

ALASKA MEDICAID REDESIGN UPDATE

DEPARTMENT OF HEALTH & SOCIAL SERVICES



State of Reform

October 10, 2018

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

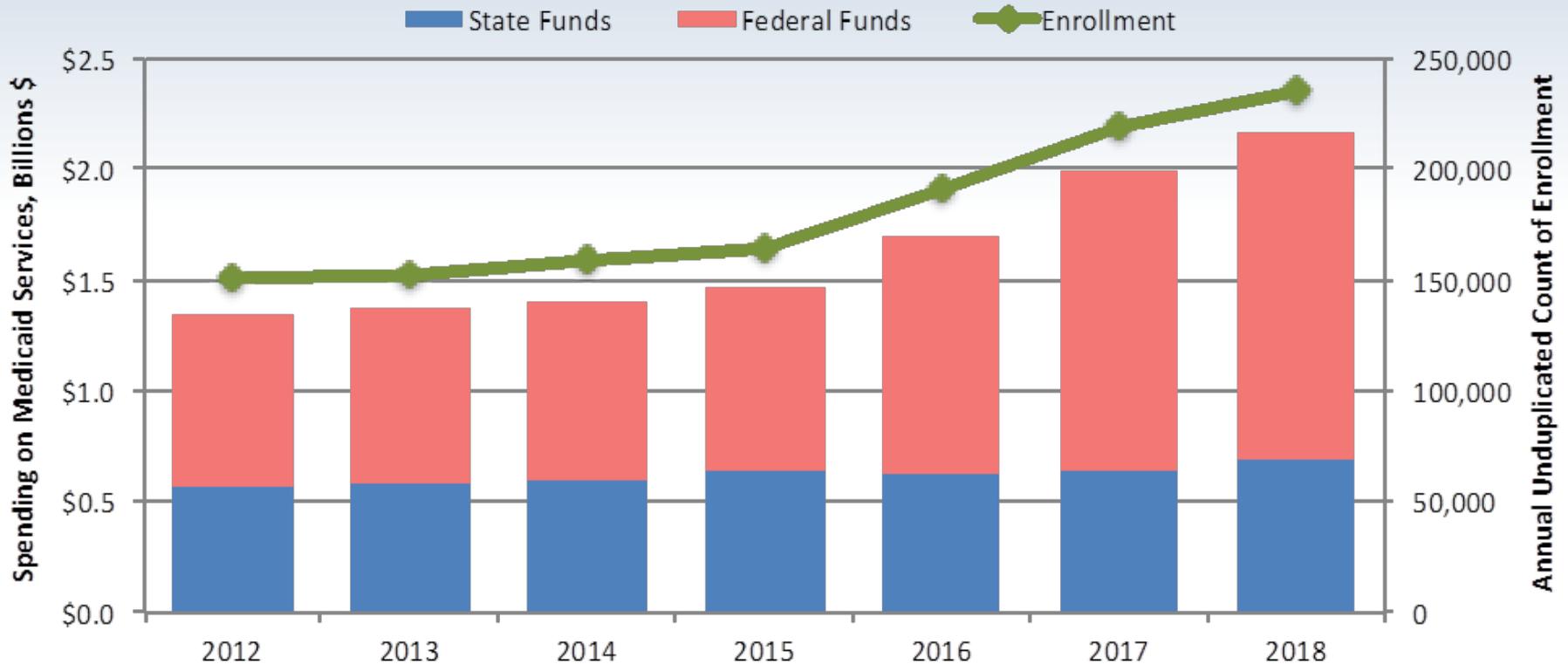
Medicaid Update

- 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

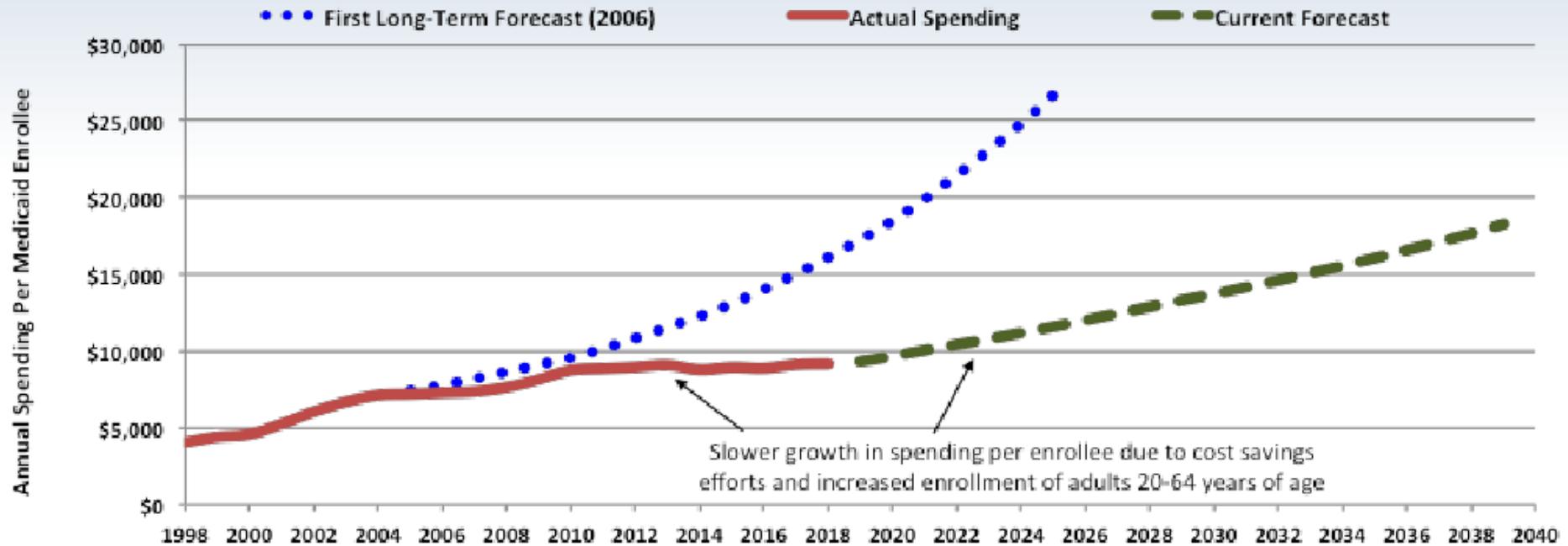
Medicaid Enrollment & Spending in Alaska 2012 – 2018 Actuals



