

Presentation:

Comprehensive Medicaid Waiver Renewal

**STRENGTHENING MEDICAID:
ALIGNMENT & REDESIGN
THROUGH CARE INTEGRATION**

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Medical Assistance Advisory Council Meeting

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OUR VISION

A fully integrated continuum of care that seamlessly addresses individuals' physical, behavioral health and long-term care needs

1115 COMPREHENSIVE WAIVER DEMONSTRATION: KEY ACCOMPLISHMENTS

- Implemented a comprehensive integrated community-based MLTSS benefit.
- Consolidated and streamlined reporting of the NJ FamilyCare program under a single waiver authority.
- Improved the Medicaid eligibility system by reducing the backlog of new applications and redeterminations.
- Implemented three Behavioral Health Homes serving individuals with chronic conditions.

1115 COMPREHENSIVE WAIVER DEMONSTRATION: KEY ACCOMPLISHMENTS

- Rebalanced the inequalities of primary and preventative services through targeted increases to reimbursement rates.
- Implemented targeted home and community-based programs for beneficiaries with serious emotional disturbance, autism spectrum disorder; and intellectual and developmental disabilities.
- Provided DSRIP funding for hospitals to make significant structural improvements in the health care delivery system.

KEY CONCEPTS FOR RENEWAL

- Maintain the Managed Long-Term Services and Supports (MLTSS) program.
- Move to an integrated behavioral health delivery system for that includes a flexible and comprehensive substance use disorder (SUD) benefit.
- Increase access to services and supports for individuals with intellectual and developmental disabilities.
- Further streamline NJ FamilyCare eligibility and enrollment.
- Explore the use of the High-Fidelity Housing First (HFHF) model to meet the needs of individuals who are at-risk for homelessness or who are considered to be chronically homeless.

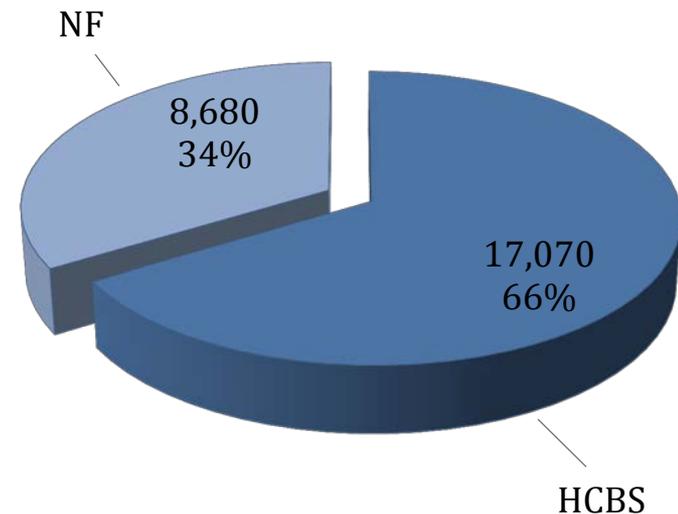
KEY CONCEPTS FOR RENEWAL

- Increase care coordination for individuals who are dually eligible for Medicare and Medicaid.
- Develop an uninterrupted reentry system for individuals incarcerated.
- Develop a value-based purchasing strategy that includes data-driven performance measures.
- Enhance access to critical providers and underserved areas through alternative provider development initiatives.
- Continue DSRIP funding to promote and foster health care delivery system innovations.

MANAGED LONG TERM SERVICES AND SUPPORTS

- As of April 2016: 25,750 beneficiaries were enrolled in MLTSS.
 - Approximately 2/3 in Home and Community-Based Settings
- Since implementation, the Nursing Facility population has decreased by approximately 1,000 individuals.
- With the renewal, New Jersey plans on continuing the current MLTSS structure and building upon its successes by driving quality and integration.

MLTSS Population by Setting as of April 2016



BEHAVIORAL HEALTH INTEGRATION

Adults with SMI die on average 25 years earlier than other Americans, largely due to untreated medical conditions

81% of NJ Medicaid high utilization inpatients have a BH diagnosis, including 44% with SMI

Sources: *Journal of Psychopharmacology*. 2010 Nov; 24(4_supplement): 61–68; Rutgers Center for State Health Policy.

