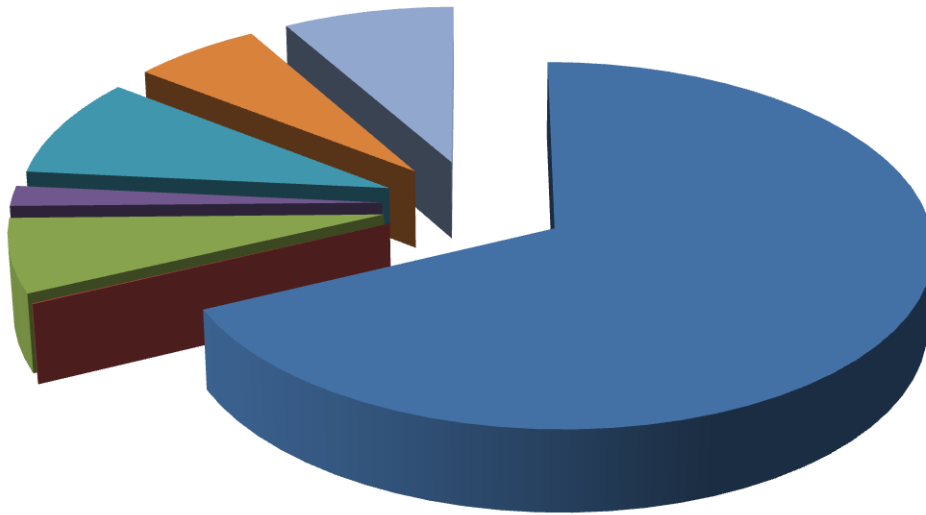


Health Care Reform and Medicaid Expansion

Mike Willden, Director
Nevada Department of Health and Human Services
October 24, 2013

Department of Health and Human Services Revenues by Division for 2014 – 2015 Biennia

- Health Care Financing and Policy
\$5,038,158,190 - 68%
- Public Defender
\$5,418,192 – 0.001%
- Aging and Disability Services
\$494,189,838 – 7%
- Director's Office
\$135,227,783 – 2%
- Public & Behavioral Health
\$665,205,438 – 9%
- Child & Family Services
\$462,279,816 – 6%
- Welfare & Supportive Services
\$612,889,572 – 8%



Total \$7,413,368,829

Federal Medical Assistance Percentage (FMAP)

Federal Fiscal Year	FMAP	Enhanced FMAP	New Eligibles SM
FFY 14	63.10%	74.17%	100.00%
FFY15	64.73%	75.31%	100.00%
FFY16	65.30%	75.71%	100.00%
FFY17	65.39%	75.77%	97.50%
FFY18	64.95%	75.47%	94.50%
FFY19	64.28%	75.00%	93.50%
FFY20	63.39%	74.37%	91.50%

2012 Expenditures

Expenditure Type	FY 12
Inpatient Hospital	\$340,946,648
Outpatient Hospital	\$40,354,955
Physician	\$101,616,674
Pharmacy	\$125,401,091
Long Term Care	\$193,518,403
Mental Health/Development	\$104,398,998
HMOs	\$374,996,657

2012 Expenditures (cont'd)

Expenditure Type	FY 12
Community Based Services	\$91,460,329
Dental	\$32,812,095
Waiver Services	\$105,261,624
Other Professional Services	\$20,599,125
All other Services	\$104,937,894
Rebates and Recoveries	(\$82,383,599)
State Total	\$1,553,911,900

Health Care Reform
Affordable Care Act
ObamaCare
Medicaid Expansion

Where We Began

- UNINSURED
 - 22.4% of Nevadans (605,000 people)
 - 2nd worst in Nation; Texas is worst (23.8%)
 - National Average is 16%
 - Of the Nevadans uninsured:
 - 23% below poverty
 - 29% poverty to 200%
 - 19% 200% to 300%
 - 7% 300% to 400%
 - All but 10% are Medicaid or SSHIX eligible

