

MMMRs- 2019 01 21

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Monday Morning Medicaid Must Reads

Helping you consider differing viewpoints. Before it's illegal.

January 21st, 2019

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In this issue...

Article 1: *Feds OK Medicaid Work Requirements in Arizona, Health Leaders Media*

Clay's summary: This is only the 8th one approved. Must be a fluke.

Key Excerpts from the Article:

Arizona has permission from the federal government to begin imposing work requirements next year on certain Medicaid beneficiaries in the state, but most Native Americans will be exempt, the Centers for Medicare & Medicaid Services announced Friday. Arizona's waiver is the eighth of its kind, signaling that the Trump administration intends to continue pushing forward with Medicaid work requirements despite pending legal challenges in other states. This is the first waiver to exempt members of federally recognized tribes, resolving a major sticking point with Arizona's application. State officials had asked CMS to exempt all Native Americans from the new requirement, but Trump administration lawyers said doing so would constitute illegal preferential

treatment on the basis of race. The tribes contended, however, that the administration's position contradicted longstanding legal principles and Supreme Court precedent, as Politico reported.

"There were a lot of complex legal issues here," CMS Administrator Seema Verma told Politico's Rachana Pradhan. "I think that we were able to find a middle ground."...

Read full article in packet or at links provided

Article 2: *Strategies for an Affordable Medicaid Buy-In Option in Colorado, Manatt*

Clay's summary: We will sell Medicaid on the exchange, and offer subsidized premiums (so nobody really pays for it, except taxpayers). And oh yeah - we'll pay providers at Medicare rates. What could possibly go wrong?

Key Excerpts from the Article:

In Colorado, where average Affordable Care Act (ACA) benchmark premiums have increased 71% since 2014, advocates and stakeholders initiated an analysis to evaluate the feasibility and potential impact of a Medicaid buy-in offered outside the individual ACA market, with access to Advanced Premium Tax Credit funding under an ACA Section 1332 State Innovation Waiver. The product would be offered statewide, leverage the current Medicaid infrastructure, provide the same benefits and range of cost sharing as coverage on the state Marketplace (Connect for Health Colorado), and reimburse providers at Medicare rates. The analysis evaluates expected premiums for the buy-in product, the impact of its introduction on existing individual market premiums and the potential for state savings under this program design. The effort was led by a coalition of Colorado health policy advocates, represented by the Colorado Center on Law and Policy, the Colorado Consumer Health Initiative, and the Bell Policy Center. Manatt Health provided the policy and technical support, and Wakely Consulting Group, LLC, conducted the analytical modeling of the proposed program design and scenario alternatives...

Read full article in packet or at links provided

Article 3: *Ohio mental health agency closes, blames changes in Medicaid claims, Columbus Dispatch*

Clay's summary: I've seen this movie before.

Key Excerpts from the Article:

Tener said her problems began in July, when the Ohio Department of Medicaid, which had been reimbursing providers for mental-health services provided to Medicaid clients, transferred that responsibility to managed-care insurance plans. Tener said she's owed \$40,000 from the plans, which have been criticized for failing to pay claims in a timely manner or rejecting them for unclear reasons. The Ohio Department of Medicaid has been reviewing the plans continuously and the providers since July 1, said Thomas Betti, the department's press secretary.

"We understand the significant learning curve with the new system; however, data suggests that month over month, significant improvement is being made in the area of claims payment," Betti said. "Issues have been minimal and quickly resolved." Betti said the state sought to assist providers through the transition by disbursing about \$146 million, via the managed-care plans, in advance payments from July through October. Those payments are similar to loans; providers are required to repay the money, and the state has instructed managed-care plans to delay repayment schedules, which had been set to begin in November....

Read full article in packet or at links provided

Feds OK Medicaid Work Requirements in Arizona | HealthLeaders Media

SourceURL: <https://www.healthleadersmedia.com/strategy/feds-ok-medicaid-work-requirements-arizona>

Feds OK Medicaid Work Requirements in Arizona

After a lengthy debate, the Trump administration agreed to exempt most Native Americans from the new policy, set to take effect next year.

Arizona has permission from the federal government to begin imposing work requirements next year on certain Medicaid beneficiaries in the state, but most Native Americans will be exempt, the Centers for Medicare & Medicaid Services **announced** Friday.