BEHAVIORAL HEALTH INTEGRATION: A PHASED IN APPROACH

Phase I: MLTSS and Health Homes

- MLTSS plans integrate PH, BH and LTSS for individuals with long-term care needs
- Health Homes enable integrated care management for individuals with SMI and SED

Phase II: Building System Capacity

- Interim Management Entity (IME) provides prior authorization and referral to treatment for SUD services
- Governor authorizes \$120M to improve BH system capacity
- Extend presumptive eligibility to BH providers
- BH provider payments move from deficit funding to FFS
- SUD benefit “true-up” for individuals in Plan A

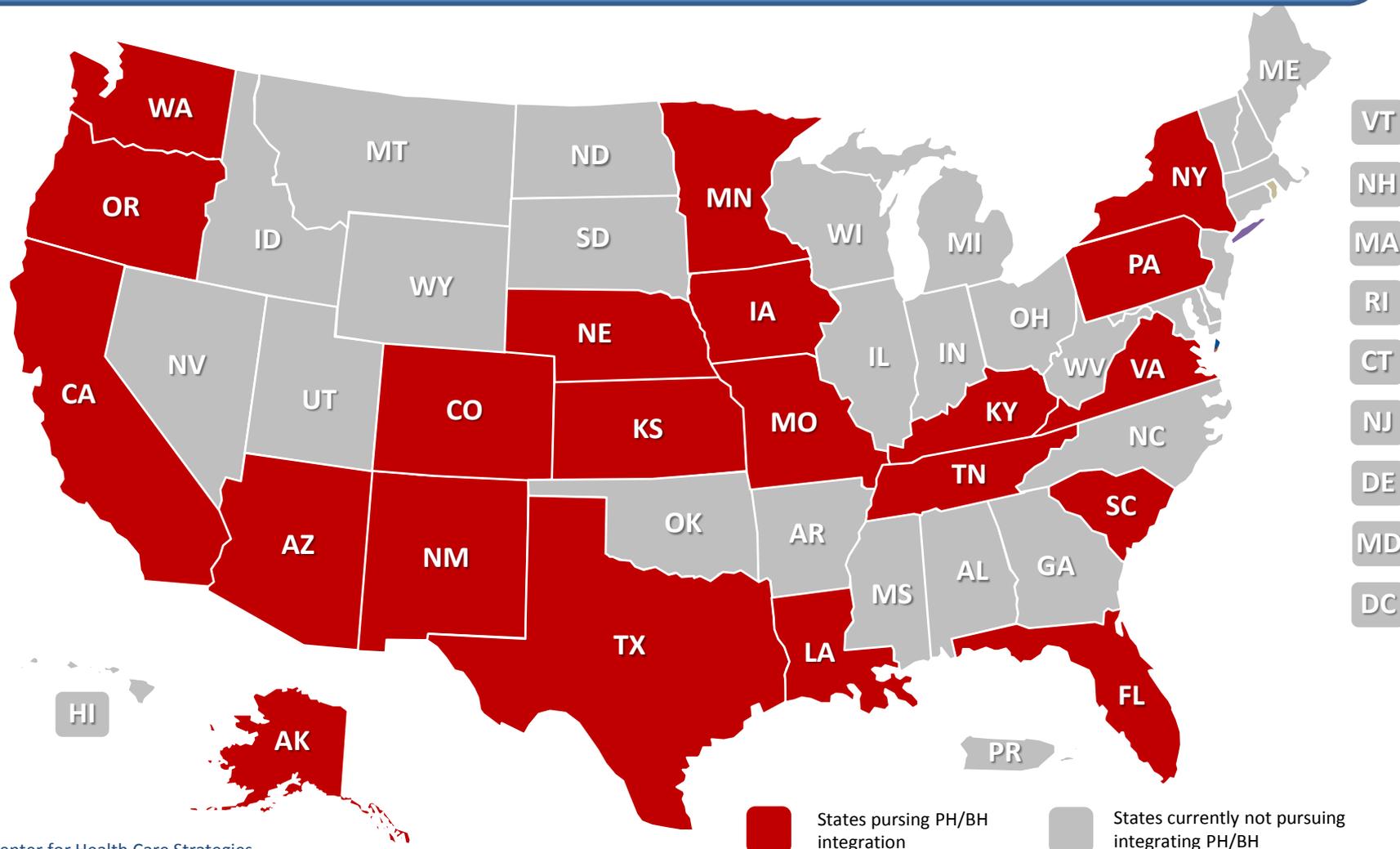
Phase III: Fully Integrated Care

- Create a comprehensive continuum of SUD care
- Integrate BH benefits into an integrated, coordinated health delivery system
- Implement quality incentives to reward integrated care delivery
- Address regulation barriers