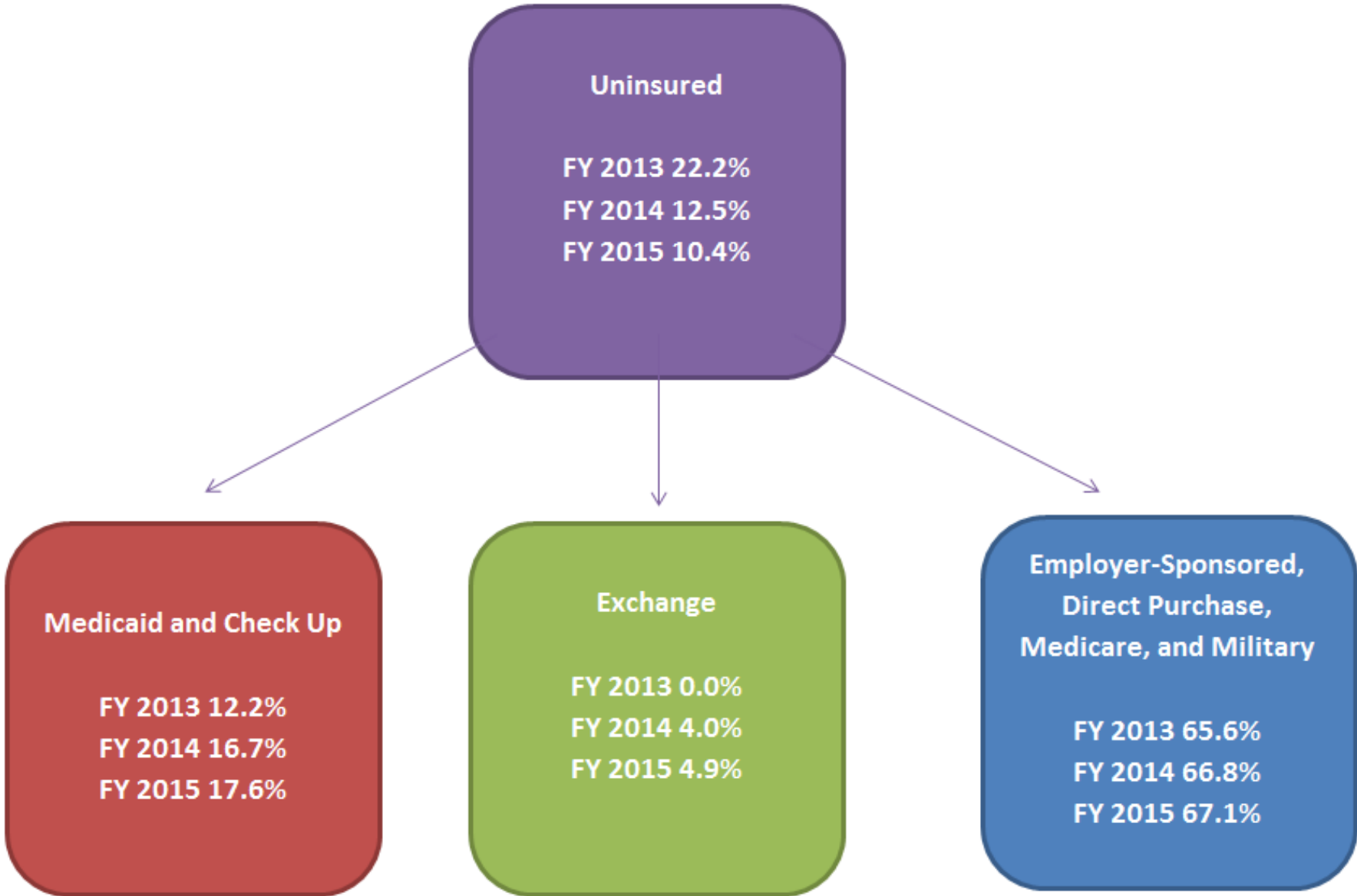
Where We Began (cont'd)

- CHILDREN

- Worst in Nation with 19.3% uninsured rate
- Texas next at 16.6% uninsured
- Nationwide 9.7% children uninsured