Arizona's waiver is the eighth of its kind, signaling that the Trump administration intends to continue pushing forward with Medicaid work requirements despite pending legal challenges in other states. This is the first waiver to exempt members of federally recognized tribes, resolving a major sticking point with Arizona's application.

State officials had asked CMS to exempt all Native Americans from the new requirement, but Trump administration lawyers said doing so would constitute illegal preferential treatment on the basis of race. The tribes contended, however, that the administration's position **contradicted longstanding legal principles** and Supreme Court precedent, as Politico reported.

"There were a lot of **complex legal issues here**," CMS Administrator Seema Verma told Politico's Rachana Pradhan. "I think that we were able to find a middle ground."

Arizona's work requirements apply to beneficiaries ages 19-49 and require at least 80 hours per month of approved community engagement activities, such as employment, education, community service, or job-search activity. Exemptions will be given to beneficiaries deemed medically frail, those who are actively receiving treatment for substance abuse disorders, those who are pregnant or have given birth within the past two months, and those **in other circumstances outlined in the waiver**.

Although each state's Medicaid work requirements waiver is different, Arizona's comes after similar programs were approved in Kentucky, Arkansas, Maine, New Hampshire, Wisconsin, Michigan, and Indiana. (The Kaiser Family Foundation has **a handy tracker** that compares key program attributes across the states.)

Kentucky's work requirements hit a major speed bump last summer, when a federal judge **blocked their approval** as arbitrary and capricious. After soliciting further comments on the proposal, the feds **reapproved Kentucky's waiver** last November.

Arkansas is facing **a similar legal challenge** over its Medicaid work requirements as well, with critics arguing the policy being peddled by the Trump administration is designed to cull the Medicaid rolls.

Even so, Verma and **other proponents** of the added requirements claim they're trying to give people **a staircase out of poverty**.

Strategies for an Affordable Medicaid Buy-In Option in Colorado

SourceURL: <https://manatt.com/insights/white-papers/2018/strategies-for-an-affordable-medicaid-buy-in-optio>

Author: Clay Farris

Strategies for an Affordable Medicaid Buy-In Option in Colorado

Prepared for the Colorado Center on Law and Policy, the Colorado Consumer Health Initiative, and the Bell Policy Center, in partnership with Wakely Consulting Group, LLC

Date: 12.19.18

In order to address rising costs and continued uncertainty in the individual insurance market, states are beginning to explore offering alternative coverage options to residents in need of premium and cost-sharing relief. One option under consideration is a state-initiated “Medicaid buy-in” product that allows people above current Medicaid eligibility levels (i.e., 138% of the federal poverty level for most adults in expansion states) to pay a premium to receive healthcare coverage through a plan built on the state’s existing Medicaid program.

In Colorado, where average Affordable Care Act (ACA) benchmark premiums have increased 71% since 2014, advocates and stakeholders initiated an analysis to evaluate the feasibility and potential impact of a Medicaid buy-in offered outside the individual ACA market, with access to Advanced Premium Tax Credit funding under an ACA Section 1332 State Innovation Waiver. The product would be offered statewide, leverage the current Medicaid infrastructure, provide the same benefits and range of cost sharing as coverage on the state Marketplace (Connect for Health Colorado), and reimburse providers at Medicare rates.

The analysis evaluates expected premiums for the buy-in product, the impact of its introduction on existing individual market premiums and the potential for state savings under this program design. The effort was led by a coalition of Colorado health policy advocates, represented by the Colorado Center on Law and Policy, the Colorado Consumer Health Initiative, and the Bell Policy Center. Manatt Health provided the policy and technical support, and Wakely Consulting Group, LLC, conducted the analytical modeling of the proposed program design and scenario alternatives.

Ohio mental health agency closes, blames changes in Medicaid claims

SourceURL: <https://www.dispatch.com/news/20181105/ohio-mental-health-agency-closes-blames-changes-in-medicaid-claims>

Ohio mental health agency closes, blames changes in Medicaid claims

By [JoAnne Viviano](#)

The Columbus Dispatch

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Posted Nov 5, 2018 at 5:50 AM Updated Nov 5, 2018 at 7:33 AM

Northeast Ohio Behavioral Health in Stark County closed. The owner blames the state's transition to a managed-care system, including delayed reimbursements, for causing her financial problems.