BEHAVIORAL HEALTH INTEGRATION: SUCSESSES TO DATE

- MCOs have built capacity to manage BH benefits for MLTSS members.
- Through behavioral health homes, five counties now are offering integrated care management and co-located or coordinated primary and behavioral health care.
- IME received over 42,350 calls from July 2015 through March 2016.
 - 20% of the calls received by the IME were referred to treatment.

NATIONAL CONTEXT: STATES PURSUING PH/BH INTEGRATION



Source: Center for Health Care Strategies.
Includes announced reforms as of May 2016.

BEHAVIORAL HEALTH INTEGRATION: LESSONS FROM OTHER STATES

- Prioritize access and continuity of care for consumers.
- Invest in BH provider capacity to thrive in the new environment.
- Ensure capacity to effectively manage BH benefits.
- Engage stakeholders in aspects of system design and implementation.
- Employ a timely and thoughtful approach.

BEHAVIORAL HEALTH INTEGRATION: THREE LEVELS

Payer

- MLTSS
- IME
- BH Integration into a coordinated Health Delivery System

Provider

- Health Homes
- Co-Location/
Integrated Care
Delivery

Regulatory

- Streamlining licensure requirements
- Clarifying billing procedures

SERVING ADULTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES

- The Supports Program, administered under the Division of Developmental Disabilities (DDD), launched in July 2015 as part of the Comprehensive Waiver.
- DDD also administers the Community Care Waiver (CCW), the last remaining active 1915(c) waiver in New Jersey.
- Under the renewal, New Jersey requests to move the authority for CCW under the Comprehensive Waiver.
 - Creates an easier way to navigate between Supports Program and CCW.
 - Does not move the CCW services into managed care.
- A pilot program for adults that will address the distinct needs of individuals with co-occurring developmental disabilities and acute behavioral health needs is being explored.

SERVING CHILDREN AND FAMILIES WITH COMPREHENSIVE SUPPORTS

- The Children's Home and Community-Based programs under the Comprehensive Waiver are administered by the Department of Children and Families (DCF), Division of Children's System of Care (CSOC). These programs include:
 - Autism Spectrum Disorder (ASD) pilot
 - Children with Intellectual and Developmental Disabilities with Co-occurring Mental Illness (ID/DD-MI) pilot
 - Serious Emotional Disturbance (SED) program
- Under the renewal, a new Children's Support Services program will be initiated to expand access to services currently under the ID/DD-MI and ASD pilots.

TREATING CHILDREN WITH AUTISM SPECTRUM DISORDER

- In New Jersey, 1 out of every 41 children is diagnosed with Autism Spectrum Disorder.
- NJ FamilyCare began to cover services for youth with Autism as a pilot under the Comprehensive Waiver.
- CMS provided guidance to states regarding coverage of Autism services under EPSDT.
- Staff from DMAHS, CSOC, and the Department of Banking and Insurance (DOBI) are collaborating to build a comprehensive package of services to provide to youth with Autism as part of the Medicaid State Plan.

ELIGIBILITY & ENROLLMENT FLEXIBILITIES

New Jersey will be requesting the following flexibilities in the renewal:

- Authority for individuals who are applying for long term care and home and community-based services to self-attest to the transfer of assets.
 - Continued authority for individuals under 100% of Federal Poverty Level (FPL).
 - Expanded authority for individuals up to 300% of the Federal Benefit Rate (FBR), following build-out of an Asset Verification System.
- Requirement for new managed care enrollees to choose a Medicaid MCO upon eligibility application or be auto-assigned.
- Requirement of Medicare enrollment as a condition of Medicaid eligibility for individuals who are eligible for Medicare.

