

Medicaid IT: Investing in Needed Infrastructure to Address COVID-19

Manatt Health

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COVID-19

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About State Health and Value Strategies

State Health and Value Strategies (SHVS) assists states in their efforts to transform health and health care by providing targeted technical assistance to state officials and agencies. The program is a grantee of the Robert Wood Johnson Foundation, led by staff at Princeton University's Woodrow Wilson School of Public and International Affairs. The program connects states with experts and peers to undertake health care transformation initiatives. By engaging state officials, the program provides lessons learned, highlights successful strategies, and brings together states with experts in the field. Learn more at www.shvs.org.

Questions? Email Heather Howard at heatherh@Princeton.edu.

*Support for this webinar was provided by the Robert Wood Johnson Foundation.
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Housekeeping Details

All participant lines are muted. If at any time you would like to submit a question, please use the Q&A box at the bottom right of your screen.

After the webinar, the slides and a recording will be available at **www.shvs.org**.

COVID-19 Resources for States

State Health and Value Strategies has created an accessible one-stop source of COVID-19 information for states at www.shvs.org/covid19/. The webpage is designed to support states seeking to make coverage and essential services available to all of their residents, especially high-risk and vulnerable people, during the COVID-19 pandemic.

About Manatt Health

Manatt Health, a division of Manatt, Phelps & Phillips, LLP, is an integrated legal and consulting practice with over 90 professionals in nine locations across the country. Manatt Health supports states, providers, and insurers with understanding and navigating the complex and rapidly evolving health care policy and regulatory landscape. Manatt Health brings deep subject matter expertise to its clients, helping them expand coverage, increase access, and create new ways of organizing, paying for, and delivering care. For more information, visit www.manatt.com/ManattHealth.aspx

New Issue Brief

Information technology (IT) is an essential tool to support access to health coverage and the safe and effective evaluation, testing, and treatment. States have the opportunity to leverage Medicaid funding for IT investments to respond to COVID-19 and enhance the Medicaid delivery system.

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Strategies for Supporting and Strengthening Medicaid Information Technology During the COVID-19 Crisis

Authored by Manatt Health
May 2020

As states face the extraordinary challenges of the COVID-19 crisis, information technology (IT) is an essential tool to support access to health coverage and the safe and effective evaluation, testing, and treatment of patients nationwide. Under the current statutory and regulatory framework, state Medicaid agencies are authorized to receive federal funding for Medicaid IT and associated activities, and much of it at an enhanced federal matching level (75% or 90% federal match).¹ Medicaid IT and associated activities eligible for support comprise the development, implementation and operations of states' vast Medicaid program administrative systems and state Medicaid agency activities to facilitate adoption of electronic health records (EHR) and exchange of health information by health care providers.

This issue brief outlines potential IT investments in responding to COVID-19 and strategies for states to support these investments, and to secure current and look to future IT investments that enable ongoing Medicaid program operations and advance health information exchange. This issue brief highlights the Medicaid authorities and the provisions that may allow states more expeditious access and flexible use of these funds during the ongoing public health emergency and in retooling the Medicaid delivery system in this new era of pandemic.

Longstanding federal statute and regulations authorize federal matching funds for automated data processing (ADP) systems for the state administration of Medicaid, the Children's Health Insurance Program (CHIP), and human services programs, and establish the rules and process for states to request federal support of these ADP systems.² Additional federal statute and regulations govern Medicaid ADP systems—providing enhanced federal matching funds to state Medicaid agencies for Medicaid program administrative systems—and authorize enhanced federal matching funds to state Medicaid agencies for activities facilitating health care

¹ Social Security Act (SSA) § 1903, 42 C.F.R. Part 433, Subpart C, 42 C.F.R. Part 495.
² SSA §§ 422, 430, 454A, 471, 1102 and 1902(a); 45 C.F.R. Part 95.



