Impact of Retroactivity on Medicaid Enrollment

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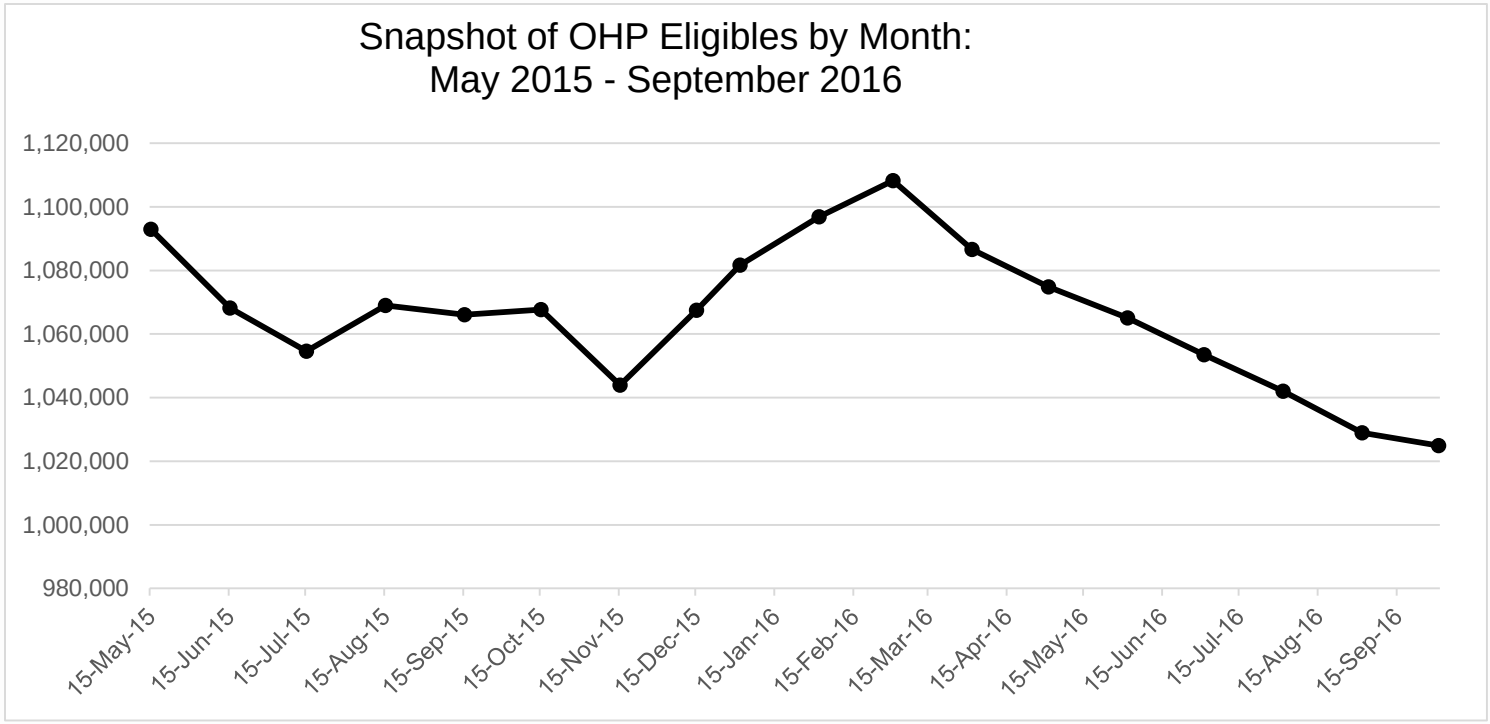
Jon C. Collins, PhD
Director, Office of Health Analytics

