care hospitals and eight outpatient clinics through a series of acquisitions and joint venture partnerships. Joining Select Medical will be Acuity Healthcare, which has four hospitals; Curahealth Tucson; California-based Scripps Health; a new hospital through a joint venture with Ascension St. Thomas; and eight HealthWorks Rehab & Fitness clinics in West Virginia. The company expects the transactions to close in the third and fourth quarters. [Read More](#)

**LifePoint Health to Acquire Kindred Healthcare.** *Modern Healthcare* reported on June 21, 2021, that LifePoint Health has signed a definitive agreement to acquire Kentucky-based Kindred Healthcare. The transaction, which is expected to close in the fourth quarter of 2021, would combine Lifepoint's 87 hospitals in 29 states with Kindred's 62 long-term care hospitals, 25 inpatient rehabilitation facilities, more than 100 acute rehabilitation facilities. LifePoint plans to invest \$1.5 billion in the new entity over three years, aimed at workforce development, capital projects, and technology and equipment. [Read More](#)

**CareMax Acquires Florida-based Senior Medical Associates.** CareMax announced on June 21, 2021, the acquisition of Florida-based Senior Medical Associates, which operates 10 medical centers and serves approximately 5,000 Medicare Advantage members. CareMax now operates 36 medical centers and serve about 62,000 patients, including 22,000 Medicare Advantage members. [Read More](#)

**Steward Health Care to Acquire Five Florida Hospitals From Tenet Healthcare.** *Modern Healthcare* reported on June 16, 2021, that Texas-based Steward Health Care will acquire five Florida hospitals from Tenet Healthcare for \$1.1 billion: Coral Gables Hospital, Florida Medical Center, Hialeah Hospital, North Shore Medical Center, and Palmetto General Hospital. Steward also agreed to use Tenet's Conifer Health Solutions subsidiary for revenue cycle management services at the hospitals, and Tenet's United Surgical Partners International will operate associated ambulatory facilities. The deal is expected to close in the third quarter of this year. [Read More](#)

## RFP CALENDAR

Date	State/Program	Event	Beneficiaries
Spring 2021	Louisiana	RFP Release	1,550,000
Summer 2021	Rhode Island	RFP Release	276,000
June 11, 2021 - Delayed	North Carolina - BH IDD Tailored Plans	Awards	NA
July 1, 2021	North Carolina - Phase 1 & 2	Implementation	1,500,000
July 1, 2021	Missouri	RFP Release	756,000
July 1, 2021	Hawaii Quest Integration	Implementation	378,000
July 1, 2021	Hawaii Community Care Services	Implementation	4,500
August 2021	Texas STAR Health	RFP Release	36,500
August 9, 2021	Indiana Hoosier Healthwise and HIP	Proposals Due	1,200,000
August 31, 2021	Tennessee	Proposals Due	1,500,000
October 2021	Minnesota Seniors and Special Needs BasicCare	RFP Release	120,000
October 1, 2021	Oklahoma	Implementation	742,000
October 8, 2021	Tennessee	Awards	1,500,000
November 2021	Missouri	Awards	756,000
Late 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
Late 2021	California GMC - Sacramento, San Diego	RFP Release	1,091,000
Late 2021	California Imperial	RFP Release	75,000
Late 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
Late 2021	California San Benito	RFP Release	7,600
Dec. 2021 - Feb. 2022	Texas STAR+PLUS	RFP Release	538,000
January 2022	Minnesota MA Families and Children, MinnesotaCare	RFP Release	543,000
January 1, 2022	Minnesota MA Families, Children; MinnesotaCare (metro)	Implementation	548,000
January 1, 2022	Nevada	Implementation	600,000
January 1, 2022	Massachusetts One Care (Duals Demo)	Implementation	150,000
January 1, 2022	North Dakota Expansion	Implementation	19,800
January 5, 2022	Ohio	Implementation	2,450,000
January 7, 2022	Indiana Hoosier Healthwise and HIP	Awards	1,200,000
February 2022	Texas STAR Health	Awards	36,500
July 1, 2022	Rhode Island	Implementation	276,000
July 1, 2022	North Carolina - BH IDD Tailored Plans	Implementation	NA
July 1, 2022	Missouri	Implementation	756,000
Early 2022 – Mid 2022	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	Awards	1,640,000
Early 2022 – Mid 2022	California GMC - Sacramento, San Diego	Awards	1,091,000
Early 2022 – Mid 2022	California Imperial	Awards	75,000
Early 2022 – Mid 2022	California Regional - Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba	Awards	286,000
Early 2022 – Mid 2022	California San Benito	Awards	7,600
Mar. 2022 - May 2022	Texas STAR+PLUS	Awards	538,000
Sep. 2022 - Nov. 2022	Texas STAR & CHIP	RFP Release	3,700,000
Dec. 2022 - Feb. 2023	Texas STAR & CHIP	Awards	3,700,000
January 1, 2023	Tennessee	Implementation	1,500,000
January 1, 2023	Minnesota MA Families and Children, MinnesotaCare	Implementation	543,000
January 7, 2022	Indiana Hoosier Healthwise and HIP	Awards	1,200,000
Mar. 2023 - May 2023	Texas STAR Kids	RFP Release	166,000
Jun. 2023 - Aug. 2023	Texas STAR Kids	Awards	166,000
Jun. 2023 - Aug. 2023	Texas STAR Health	Implementation	36,500
Sep. 2023 - Nov. 2023	Texas STAR+PLUS	Implementation	538,000
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
Jun. 2024 - Aug. 2024	Texas STAR & CHIP	Implementation	3,700,000
Dec. 2024 - Feb. 2025	Texas STAR Kids	Implementation	166,000

