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DEPT. OF HEALTH AND HUMAN SERVICES

Division of Medicaid & Long-Term Care

Nebraska Medicaid Adult Expansion Report June 2019

July 31, 2019

Prepared in Accordance with LB 294 (2019)



DEPT. OF HEALTH AND HUMAN SERVICES



Pete Ricketts, Governor

July 31, 2019

Clerk of the Legislature Legislative Fiscal Office P.O. Box 94604 Lincoln, NE 68509

Dear Clerk of the Legislature and Legislative Fiscal Office:

In accordance with LB 294 (2019), please find, attached, a report on Medicaid Expansion Administrative and Aid policy decisions for the calendar month of June 2019.

If you have any questions, please contact Nate Watson, JD and Cert Legis Prac, Deputy Director for Policy and Regulations, at <u>nate.watson@nebraska.gov</u>.

Sincerely,

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Matthew A. Van Patton, DHA, Director Division of Medicaid and Long-Term Care Department of Health and Human Services

Attachments: 2

Medicaid Expansion Programs 249 (Administration) & 349 (Aid)

The Department of Health and Human Services, Division of Medicaid and Long-Term Care (MLTC), provides the following update:

MLTC is currently in the process of creating 108 job positions for the Heritage Health Adult (HHA) expansion program. This includes 63 positions on the eligibility team, which are actively being recruited. The remaining 45 positions are in the process of being classified and will be recruited in due course.

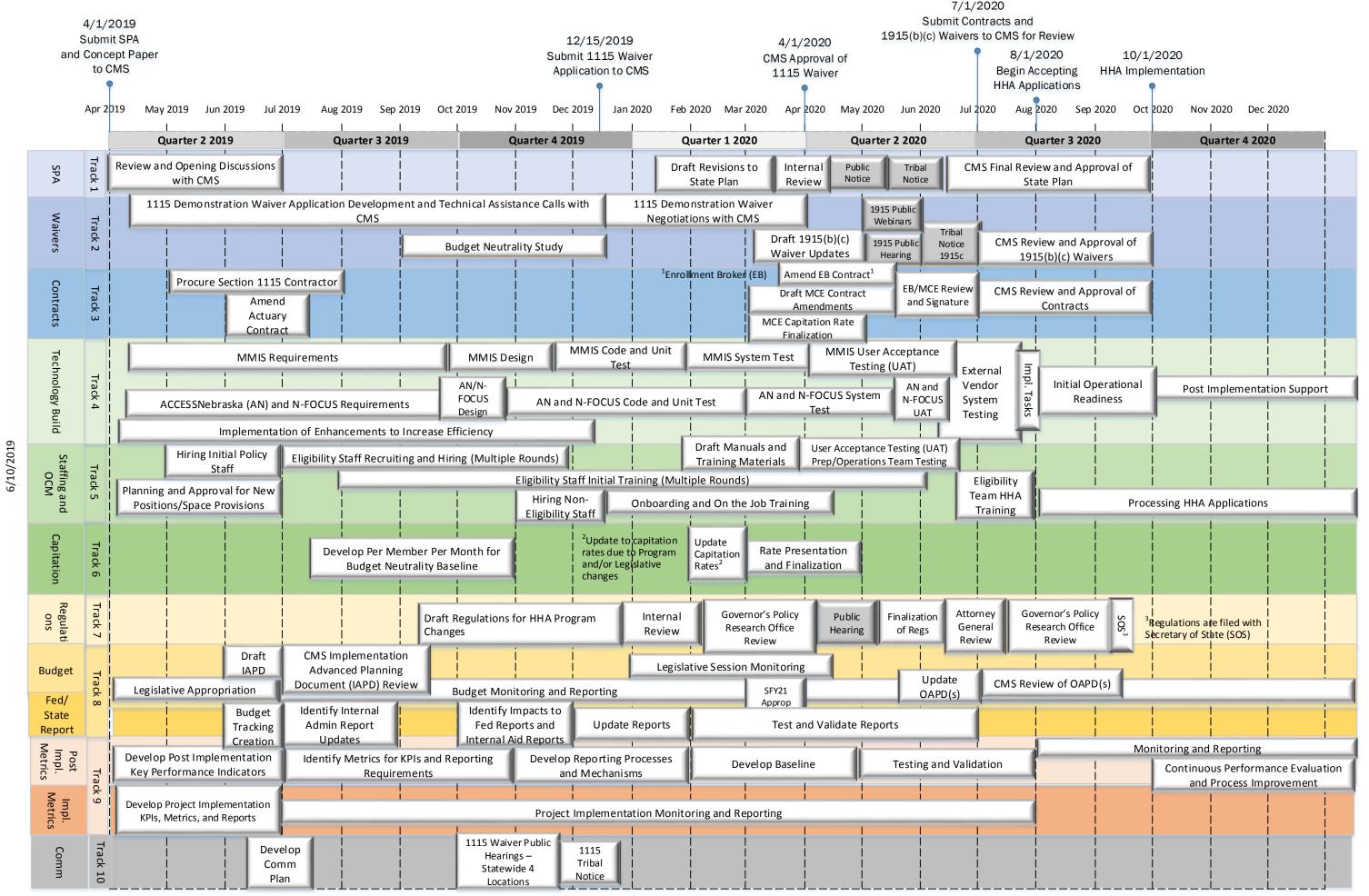
Consistent with its plan and the corresponding timeline, MLTC has issued a request for quotation (RFQ) to seek professional assistance with regard to three aspects of the 1115 demonstration waiver application, namely, assistance with certain drafting elements of the waiver, creation of an appropriate definition of "medical frailty," and recommendations regarding the existing Health Insurance Premium Payment (HIPP) program. MLTC expects to select these consultants before mid-August. In the meantime, underlying research and drafting for the application and all other aspects of adult expansion and related innovations continue and are ongoing.

In addition, MLTC is finalizing a contract amendment with the actuary for determining budget neutrality for the waiver application, as well as for actuarial work for the expansion population. MLTC has begun working with the actuary to evaluate potential new categories of aid for capitation payment purposes for the newly eligible adult expansion beneficiaries. MLTC has also begun evaluating the potential impacts, if any, to the current Heritage Health categories of aid, specifically as they relate to currently eligible beneficiaries moving to the expansion categories of aid. MLTC has also been identifying how the waiver of early and periodic screening, diagnostic and treatment (EPSDT) for 19 and 20-year-olds would impact the current eligibility categories, specifically the Family ages 6-20 categories of aid. Some restructuring to the current Heritage Health and dental categories could be required. Most of the work for rate setting will occur much later in the process after the waiver application and budget neutrality study is completed and all program design and benefit determinations are finalized.

Additionally and in response to the state plan amendments MLTC timely submitted to the federal government (CMS) on April 1, 2019, CMS submitted formal requests for additional information on June 27, 2019. These requests pause CMS's timeframe for reviewing these amendments. MLTC is currently working on its responses to these requests. The plan and its corresponding timeline anticipates this process of negotiation with the federal government.

It has been determined that Prime coverage will include all services available to current Medicaid beneficiaries. Basic coverage will include all services covered under Prime, with three specific exclusions: dental, vision, and over-the-counter medications, which participating Nebraskans will be empowered to earn as they are incentivized to improve their wellness and life success. Discussions continue and are ongoing with our federal and Nebraska partners. Implementation remains on track for October 1, 2020.

For the latest project schedule, please refer to the attached timeline.



Heritage Health Adult Implementation Plan Timeline

Disclaimer: This document is a DRAFT and all information contained herein is subject to change and revision.