Medicaid & 1115 Medicaid Waiver

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James Schroeder, Interim Director

Oregon Health Authority

MEDICAID/OREGON HEALTH PLAN
Health Systems Division

Medicaid and CHIP

What are Medicaid and CHIP?

- **Medicaid** provides health coverage to millions of Americans, including eligible adults with low-income, children, pregnant women, elderly adults and people with disabilities.
  - Enacted as Title XIX of the Social Security Act in 1965
  - Administered by states, according to federal requirements, with approval from the federal Centers for Medicare and Medicaid Services (CMS)
  - Funded jointly by states and the federal government
- Medicaid is ***not*** the same as **Medicare**
  - An individual can receive Medicare and be on Medicaid at the same time, called “dual-eligible”
- **CHIP** (State Children's Health Insurance Program) is a joint federal-state program established to provide coverage to uninsured children in families whose incomes are too high to qualify for Medicaid
  - Created as part of the Balanced Budget Act of 1997

Who is covered under Medicaid?

The federal government requires states to cover certain populations and services

Mandatory Populations

- Families with children with qualifying income levels
- Pregnant women
- Children under age 1
- Seniors over 65 who receive Medicare and qualify for Medicaid (Dual-eligible)
- Individuals who are blind
- Individuals who are disabled
- SSI Recipients
- Children and youth in foster care
- Emergency medical assistance to non-citizens

States have the option to cover additional populations and services

Optional Populations

- Pregnant women post-partum up to one year
- Individuals with low incomes who do not have children
- Non-citizens in their first 5 years of residence

Oregon covers these optional populations

How is Medicaid eligibility determined in Oregon?

- Applicants must meet the following criteria:
  - Be part of a group that is eligible in Oregon
  - Non-financial requirements
    - Citizenship or immigration status
    - Be an Oregon resident as defined in Oregon Administrative Rule
  - Financial requirements
    - Prove their income and assets (for certain groups) are lower than a threshold set for their group – income thresholds are typically set as a percentage of the Federal Poverty Level

Mandatory Medicaid Benefits

- ✓ Inpatient hospital services
- ✓ Outpatient hospital services
- ✓ EPSDT: Early and Periodic Screening, Diagnostic, and Treatment Services
- ✓ Nursing Facility Services
- ✓ Home health services (including Durable Medical Equipment)
- ✓ Physician services
- ✓ Rural health clinic services
- ✓ Federally qualified health center services
- ✓ Laboratory and X-ray services
- ✓ Family planning services
- ✓ Nurse Midwife services
- ✓ Certified Pediatric and Family Nurse Practitioner services
- ✓ Freestanding Birth Center services (when licensed or otherwise recognized by the state)
- ✓ Transportation to medical care
- ✓ Tobacco cessation counseling for pregnant women

Optional Medicaid Benefits

- ✓ Prescription Drugs
- ✓ Clinic services (End Stage Renal Disease, Ambulatory Surgery Centers)
- ✓ Physical therapy
- ✓ Occupational therapy
- ✓ Speech, hearing and language disorder services
- ✓ Respiratory care services
- ✓ Other diagnostic, screening, preventive and rehabilitative services
- ✓ Podiatry services
- ✓ Optometry services
- ✓ Dental Services
- ✓ Dentures
- ✓ Prosthetics
- ✓ Eyeglasses
- ✓ Chiropractic services
- ✓ Other practitioner services (i.e., Community Health Workers, non-nurse Midwives)
- ✓ Private duty nursing services
- ✓ Personal Care
- ✓ Hospice
- ✓ Case management

Optional Medicaid Benefits, continued

- ✓ Services for Individuals Age 65 or Older in an Institution for Mental Disease (IMD)
- ✓ Services in an intermediate care facility for Individuals with Intellectual Disability
- ✓ State Plan Home and Community Based Services- 1915(i)
- ✓ Self-Directed Personal Assistance Services- 1915(j)
- ✓ Community First Choice Option- 1915(k)
- ✓ Inpatient psychiatric services for individuals under age 21
- ✓ Other services approved by the Secretary
  - Includes services furnished in a religious nonmedical health care institution, emergency hospital services by a non-Medicare certified hospital, and critical access hospital
- X Health Homes for Enrollees with Chronic Conditions – Section 1945
- ✓ Tuberculosis Related Services