HEALTH POLICY AND ANALYTICS DIVISION
Office of Health Analytics

Overview

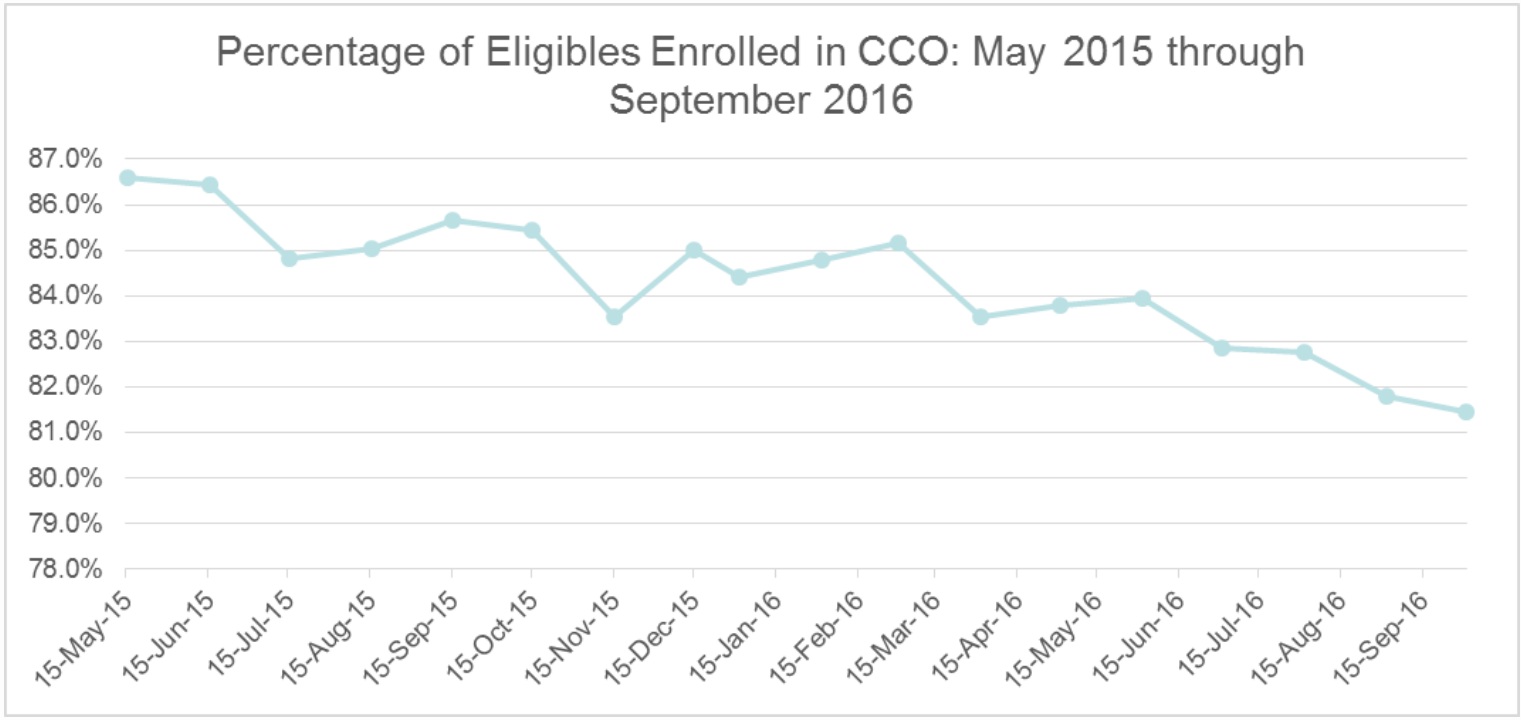
In March 2016 OHA resumed eligibility redeterminations. Since then, the total Medicaid caseload has been decreasing.