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



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**¹ per month



63%

2018

2017

2016

2015

using **11 percent fewer state dollars**² than it did four years ago.



11%

2015

2016

2017

2018

¹ **traditional** and **expansion** populations

² adjusted for **inflation**



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

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

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

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

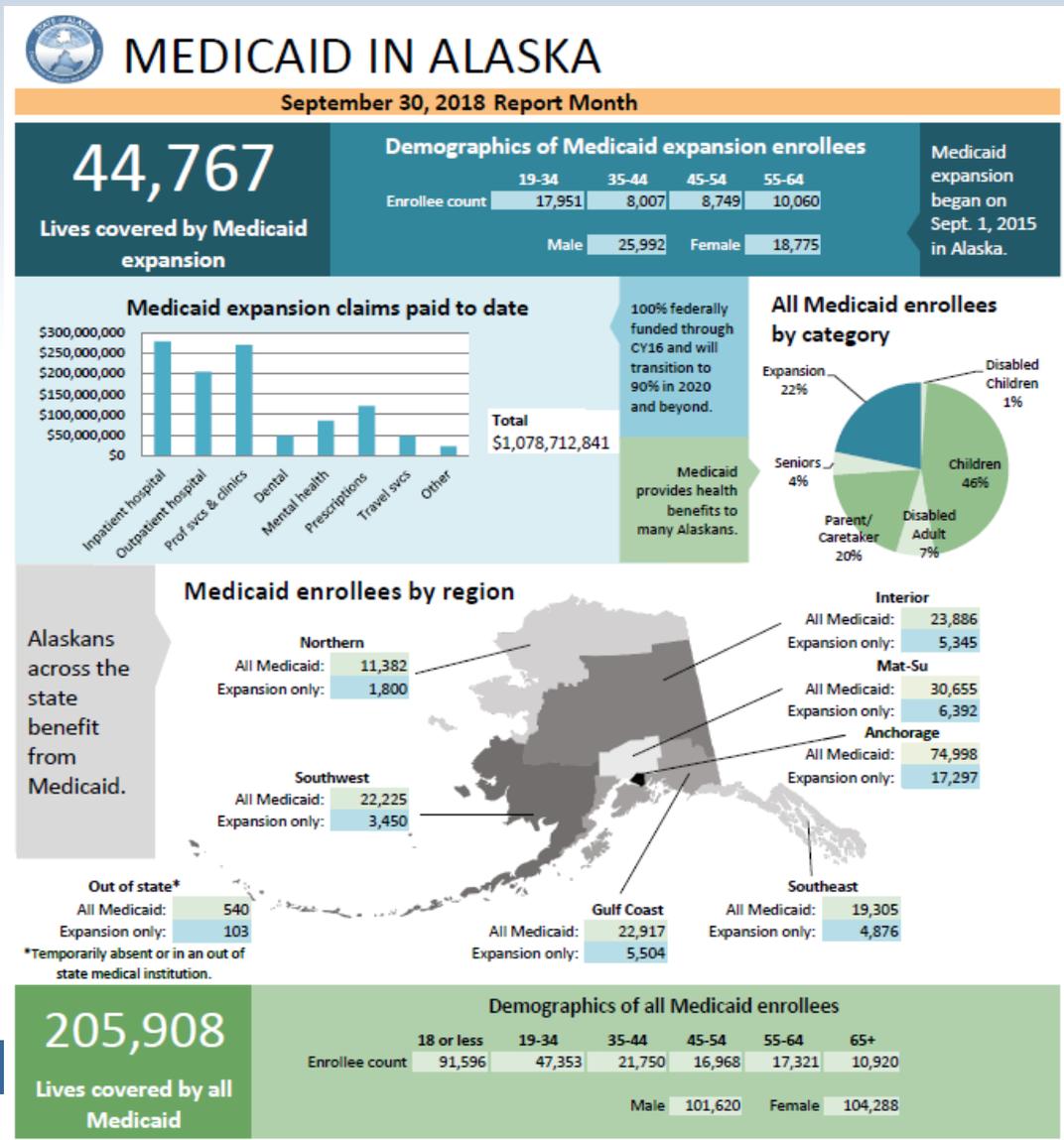
Newly Released Reports

- [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



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Questions?

Thank you!