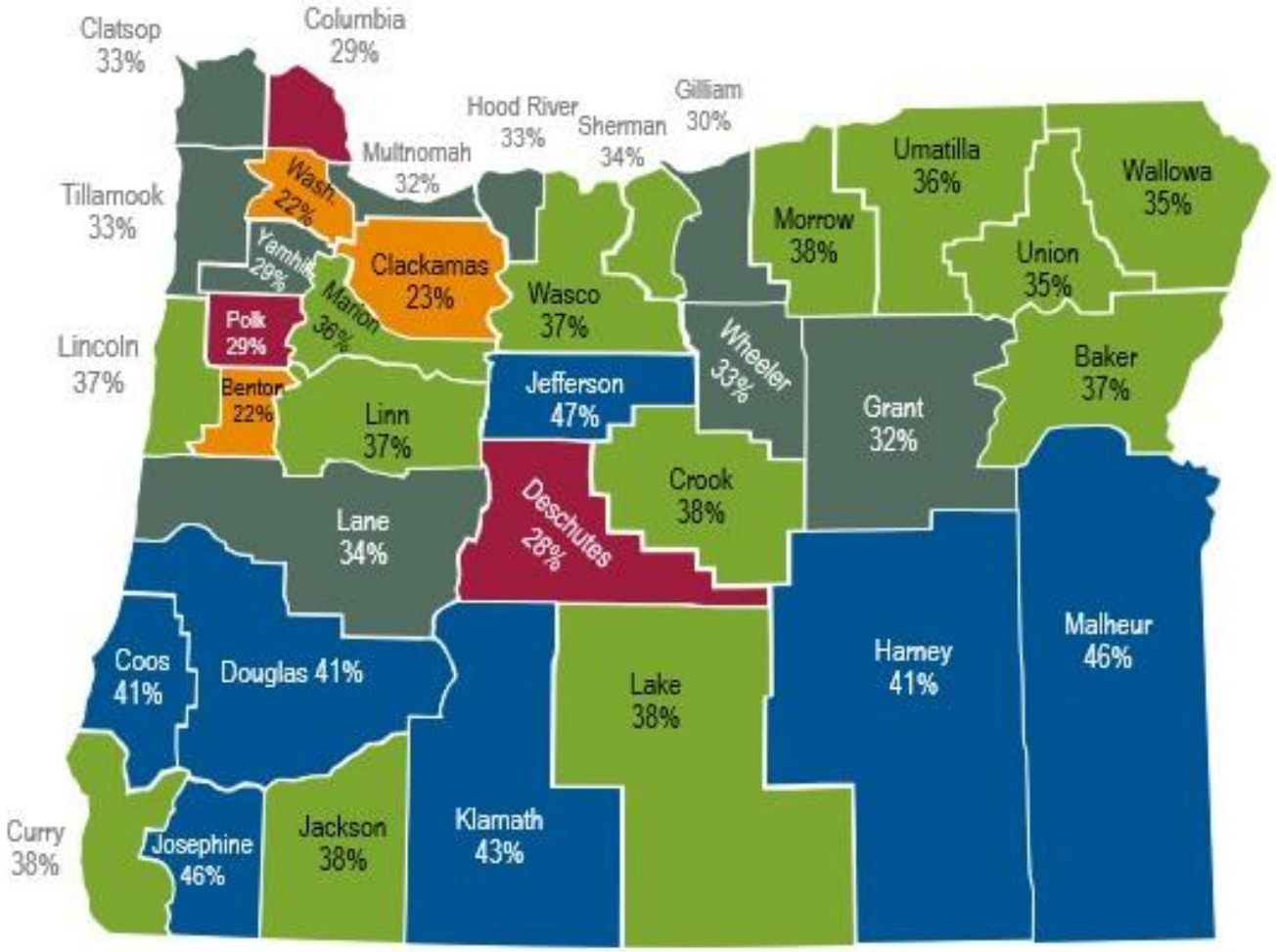
What is the Oregon Health Plan (OHP)?

- Oregon's Medicaid program is called the Oregon Health Plan (OHP)
  - Operates through the Medicaid State Plan and various Medicaid waivers as approved by the federal Centers for Medicare and Medicaid Services (CMS)
  - 1 in 3 Oregonians – **approximately 1.4M people** – receive their health care via OHP
- OHP operates through two delivery systems
  - 16 regionally operated Coordinated Care Organizations (CCO)
  - A statewide Fee-for-Service (FFS) program
- With state funds only, Oregon also covers OHP-lookalike benefits for:
  - Children under 18 regardless of immigration status (formerly known as "Cover All Kids")
  - People 18 and over regardless of immigration status (Healthier Oregon), beginning July 1, 2023

Medicaid Coverage by County

30% of Oregonians are enrolled in OHP

- 40-50% covered
- 35-39% covered
- 30-34% covered
- 25-29% covered
- 24% or less covered



Coordinated Care Organizations (CCOs)

