

Montana's Section 1115 HELP Demonstration Waiver

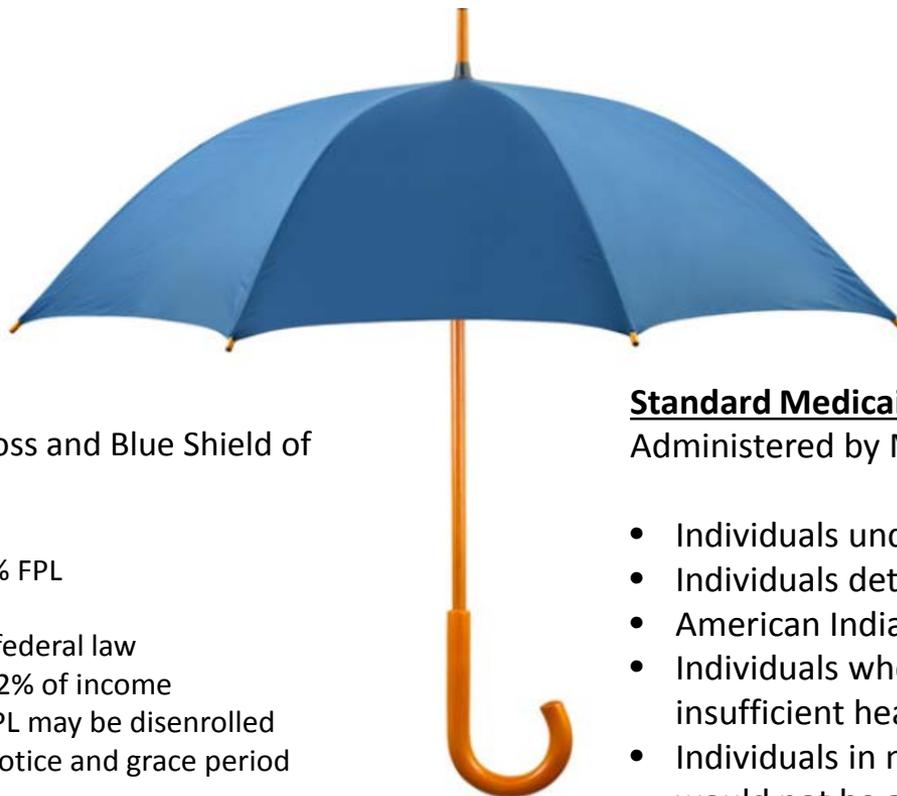
Presented by: Meghan Peel

HELP Act Specifics

- April 29, 2015, Governor Bullock signed into law Senate Bill 405, an Act establishing the Montana Health and Economic Livelihood Partnership (HELP) Plan to expand health coverage in Montana to an estimated 70,000 new adults with incomes up to 138% of the Federal Poverty Level (FPL).
- Participants are responsible to pay an annual premium, billed monthly, equal to 2% of their income.
- Participants are responsible to make copayments to health care providers based on an adopted copayment schedule that reflects the maximum copayment amount allowed under federal law.
- Includes an oversight committee to meet quarterly; made of up legislative members, hospital and physician representatives, state auditor's office, state Medicaid director and other Montana citizens.

MEDICAID EXPANSION

- ✓ Adults, ages 19-64
- ✓ Incomes up to 138% FPL
- ✓ Montana residents
- ✓ US citizen or documented, qualified alien
- ✓ Not incarcerated
- ✓ Not eligible or enrolled in Medicare



HELP Plan

Administered by Blue Cross and Blue Shield of Montana

- Individuals with 51-138% FPL
- Subject to copayments
 - Unless exempt by federal law
- Subject to premiums of 2% of income
- Individuals over 100% FPL may be disenrolled for failure to pay, after notice and grace period

Standard Medicaid

Administered by Montana DPHHS

- Individuals under 50% FPL
- Individuals determined to be medically frail
- American Indians/Alaska Natives
- Individuals who live in a geographical area with insufficient health care providers
- Individuals in need of continuity of care that would not be available or cost-effective through the TPA
- Not subject to premiums
- Subject to copayments
 - Unless exempt by federal law

Montana's 1115 Waiver Model

- Authorizes 12 months of continuous eligibility for the new adult coverage group.
- Cost sharing will be consistent with Medicaid regulations:
 - Cost sharing and premiums will be subject to an aggregate cap of 5% of household income.
 - Certain services are exempt from copayment, such as preventive health care services, including primary, secondary, and tertiary preventive care and medications.
- Participants will receive all benefits described in an alternative benefit plan (ABP) including the ten Essential Health Benefits as required by the Affordable Care Act.

Montana's 1115 Waiver Model

- Provisions specific to individuals between 50-138% of FPL, who are not medically frail or exempt by federal or state law:
 - Authority to charge premiums of 2% of the individual's income;
 - Premium obligations are credited towards copayments due;
 - Disenrollment for failure to pay premiums, after notice and grace period (applies only to individuals with income over 100% FPL); and
 - Authority to use a defined provider network managed by a third party administrator.

1115 HELP Waiver Successes

- Alignment of our previously limited Basic Medicaid Benefit to include the 10 Essential Health Benefits.
- Strong relationship with CMS throughout waiver approval period.
- Clear benefit for Montana in utilizing a consultant (Manatt) throughout waiver process.
- Success in premium model, with a fraction of individuals disenrolled for failure to pay and \$5.6 million dollars of premiums collected as of September 2017.

1115 HELP Waiver Successes

Goals	Outcomes
Reduction in the number of uninsured Montanans	<ul style="list-style-type: none">• 83,882 members enrolled in Medicaid expansion as of September 2017, including 13,000 Native Americans• Uninsured rate plummeted from 15% in 2015 to 7.4% in 2016
Increased Provider Revenue	<ul style="list-style-type: none">• \$574 million dollars in health care services provided to members and paid to providers as of September 2017
Increased State Savings	<ul style="list-style-type: none">• \$30+ million dollars in Medicaid benefits saved as of September 2017

1115 HELP Waiver Challenges

- Complexity of Medicaid applied to a commercial insurance claims system and infrastructure.
- Concurrent approval process of SPAs and waivers with short timeline.
- Duplicative administrative structure for members and providers.
- TPA cost was substantially higher for the administration of Medicaid Expansion compared to our historical TPA cost for Montana's CHIP program.

What's Next? Changes to Waiver

- The 2017 Montana Legislature passed Senate Bill (SB) 261, which requires Montana state agencies to make a variety of changes if state revenues did not reach certain levels.
- As mandated in section 14 (1) of SB 261, the Department must terminate its contract with the Third Party Administrator (TPA), Blue Cross Blue Shield of Montana (BCBSMT), of the Health and Economic Livelihood Partnership (HELP) Plan. Montana has notified BCBSMT that the contract will not be renewed when it naturally expires on December 31, 2017.
- Montana submitted an amendment to the HELP 1115 Waiver to CMS on September 2, 2017.

What's Next? Changes to Waiver

- 1115 HELP Demonstration Waiver Amendment
 - Removal of any reference to administration of the HELP Plan through the TPA, BCBSMT, given the expiration of the contract on December 31, 2017; and
 - Changes to the copayment cap structure for members subject to premiums:
 - A member with a premium will now be subject to 2% of his/her income in premium and 3% of his/her income in copayment, per quarter, with no premium credit.