

HEALTH MANAGEMENT ASSOCIATES

# HMA Weekly Roundup

Trends in Health Policy

..... September 8, 2021 .....



[RFP CALENDAR](#)

[HMA News](#)

**Edited by:**

Alona Nenko

[Email](#)

Carl Mercurio

[Email](#)

Mary Goddeeris, MA

[Email](#)

## THIS WEEK

- **IN FOCUS: TEXAS RELEASES STAR HEALTH DRAFT RFP; SEEKS PUBLIC INPUT ON STAR+PLUS, STAR KIDS ACO**
- CALIFORNIA LAUNCHES ENHANCED CARE MANAGEMENT PROGRAM
- CALIFORNIA AWARDS EVV CONTRACT TO SANDATA
- DISTRICT OF COLUMBIA EXTENDS MEDSTAR MEDICAID CONTRACT; TO RELEASE MEDICAID MANAGED CARE RFP IN NOVEMBER
- IDAHO AWARDS CORRECTIONAL HEALTH CONTRACT TO CENTURION
- MAINE MEDICAID TO RAISE RESIDENTIAL SUD TREATMENT RATES
- OHIO ACO TO SERVE 100,000 CARESOURCE MEDICAID MEMBERS
- VERMONT ALL-PAYER SYSTEM ACHIEVES MEDICARE SAVINGS
- CMS GIVES 13 STATES \$452 MILLION FOR REINSURANCE PROGRAMS
- LHC GROUP TO ACQUIRE BROOKDALE HEALTH AGENCIES
- HIGHMARK HEALTH ACQUIRES REMAINING STAKE IN GATEWAY
- [NEW THIS WEEK ON HMAIS](#)

## IN FOCUS

### TEXAS RELEASES STAR HEALTH DRAFT RFP; SEEKS PUBLIC INPUT ON STAR+PLUS, STAR KIDS ACO

This week, our *In Focus* reviews the Texas Health and Human Services Commission (HHSC) draft request for proposals (RFP) for Texas STAR Health, the state's Medicaid managed care program for foster care kids. The state is also seeking public input for the STAR+PLUS and STAR Kids Accountable Care Organization (ACO) programs, in anticipation of the reprocurement of these Medicaid managed care programs.

### Upcoming Medicaid Managed Care Procurement Timeline

Texas is readying to release a multitude of RFPs for its Medicaid managed care programs according to the timeframes laid out in Table 1. In 2020, Texas cancelled the STAR and CHIP Medicaid managed care procurement and scrapped its STAR+PLUS contract awards because of discrepancies in the scoring of the bids.

Table 1. HHSC Medicaid Managed Care Procurement Timelines

Program	RFP Release	Award	Implementation
STAR Health (Foster)	October 25, 2021	June 2022	Q1 SFY 2024 (Sep-23 - Nov-23)
STAR+PLUS (ABD)	Q2 SFY 2022 (Dec-21 - Feb-22)	Q1 SFY 2023 (Sep-22 - Nov-22)	Q1 SFY 2024 (Sep-23 - Nov-23)
STAR & CHIP (Medicaid/CHIP)	Q1 SFY 2023 (Sep-22 - Nov-22)	Q3 SFY 2023 (Mar-23 - May-23)	Q4 SFY 2024 (Jun-24 - Aug-24)
STAR Kids (Children/adults age ≤ 20 with disabilities)	Q3 SFY 2023 (Mar-23 - May-23)	Q1 SFY 2024 (Sep-23 - Nov-23)	Q2 SFY 2025 (Dec-24 - Feb-25)

### Texas STAR Health Draft RFP

The first RFP scheduled for release is for STAR Health, which provides integrated physical and behavioral health services to children and young adults in the foster care system. Dental, vision, pharmacy, and personal care services are also included. There are approximately 43,700 beneficiaries enrolled in the program. Currently, Centene/Superior holds the contract.

An RFP for the STAR Health program was originally scheduled to be released in August 2021. Based on the draft RFP released by HHSC in early September 2021 (RFP No. HHS0010427), the final RFP is now scheduled for release on October 25, 2021, with a response submission deadline of December 28, 2021. HHSC will award one, six-year contract with up to three two-year renewals. Historically, the contract has been worth \$361 million annually. The award is expected in June 2022, with implementation to be in the first state fiscal quarter of 2024, which runs from September 2023 through November 2023.

Proposals will be scored out of a total of 2,000 points. HHSC will award proposals that provide the best value to the state of Texas as determined by HHSC. Selection methodology after initial compliance screening will be based on a consensus scoring methodology as described in the draft RFP. Scoring along the best value criteria as detailed in the Draft RFP are described in Table 2.