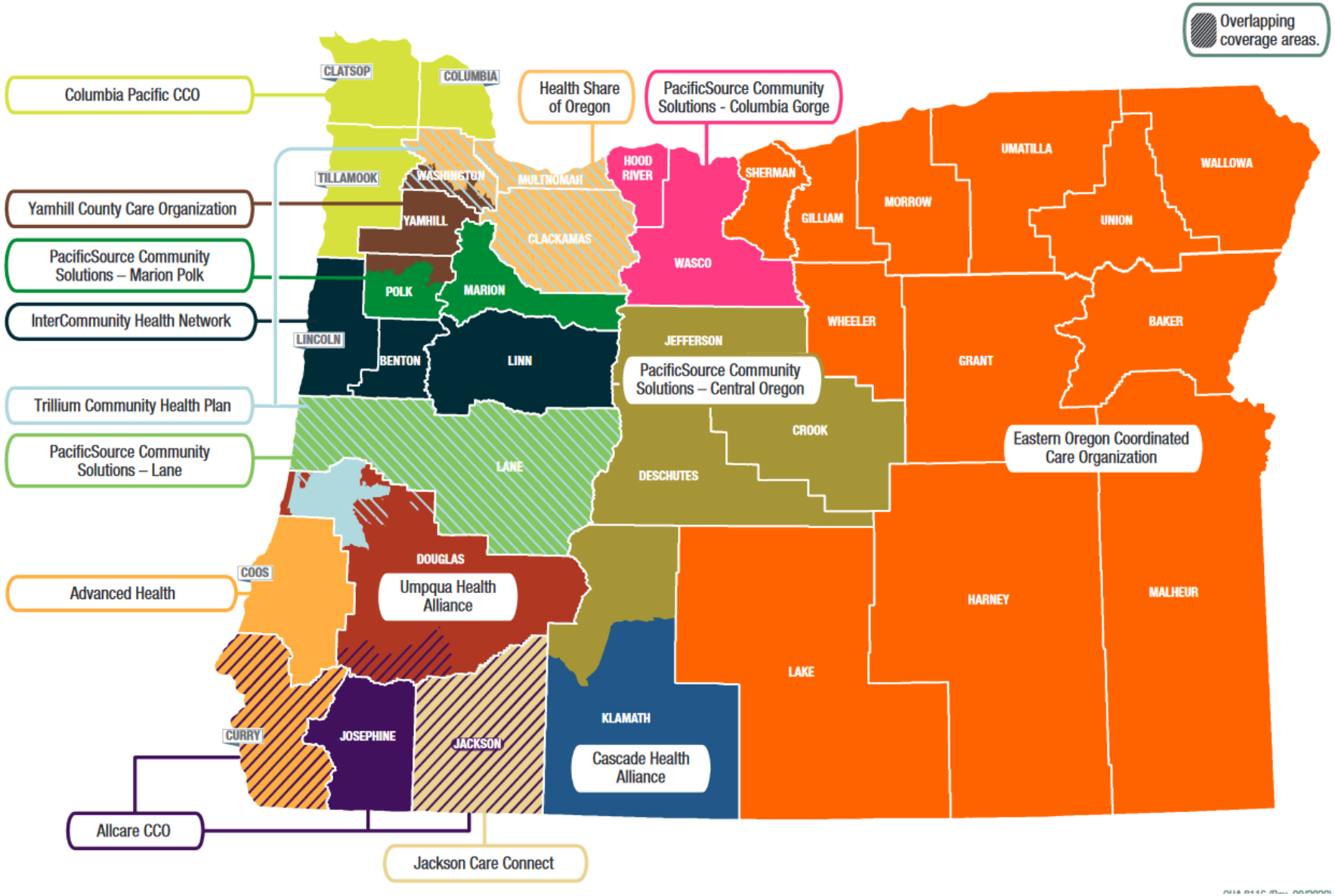
- A CCO is:
  - A network of all types of health care providers (physical health care, substance use disorder, mental health care, and dental care providers) who work together in their local communities to serve people who receive health care coverage under OHP
  - Responsible for their members health care services including, physical health, oral health, behavioral health, pharmacy, and transportation services
  - Focused on prevention and helping people manage chronic conditions, to reduce emergency room visits and give people support to be healthy
- OHA awards contracts to CCOs
  - Each is responsible for a particular geographic region/service area
  - Together, the CCOs' service areas cover the entire state

Approximately **91%** of OHP members receive their Medicaid benefit through CCOs

Coordinated Care Organizations (CCOs)

- CCOs are rewarded financially when they meet established metrics that measure quality of care and improved outcomes
  - CCOs do not get paid on a per-claim or fee-for-service basis
  - OHA pays them a monthly capitated payment
- Giving CCOs a “global budget” allows flexibility for CCOs to provide services in addition to traditional healthcare services

CCO 2.0 Service Areas



Fee-for-Service (FFS)

- Fee-For-Service is:
  - A statewide system
  - Often called “open card”
- FFS members are not generally enrolled in a CCO
  - Can receive health care from any willing and qualified Medicaid-enrolled provider
  - Providers bill the state directly and receive a fee for any covered services provided