---

## HMA NEWS

---

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

#### Medicaid Data

- Iowa Medicaid Managed Care Enrollment is Up 4.6%, Jun-21 Data
- Louisiana Medicaid Managed Care Enrollment is Up 4.4%, May-21 Data
- MLRs at Mississippi Medicaid MCOs Average 80.6%, 2020 Data
- MLRs Average 91.5% at Puerto Rico Medicaid MCOs, 2020 Data
- Mississippi Medicaid Managed Care Enrollment is Up 2.2%, Apr-21 Data
- Mississippi Medicaid Managed Care Enrollment is Up 2.8%, May-21 Data
- North Carolina Medicaid Enrollment by Aid Category, Mar-21 Data
- New Jersey Medicaid Managed Care Enrollment is Up 3%, Mar-21 Data
- New Jersey Medicaid Managed Care Enrollment is Up 4.1%, Apr-21 Data
- Ohio Dual Demo Enrollment is Down 5.2%, May-21 Data
- Ohio Medicaid Managed Care Enrollment is Up 2.7%, Apr-21 Data
- Ohio Medicaid Managed Care Enrollment is Up 3.3%, May-21 Data
- Rhode Island Dual Demo Enrollment is Down 1.3%, May-21 Data
- Tennessee Medicaid Managed Care Enrollment is Up 2.7%, Apr-21 Data
- Washington Medicaid Managed Care Enrollment is Up 2.5%, Apr-21 Data

#### Public Documents:

##### *Medicaid RFPs, RFIs, and Contracts:*

- Mississippi Children's Health Insurance Program (CHIP) Contracts, 2019-22
- Pennsylvania Delaware County Behavioral Health HealthChoices Program RFP, Nov-20

##### *Medicaid Program Reports, Data and Updates:*

- Arizona AHCCCS Population Demographics, Jun-21
- Florida Medical Care Advisory Meeting Materials, Jun-21
- New Jersey Drug Utilization Review Board Annual Report, FY 2014-19
- Ohio OhioRISE Advisory Council Meeting Materials, 2020-21
- Vermont Medicaid All-Payer ACO Model State Audit, Jun-21

A subscription to HMA Information Services puts a world of Medicaid information at your fingertips, dramatically simplifying market research for strategic planning in healthcare services. An HMAIS subscription includes:

- State-by-state overviews and analysis of latest data for enrollment, market share, financial performance, utilization metrics and RFPs
- Downloadable ready-to-use charts and graphs
- Excel data packages
- RFP calendar

If you're interested in becoming an HMAIS subscriber, contact Carl Mercurio at [cmercurio@healthmanagement.com](mailto:cmercurio@healthmanagement.com).



HMA is an independent, national research and consulting firm specializing in publicly funded healthcare and human services policy, programs, financing, and evaluation. We serve government, public and private providers, health systems, health plans, community-based organizations, institutional investors, foundations, and associations. Every client matters. Every client gets our best. With 22 offices and over 200 multidisciplinary consultants coast to coast, our expertise, our services, and our team are always within client reach.

Among other services, HMA provides generalized information, analysis, and business consultation services to investment professionals; however, HMA is not a registered broker-dealer or investment adviser firm. HMA does not provide advice as to the value of securities or the advisability of investing in, purchasing, or selling particular securities. Research and analysis prepared by HMA on behalf of any particular client is independent of and not influenced by the interests of other clients.