Table 2. STAR Health Draft RFP Scoring

Best Value Criteria	Available Points	Overall Weight
Deliver Person-Centered Service Coordination that connects member needs to effective care.	480	24%
Ensure members have timely access to the services they need.	440	22%
Encourage providers to participate in the Medicaid program.	360	18%
Ensure a sustainable Medicaid program by incentivizing value in the service delivery model and optimizing resources.	280	14%
Use data, technology, and reporting to facilitate and demonstrate strong performance and oversight.	240	12%
<b>Weighted Technical Questions Score</b>	<b>1,800</b>	<b>90%</b>
<b>Weighted Oral Presentation Score</b>	<b>200</b>	<b>10%</b>
<b>Final Weighted Score</b>	<b>2,000</b>	<b>100%</b>

### Texas STAR+PLUS Request for Public Input

The state threw out awards for the STAR+PLUS contracts in 2020 because of discrepancies in the evaluation and scoring of the bids. The STAR+PLUS contracts had been awarded to Aetna, Anthem/Amerigroup, Centene/Superior, El Paso Health, Molina, and UnitedHealthcare. Implementation was set to begin September 1, 2020. STAR+PLUS serves about 536,000 individuals who have disabilities or are age 65 or older. This marked the second time last year in which the procurement faced major setbacks because of problems with the procurement process. The current STAR+PLUS plans are Amerigroup/Anthem, Cigna, Centene, Molina, and UnitedHealthcare. At this time, Molina is in contract to purchase Cigna's Medicaid STAR+PLUS and Medicaid-Medicare Program (MMP) business.

HHSC is now seeking public comments regarding the proposed best value criteria, which will be used to help evaluate bids for the upcoming STAR+PLUS Medicaid managed care procurement. The public comment period ends on September 17, 2021.

### Texas STAR Kids ACO RFI

As required by the 86<sup>th</sup> Texas Legislature, HHSC released a request for information (RFI) on August 27, 2021, for "providing Medicaid benefits to children enrolled in the STAR Kids managed care program under an ACO or another value-based alternative payment model." Responses are due September 27, 2021. The information gathered from the RFI will help HHSC determine the feasibility of using an alternative model. HHSC will need to consider the sustainability and long-term benefits of the model for providing care to children with complex medical needs. HHSC is gathering information on seven different elements to assess the potential options:

1. Overall structure
  - a. Including whether it should be a provider-led, MCO-led, or community partner-led model
2. Payment structure

- a. Including whether it should be a shared savings model, a per-member-per-month payment for care coordination, a full-risk capitation model, a phased transition to a full-risk capitation model, or other model
3. Contracting
4. Care structure
5. Quality Measures
6. Claims and Data Collection
7. General Information

STAR Kids serves a total of 168,000 individuals with disabilities age 21 or younger. CVS/Aetna Better Health was most recently awarded a Texas STAR Kids Medicaid managed care contract on May 8, 2020, in the seven-county Dallas service area. The procurement followed the exit of Children’s Medical Center, which served approximately 9,000 STAR Kids members. Anthem/Amerigroup also holds a STAR Kids contract for the Dallas Service Area. A new procurement for the entire STAR Kids program is expected to be released in 2023. Other incumbents include Blue Cross Blue Shield of Texas, Centene, Community First Health Plan, Cook’s Children’s Health Plan, Driscoll Children’s Health Plan, Texas Children’s Health Plan, and UnitedHealthcare.

[Link to Texas Procurement Site](#)



## HMA MEDICAID ROUNDUP

### *California*

**California Ranks Most Favorable for Long-Term Care, Study Finds.** *McKnight's Senior Living* reported on August 30, 2021, that California ranked most favorable for long-term care (LTC) based on cost, access, and quality, according to [MedicareGuide](#). Other top states were Minnesota, Washington, Texas and New York. Ranking least favorable were Montana, Wyoming, South Dakota, Nevada, and Mississippi. [Read More](#)

**California Launches Enhanced Care Management Program for Homeless, Individuals With Complex Mental, Physical Health Conditions.** *The Los Angeles Times* reported on September 7, 2021, that California announced an Enhanced Care Management program to cover clinical and certain non-clinical services for high-cost, complex Medi-Cal members, including individuals who are homeless, justice-involved, or suffering from serious mental, physical, or substance use disorders. Eligible beneficiaries will be assigned a personal care manager to coordinate care and assist with housing, buying groceries, home repairs, paying bills, and other services not usually covered by Medicaid. Medicaid managed care plans will receive incentive payments to cover the additional services and boost provider networks. [Read more](#)

**California Awards Contract to Sandata for Phase Two of Electronic Visit Verification Initiative.** Sandata Technologies announced on September 2, 2021, that it won a contract for phase two of the California Medicaid electronic visit verification initiative, which includes personal care and in-home care visits for several home and community-based programs and waivers. The contract impacts 180,000 Medicaid members and more than 7,000 provider agencies. [Read More](#)

**California Ranks Most Favorable for Long-Term Care, Study Finds.** *McKnight's Senior Living* reported on August 30, 2021, that California ranked most favorable for long-term care (LTC) based on cost, access, and quality, according to [MedicareGuide](#). Other top states were Minnesota, Washington, Texas and New York. Ranking least favorable were Montana, Wyoming, South Dakota, Nevada, and Mississippi. [Read More](#)