Approximately **9%** of OHP members receive their Medicaid benefit through FFS

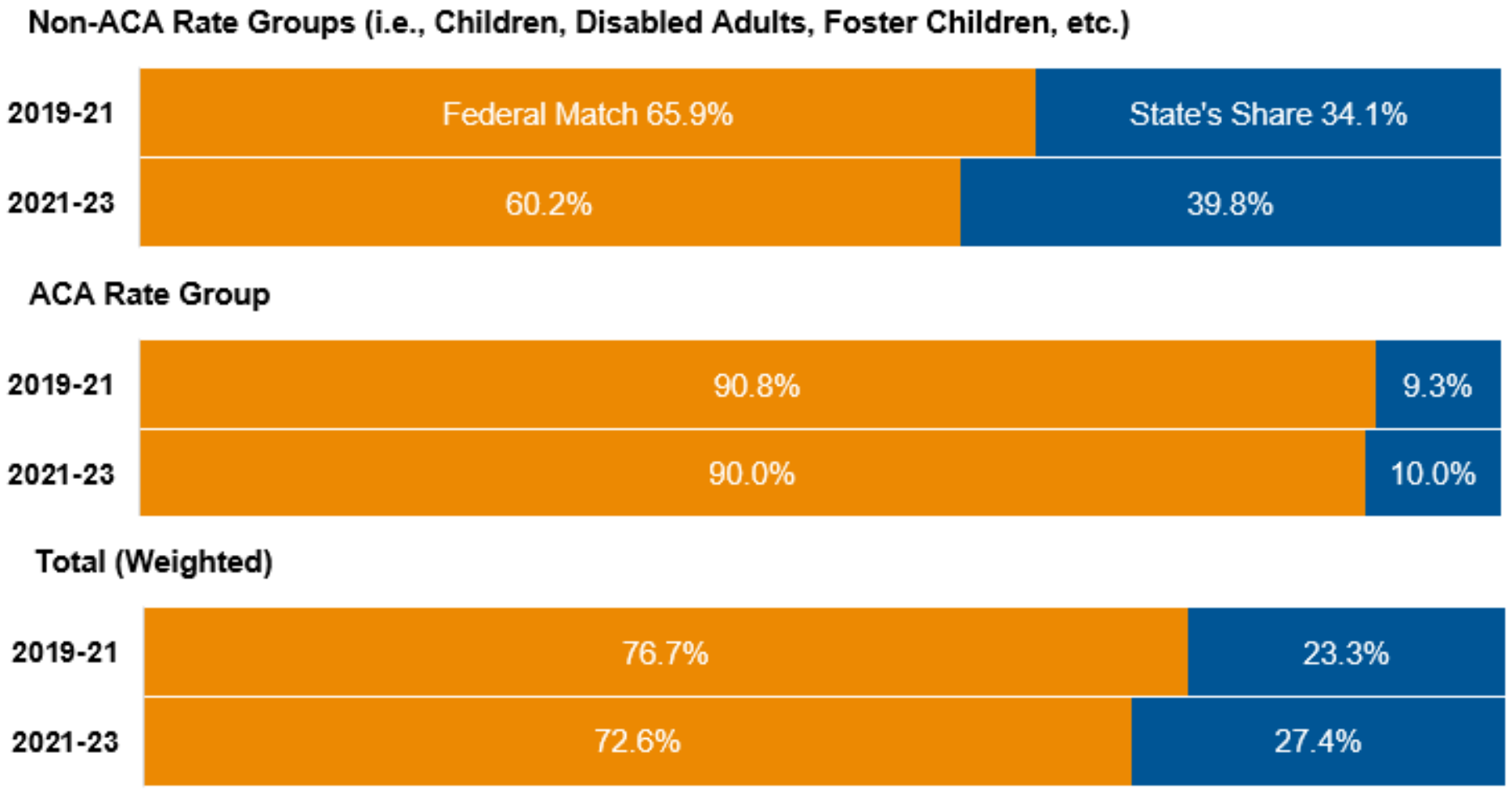
Federal Funds (FF)

- The Social Security Act established provisions for social programs including Medicaid
  - Guidelines for federal funding under the Act are provided under different “titles” of the Social Security Act
  - For example, Title XIX (19) is Grants to States for Medical Assistance Programs
  - OHA is allowed to claim a “Title 19” federal match on individuals who fall under the guidelines established in Title 19
- Different individuals are covered under different parts of the Act and receive different match rates or FMAP (Federal Medical Assistance Percentage)
  - Therefore, individuals eligible for Medicaid benefits are placed into different “eligibility groups”

State Funds (SF)