Decline in Medicaid enrollment

Overview

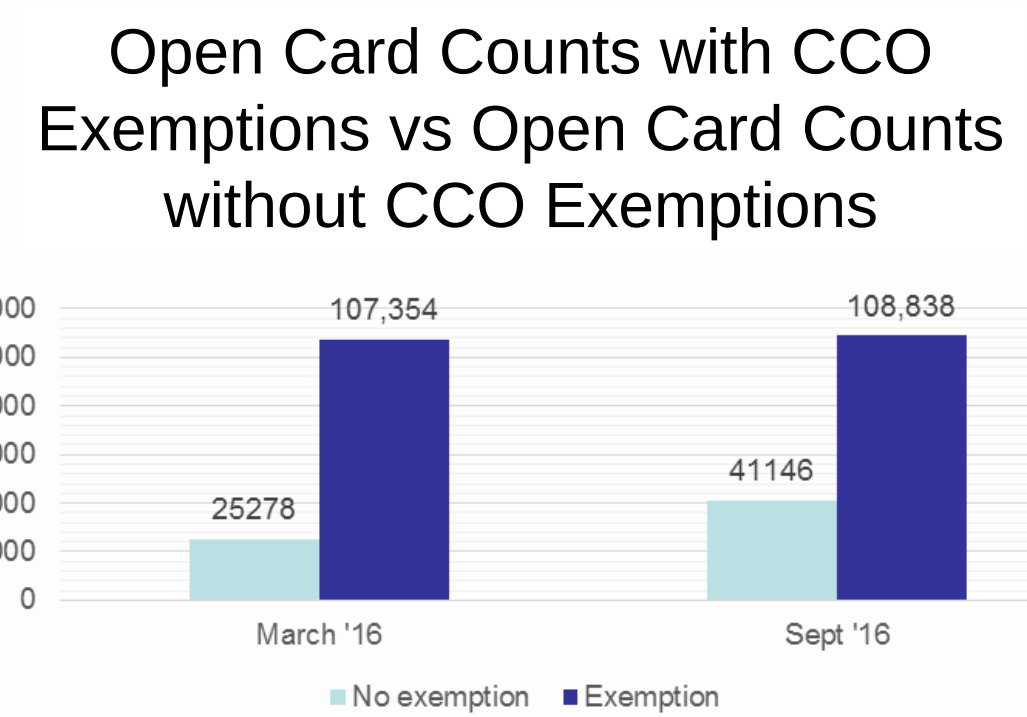
- **The proportion of open card to coordinated care organization (CCO) members fluctuated between 2015 and early 2016.**
- **Open card enrollment (as percentage) has steadily decreased since March 2016.**



Decrease in % of eligibles enrolled in CCOs

Overview

Most of the growth within the open card (FFS) population has been associated with groups that are not exempt from coordinated care organization (CCO) enrollment.



Overview – CCO Exemptions

"Open Card" (also known as fee-for-service, or FFS) members are not enrolled in a coordinated care organization (CCO).

Certain categories of open card members can join, change or leave their CCO any time:

- Dual Eligible (Medicare/Medicaid) – 22.5% of open card members
- Tribal Status (American Indian or Alaska Native members) – 10.7%
- Physical Health Enrollment Exemption – 9.8%

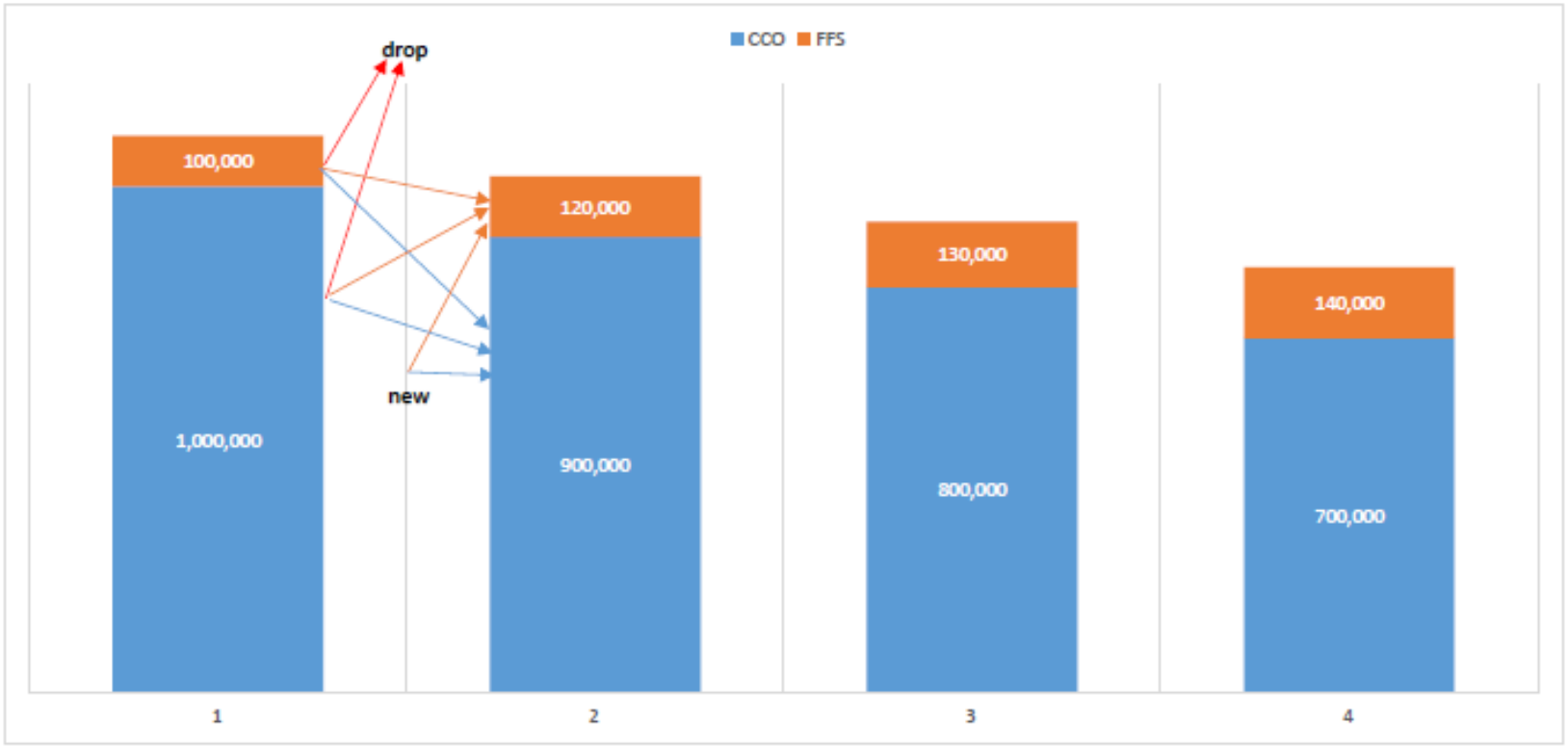
Currently, more than 25% of open card members could be enrolled in a CCO. OHA wants open card members to join CCOs.