## District of Columbia

**District of Columbia Extends MedStar Medicaid Managed Care Contract for Nine Months.** *The Washington Post* reported on September 2, 2021, that the District of Columbia has extended its Medicaid managed care contract with MedStar Family Choice (MFC) for another nine months, following an emergency order by DC Mayor Muriel Bowser. MFC's contract was set to expire at the end of the month, which would have impacted 60,000 MFC Medicaid members and potentially members of other plans served by the broader MedStar health system that owns MFC. A contract extension set to take effect was voided by a judge following a complaint over the DC procurement process. [Read More](#)

**Mayor Eyes Emergency Announcement Over Medicaid Managed Care Contract Dispute.** *WTOP* reported on August 31, 2021, that District of Columbia Mayor Muriel Bowser is expected to announce an executive emergency to prevent coverage disruptions for more than 200,000 Medicaid managed care members of MedStar Family Choice, whose contract with the district expires at the end of the month. A new contract set to take effect was voided by a judge following a complaint over the procurement process. A request for proposals is expected in November to reprocure the contracts. Separately, MedStar Health, the health system that owns MedStar Family Choice, may no longer allow other Medicaid plan members in DC to access the organization's network of primary care providers and specialists. [Read More](#)

**District of Columbia to Release Medicaid Managed Care RFP in November.** *The Washington Post* reported on August 27, 2021, that the District of Columbia is expected to issue a request for proposals (RFP) for its Medicaid managed care program in November. The new contracts will require Medicaid plans to cover intensive inpatient mental health and substance abuse treatment programs. The three incumbent plans are AmeriHealth Caritas, CareFirst, and MedStar Health. [Read More](#)

## Florida

**Democratic Congressional Delegates Support Adding Medicaid Expansion to Reconciliation Bill.** *Bay News 9* reported on September 2, 2021, that Florida's Democratic Congressional Delegation is asking Congress to integrate Medicaid expansion into the \$3.5 trillion budget reconciliation bill. In the letter to House Speaker Nancy Pelosi, representatives suggested raising the Medicaid income eligibility level and allowing local governments to use a portion of the expansion funding to add residents to Medicaid. [Read More](#)

**Florida Joint Budget Commission Approves Amendments to Close \$417 Million Medicaid Deficit.** *State of Reform* reported on September 3, 2021, that the Florida Joint Legislative Budget Commission approved several amendments aimed at closing a projected \$417 million deficit in Medicaid-related spending in fiscal 2022. The amendments allocate funds to the Agency for Healthcare Administration, Department of Health, and other agencies. [Read More](#)

**Florida Medicaid Could Face a \$1.9 Billion Budget Deficit Over Two Years Given Rising Enrollment.** *HealthNews Florida* reported on August 25, 2021, that Florida is anticipating a \$417 million Medicaid budget deficit in fiscal 2022, ending June 30, and another \$1.4 billion deficit in fiscal 2023, driven in part by projections that Medicaid enrollment will top 5 million. [Read More](#)

## Georgia

**Georgia Medicaid Seeks Nearly \$500 Million Increase in State Budgeted Funds.** *The Atlanta Journal Constitution* reported on August 27, 2021, that the Georgia Department of Community Health (DCH) is requesting nearly \$500 million in additional state budgeted funds over the next year and a half, reflecting rising Medicaid enrollment and utilization costs. DCH is requesting \$122 million more in its midyear fiscal 2022 budget, which runs through June 30, and \$359 million more for fiscal 2023, which begins July 1. [Read More](#)

## Idaho

**Idaho Awards Correctional Health Contract to Centurion.** Centurion Health, a subsidiary of Centene, announced on August 30, 2021, that it has been awarded a five-year contract to manage medical and mental health for the Idaho Department of Corrections effective October 1, 2021. The contract, which covers about approximately 7,500 incarcerated individuals, includes up to 10 annual renewal options. [Read More](#)

## Kansas

**Governor Advocates Medicaid Expansion Workaround in Letter to Congress.** *The Kansas City Star* reported on September 2, 2021, that Kansas Governor Laura Kelly urged Congress to pass a federal Medicaid expansion workaround in a letter to House Speaker Nancy Pelosi and Senate Majority Leader Chuck Schumer. The workaround would allow 12 remaining states to expand Medicaid through the Medicaid Saves Lives Act or as part of the federal budget. The letter comes a week after Representative Sharice Davids (D-KS) said she would attempt to add the initiative to the federal budget. [Read More](#)

**Kansas Mental Health Audit Is Inconclusive Because of Incomplete Data.** *Kansas Reflector* reported on August 30, 2021, that a Kansas audit of state mental health and substance abuse programs was inconclusive because of incomplete data, limiting the ability of auditors to make recommendations on how to improve the programs. State auditors looked at community mental health centers and providers who receive funding from Medicaid or criminal justice intervention laws. [Read More](#)

## Maine

**Maine To Increase Medicaid Reimbursement Rates for Residential Substance Use Disorder Treatment.** *The Portland Press Herald* reported on August 30, 2021, that Maine will increase Medicaid reimbursement rates for residential substance use disorder treatment beginning in November, according to an announcement by Governor Janet Mills. Daily rates will rise 77 percent to \$385 per person for detoxification providers and 56 percent to \$165 per person for halfway houses. Rates for other residential rehab services will rise between 28 and 39 percent. [Read More](#)

