Waiver Transition Options, Considerations and Operations

Robert Wood Johnson Foundation
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manatt

Agenda

- 1115 Waiver Transition Overview
- Framework for Reviewing and Transitioning Current Waiver Populations
- Transition Mapping
- Stakeholder Communication
- Questions & Answers

Information in this presentation was developed in conjunction with CMS and the MACPIE Expanding Coverage Learning Collaborative

1115 Waiver Transition Overview

1115 Waiver Transition Overview: Setting the Stage

Many states' 1115 waivers expire December 31, 2013; New coverage options become available January 1, 2014

States must consider:

- Which populations are covered in their 1115 waiver(s)
- How they might be covered in 2014 (in terms of their eligibility group, benefits, etc.)
- How best to transition waiver populations into 2014 coverage options
- Implications for consumers
- Operationalizing the transition

1115 Waiver Transition Overview: Transition Goals

States' Transition Goals

- Maintain or expand needed services, to maximum extent possible
- Maximize continuity of coverage from "as-is" to "to-be" status
- Maximize continuity of coverage among to-be coverage options
- Leverage federal dollars to provide state fiscal relief
- Optimize administrative simplification opportunities and maximize use of electronic application and enrollment pathways
- Other

1115 Waiver Vocabulary

1115 Waivers

Demonstrations may apply to 3 types of populations:

All SSA provisions apply to demonstrations except those that are expressly:

"**waived**" for State plan populations

"**not applied**" for expansion populations

1. **Mandatory State Plan**
   Coverage authority derives from State plan
   Example: Low-income pregnant women and children
2. **Optional State Plan**
   Coverage authority derives from State plan
   Example: Parents above LIF levels
3. **Expansion**
   Coverage authority derives from demonstration
   Example: Parents above LIF levels; childless adults

Framework for Reviewing and Transitioning Current Waiver Populations

Assessing Current 1115 Waivers

1. Which populations are covered in the 1115 waiver and under what authority do they derive their eligibility?
2. How and under what authority will these populations be covered in 2014?
3. Which Social Security Act (SSA) provisions are “not applied” or waived in the current waiver?
4. Which provisions does the state wish to waive or not apply in 2014 through a new waiver or the continuation of a current waiver?

1 Identify Current Populations Covered in the Waiver

- Which populations are covered in the waiver?
- What are the minimum and maximum income levels to which each population is covered?
- When does the authority to cover the population expire? (Note that this may be different than the demonstration's expiration date)
- What is the coverage authority for each 1115 population?
  - State Plan Mandatory
  - State Plan Optional
  - Expansion

2 Identify How Each 1115 Population Will Be Covered in 2014

- Section VIII (new adult group)
- Section XX (>133% FPL)
- Medicaid/CHIP State Plan (e.g., LIF parents)
- Expansion population through continuation of current demonstration or through a new demonstration
- Marketplace (with APTC/CSR)
- State-funded coverage
- No coverage

In 2014, some current 1115 populations may be covered by more than one of the options listed here

Example: childless adults covered from 0-150% FPL today may be covered under both Section VIII and the Marketplace in 2014

3 & 4

Identify Key Provisions in Current and Future Waivers

For each population in the demonstration, identify provisions waived or not applied currently, and which provisions state wants to waive or not apply in 2014:

- **Eligibility and Enrollment**
  - No retroactive eligibility
  - 12-month continuous enrollment
  - Use of income disregards
- **Benefits**
  - Limited benefit package
  - Additional benefits not available to all categorically eligibles
- **Cost Sharing**
  - Premiums and co-pays in excess of statutory limits
- **Delivery of Care**
  - Mandatory enrollment into managed care
  - Restriction of rights to disenroll without cause within 90 days of enrollment into managed care organization
- **Financing and Payment** (may apply more broadly than to a specific population)
  - Receipt of expenditures that would be disallowed under MEQC
  - Payments to FQHCs on a basis other than the prospective payment system

Some states have expressed interest in not offering EPSDT or NEMT and in imposing additional cost sharing on the Section VIII new adult group

CMS has not yet advised whether this level of flexibility will be approved

Transition Mapping

State Goals in Operationalizing Transitions

- Effectuate the transition as of January 1, 2014
  - Obtain federal permissions if necessary
  - Achieve systems and operational readiness by October 1, 2013 – the start of Open Enrollment
- Avoid coverage gaps and ensure seamless transitions
- Manage coverage transitions in a manner that is operationally efficient for the Medicaid Agency
- Maintain a transparent process with clear and timely communications/ notices to all stakeholders
- Minimize burden on consumers
- Leverage federal matching rates
- Other?
- Other?