- MEDICAID COVERAGE

- One of lowest per capita coverage rates in Nation
- Nevada 11% vs. 20% Nation average
- No presumptive eligibility or Medically Needy coverage—restrictive eligibility
- 21.9% of children in Nevada are covered by Medicaid (5th worst in Nation)
 - National average is 34.9%
- Poor coverage of Mental Health program recipients



Uninsured

FY 2013 22.2%
FY 2014 12.5%
FY 2015 10.4%

Medicaid and Check Up

FY 2013 12.2%
FY 2014 16.7%
FY 2015 17.6%

Exchange

FY 2013 0.0%
FY 2014 4.0%
FY 2015 4.9%

**Employer-Sponsored,
Direct Purchase,
Medicare, and Military**

FY 2013 65.6%
FY 2014 66.8%
FY 2015 67.1%

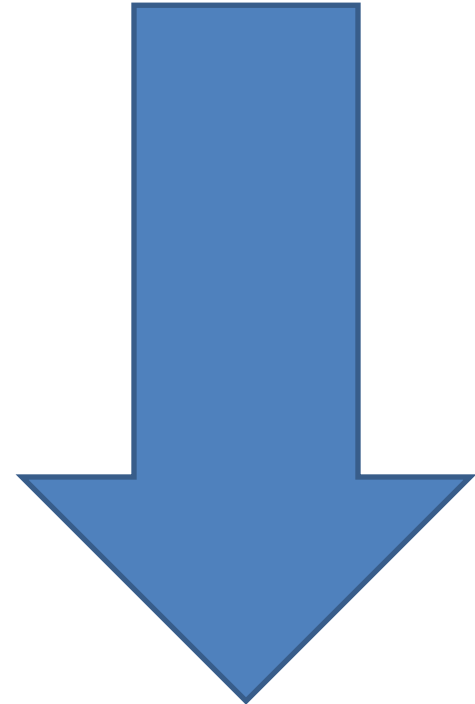
What Happens to Uninsured?

- Uninsured will decrease



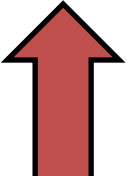
- FY 2013 22.2%

- FY 2014 12.5%

- FY 2015 10.4%



Where Will Uninsured Go?

- Medicaid and Check Up 
- Qualified Health Plans Purchased using Nevada Health Link 
- Employer Sponsored, Direct Purchase, Medicare and Military 

Year	Uninsured	Medicaid & Check Up	QHP thru Health Link	All Other
FY 13	617,140 22.2%	339,808 12.2%	N/A	1,826,436 65.6%
FY 14	351,785 12.5%	471,589 16.7%	113,405 4%	1,881,332 66.8%
FY 15	296,872 10.4%	502,966 17.6%	138,585 4.9%	1,916,442 67.1%

Access to Health Care Coverage

- The ACA expands access to health insurance through improvements in Medicaid, the establishment of Affordable Insurance Exchanges, and coordination between Medicaid, the Children's Health Insurance Program (CHIP), and Exchanges.

Medical Assistance Programs

- Family Medical and new Adult Coverage
- Nevada Check Up
- Emergency Medical Coverage
- Breast & Cervical Cancer Program
- Medicaid for the Aged, Blind, & Disabled (MAABD)
- Medicare Beneficiaries

New Adult Population Medicaid Coverage

- Childless Adults, Age 19 - 65
- Some younger seniors (under age 65) and persons who have disabilities but have not yet received this designation from Social Security, if they meet the requirements for the new childless adult Medicaid expansion population, will now gain Medicaid coverage earlier than before.

Medicaid Caseload Growth

Medicaid Caseload Growth

Date	Actuals	Legislative Approved Projections	Current Month's Projections
July 2012	310,260	301,296	
December 2012	313,762	306,590	
July 2013	325,988	318,814	
December 2013		336,195	344,000
July 2014		446,834	463,886
December 2014		463,816	482,490
June 2015		477,927	500,044