Overview of Current Federal Authorities & Regulations



Using Medicaid IT to Address COVID-19 Crisis



Immediate & Future Implementation Steps to Seek Medicaid IT Funding & Flexibilities

Available here: <https://www.shvs.org/wp-content/uploads/2020/05/MES-Funding-for-Covid-Response.pdf>

Agenda

- Overview of Current Federal Authorities & Regulations
- Using Medicaid IT to Address COVID-19 Crisis
- Immediate & Future Implementation Steps to Seek Medicaid IT Funding & Flexibilities
- Discussion

Overview: Current Federal Authorities

Federal Medicaid IT funding can be used to strengthen a state's infrastructure and support providers and beneficiaries during the COVID-19 public health emergency:

Topic	Highlighted Examples	Federal Match	Federal Authority
Medicaid Enterprise Systems (MES)			
Support Mechanized Claims Process and Information Retrieval Systems , including eligibility and enrollment systems and administration management	<ul style="list-style-type: none"> Medicaid Management Information Systems (MMIS) Encounter data Care management 	<ul style="list-style-type: none"> 90% for design, development, installation, and enhancement of the systems 75% maintenance and operation 	<ul style="list-style-type: none"> Section 1903(a)(3) of the Social Security Act (SSA)
Support health information exchanges (HIEs)	Portal between a state MMIS and clinical data repository		
Health Information Exchange (HIE)			
Administer the Medicaid electronic health record (EHR) incentive program	<ul style="list-style-type: none"> Secure messaging gateways Provider directories All-payer clinical/claims data warehouses 	90% for design, development, and implementation	<ul style="list-style-type: none"> Section 1903(a)(3) of the SSA The American Recovery and Reinvestment Act

Accessing Federal Funding

Submit Advance Planning Documents (APDs) to CMS

- Describe a proposed use of federal dollars for Medicaid IT projects and demonstrate a system's compliance with regulatory conditions and standards
- Submit acquisition documents (such as requests for proposals or contracts) to CMS for prior approval
 - Without approval, states may spend (in total state and federal dollars) up to \$500,000 and receive enhanced federal match, and up to \$5,000,000 and receive regular match.

Seek Expedited Approval of Federal Funding for IT Equipment/Services

- Demonstrate an immediate need to acquire the IT equipment and services in order to continue the operation of Medicaid/CHIP programs and respond to the COVID-19 crisis
- Document that the need could not have been anticipated or planned for, and that the state was prevented from following federal prior approval requirements

Overview: Using Medicaid IT to Address COVID-19

Medicaid IT has a critical role in helping providers address the COVID-19 crisis. The following are Medicaid IT solutions states could explore with CMS to leverage enhanced funding opportunities:



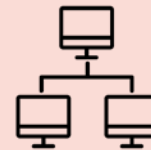
Update E&E Systems and Support State Workforce



Expand Information Exchange Capabilities



Enhance and Rapidly Scale State Telehealth Technologies and Infrastructure



Implement the Patient Unified Lookup System for Emergencies (PULSE) System



Deploy Light EHR Clinical Documentation and Reporting Tools



Data Integration Analytics and Reporting



Does the IT expenditure support economic and efficient operation of the Medicaid program? Are these outcomes measurable?

Using Medicaid IT to Address COVID-19: Strategy 1



Update E&E Systems and Support State Workforce

- Enhance or update systems to ensure the retention of enrollees who were enrolled as of March 18, 2020 (a condition of receiving an increased federal match for most Medicaid expenditures for the emergency period)
- Update forms, interfaces, and system mechanisms if they elect to enroll uninsured individuals in coverage for COVID-19 testing and related services
- Expand call center capacity to support an increasing volume of those seeking coverage
- Provide laptops or other technology to support remote working by state personnel

States will also need to make plans to “undo” these E&E systems changes and return their systems to standard operations, since the Families First Coronavirus Response Act’s (FFCRA) enhanced federal match and authority for the optional eligibility group expire at the end of the public health emergency period.