Implementing the Transition of 1115 Populations: Administrative Transition

"Administrative" pathway

- Identify beneficiaries for transition to the new adult group based on a Modified Adjusted Gross Income (MAGI) "conversion proxy"
  - Set the conversion proxy by calculating the state-system equivalent to MAGI 133% FPL based on available income and household information within eligibility systems
- Automatically transition populations with incomes less than the "MAGI conversion proxy" into the new adult group effective January 1, 2014 (assuming waiver expires on 12/31/2013)
- Full MAGI renewal will take place at the regularly scheduled 2014 renewal, for which the State will need to collect data elements specific to MAGI calculations (income and household information)
- Collect the MAGI-related data elements from beneficiaries with incomes above the "MAGI conversion proxy" to conduct the full eligibility determinations based on MAGI rules and 2014 eligibility levels
- Provide notice to consumers

Awaiting CMS guidance

Implementing the Transition of 1115 Populations: Renewal Transition

"Renewal" pathway?

- State secures additional household and income information for MAGI determination and applies a renewal-like process
  - Would require state to be ready for collection and use of data by October 1, 2013
- Populations ≤ 133% FPL transition to new adult group category on January 1, 2014
- Populations > 133% FPL transition to another Insurance Affordability Program entity, for example, the Marketplace for APTC determination and QHP selection for coverage effective January 1, 2014
- Next renewal date for transitioned population could be January 1, 2015 or staggered
- Provide notice to consumers