## Montana

**Montana Medicaid Beneficiaries Oppose End to Continuous Eligibility in Comments to State.** *The Montana Free Press* reported on August 25, 2021, that Montana Medicaid recipients oppose a plan to end 12-month continuous coverage for certain Medicaid beneficiaries, including expansion members, according to comments submitted to the state as part of the public comment period. The change would require federal approval. Public comments are open through August 31. [Read More](#)

## Missouri

**Attorneys Criticize State for Delaying Action on Medicaid Expansion Applications.** *The St. Louis Post-Dispatch* reported on August 27, 2021, that the three attorneys involved in a lawsuit forcing Missouri to implement a voter-approved Medicaid expansion have stated in a letter that the state is now violating federal law by placing Medicaid expansion application on hold for two months. The letter, addressed to Missouri Solicitor General John Sauer, said that federal law mandates that applications are processed within 45 days. [Read More](#)

## New Hampshire

**New Hampshire Estimates At Least 30,000 Medicaid Members Are Ineligible.** *Insurance News Net* reported on August 29, 2021, that the New Hampshire Department of Health and Human Services estimated that at least 30,000 Medicaid members are ineligible; however, the state is keeping them on the rolls in response to a federal COVID-19 public health emergency aid requirement that prohibits states from ending Medicaid coverage except under certain limited circumstances. The emergency is currently scheduled to end October 30, but may be extended. [Read More](#)

## New Mexico

**New Mexico Proposes \$1.26 billion State Medicaid Budget for Fiscal 2023.** *Westport News/The Associated Press* reported on September 8, 2021, that the New Mexico Human Services Department is requesting \$1.26 billion in state Medicaid funds for fiscal 2023, an increase of \$100 million from the prior budget year. Federal matching funds are projected to be \$6.1 billion. Medicaid enrollment has risen by 100,000 since the start of the pandemic, and the state has enhanced benefits like post-partum coverage. [Read More](#)

**New Mexico Medicaid Fiscal 2023 Budget Proposal Includes Enhanced Postpartum Benefits, Data Exchange Investments.** The New Mexico Human Services Department announced on September 2, 2021, a fiscal 2023 budget request that includes funding to extend Medicaid postpartum benefits from 60 days to 12 months and to invest in enhancements to Medicaid health information exchange data. The fiscal 2023 request amounts to \$1.26 billion in state funds and \$6.1 billion in federal funds. Medicaid enrollment in New Mexico has increased by 100,000 since February 2020 and is expected to top 957,000 in fiscal 2023. [Read More](#)

## Ohio

**Ohio May File Lawsuit to Regain Federal Approval of Medicaid Work Requirements.** *Hometown Stations* reported on September 6, 2021, that Ohio may file a lawsuit to regain federal approval of Medicaid work requirements. Work requirements, which had previously been approved by the Trump administration, have since been blocked by the Biden administration. [Read more](#)

**Ohio ACO to Serve 100,000 CareSource Medicaid Members, In Talks With Other Plans.** *The Repository* reported on August 31, 2021, that Ohio-based Akron Children's Hospital is establishing an accountable care organization (ACO) to serve 100,000 CareSource Medicaid members and is in talks with other plans in the state about similar contracts. The Akron Children's Health Collaborative will begin serving CareSource members in 13 counties, effective October 1. [Read More](#)

**Ohio Medicaid PMPM Costs to Rise Up to 4.1 Percent in Fiscal 2023.** The Ohio Joint Medicaid Oversight Committee (OJMOC) reported on August 27, 2021, that per member per month Medicaid costs are expected to rise between 3.1 percent and 4.0 percent in fiscal 2022 and between 3.1 percent and 4.1 percent in fiscal 2023, according to an analysis by actuarial firm Optumas. Enrollment was slightly below expectations at 3.24 million as of July 2021, compared to a projected 3.249 million. The data appear in OJMOC's monthly newsletter.

**Ohio-Contracted Medicaid Plan Reiterates No Wrongdoing in PBM Settlement.** *The Ohio Capital Journal* reported on August 25, 2021, that Centene reiterated that it admits to no wrongdoing after settling claims that its pharmacy benefit manager (PBM) overbilled the Ohio Medicaid department for pharmacy services. In June, Centene, which operates Buckeye Health Plan, settled the claims for \$88.3 million. [Read More](#)

**Ohio Delays Implementation of Medicaid Managed Care Contracts Until July 2022.** *The Columbus Dispatch* reported on August 25, 2021, that Ohio has delayed the rollout of its revamped Medicaid managed care system until July 2022, including the implementation of newly awarded Medicaid managed care contracts. Contracts were initially set to start January 2022. Changes include a single pharmacy benefit manager system and OhioRISE, a new prepaid inpatient program for foster children and children with serious or complex behavioral health needs. [Read More](#)

