

Medicaid Reimbursement and Opportunities for Hospital and Health Care Payer Investment

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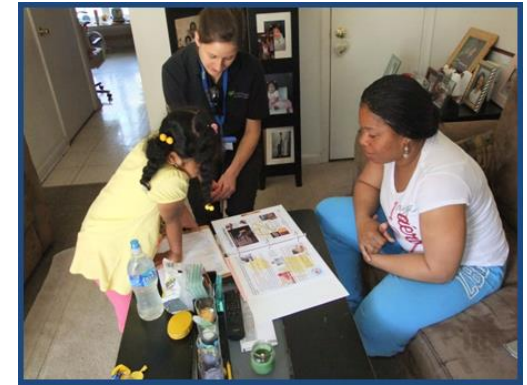
Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT)

- Required set of services states have to provide for children enrolled in Medicaid
- Includes physical exams, health and development history, immunizations, vision, hearing, and dental services, and necessary health services
- **Lead screening included as a service**
- Based on recommendations from CDC in 2009, CMS issued a change in Policy in 2012 to now allows states to conduct targeted lead screening rather than universal lead screening of all Medicaid eligible children ages 1 and 2

Medicaid Rule Change

Opening up Reimbursement For non-clinical professionals

- Started January 1, 2014
- Services must be recommended by a licensed clinical provider (physician or RN), but could be performed by other professionals such as certified asthma educators in the home
- To take advantage, each state has to submit a State Plan Amendment (SPA) to CMS laying out what services would be offered, the costs for those services, and what certification will be used for those professionals
- **Changes “Who” but not “What” for the services that are eligible**
- Broader than just Healthy Homes



Medicaid Waiver

Section 1115 Demonstrations

- Purpose is to pilot or demonstrate projects that
 - Expand eligibility,
 - Provide services not typically covered by Medicaid,
 - Use innovative delivery systems
- Submitted by a state to CMS (Centers for Medicaid and Medicare Services)
- Approved for 5-year period typically, must be “budget neutral”
- Affordable Care Act requires public comment for any proposed waiver before approval by CMS, and ensures timely review of any requests

Healthy Homes Waiver

Massachusetts Pediatric Asthma Pilot

- MA expanded a 1115 waiver to allow expenditures for services:
 - Home visits
 - Asthma education
 - Care coordination by Community Health Workers
 - Environmental supplies for asthma
- Focus is on high-risk pediatric asthma cases – patients with hospitalizations or emergency room visits for asthma
- Aim is to satisfy cost savings requirement from reduced hospitalizations and emergency room visits to counteract costs of additional services. Still working on programmatic details to start reimbursement.
- Speak with Stacey Chacker, Director, Health Resources in Action Environmental Health Department

Reimbursement models

Multnomah County Environmental Health Services (MCEHS)

- Began with HUD Healthy Homes program for in-home nursing care management, environmental assessments, education, and supplies to reduce asthma triggers, as well as connecting families with community resources.
- Expanded to the Community Asthma Inspection and Referral (CAIR) program. Community Health Nurse and Community Health Worker conducts 7 visits.
- In 2010 MCEHS negotiated with OR Department of Medical Assistance Programs and CMS to develop Healthy Homes targeted case management, allowing for Medicaid reimbursement.
- Contact Kim Tierney for more info (she's serving on a panel at NHHHC)

Asthma Network of West Michigan (ANWM)

- Karen Myerson – Provides comprehensive home-based case management, environmental assessment, and education.
- Health outcomes and cost savings (64% reduction in hospitalizations, 60% reduction in ER) from ANWM home visiting program led to partnership with Priority Health, a MCO
- Has seen net savings of \$800/year for each child

Medicaid MCOs

- Companies that agree to provide most Medicaid benefits to people in exchange for a monthly payment from the state
- States can implement managed care under State Plan Authority, 1915 Waiver authority, or 1115 waiver authority
- More flexibility in what MCOs provide under that contract than what can be provided in traditional fee-for-service Medicaid reimbursement. Incentivized to deliver cost effective services
- Monroe Plan for Medical Care, in NY, an EPA Asthma Leadership Award winner, launched a program that included educational materials, home environmental assessments, and supplies
For every \$1 spent, \$1.48 was saved in direct medical costs through a 60% reduction in hospitalizations and 78% fewer ED visits.