INTEGRATING CARE FOR DUAL ELIGIBLES

- To ensure access to seamless, integrated programs for dual eligible individuals, New Jersey pursued a Dual-eligible Special Needs Plan (D-SNP) and required plans to become FIDE-SNPs.
- Under the renewal, New Jersey will require the following changes to its current FIDE-SNP operations:
 - **Seamless Conversion:** New Jersey requests the ability to require its FIDE-SNP plans to seamlessly convert all individuals who are eligible for Medicare and Medicaid into a FIDE-SNP when the individual first becomes eligible for Medicare.
 - **Integrated Enrollment Option:** New Jersey will further request the ability to assign any eligible FIDE-SNP members to the same Medicare and Medicaid plan, to ensure alignment and commencement of care coordination activities as soon as the individual is eligible.

TRANSITIONING INCARCERATED INDIVIDUALS BACK INTO THE COMMUNITY

To support other state agencies' efforts to reduce the recidivism rate, New Jersey is requesting authority to allow incarcerated individuals who are re-entering the community:

- Continued Medicaid eligibility for 18 to 24 months before redetermination to promote continuity of services.
- Auto-assignment into an MCO to ensure their care is managed at the earliest point possible.
- Individuals will be eligible for enrollment into the SUD program, which includes recovery based supports.
- MCOs will be required to have a dedicated Care Manager working with the jails, prisons and re-entry programs to coordinate both health and social services upon release.
- A designated Behavioral Health Home is also being explored.
- Expanding Presumptive Eligibility to Behavioral Health providers.

MEDICAID HOUSING AND TENANCY SUPPORTS

- Under the waiver, New Jersey requests to explore the use of the High-Fidelity Housing First (HFHF) model to meet the needs of individuals who are at-risk for homelessness or who are considered to be chronically homeless.
- New Jersey proposes to provide housing-related services to all Medicaid recipients. Broadly defined, these services are a range of flexible services that support individuals and families.
 - Housing Screening Services
 - Housing Transition Services
 - Housing Tenancy Sustaining Services

ENHANCE ACCESS TO CARE THROUGH ALTERNATIVE PROVIDER DEVELOPMENT INITIATIVES

- Access demands require that New Jersey think beyond the traditional health care workforce model.
- Under the renewal, New Jersey will seek to increase the use of evidence-based telehealth options.
- Value-based purchasing efforts create an opportunity to align performance metrics with NJ FamilyCare beneficiaries' experience accessing care, particularly in areas with documented need.

A VALUE-BASED PURCHASING STRATEGY INCLUDING DATA-DRIVEN PERFORMANCE MEASURES

- Current value-based purchasing strategies (VBP) include MCO Pay-for-Performance and the Delivery System Reform Incentive Payment (DSRIP) Program.
- New Jersey is seeking authority to continue the DSRIP program for two years, with an option to extend for three additional years, if certain performance benchmarks are met by participating hospitals.
- Under the renewal, New Jersey will develop a VBP strategic plan.
 - To drive a greater percentage of VBP within MCO contracts.
 - To develop the VBP strategic plan, the State will consider all major models of VBP, such as Pay for Performance, Bundled Payments, and Shared Savings/Shared Risks.
 - The VBP will establish priorities, goals, action steps and measurements for the next five years that will move to a delivery system that rewards payments based on quality, value and outcomes.

WAIVER RENEWAL PROCESS

- As part of the waiver renewal, in accordance with 42 CFR 431.408, New Jersey is providing a 30 day public comment period for stakeholders and other interested parties. After the comment period has ended, the state will review the comments, make any changes to the application based on those comments and submit the application to CMS.
- Once the renewal application package is received by CMS, in accordance with 42 CFR 431.416(a), CMS has 15 days to determine if the application package is complete. The 30 day Federal public comment period will begin upon response to the state that the package is complete.
- After completion of the 30 day Federal public comment period, CMS will review comments and begin negotiations with the state regarding the renewal. Should it be necessary, under 42 CFR 431.412(c)(4), CMS may grant a temporary extension of the existing waiver demonstration while the successor demonstration is under review.