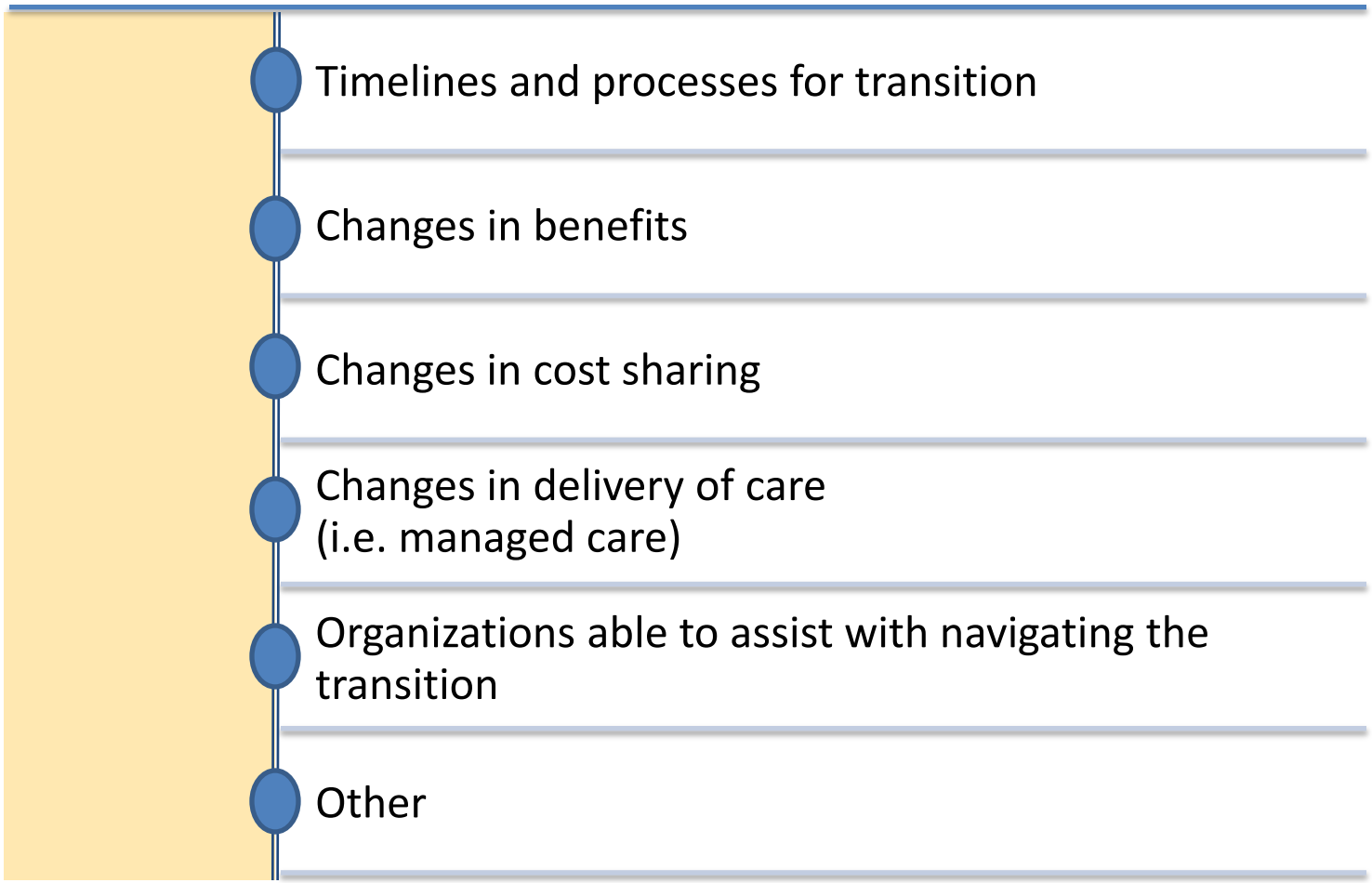
Awaiting CMS guidance

Stakeholder Communication

Communication

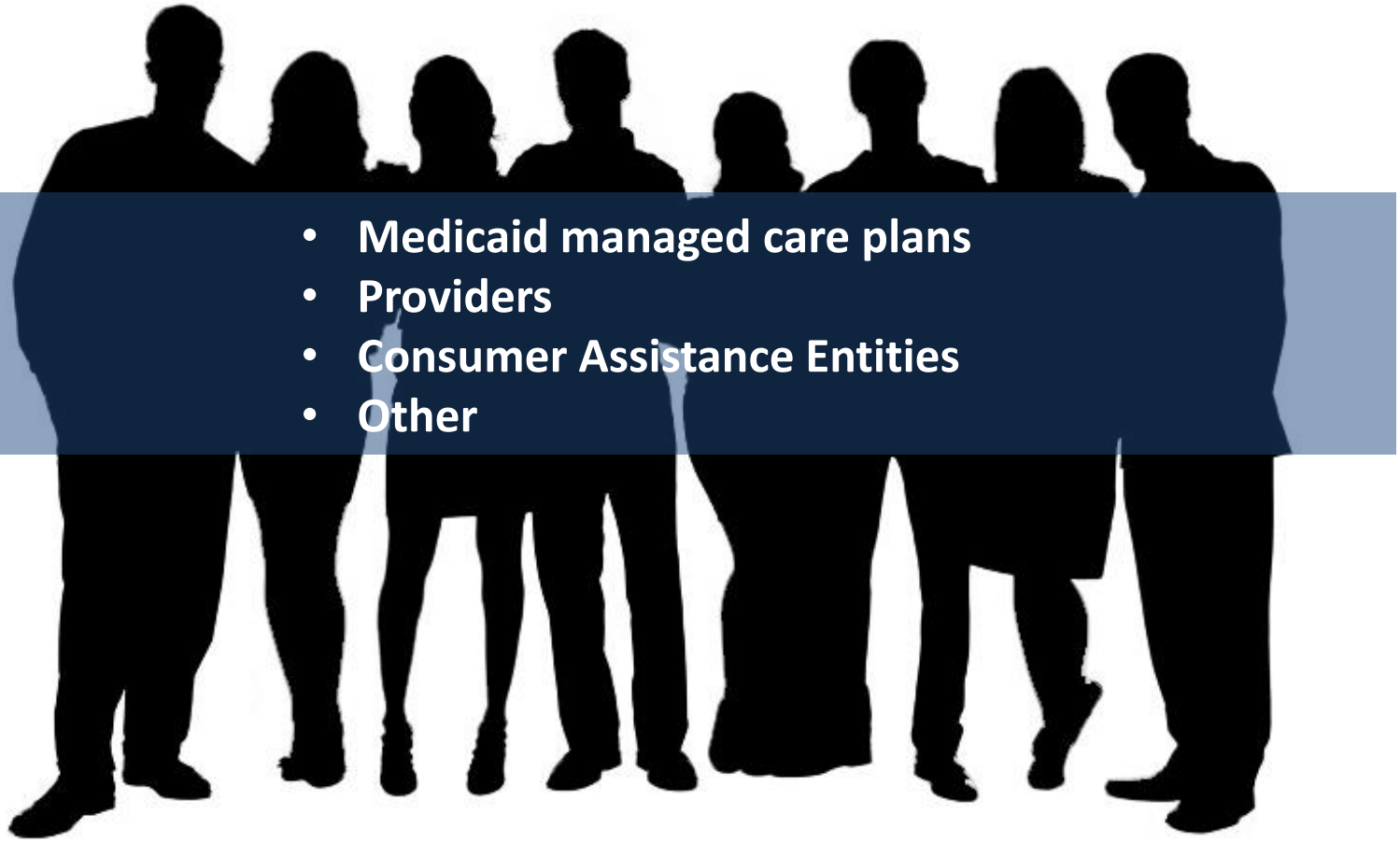
In 2013, the State should notify current beneficiaries and other stakeholders about the transition plan and timeline, highlighting key dates for 2013 and 2014

Consumer Communication



Other Stakeholders

Other Stakeholders to Notify and Involve



- Medicaid managed care plans
- Providers
- Consumer Assistance Entities
- Other

Questions & Answers

Thank You!

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