Using Medicaid IT to Address COVID-19: Strategy 2



Enhance and Rapidly Scale State Telehealth Technologies and Infrastructure

- Develop telehealth-enabling technology, including patient-facing technology, for Medicaid providers coordinating beneficiaries' care
- Purchase telehealth-enabling equipment for loan to providers
- Purchase telehealth-enabling equipment for loan to Medicaid beneficiaries
- Expand medical screening and triage tools to include screening for social interventions that support medically vulnerable individuals
- Invest in technology infrastructure for connecting Medicaid program, providers, and beneficiaries to community-based organizations for social service referrals

Using Medicaid IT to Address COVID-19: Strategy 3



Deploy Light EHR Clinical Documentation and Reporting Tools

Deploy lightweight clinical documentation tools that can be used to triage residents to a COVID-19 testing site, document symptoms, order, and report tests to a central county, state, or health care agency

- Particularly helpful for states **rapidly deploying temporary triage and testing facilities**, tents, and overflow sites that are **staffed by volunteers**, who lack access to EHRs

CMS guidance suggests that enhanced funding could support the incorporation of app-based technologies to help providers use EHRs

Using Medicaid IT to Address COVID-19: Strategy 4



Expand Information Exchange Capabilities

- Report to Medicaid and public health institutions electronic COVID-19 lab results
- Develop real-time alerts and notification systems from hospital emergency departments to identify visits and admissions attributed to COVID-19
- Develop syndromic surveillance registries to help to detect emerging health issues and monitor the health of the community in real time
- Connect providers to patient data through HIEs, including immunization records
 - Access to these records will be critical once vaccination efforts are underway, particularly for providers that treat adults (who are less likely to have access to up-to-date vaccination information)



Accurate data for timely COVID-19 lab testing and results is especially critical to accurately track the spread of the disease, identify hotspots, track health disparities, and detect virus transmission dissipating in communities.

Using Medicaid IT to Address COVID-19: Strategy 5



Implement the PULSE System

PULSE is a nonproprietary, open-source software solution designed to be expandable to all parts of the country (*initially developed in California and deployed for wildfire response*)

- Allows emergency health care workers to have direct access to patient information from all connected health care organizations

CMS announced that PULSE-COVID – a COVID-19 iteration of PULSE – is now available

Using Medicaid IT to Address COVID-19: Strategy 6



Data Integration Analytics and Reporting


- Integrate administrative claims and encounter data with lab results and clinical data in state COVID-19 dashboards
- Leverage dashboards to:
 - Identify racial and ethnic disparities in access to care and treatment, target investments
 - Identify and target high-risk individuals for interventions that deliver services to the home in order to support them while they shelter in place
 - Deploy predictive analytics services to identify potential future hotspots and upwards and downward disease transmission trends
- Acquire or lease needed software for MMIS for integration

Massachusetts: Medicaid IT Funds for Buoy Tool

Massachusetts secured enhanced Medicaid IT funding to develop an easy-to-use app and online tool for state residents to triage COVID-19 symptoms and receive guidance for seeking care.

- Following completion of the tool, the individual receives:
 - Recommendations on urgency of care and how soon (i.e., telehealth, emergency department)
 - Nearest testing centers, emergency departments, and physicians by zip code and health insurance
 - Access to Network of Care Massachusetts for online behavioral health resources
 - Text check-ins, 3 days after completing tool
- Buoy includes a real-time interface with the state's eligibility system, in order for telehealth subcontractors to assess Medicaid eligibility

Let's assess your risk for coronavirus

buoy | 

Are you experiencing any of the following symptoms?

Please mark all that apply

- Chills
- Cough
- Fever
- Difficulty getting enough air
- Sore throat
- None of the above

Submit

Buoy Characteristics

- ✓ Triage based on symptoms and patient characteristics (age, gender, chronic conditions)
- ✓ Dynamic questions based on responses
- ✓ Connect in real-time with telehealth providers
- ✓ Available in six languages
- ✓ Free to the public

Available here: <https://www.mass.gov/how-to/check-your-symptoms-for-covid-19-online>

Funding & Flexibility for Medicaid IT Solutions

States should be in active dialogue with CMS to seek federal funding for Medicaid IT investments – for immediate, time-sensitive requests and long-term considerations, post-COVID-19.