Moving eligible open card members to CCOs -

- **Dual Eligible (Medicare/Medicaid)** – will move to CCOs with 1115 Waiver implementation by July 2019
- **Third Party Liability (TPL)** – will move to CCOs in January 2018
- **Tribal Status**
  - CCOs have intensified their effort to contract with tribes
  - Federal rules are also being implemented
  - Tribal members can choose to join CCOs
- ***Dual eligibles (Medicare/Medicaid) and tribal clients will always have the choice to be on open card.***

Enrollment Dynamics

The decrease in enrollment is the net effect of more people dropping off of Medicaid from month to month than are joining.



Note: Numbers are examples to illustrate relationships

Changing dynamics after March 2016

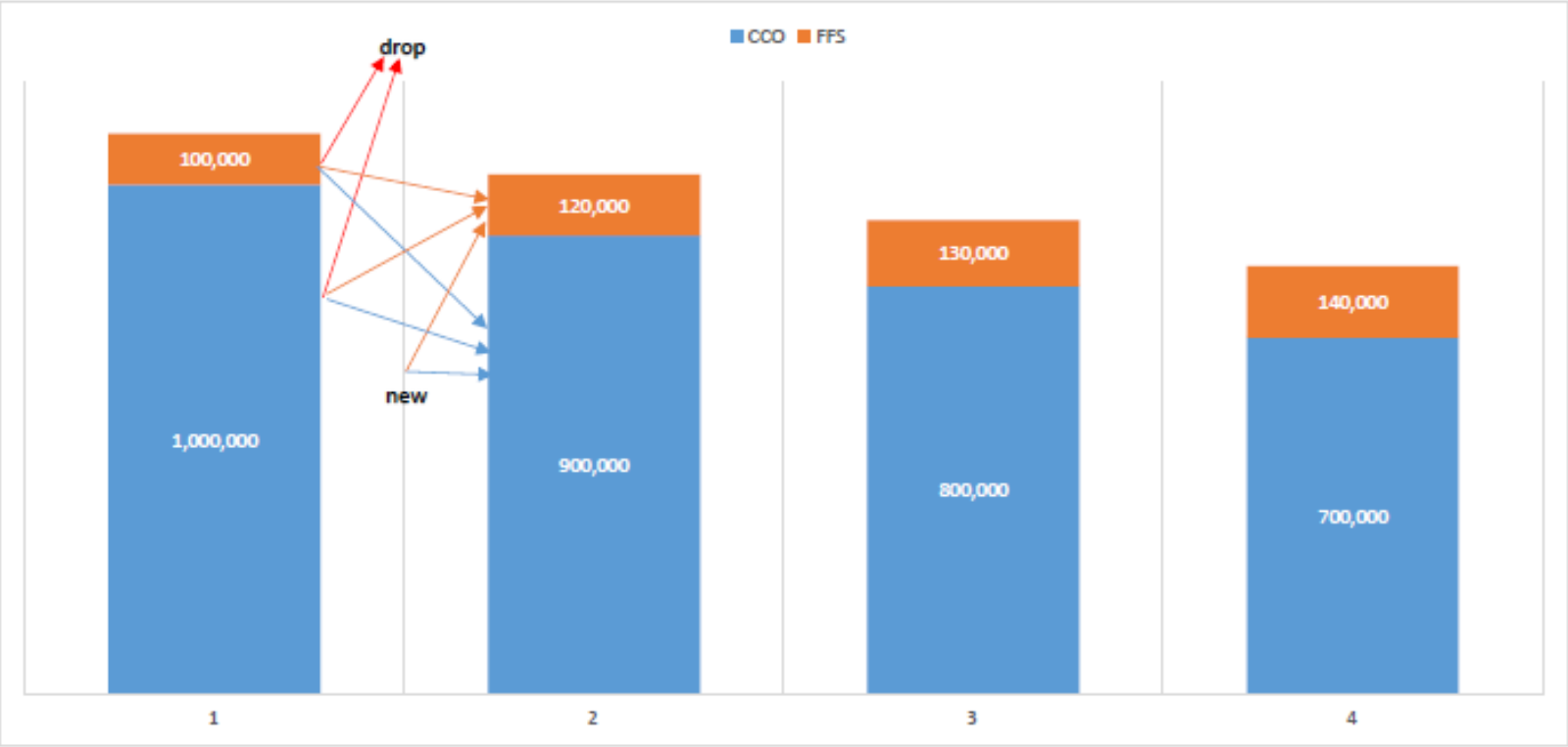
The decrease in enrollment is the net effect of more people dropping off of Medicaid from month to month than are joining.