- It is the responsibility of the state to cover the portion of Medicaid expenses left after the federal match
  - State Funds (SF) = General Funds (GF) + Other Funds (OF)
- OHA uses various revenue sources to offset the impact to the state for providing Medicaid
  - Other Funds supporting OHP include provider taxes, tobacco taxes, drug rebates, settlements, and leverage programs

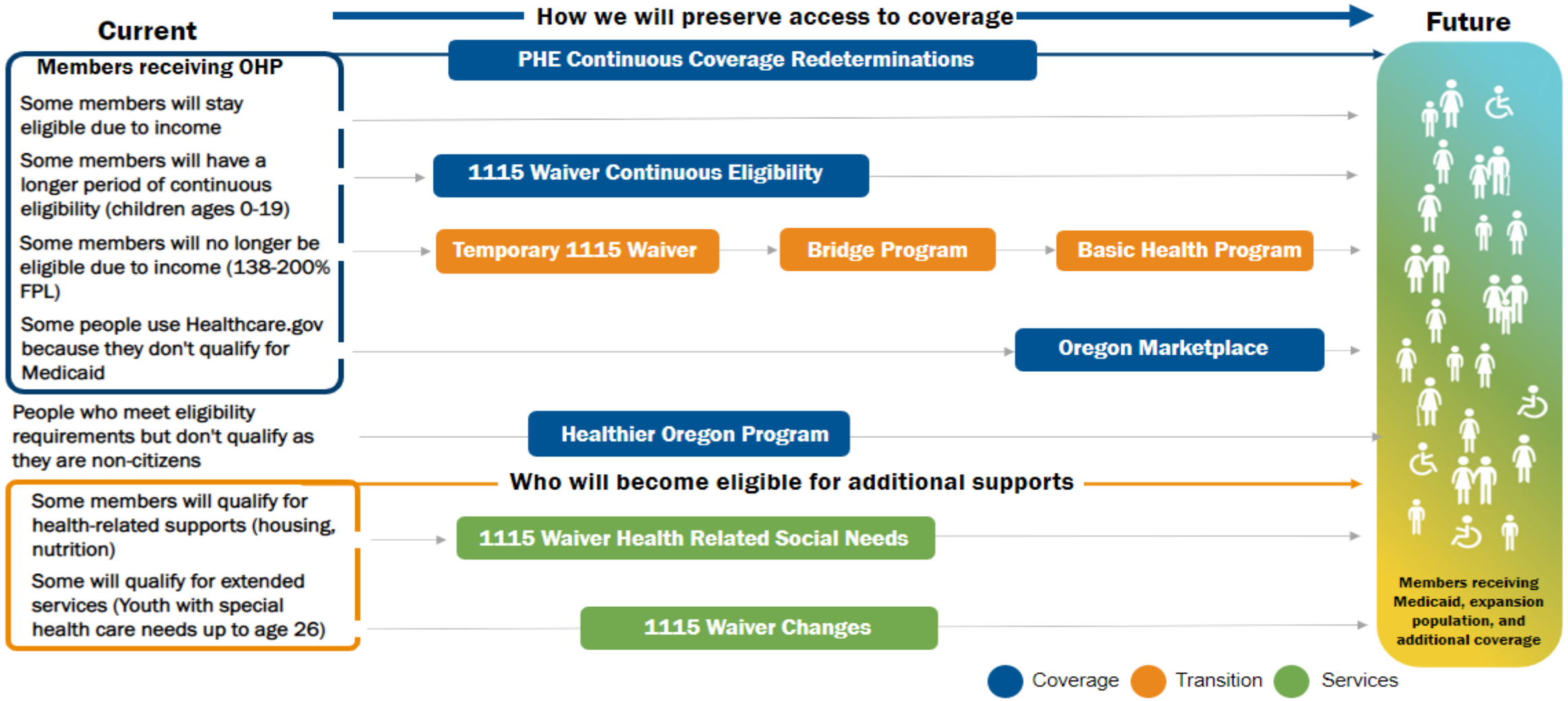
Federal and State Funding Breakdown



2023-25 Governor's Budget – Medicaid

Medicaid Program Budget *in Millions*	General Fund	Other Funds	Federal Funds	Total Funds
Modified Current Service Level	3,141	3,921	15,422	22,485
Governor's Budget	3,360	4,078	17,814	25,252

Major Initiatives for Coverage and Benefits



1115 Medicaid Waiver

What is a Waiver?

- Waivers specify ways that the state Medicaid program will operate differently than what is outlined in the Code of Federal Regulations (CFR)
  - OHP operates under the 1115 Demonstration Waiver authority
  - Oregon also has other waivers that prioritize certain populations or services
- States typically seek waivers to:
  - Provide different kinds of services
  - Provide Medicaid services to new groups
  - Target certain services to new groups
  - Test new service delivery models

Overarching Waiver Goal: Advance Health Equity

To achieve this, our policy framework breaks down the drivers of health inequities into actionable sub-goals:

Ensuring people can maintain their health coverage

Improving health outcomes by addressing health related social needs

Ensuring smart, flexible spending for health-related social needs and health equity

Creating a more equitable, culturally- and linguistically-responsive health care system

What does the new waiver mean for OHP members?