## Oklahoma

**Oklahoma Medicaid Expansion Covers 23,000 Native Americans.** *The New York Times* reported on September 4, 2021, that more than 23,000 Native Americans in Oklahoma have enrolled in the state's Medicaid expansion program since its launch in July. That represents about 13 percent of total Medicaid expansion enrollment in the state. Expansion is also expected to boost revenues at the Indian Health Service in Oklahoma, which can now bill Medicaid for services previously provided to uninsured individuals. [Read More](#)

**Oklahoma Pays For Medicaid Expansion Without Tapping Appropriated Funds.** *U.S. News/The Associated Press* reported on August 30, 2021, that \$164 million of Medicaid expansion funds appropriated by the Oklahoma legislature remain unused, according to Oklahoma Health Care Authority chief executive Kevin Corbett. Instead, enhanced federal COVID-19 relief funds along with savings generated by expansion itself have covered the cost of the program to date. The savings came from shifting about 65,000 individuals, including members of the Insure Oklahoma premium assistance program, to Medicaid expansion, which is 90 percent covered by federal funds. [Read More](#)

**Oklahoma Medicaid Expansion Enrollment Approaches 170,000.** *The Tulsa World* reported on August 31, 2021, that Medicaid expansion enrollment in Oklahoma is at nearly 170,000 and is expected to reach 200,000, according to Oklahoma Health Care Authority chief executive Kevin Corbett. The program launched in June. [Read More](#)

## Pennsylvania

**Pennsylvania-Based Highmark Health Acquires Remaining Stake in Gateway Health.** *The Pittsburgh Post-Gazette* reported on September 7, 2021, that Highmark Health has completed its acquisition of the remaining 50 percent stake in Gateway Health from Michigan-based Trinity Health. Gateway Health, which has 355,000 members, will be rebranded Highmark Wholecare. Financial terms of the transaction were not disclosed. [Read More](#)

**Pennsylvania Medicaid Considers Moving HCBS Assessment Services to Maximus.** *The Philadelphia Inquirer* reported on August 27, 2021, that the Pennsylvania Department of Human Services is considering a plan to give Maximus a contract to conduct physical assessments of elderly and disabled individuals who apply for Medicaid home and community-based services (HCBS). The work is currently done by county agencies on aging. Maximus already holds a contract with the state as an independent Medicaid enrollment broker. [Read More](#)

## Texas

**Texas Seeks Public Comments on Best Value Criteria for STAR+PLUS Procurement.** The Texas Health and Human Services Commission announced on September 7, 2021, that it is seeking public comments regarding the proposed Best Value Criteria, which will be used to help evaluate bids for the upcoming STAR+PLUS procurement. STAR+PLUS is the Texas Medicaid managed care program for people who have disabilities or are age 65 or older. The public comment period ends on September 17, 2021. [Read more](#)

**Texas STAR Health RFP Is Delayed Until October 2021; Draft RFP Released.** The Texas Health and Human Services Commission (HHSC) released a draft request for proposals (RFP) for Texas STAR Health, the state's Medicaid managed care program for foster care kids. A final RFP is scheduled to be released on October 25, 2021, delayed from August 2021. Proposals will be due December 28, 2021. HHSC will award one, six-year contract with up to three two-year renewals. Historically, the contract has been worth \$361 million annually. The award is expected in June 2022, with implementation to be in the first quarter of 2024. [Read More](#)

**Texas Releases RFI For STAR Kids ACO.** The Texas Health and Human Services Commission released on August 27, 2021, a request for information (RFI) for "providing Medicaid benefits to children enrolled in the STAR Kids managed care program under an accountable care organization (ACO) or another value-based alternative payment model." Responses are due September 27, 2021.

**Texas Begins Offering Medicaid Members Access to Uber for NEMT Services.** *The Dallas Morning News* reported on August 26, 2021, that Uber is providing non-emergency medical transportation to 4.4 million Texas Medicaid members. Uber, which has been piloting the service since June 1, has also worked with legislators in Arizona, Indiana and Florida to provide Medicaid NEMT services. [Read More](#)

## Vermont

**Vermont All-Payer System Achieves Medicare Savings, Falls Short on Enrollment.** *Modern Healthcare/The Associated Press* reported on September 6, 2021, that the Vermont all-payer model achieved statistically significant gross reductions in Medicare spending in the program's first two years from 2018 through 2019. The all-payer model, which is implemented by the statewide OneCare Vermont accountable care organization, has not reached its enrollment goals. [Read More](#)

## West Virginia

**West Virginia to Use Health Survey Data to Help Allocate Resources to Neediest Communities.** West Virginia University (WVU) announced on September 1, 2021, its involvement in a biennial, statewide health survey designed to help state policy makers best determine how to allocate resources to needy communities. The Mountain State Assessment of Trends in Community Health (MATCH), which will be conducted this year with results available in 2022, will ask respondents about general physical wellness, access to needed care, chronic conditions, general wellness, food security, financial stability, and mental well-being. MATCH is a partnership of the WVU Office of Health Affairs and the West Virginia Department of Health and Human Resources. [Read More](#)