Immediate Implementation Steps



- Leverage Flexibility for Immediate Spending Under Current APD
- Submit an As-Needed Update for Approved APD Requests
- Seek Emergency Expedited Federal Approval for Near-Term IT Priorities

Future Implementation Steps



- Secure Current IT Investments
- Evaluate COVID-19 Investments
- Secure New IT Investments for the Future

Immediate Implementation Next Steps

1) Leverage Flexibility for Immediate Spending Under Current APD



- With an approved APD, states can **spend up to \$500,000 (total computable)** and **up to \$5,000,000 (total computable)** and receive enhanced and regular match, respectively, for IT investments and activities **without first seeking CMS approval**
- Review current E&E, MMIS, and HITECH APDs** to identify immediate modifications to support the state's COVID-19 response (i.e., expand call centers, streamline eligibility determination)
- Confirm with CMS** that the agency will waive reductions in federal match for failure to comply with federal E&E and MMIS performance standards

Immediate Implementation Next Steps (Cont'd)

2) Submit an As-Needed Update for Approved APD Requests



- ❑ If a state has incurred or is anticipating incurring any of the following changes as a result of COVID-19, it must submit an As-Needed APD Update to the federal government:
 - Projected cost increase of \$300,000 or 10% of the project cost, whichever is less
 - Schedule extension of more than 60 days for major milestones
 - Significant change in the procurement approach or scope of procurement activities
 - Change in system concept or scope of the project
 - Change to the approved cost methodology
 - Change of more than 10% of estimated cost benefits

States receiving enhanced FFP must seek federal approval before the execution of a contract amendment that involves cost increases over \$500,000 or time extensions of more than 60 days.

Immediate Implementation Next Steps (Cont'd)

3) Seek Emergency Expedited Federal Approval for Near-Term IT Priorities



- Demonstrate an *immediate* need to acquire the IT equipment and/or services in order to respond to the COVID-19 emergency
 - Document that the pandemic could not have been anticipated
 - Explain why the state was prevented from following normal prior approval requirements
 - Describe the harm that would arise if the state does not immediately acquire the equipment and services
- Describe the equipment and services to be acquired and an estimate of their costs
- Demonstrate that the funds could be reasonably spent within the duration of the emergency (*CMS is using a proxy of 90 days*)

Notable Federal Requirements:

- CMS is obligated by regulation to respond within 14 days of submission
- If CMS approves the request, FFP will be available from the date the state acquires the materials *and* the state must submit a formal request for approval within 90 days of its initial request

Thinking Ahead: Future Implementation Steps



Secure Current IT Investments

- ❑ Beyond the COVID-19 pandemic, **strengthen Medicaid program operations and protect investments and access to enhanced federal funding**
- ❑ **Submit As-Needed APD updates** as necessary to acquire any needed federal approvals
- ❑ **Submit compliance waivers** if states are experiencing challenges in meeting MES performance standards, so as not to jeopardize the enhanced federal match

Evaluate COVID-19 Investments

- ❑ **Consider which Medicaid IT changes pursued in response to the pandemic are permanent versus temporary**, with the state's Medicaid policy, operational, and systems staff
- ❑ **Develop a transition plan and secure federal Medicaid IT funding for temporary Medicaid IT changes** to revert back to standard, pre-COVID-19 operations

Secure New IT Investments for the Future

- ❑ **Adapt to a post-COVID-19 landscape** that will likely require significant Medicaid IT approaches
- ❑ **Leverage the APD process to assess the needs of health systems, providers, and residents** in order to design a plan for Medicaid IT transformation that fills gaps in care and adopts innovative strategies

Discussion

The slides and a recording of the webinar will be available at www.shvs.org after the webinar

Thank You

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