- Currently, there are limited supports for:
  - Housing
  - Nutrition
  - Climate-related needs
- Under the new waiver, these social supports will be a covered benefit in OHP for FFS and CCO members
- OHP members who are facing certain life transitions will have social supports available

New Opportunities: Coverage

- Broader availability of Early and Periodic Screening, Diagnostics and Treatment (EPSDT) benefits
- Kids stay enrolled until their 6th birthday
- People ages 6+ automatically stay enrolled for two years (instead of one)
- Coverage for Youth with special health care needs ages 19 – 26 with income up to 300% of FPL, and EPSDT benefits
- Still under negotiation:
  - Limited benefit for some transitioning out of OSH and criminal justice settings
  - Tribal requests

New Opportunities: Health Related Social Needs

Oregon will provide benefits to people who are going through **transitions**:

- Youth with special health care needs ages 19 - 26
- Youth who are child welfare involved, including leaving foster care at age 18
- People who are experiencing homelessness or at risk of homelessness
- Older adults who have both Medicaid and Medicare health insurance
- People being released from jail/corrections, Psych and SUD facilities including Oregon State Hospital
- People at risk of extreme weather events due to climate change

New Opportunities: Health Related Social Needs – continued

Housing

- Housing-focused navigation and/or case manager
- Pre-tenancy and tenancy support services (such as support with rental applications or moving, or eviction prevention)
- Home modifications (such as ramps or handrails)
- Rental assistance or temporary housing for up to 6 months (such as rent payments and rent deposits)
- Utility assistance for up to 6 months when provided rental assistance

Nutrition

- Community-based food resources (such as application support for SNAP and WIC)
- Nutrition and cooking education
- Fruit and vegetable prescriptions (such as VeggieRx) for up to 6 months, and healthy food boxes/meals
- Medically tailored meal delivery

Expanded Opportunity - Health Related Social Needs

Climate

- Payment for devices that maintain healthy temperatures and clean air, including air conditioners, heaters, air filters
- Generators to operate medical devices like ventilators when power outages happen

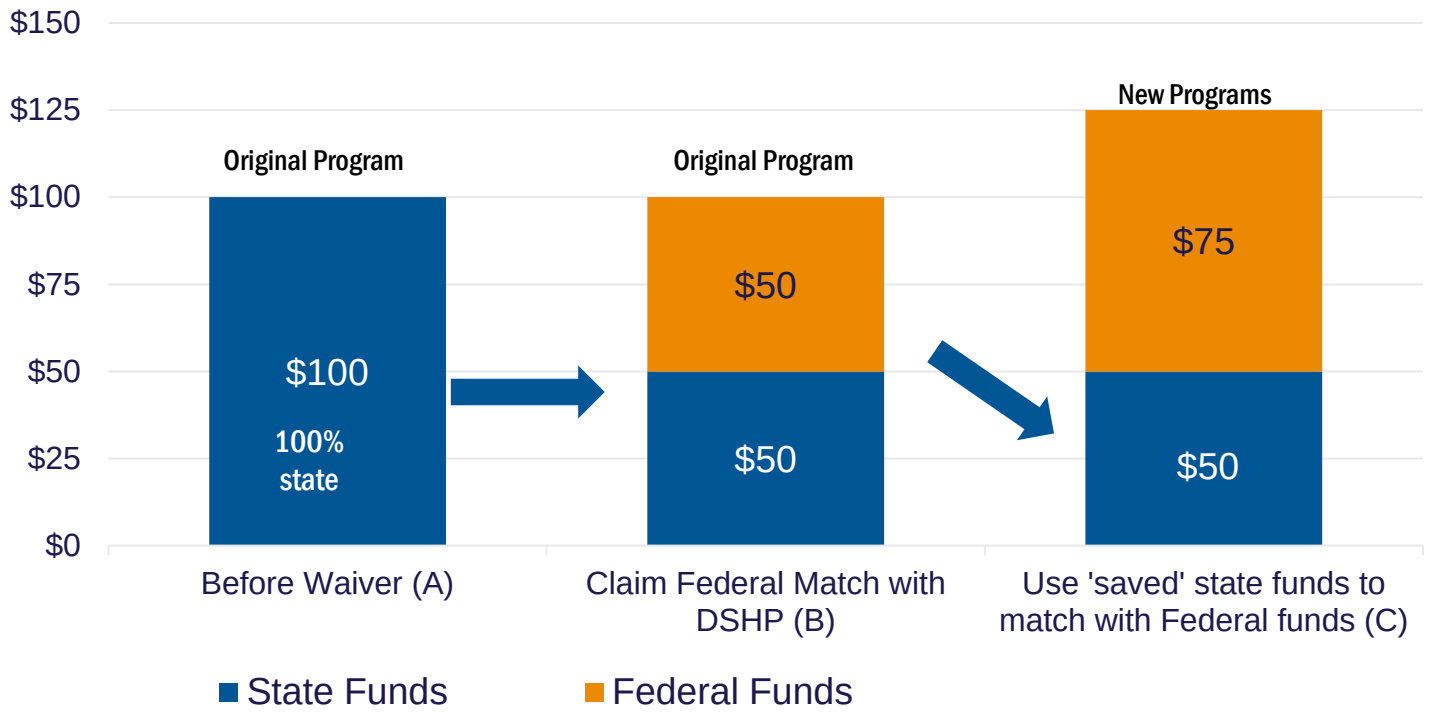
These benefits will be available to individuals with chronic/complex health issues for whom extreme climate events would pose additional health risks as declared by the Federal government or Governor of Oregon