DROP > NEW

OHP Enrollment	Drop total	New total	Net
Pre March '16	23,131	24,660	1,530
Post March '16	36,679	24,786	-11,893

Flow between Open Card and CCOs

The month-to-month flow between open card (FFS) and coordinated care organizations (CCO) is associated with the proportional decrease of CCO compared to open card (FFS):



Note: Numbers are examples to illustrate relationships

More members flow into Open Card after March 2016

The month-to-month flow between open card (FFS) and coordinated care organization (CCO) is associated with the proportional decrease of CCO compared to FFS:

	FFS Change		CCO Change
Pre-March 2016	1,794	<	-264
Post-March 2016	3,644	>	-15,537

- **Pre March ‘16 inflow for FFS is a little greater than CCO—a lot of variability month to month.**
- **Post March ‘16 inflow for FFS much greater than CCO—very consistent month to month.**

Break in coverage: retroactive eligibility

When there is a break in coverage, federal policy requires that we retroactively cover eligible members to their application date. But while Medicaid enrollment is retroactive, managed care enrollment is not.

An example –

1. Renewal date 3/31
2. Member submits renewal application 3/29
3. OHA takes action to close benefits on 3/25 – actual closure would be 3/31
4. Application processed 5/15
5. Member is retroactively enrolled into open card to 3/31
6. Member is enrolled into a coordinated care organization shortly after 5/15 depending on the time of week the application is processed – could take up to two weeks

Break in coverage: retroactive eligibility

So…

- The member submitted their application on time but may be on open card ("fee-for-service") for a couple of months
- MMIS (Medicaid Management Information System) shows continuous eligibility – but coordinated care organization (CCO) enrollment has been disrupted.
- OHP member "experiences" a loss of coverage despite retroactivity of services via open card.
  - Disrupts continuity of care due to access issues
  - Stress for member – on average can last more than 30 days

Impact of retroactivity

Retroactivity has a significant impact on preliminary caseload estimates.

Month	Initial Caseload	Caseload after 3 Months	3-Month Retro Rate
Dec-15	1,029,701	1,062,578	**3.19%**
Jan-16	1,036,552	1,076,397	**3.84%**
Feb-16	1,063,605	1,093,414	**2.80%**
Mar-16	1,072,821	1,104,495	**2.95%**
Apr-16	1,049,544	1,085,725	**3.45%**
May-16	1,042,656	1,070,638	**2.68%**
Jun-16	1,030,809	1,063,656	**3.19%**
Jul-16	1,011,144	1,049,774	**3.82%**
Aug-16	997,115	1,040,248	**4.33%**
Sep-16	984,142	1,027,622	**4.42%**
Oct-16	978,190	1,024,170	**4.70%**
Nov-16	979,751		
Dec-16	954,657		
Jan-17	956,444		

Impact of retroactivity

Retroactivity has a differential impact on caseload categories and is most associated with the ACA/MAGI (Affordable Care Act / Modified Adjusted Gross Income) population.

