State Fiscal Realities

• DHSS FY19 GF Budget $91M less than FY15
  – Impacts include:
    • Medicaid Provider Rate Cuts
    • Alaska Affordable Heating Program eliminated
    • Senior Benefits Program benefits decreased
    • Public Health Nursing Positions eliminated
    • Facility closures/reductions
      – DJJ Youth Facilities
      – Pioneer Homes
      – Public Health Centers
Medicaid Update

• 205,908 Alaskans Covered on 09-30-2018
  – 1 in 4 Alaskans
  – 47% are Children
  – Enrollment Growth FY15-FY18: Expansion + Recession
    • Annual unduplicated enrollment grew 46%
      – 1/3 Non-expansion
    • Monthly point-in-time enrollment grew 63%
      – 1/2 Non-expansion
Medicaid Update

• Medicaid Expansion
  – 44,767 Alaskans enrolled on 09-30-2018
  – Spending in FY18:
    • $405 M: Federal
    • $ 14 M: State (3%)
  – State savings/cost avoidance since go-live:
    • Corrections: ~$10 M
    • CAMA: ~$3 M
    • Behavioral Health Grants: $10 M
      – $85 M in Behavioral Health Claims paid
Medicaid Enrollment & Spending in Alaska 2012 – 2018 Actuals

Evergreen Economics. (September 25, 2018). Long-Term Forecast of Medicaid Enrollment & Spending in Alaska (“MESA”): FY 2019 – FY 2039
Medicaid Spending per Enrollee
1998 – 2018 Actuals and 2019 – 2039 Projected

Slower growth in spending per enrollee due to cost savings efforts and increased enrollment of adults 20-64 years of age

Evergreen Economics. (September 25, 2018). Long-Term Forecast of Medicaid Enrollment & Spending in Alaska (“MESA”): FY 2019 – FY 2039
Alaska is now covering 79,000 (63%) more Medicaid enrollees\textsuperscript{1} per month using 11 percent fewer state dollars\textsuperscript{2} than it did four years ago.

\textsuperscript{1} traditional and expansion populations
\textsuperscript{2} adjusted for inflation

HEALTHY ALASKA Medicaid Redesign
Medicaid Redesign

Behavioral Health Redesign

• Create a sustainable and efficient system of care, by
  – Enhancing behavioral health services through an 1115 Waiver to
    • Improve access to preventive and lower-acuity services
    • Improve population health outcomes
    • Contain costs
  – Applying expertise in integrated behavioral health systems management
    • Contract with Administrative Service Organization
Behavioral Health Redesign

• SB 74 BH Reform Status
  – 1115 Waiver
    • January 2018: Waiver application submitted to CMS
    • March 2018: Negotiations with CMS began
    • SUD portion fast-tracked: Anticipate approval this month
  – Administrative Services Organization contract
    • September 2018: RFP released (closes November 26)
    • Contract award anticipated March 2019

• Other (non-SB 74) Components of BH Reform
  – Rate Rebasing: January 2019
  – Disproportionate Share Hospital funding: November 2018
  – Substance Use Disorder Service Expansion grants: Nov ‘18
Medicaid Redesign

Long Term Services & Supports

• Community First Choice (1915(k) State Plan Option)
  – Institutional level of care criteria
  – Personal care services
  – Skills training to foster independence and self-care

• Individualized Supports Waiver (1915(c) Waiver)
  – Intellectual and Developmental Disabilities
  – Institutional level of care criteria
  – In lieu of Community Developmental Disabilities Grant
  – Annual cap of $17,500 per participant

• Improved Access to Supports
  – Redesign of intake, assessment, support planning, and eligibility processes.

• STATUS:
  – 1915(k) option and the 1915(c) waiver were approved by CMS earlier this year.
  – Regulations have been implemented
  – Services commenced under the new option and waiver on October 1, 2018
  – SDS implemented new information management system and is working towards replacing the current assessment tool
Medicaid Redesign

Coordinated Care Demonstration Project

• PURPOSE: Assess efficacy of proposed health care delivery models with respect to cost, access, and quality of care.

• Three Models
  – Provider-Based Reform
    • Contract awarded to Providence Family Medicine Center July 2018
  – Managed Care Organization
    • Notice of Intent to Award contract to United HealthCare
    • 1915(a) federal authority – CMS approval required
    • Contract award anticipated April 2019
  – Care Management Entity
    • In negotiations with offeror
Medicaid Redesign

Stakeholder Workgroups

• Quality & Cost Effectiveness Targets Workgroup
  – 1st Report submitted August 2017
  – 2nd Report expected November 2018

• Telehealth Workgroup
  – Report submitted in August 2017; DHSS response letter posted on-line

• Information Infrastructure Workgroup
  – Report expected November 2018

• Provider Payment Reform Workgroup
  – New in 2018
Medicaid Redesign

Effective Today – EOBs Go Live

• Explanation of Benefits available electronically to adult Medicaid recipients
  – Personalized snapshot, available via web portal and smart phone app
  – Displayed data elements include:
    • Date of Service
    • Procedure Codes
    • Diagnosis codes
    • Billing/Rendering Provider Name
    • Amount paid by Medicaid
Medicaid Redesign

Newly Released Reports

• Long-Term Forecast of Medicaid Enrollment & Spending in Alaska (“MESA”): FY 2019 – FY 2039

• Milliman Medicaid Data Book: FY 2016 – FY 2017

Coming Soon

• FY 2018 Annual DHSS Medicaid Reform Report
  – Due to the legislature November 15
  – Will be available on the DHSS Medicaid Redesign Site
Medicaid in Alaska Dashboard

**MEDICAID IN ALASKA**

September 30, 2018 Report Month

**44,767**

Lives covered by Medicaid expansion

**Demographics of Medicaid expansion enrollees**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Enrollee Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>19-24</td>
<td>17,951</td>
</tr>
<tr>
<td>25-44</td>
<td>8,007</td>
</tr>
<tr>
<td>45-54</td>
<td>6,749</td>
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<tr>
<td>55-64</td>
<td>10,600</td>
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<tr>
<td>Male</td>
<td>25,952</td>
</tr>
<tr>
<td>Female</td>
<td>18,815</td>
</tr>
</tbody>
</table>

Medicaid expansion began on Sept. 1, 2015 in Alaska.

**Medicaid expansion claims paid to date**

- Healthcare services
- Disabled Children
- Children
- Seniors
- Prenatal/Postpartum
- Transients
- Other

Total $1,078,712,841

**Medicaid enrollees by category**

- Total enrollees: 205,908
- Enrollee count by age group:
  - 18 or less: 91,596
  - 19-34: 47,353
  - 35-44: 21,750
  - 45-54: 16,968
  - 55-64: 17,271
  - 65+: 10,920

- Male: 101,620
- Female: 104,288

Alaskans across the state benefit from Medicaid.

[Map of Medicaid enrollees by region]
Medicaid Redesign

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Questions?

Thank you!