Over nearly three decades, Robin Tener built Northeast Ohio Behavioral Health into an agency that served 400 to 600 clients, many of them children in foster care, some of whom were dealing with trauma and abuse.

But the private, for-profit agency in Stark County closed last month, and Tener blames the state's new system for handling Medicaid claims for mental-health care.

"It has been absolutely devastating for our organization and for our clients, and it's a system that is broken," she said.

Some mental-health officials fear that other counseling centers could be similarly affected by the state's payment system.

Tener said her problems began in July, when the Ohio Department of Medicaid, which had been reimbursing providers for mental-health services provided to Medicaid clients, transferred that responsibility to managed-care insurance plans. Tener said she's owed \$40,000 from the plans, which have been criticized for failing to pay claims in a timely manner or rejecting them for unclear reasons.

The Ohio Department of Medicaid has been reviewing the plans continuously and the providers since July 1, said Thomas Betti, the department's press secretary.

"We understand the significant learning curve with the new system; however, data suggests that month over month, significant improvement is being made in the area of claims payment," Betti said. "Issues have been minimal and quickly resolved."

Betti said the state sought to assist providers through the transition by disbursing about \$146 million, via the managed-care plans, in advance payments from July through October.

Those payments are similar to loans; providers are required to repay the money, and the state has instructed managed-care plans to delay repayment schedules, which had been set to begin in November.

Betti said Tener declined the advance-payment help.

Tener said her understanding was that such payments were offered only for a previous January-to-June period, when providers were required to update codes used to bill for services. The state was still processing and paying claims at the time, she said, and her business didn't need financial help.

Lori Criss, chief executive officer of the Ohio Council of Behavioral Health & Family Services Providers, fears there will be more stories like Tener's.

"We're also hearing that there are just services that are going to be eliminated at some organizations because they're not getting paid for them and they can't keep doing them if they don't get paid," Criss said.

Offerings at risk, she said, include crisis services, medication management, group counseling, court and criminal-justice services, and certain treatments for people with severe mental illness.

The redesign is good policy because it means that mental illness will be treated like any other illness, said Terry Russell, executive director of the National Alliance on Mental Illness of Ohio.

However, he's also concerned that delayed payments could lead to layoffs and program cuts that would hurt people living with mental illness and hurt their families.

Russell supported the state delaying loan repayments, and he also asked for an extension of advance payments from November through January, which he calls "the most difficult time of the year for people living with mental illness."

The holiday season, Criss said, often leads to an increase in relapse rates or suicide attempts and more demand for crisis services.

"Now is not the time to be taking a gamble on whether or not the managed-care plans will start paying claims for services that are being delivered," she said.

The state has declined to require managed-care plans to continue advance payments. But Miranda Motter, president and chief executive of the Ohio Association of Health Plans, said managed-care plans are open to working with providers case by case.

Motter said managed-care plans also continue to offer providers education and training, resolve issues and offer one-on-one support when needed. The advance payments of \$146 million were in addition to claims payments, she noted.

"The Medicaid managed-care plans have worked tirelessly over the past three years with the providers, the state and other stakeholders to make sure providers have the tools, the training, the support and even financial assistance they need to succeed," she said. "The plans are dedicated to this work and remain committed to ensuring Ohioans have access to the critical behavioral-health services they need."

Mark Mecum, chief executive at the Ohio Association of Child Caring Agencies, said new problems arise each week, but he is optimistic, saying that there also have been weekly improvements and that the trajectory is moving in a positive direction.

He called the advance payments an "absolutely critical step" taken by the state Medicaid department and managed-care plans when concerns arose.

Russell also said the Medicaid department has been responsive, promising to resolve complaints from clients or families within 24 hours. He said he hasn't received complaints at the level he had expected and wasn't aware of any agencies closing.

Northeast Ohio Behavioral Health operated two offices in Stark County and partnered in the Children's Network of Stark County Child Advocacy Center.

Tener said she had been supporting her business with personal funds as she wrangled with the plans to get repeated kinks worked out, but she couldn't do it anymore.

She and her staff are keeping track of some clients to help them get connected to other care.

"We have to care for them. We have to advocate for them, and I will say that I tried my best," Tener said. "I didn't go down without a fight."

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