Month	OHP: Total ACA Adults	OHP: Children's Health Insurance Program (CHIP)	OHP: Children's Medicaid	OHP: Parent/Caretaker Relative	OHP: Pregnant Women	OHP: Aid to the Blind and Disabled (ABAD)	OHP: Foster, Substitute & Adoption Care	OHP: Old Age Assistance
Dec-15	3.61%	3.65%	3.40%	4.85%	5.11%	0.26%	0.51%	0.31%
Jan-16	4.59%	4.83%	3.71%	5.83%	6.29%	0.34%	0.54%	0.38%
Feb-16	3.12%	3.98%	2.87%	4.21%	4.74%	0.18%	0.16%	0.52%
Mar-16	3.32%	3.94%	3.00%	4.40%	5.45%	0.24%	0.42%	0.35%
Apr-16	3.23%	4.71%	4.49%	4.25%	6.59%	0.20%	0.53%	0.55%
May-16	2.70%	3.90%	3.12%	3.76%	4.96%	0.32%	0.36%	0.27%
Jun-16	3.28%	5.31%	3.59%	4.38%	5.24%	0.16%	0.19%	0.51%
Jul-16	3.89%	6.34%	4.43%	5.02%	6.29%	0.40%	0.38%	0.20%
Aug-16	4.62%	6.25%	4.96%	5.67%	8.08%	0.31%	0.30%	0.14%
Sep-16	4.49%	6.49%	5.42%	5.48%	7.32%	0.24%	0.35%	0.49%
Oct-16	5.14%	5.81%	5.40%	5.55%	8.82%	0.53%	1.05%	1.09%

What contributes to retroactivity?

There are four major contributors to retroactivity:

- People are late submitting their renewal information
- People respond late to requests for additional information
- OHA is late entering information into the Oregon Eligibility (ONE) system
- People are eligible for up to three months of retroactivity when they have unpaid medical bills

There are at least three major contributors to the *amount* of retroactivity:

- As part of the post-Cover Oregon data cleanup, OHA workers are entering members' information into ONE manually—contributes to backlog
- This is a new process for members—contributes to late submission
- Many members were "overdue" for renewal, in some cases for 2+ years—adds to amount of redetermination activity (this has also contributed to overall attrition from Medicaid)

Impact of retroactivity

There are at least four major reasons to care about retroactivity:

- **Stress on the member** - a member retroactively enrolled in Medicaid is on open card status for around 30 days (median)
- **Disrupts member care continuity** and can cause **access issues with providers** until the member is re-enrolled into CCO
- Increases OHA's costs
- Decreases revenue for coordinated care organizations (CCOs)

What is OHA doing about retroactivity?

There are several reasons to believe that retroactivity will decrease due to OHA actions:

- OHA is catching up on the last batch of renewal applications that must be manually entered into the Oregon Eligibility (ONE) system. This should reduce the backlog.
- OHA launched ONE Applicant Portal: allows members to enter information at their own convenience, cutting down on requests for additional information and process time.
- OHA is reviewing solutions to disenrollment policies and programming procedures.
- Collaborate with CCOs

There will be fewer closures as renewal activity and eligibility redeterminations level out.

Looking forward

- ***If retroactivity decreases, the flow into open card will be lower than the flow into coordinated care organizations (CCOs). This should stabilize CCO enrollment and decrease open card enrollment.***

- ***Overall stability of the Oregon Health Plan caseload will depend on "new" and "drops" equalizing, and the forecast is predicting this will occur over time.***

OHA's lingering questions to resolve ….

OHA doesn't believe any part of the system is "broken." It is worth exploring, however, the way MMIS (Medicaid Management Information System) assigns enrollment. It is possible that some programming can be changed while still meeting regulations, and result in faster transitions into CCOs.

- Why is retroactivity impacting children more than adults?
- Of the four main contributors to retroactivity, which is the greatest? What new policies or processes could decrease retroactivity?
- When retroactivity occurs, is there anything that can be done to increase the speed of re-enrollment into a CCO?

QUESTIONS?