Waiver Funding

- Designated State Health Programs Funding
- Projected Waiver Funding

Designated State Health Programs

- Designated State Health Programs (DSHP) is a CMS program used to accomplish the goal of maximizing federal funding
  - Allows for states to ask for federal funding for “Medicaid like” services that are not usually Medicaid eligible



Example:

- ✓ (A) Original program is funded by 100% state funds
- ✓ (B) The state claims federal match on state-only funded program
- ✓ The original program remains the same level of total funds
- ✓ The new federal match results in state fund savings
- ✓ (C) Investing the state fund savings in Targeted Investments brings additional federal match

Projected Waiver Funding: 2022-2027

Based on Sept 2022 Approval

in Millions

	2021-23			2023-25						2025-27					
	SFY 2023			SFY 2024			SFY 2025			SFY 2026			SFY 2027		
	GF	FF	TF	GF	FF	TF	GF	FF	TF	GF	FF	TF	GF	FF	TF
Designated State Health Programs (DSHP)															
DSHP Federal Buy Out	(26)	26	-	(91)	91	-	(72)	72	-	(79)	79	-	-	-	-
Admin: DSHP Funded	1	1	2	1	1	2	3	3	5	2.5	2.5	5	-	-	-
Admin: State Contribution	-	-	-	-	-	-	-	-	-	-	-	-	3	3	5
Infrastructure: DSHP Funded	25	24.5	49	26	26	51	-	-	-	-	-	-	-	-	-
HRSN, YSHCN Services: DSHP Funded	-	-	-	65	172	236	70	184	253	77	205	281	-	-	-
HRSN, YSHCN Services: State Contribution	-	-	-	-	-	-	-	-	-	-	-	-	85	226	311
DSHP Total	-	**51**	**51**	-	**289**	**289**	-	**258**	**258**	-	**286**	**286**	**88**	**229**	**316**
Other															
Continuous enrollment until age 6	-	-	-	10	18	28	30	54	84	48	86	134	63	113	177
2-year continuous enrollment for ages 6+	-	-	-	7	44	51	20	125	145	30	180	209	39	229	268
FMAP Adjustment - 2.6% of ACA	-	-	-	38	(38)	-	34	(34)	-	36	(36)	-	37	(37)	-
Other Total	-	-	-	**54**	**24**	**79**	**84**	**145**	**229**	**114**	**230**	**343**	**140**	**305**	**445**

	SFY 2023			SFY 2024			SFY 2025			SFY 2026			SFY 2027		
	GF	FF	TF	GF	FF	TF	GF	FF	TF	GF	FF	TF	GF	FF	TF
Total Waiver Projected Costs	-	51	51	54	313	368	84	403	487	114	516	629	228	534	762

Biennial GF Total: 139 **Biennial GF Total: 341**

GB Medicaid Waiver-Related Budget

	2023-25		
	SF	FF	TF
GB Waiver-Related Budget - in Millions	**131**	**847**	**978**

Waiver costs	SF	FF	TF
DSHP Federal Buy Out	(163)	163	-
Admin: DSHP Funded	4	3.5	7
Infrastructure: DSHP Funded	26	25.5	51
Health-Related Social Needs (HRSN) and Youth with Special Healthcare Needs (YSHCN) Services: DSHP Funded	134	355	489
DSHP Subtotal	-	547	547
Continuous enrollment until age 6	40	72	112
2-year continuous enrollment for ages 6+	28	171	199
FMAP Adjustment - 2.6% of ACA	34	(34)	-
Total	**102**	**756**	**858**

Related non-Waiver costs	SF	FF	TF
Non-DSHP covered admin costs (Includes required Waiver evaluation)	18	23	41
Total	**18**	**23**	**41**