## National

**CMS Provides 13 States with \$452 Million for Reinsurance Programs.** *Axios* reported on September 7, 2021, that the Centers for Medicare & Medicaid Services is providing an additional \$452 million to help fund 13 state reinsurance programs. States will receive funds based on the size of their program ranging from \$2.5 million to \$139 million. [Read More](#)

**Medicare Advantage Plans Monitor Proposal to Add Dental Coverage to Traditional Medicare.** *Fierce Healthcare* reported on September 7, 2021, that Medicare Advantage (MA) plans are monitoring a federal proposal to add dental coverage to traditional fee-for-service Medicare, a move with potential implications for Medicare Advantage enrollment and payments. Dental coverage has been a popular benefit offered by MA plans. Under the proposed \$3.5 trillion infrastructure bill, dental, vision and hearing benefits would all be added to traditional fee-for-service Medicare as well. [Read More](#)

**Medicaid Expansion Reduces Uninsured Rates, State Spending Trends, Study Says.** *Healthpayer Intelligence* reported on August 31, 2021, that Medicaid expansion states experienced reductions in uninsured rates and Medicaid spending trends from 2013 to 2019, according to a [Menges Group report](#). Non-expansion states also saw declines in uninsured rates, though not as much as expansion states. Overall Medicaid spending in expansion states rose 19.5 percent from 2013 to 2019, compared to 26.4 percent in non-expansion states. [Read More](#)

**Nine of 10 Medicaid Plans Met State Minimum MLR Targets in 2017-19, HHS Says.** The U.S. Department of Health and Human Services reported in August 2021, that nine out of 10 Medicaid managed care plans met minimum state medical loss ratio (MLR) requirements of at least 85 percent in 2017, 2018, and 2019, according to an analysis by the Office of Inspector General. The analysis included data on 434 Medicaid plans provided by 34 states that have established minimum MLR requirements. [Read More](#)

**CMS Could Face Lawsuits Over Potential Home Health Payment Claw Backs.** *Modern Healthcare* reported on August 30, 2021, that the Centers for Medicare & Medicaid Services (CMS) could face lawsuits from home health agencies if it attempts to claw back 2020 Medicare overpayments. CMS stated in its 2022 prospective payment rule that it would not attempt to claw back the 2020 overpayments next year but could in the future. [Read More](#)

**HHS Awards \$10.7 Million to Expand Use of Telehealth for Pediatric Mental Health Services.** The U.S. Department of Health and Human Services (HHS) announced on August 27, 2021, the award of an additional \$10.7 million to 24 organizations to expand the use of telehealth for pediatric mental health services. The awards were made through the Health Resources and Services Administration, using American Rescue Plan funds. [Read More](#)

**HHS to Provide \$80 Million Exchange Navigator Grants.** *Fierce Healthcare* reported on August 27, 2021, that the U.S. Department of Health and Human Services (HHS) [announced](#) that it will provide \$80 million in grants to 60 Exchange navigator organizations. The funding is expected to result in a quadrupling of the number of navigators to more than 1,500 navigators. The awards will be paid in 12-month increments over three years. [Read More](#)

**CMS to Phase-in Enforcement of Nursing Home Staff Vaccination Requirement.** *Modern Healthcare* reported on August 25, 2021, that the Centers for Medicare & Medicaid Services (CMS) will not immediately remove nursing homes from Medicare and Medicaid from not adhering to the federal staff vaccination requirement previously announced. Instead, nursing homes will receive a letter of non-compliance, followed by fines, then payment denial, and finally removal from the program. The requirement is not expected to take effect until September. [Read More](#)

**Democrats Consider Two-Part Approach to Medicaid Coverage in Non-Expansion States.** *The Hill* reported on August 25, 2021, that Congressional Democrats are considering a two-part program for individuals in the 12 non-expansion states. The first part would include temporary Exchange subsidies for individuals in the coverage gap. The second part would entail a new federal program, the details of which have not been finalized. [Read More](#)

**CMS Should Collect Data on Telehealth Use in Home Care, Experts Say.** *Modern Healthcare* reported on September 3, 2021, that the Centers for Medicare & Medicaid Services (CMS) should collect data on telehealth use in home care to help with rate setting and to understand the impact on quality and access to care, according to experts at this month's Medicare Payment Advisory Commission meeting (MedPAC). MedPAC is not expected to recommend that CMS require home health providers to report telehealth use but will highlight the benefits of such a requirement in a report next year. [Read More](#)

**Medicare Advantage Program Costs Face Additional Scrutiny from MedPAC.** *Modern Healthcare* reported on September 2, 2021, that the Medicare Payment Advisory Commission (MedPAC) wants to examine the impact of the Medicare Advantage program on federal spending, according to remarks at a recent commission meeting. Spending per member on Medicare Advantage and Program of All-Inclusive Care is growing at a faster rate than traditional Medicare, according to MedPAC. [Read More](#)