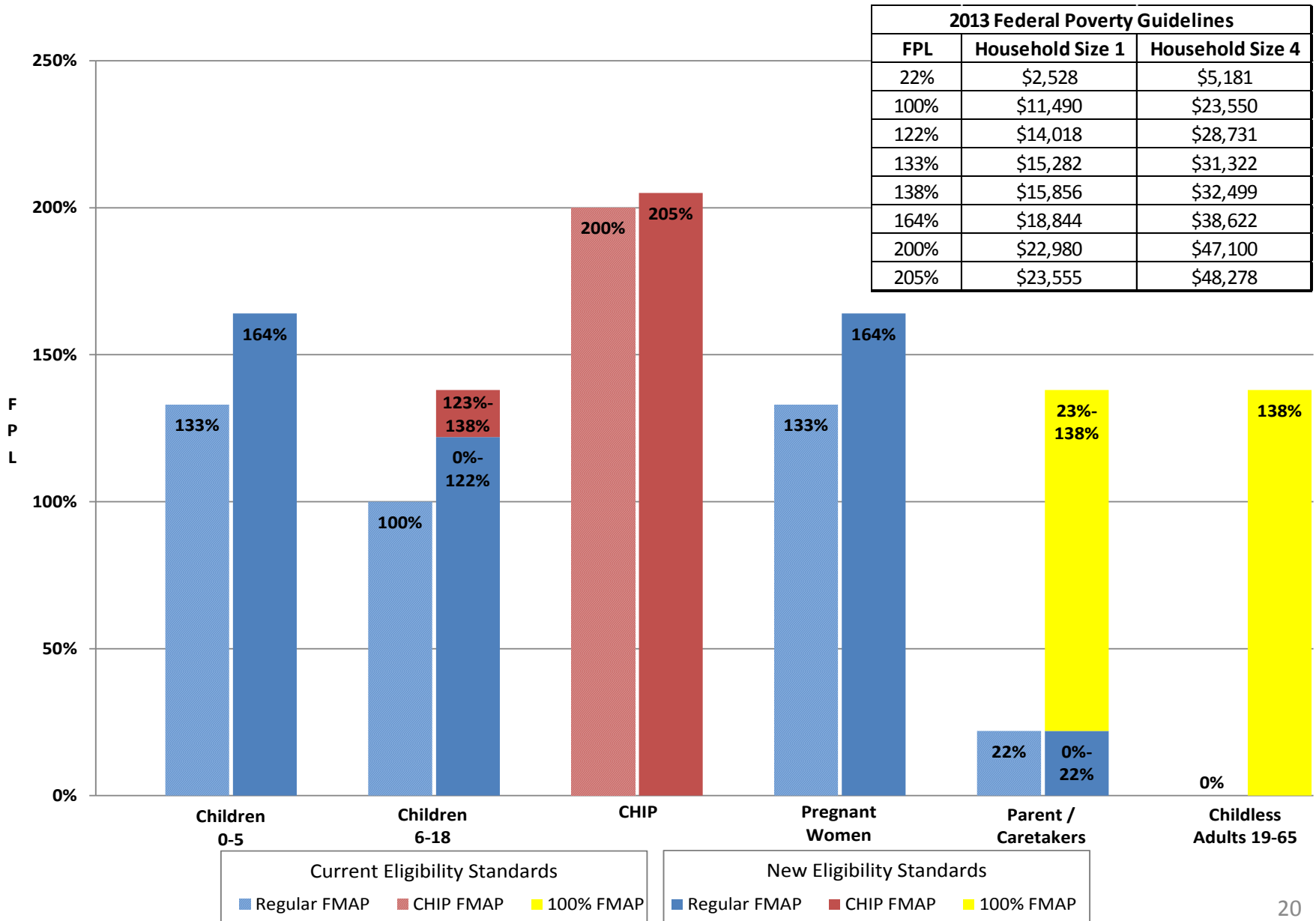
Medicaid Categories

- Medicaid
 - Children birth to 5, with income 164% FPL
 - Children 6-18, with income 138% FPL
 - Pregnant Women, with income 164% FPL
 - Parent/Care Takers, with income 138% FPL
 - Childless Adults 19 – 65, with income 138% FPL

Children's Health Insurance Program

- Nevada Check-Up
 - Children 0 – 18, within income 205% FPL

Medicaid Eligibility and FMAP



New Eligibility Engine

- No wrong door:
Nevada Health Link,
www.nevadahealthlink.com
(855) 7-NVLink/(855) 768-5465.



