Division of Medicaid & Long-Term Care

Nebraska Medicaid Expansion Report
July 2019

August 30, 2019

Prepared in Accordance with LB 294 (2019)
August 30, 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 July 2019.

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

Sincerely,

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 (DHHS), Division of Medicaid and Long-Term Care (MLTC), provides the following updates regarding Medicaid Expansion Administrative and Aid policy decisions for the calendar month of July 2019:

DHHS continued its recruitment for Medicaid eligibility teams across the state, specifically the hiring of supervisors and lead workers. Job candidates will be selected in August. Additionally, the recruitment of social services workers continued. Hiring teams across the state will start interviewing and selecting candidates for these positions in August.

MLTC’s policy and regulation team completed a draft outline of the application. Underlying research and the drafting of the application continues and is ongoing.

DHHS has selected Optumas, our current actuary, and its subcontractor, Brown and Peisch, for assistance with three elements of the 1115 demonstration waiver:

- Assistance with development of the waiver and support during the federal review process.
- Creation of a definition of “medical frailty.”
- Recommendations regarding the existing Health Insurance Premium Payment (HIPP) program.

DHHS had sought assistance by means of requests for quotations (RFQs), for which it had received multiple responses that it scored within 24 hours of the close date. This vendor will begin its work in August.

Work has begun with Optumas regarding actuarial services for determining budget neutrality for the waiver application and other tasks related to expansion. This work includes evaluating potential new categories of aid for the newly eligible adult expansion beneficiaries for capitation payment purposes. MLTC expects there to be 14 new rate cohorts, split by age bands, gender, and benefit tiers.

The Centers for Medicare and Medicaid Services provided guidance regarding 1115 demonstration waivers. As a result, MLTC has made the following decisions:

- To retain existing categories (for example, Parent/Caretaker Relatives) within the existing program. Expansion will cover those individuals eligible through the new adult expansion criteria.
- The 6-month evaluation of eligibility for participating Nebraskans within the adult expansion group will be accomplished by means of redeterminations that occur every 12 months. Benefit tier review checks will occur halfway through each such period.
- Participating Nebraskans receiving Medicaid services through hospital-based presumptive eligibility will receive Basic coverage at that time.
Mandatory participation in HIPP for Medicaid recipients who have access to commercial health coverage for which it is more cost-effective to participate will occur commencing with the second year of the demonstration (October 2021).

Discussions continue and are ongoing with our federal and Nebraska partners. Implementation remains on track for October 1, 2020.

The project schedule is set forth in detail in the attached timeline.
Disclaimer: This document is a DRAFT and all information contained herein is subject to change and revision.