**Federation of American Hospitals Calls For Delay in 4 Percent Medicare PAYGO Cut.** *Becker's Hospital Review* reported on September 1, 2021, that the Federation of American Hospitals (FAH) called for a delay in mandatory Medicare Pay-As-You-Go (PAYGO) spending cuts of four percent or an estimated \$36 billion in 2022. In a letter to U.S. lawmakers, FAH said that the PAYGO cut would be on top of a separate two percent Medicare sequestration moratorium slated for December 31, which would result in a six percent cut to Medicare payments in 2022. [Read More](#)

**Medicare ACOs with Downside Risk Are More Likely to Earn Performance Payments.** *Modern Healthcare* reported on August 25, 2021, that Accountable Care Organizations (ACOs) that accepted downside risk in the Medicare Shared Savings Program were more likely to earn performance payments than those that did not. According to a [study](#) published in JAMA Health Forum, ACOs earned nearly \$2.3 billion in Medicare shared savings and saved taxpayers almost \$1.9 billion last year. [Read More](#)



## INDUSTRY NEWS

**LHC Group to Acquire Brookdale Health Care Services Agencies.** LHC Group announced on September 8, 2021, an agreement to acquire Brookdale Health Care Services agencies from a joint venture of HCA Healthcare and Brookdale Senior Living. The agencies include 23 home health, 11 hospice, and 13 therapy agencies in 22 states. The agencies will continue to operate under their current brand names and are expected to generate \$146 million in annualized revenues. The deal is expected to close this year. [Read More](#)

**Bradford Health Services Acquires Cornerstone of Recovery.** Bradford Health Services, a portfolio company of Centre Partners, announced on September 7, 2021, the acquisition of Cornerstone of Recovery, a substance use disorder treatment provider based in Tennessee. Bradford Health Services is the southeast's largest provider of addiction services. This combined company will provide services through more than 25 facilities in Alabama, Arkansas, North Carolina, and Tennessee. [Read More](#)

**Pennant Group Acquires Open Heart Hospice.** The Pennant Group announced on September 2, 2021, the acquisition of the assets of Texas-based Open Heart Hospice, which will now operate under the name Kinder Hearts Hospice of Amarillo, effective September 1. Pennant is a holding company for 87 home health and hospice agencies and 54 senior living communities in 14 western and southwestern states. [Read More](#)

**The Columbus Organization Acquires Shift New Jersey.** The Columbus Organization, a portfolio company of HealthEdge Investment Partners, announced on September 1, 2021, the acquisition of support coordination company Shift New Jersey, effective September 1. Shift New Jersey chief executive Dan Peltz will become executive director of organizational effectiveness at Columbus. [Read More](#)

**Charter Health Care Acquires Two Texas-Based Hospice Providers.** Private equity firm Pharos Capital Group announced on August 30, 2021, that its Charter Health Care Group portfolio company has acquired Texas hospice providers Genesis HospiceCare and Saints Hospice. Charter provides post-acute care including hospice, palliative care, acute/hospital-based care, skilled home health, and private duty home care. Terms of the deal were not disclosed. [Read More](#)

**Cigna to Expand Exchange Presence to Three Additional States.** *Modern Healthcare* reported on August 26, 2021, that Cigna will expand its Exchanges presence into three new states, including Georgia, Mississippi, and Pennsylvania. It will also offer plans in additional counties in Arizona, Florida and Virginia. By next year, Cigna will be offering Exchange plans in 13 states and 313 counties. [Read More](#)

**MBF Sells ABA-Provider Acorn Health to Ontario Teachers' Pension Plan Board.** Private equity firm MBF Healthcare Partners II announced on August 27, 2021, the sale of Florida-based applied behavior analysis (ABA)-provider Acorn Health to Ontario Teachers' Pension Plan Board. Acorn Health operates 51 clinics across Michigan, Illinois, Virginia, Florida, Maryland, Pennsylvania, and Tennessee. [Read More](#)

**Kepro to Acquire eQHealth Solutions.** Kepro, a care management and quality improvement organization, announced on August 26, 2021, a definitive agreement to acquire eQHealth Solutions, which provides technology, population health management, and medical management services. Coker Capital, a division of Fifth Third Securities, served as financial advisor to eQHealth Solutions. [Read More](#)

## RFP CALENDAR

Date	State/Program	Event	Beneficiaries
Summer 2021- Delayed	Rhode Island	RFP Release	276,000
Fall 2021	Missouri	RFP Release	756,000
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
October 25, 2021	Texas STAR Health	RFP Release	43,700
November 2021	District of Columbia	RFP Release	230,000
November 5, 2021	Louisiana	Awards	1,600,000
December 1, 2021	Delaware	RFP Release	240,000
December 22, 2021	Iowa	RFP Release	745,000
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
First Quarter 2022	Indiana MLTSS	RFP Release	NA
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
June 2022	Texas STAR Health	Awards	43,700
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
July 1, 2022	Louisiana	Implementation	1,600,000
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
Fourth Quarter 2022	Indiana MLTSS	Awards	NA
Sep. 2022 - Nov. 2022	Texas STAR+PLUS	Awards	538,000
Sep. 2022 - Nov. 2022	Texas STAR & CHIP	RFP Release	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 & CHIP	Awards	3,700,000
Mar. 2023 - May 2023	Texas STAR Kids	RFP Release	166,000
Sep. 2023 - Nov. 2023	Texas STAR Kids	Awards	166,000
Sep. 2023 - Nov. 2023	Texas STAR Health	Implementation	43,700
Sep. 2023 - Nov. 2023	Texas STAR+PLUS	Implementation	538,000
2024	Indiana MLTSS	Implementation	NA
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