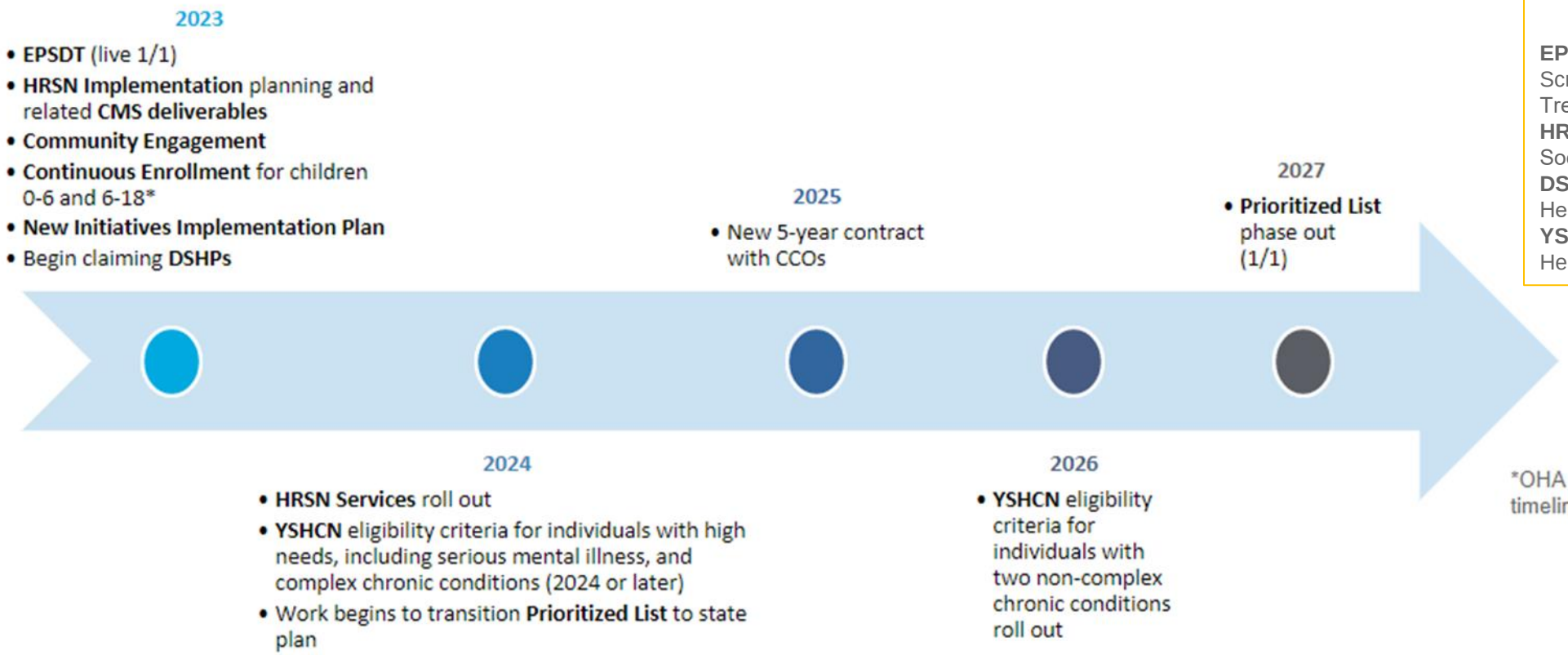
Pending Waiver Approval	SF	FF	TF
Tribal Admin & Program Costs	1	23	24
Justice-Involved Benefits	10	45	56
Total	**11**	**69**	**80**

This budget item also includes $4.4M GF/ $6.8M FF/ $11.2M TF for ODHS

Next Steps and Opportunities

- Continued work with CMS
- Implementation Timeline

Implementation Timeline



Terminology Key

EPSDT: Early & Periodic Screening, Diagnostic and Treatment
HRSN: Health-Related Social Needs
DSHP: Designated State Health Programs
YSHCN: Youth with Special Health Care Needs

Post approval work with CMS

Deliverables due 60-150 days post approval

- Maintenance of effort (MOE)
- HRSN implementation protocols on services and infrastructure
- HRSN implementation plan
- Waiver Evaluation plan

Continued negotiations with CMS

- Tribal related request
- Pre-release coverage for justice-involved populations
- Pre-release coverage for state hospital patients

These items may include additional DSHP funding for some initiatives

Resources

CMS Homepage
Medicaid Homepage (Federal)
    Medicaid in Oregon
Oregon’s 1115 Medicaid Demonstrations
    2022-2027 two-page summary
End of Public Health Emergency
    HB 4035 report to the Legislature: Unwinding the Federal Public Health Emergency
OHA End of Legislative Session Report 2022
Oregon Health Plan Terms

Thank You