Access Nevada, Department of Welfare and Supportive Services, Community Partners (all link to the new eligibility engine)

Single Streamlined Application

- For ALL insurance affordability programs (including subsidies on Nevada Health Link)
- Nevada Health Link Web Portal
 - Select and enroll in health insurance
 - Aggregate premiums
 - Determine eligibility for individual tax credit
 - Determine eligibility for Medicaid/Nevada Check Up
 - Allow small businesses (less than 50 full time employees) to purchase health insurance at competitive rates

Electronic Data Verification

- Client statement accepted – real time decisions needed
- Individuals face a tax penalty if not covered
- Open enrollment (on exchange) is limited

Electronic Data Verification (cont'd)

- Communicates with the Federal data hub to verify some components of applicant information available from the Social Security Administration, Internal Revenue Service, and the Department of Homeland Security

MAGI – Modified Adjusted Gross Income

- Methodology for how income is counted and how household composition and family size are determined. (Based on federal tax rules for determining adjusted gross income with some modification)

Medicaid for the Aged, Blind and Disabled (MAABD)

- There is no change to the eligibility requirements for the MAABD population
- MAABD population will benefit from the new eligibility engine/system

Medical Benefit Plan Changes

- The Affordable Care Act requires states to develop an alternative benefit plan (ABP) for the new Medicaid expansion population.
- To provide better continuity of care, stakeholders and the Director of the Nevada Department of Health and Human Services have requested this plan to be the same as the Medicaid State Plan

Medical Benefit Plan Changes (cont'd)

- The ABP, among other regulation requirements must meet the requirements of providing the 10 essential health benefits.

Essential Health Benefits (EHB)

1. Ambulatory patient services;
2. Emergency services;
3. Hospitalization;
4. Maternity and newborn care;
5. Mental health and substance use disorder services, including behavioral health treatment;

Essential Health Benefits (EHB) (cont'd)

6. Prescription drugs;
7. Rehabilitative and habilitative services and devices;
8. Laboratory services;
9. Preventive and wellness services and chronic disease management; and
10. Pediatric services, including oral and vision care.

Medicaid and EHB

- EHB introduces a new category – **habilitation** required in the Alternative Benefit Plan (ABP)
- DHCFP proposes a new service in the ABP and under 1915(i) for our Medicaid population:
 - Maintenance Therapy
 - Provided by qualified Physical Therapist, Speech Therapist, and/or Occupational Therapist
 - Service Limitations will apply
 - Follows Medicare coverage policy

Other Medicaid Initiatives

- Integrated (medical, behavioral, social) Care Management for our Fee For Service Population with chronic conditions
- Updating of medical coverage policies for substance abuse coverage in line with American Society of Addiction Medicine (ASAM) criteria (public workshop complete with stakeholder input in process)

Primary Care Physician Rate Increases

- Requires payment by State Medicaid agencies of at least the Medicare rates in effect in calendar years 2013 and 2014.
- The average increase in primary care reimbursement is estimated at 40%.

Primary Care Physician Rate Increases (cont'd)

- The payments are being made through a supplemental payment process and not through a rate change.
- The payment process will start the first day of every quarter for the prior quarter, with payment being made in the second week of the quarter.

Electronic Health Records (EHR)

Health Information Exchange (HIE)

Electronic Health Records

- Part of the HITECH Act in the 2009 American Recovery and Reinvestment Act (ARRA)
- Medicaid eligible hospitals include:
 - Acute care hospitals with at least 10% Medicaid patient volume. May include Critical Access Hospitals and Cancer Hospitals
 - Children's Hospitals

Electronic Health Records(cont'd)

- Delay implementation (1st payments in September 2012) due to CMS requirements to produce a vendor (CGI) to develop web portal and perform pre-payment audits to determine eligibility for payments
 - 23 hospitals have received \$15.7 million in payments (range: \$37,250 to \$2.9 million)
 - 230 eligible providers have received \$4.6 million in payments
 - Total payments to date = \$20.3 million
 - Six year eligibility projection = \$52 million

Health Care Reform and Medicaid Expansion

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