---

## COMPANY ANNOUNCEMENTS

---

**National Coverage Determinations: Finding the Source of Truth**

---

## HMA NEWS

---

**HMA Launches First-Ever Project ECHO for MOUD in County Jails.** Aimed at shifting and improving the delivery of addiction treatment within county jails, Health Management Associates (HMA) will partner with the Washington/Baltimore High Intensity Drug Trafficking Area (W/B HIDTA) and Fairfax County Sheriff's Office to deliver a novel Project ECHO clinic. Funded by W/B HIDTA to support county jails in their region, the Medication for Opioid Use Disorder (MOUD) in County Jails ECHO Clinic will provide participants with HMA training specifically focused on initiating or expanding the use of MOUD within their facilities. The project will broaden county knowledge and understanding of MOUD and its place in the criminal justice system, increase the use of MOUD with evidence-based and emerging promising practices, and promote a culture that supports MOUD in jails. [Read more](#)

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

#### **Medicaid Data**

- Colorado RAE Enrollment is Up 5.9%, Jun-21 Data
- Georgia Medicaid Management Care Enrollment is Up 9.5%, Sep-21 Data
- Illinois Medicaid Managed Care Enrollment is Up 3%, May-21 Data
- Illinois Dual Demo Enrollment is Down 1.6%, May-21 Data
- Iowa Medicaid Managed Care Enrollment is Up 5.8%, Aug-21 Data
- Minnesota Medicaid Managed Care Enrollment is Up 7.7%, Jul-21 Data
- Michigan Medicaid Managed Care Enrollment is Up 5.5%, Jul-21 Data
- Michigan Dual Demo Enrollment is Up 1.2%, Jul-21 Data
- Missouri Medicaid Managed Care Enrollment is Up 8%, Jul-21 Data
- Missouri Medicaid Managed Care Enrollment is Up 9.1%, Aug-21 Data
- Nevada Medicaid Managed Care Enrollment is Up 6.5%, May-21 Data
- North Carolina Medicaid Enrollment by Aid Category, Apr-21 Data
- Oregon Medicaid Managed Care Enrollment is Up 5.2%, May-21 Data
- Pennsylvania Medicaid Managed Care Enrollment is Up 5.4%, Jun-21 Data
- Puerto Rico Medicaid Managed Care Enrollment is Up 4.7%, Aug-21 Data
- Wisconsin Medicaid Managed Care Enrollment is Up 5%, Apr-21 Data

#### **Public Documents:**

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

- Arizona AHCCCS Complete Contract Expansion (CCE) RFP, Model Contract and Amendment, Aug-21
- Arizona AHCCCS Data Analytics for Program Integrity RFP, Sep-21
- Iowa External Quality Review Services RFP and Q&A, 2021
- Iowa Competency-Based Training, Technical Assistance & Consultation for Medicaid LTSS Providers RFP, Aug-21
- Illinois Cook County Health CAHPS, HOS and Provider Surveys RFP, Aug-21
- New York Medicaid External Quality Review and Other Activities RFP, Aug-21
- Texas STAR Health Draft RFP, 2021

- Texas STAR Kids ACO RFI, Aug-21
- Texas Medicaid Modernization Services and Support Pre-solicitation Announcement, May-21

*Medicaid Program Reports, Data and Updates:*

- Arkansas Medicaid Transformation Savings Scorecard and Quarterly Reports, 2018-21
- Arkansas Works Quarterly Report, Jun-21
- District of Columbia Medical Care Advisory Committee Meeting Materials, FY 2021
- Georgia Medical Care Advisory Committee Meetings, May-21
- Iowa Medicaid Managed Care Quality Assurance System Report, 2018-21
- Missouri CHIP and SMHB Annual Reports, 2016-20
- Missouri HealthNet Managed Care External Quality Review Reports, 2015-20
- Nebraska DHHS Monthly Medicaid Expansion Reports, Aug-21
- Ohio Joint Medicaid Oversight Committee Monthly Newsletter, Aug-21
- Ohio Joint Medicaid Oversight Committee Meeting Materials, 2017-21
- Pennsylvania MLTSS Subcommittee Meeting Materials, Sep-21
- Pennsylvania Analysis of Length of Stay in the Medicaid Program and the Impact of Medicaid Expansion Issue Brief, Oct-20
- Virginia External Quality Review Technical Reports, CY 2018-20
- Virginia Managed Care Operational Reports, FY 2018-20

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 more than 20 offices and over 300 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.