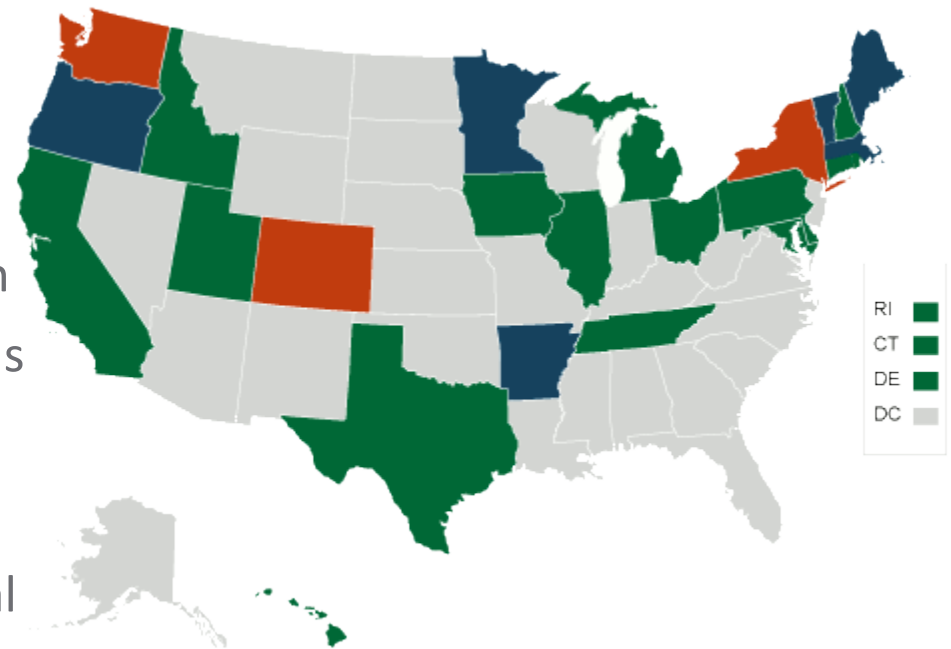
Making it happen

- Relationships are key – getting to the right decision makers at the state Medicaid office. Stephen Fitton, Medicaid Director for MI
- Process will take time
- Make life easier for the Medicaid office – have list of services you propose to be part of the State Plan Amendment or Waiver, costs, case studies, business case, certifications
- Waiver is a more rigorous process than State Plan Amendment
- Data is key including costs and impact
- Do not reinvent the wheel – reach out to partners across the country and models who have undergone the process

Other opportunities – State Innovation Models Initiative

■ Model Testing Awards
 ■ Model Pre-Testing Awards
 ■ Model Design Awards

- Testing awards up to \$45 million (5 year grant)
- MI proposal based on Expanding PCMH and establish Accountable Systems of Care as Well as Community Health Innovation Regions
- MD designed their proposal on creating Hubs that will connect community based services with medical services. Used asthma and home-based services as their model. The grant would pay for services in Yr 1-3, if ROI is proven, MD payers will pay for those services Yr 4-5



Source: Centers for Medicare & Medicaid Services

Hospital Community Benefit Investments

- ACA - Requirement for non-profit hospitals as part of their tax-exempt status
- Community Benefits traditionally used for uncompensated care
- AHA reported in 2010 that hospitals provided benefits valued at over 11% of expenses, with uncompensated care and financial assistance to patients averaging 5.7%. Adding in health professions education and medical research brought this up to 8.2%. “Community building activities” only made up 0.1-1%.



Hospital Community Benefit Investments under ACA

- ACA revised requirements to assure that hospitals' community benefit investments are transparent, concrete, measurable, and responsive to community needs
- A Community Health Needs Assessment (CHNA) is conducted every 3 years by the hospital, which then adopts an implementation plan
- Community benefit investments can encompass “physical improvements and housing” and “environmental improvements.”



Reaching out to hospitals

- Connect with the right office at the hospital – title may be Community Health Development but it varies. Hopefully not in the marketing department
- Become part of the stakeholder group looking at community health needs. Focus on the need rather than the services of housing. Does the community have an asthma issue? Does the community have a lead poisoning issue?
- American Hospital Association has been interested in examples of connections with community programs
- Stress the incentive of having their community benefit investments go towards something that also produces cost savings

Hospital Incentives – Reducing Readmissions

- ACA set up Hospital Readmissions Reduction Program
- Reduced payments for excess readmissions
- First three conditions are AMI (heart attack), pneumonia, and heart failure
- COPD and THA/TKA (total hip and total knee arthroplasty) added in October 2014
- ACA also encourages the formation of Accountable Care Organizations for Medicare, incentivizing providers to keep patients healthy
- Maryland has new global waiver for hospitals (per capita payments)



Courtesy of the NYTimes.com

GHHI National

- This summer, we are developing a template for states laying out opportunities under health care reform for healthy homes
- We are also developing a list of Healthy Homes services that could be included in a State Plan Amendment or Waiver (or as services that a managed care organization or hospital may want to consider)
- Will help with any discussions with state Medicaid offices.

Questions?

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