COMMENTS

- The Renewal application can be found on the Division's website at:
<http://www.state.nj.us/humanservices/dmahs/home/waiver.html>
- The comment period ends July 10, 2016.
- Comments can be sent via email to
dmahs.cmwcomments@dhs.state.nj.us (preferred method)
 - Or by mail or fax to:
 - Margaret Rose
Division of Medical Assistance and Health Services
Office of Legal and Regulatory Affairs
P.O. Box 712
Trenton, NJ 08625-0712
FAX: 609-588-7343

Informational Update:

NJ FamilyCare

May 2016 Enrollment Headlines

Enrollment Stabilizing

2,515 (0.1%) Net Increase Over April 2016

11,465 (0.7%) Net Decrease Over May 2015 (1 year ago)

465,124 (36.2%) Net Increase Since Dec. 2013

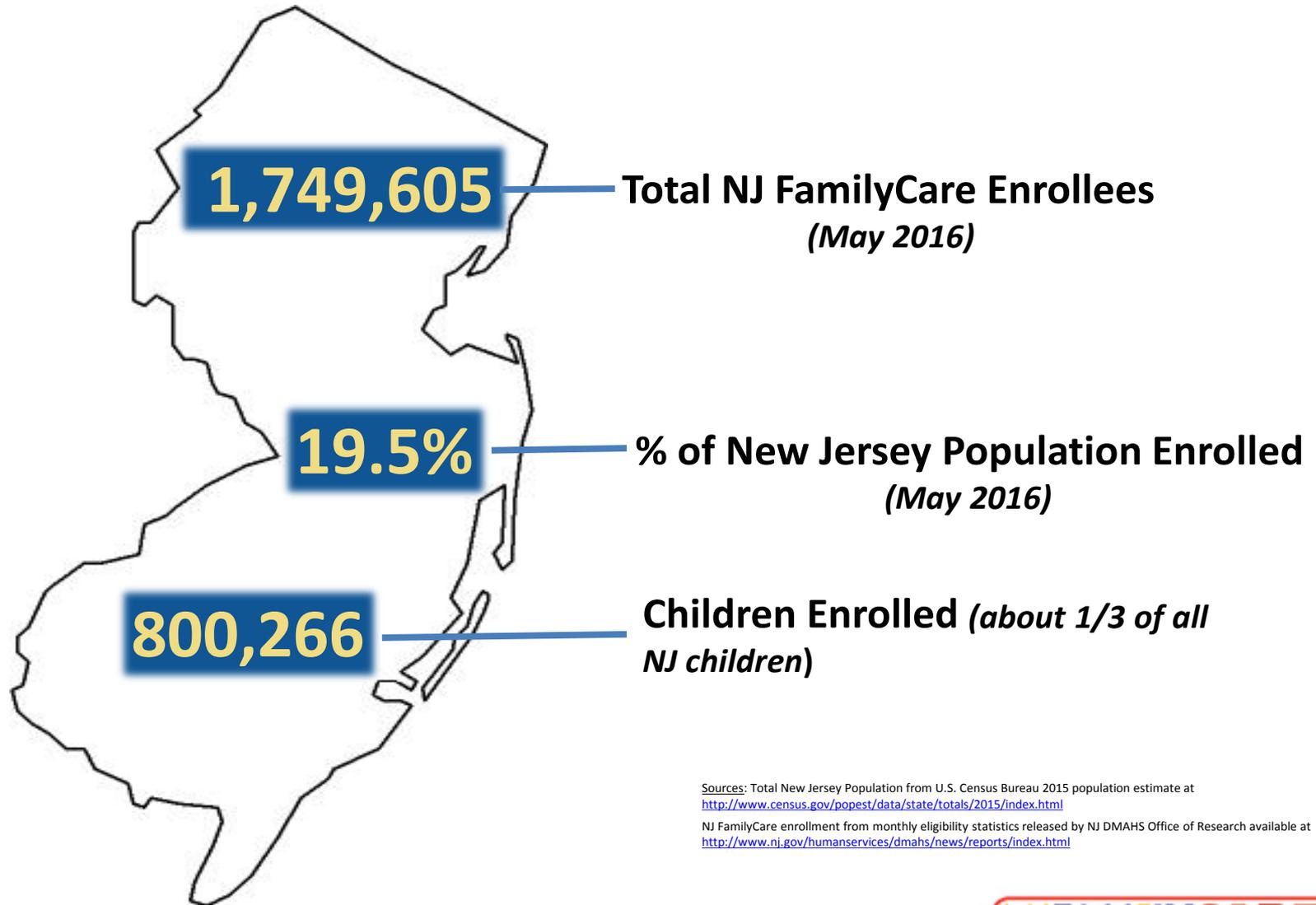
359,506 Expansion + 109,155 Woodwork – 3,537 To Exchange

**95% of NJ FamilyCare Beneficiaries are Enrolled
in Managed Care**

Source: Monthly eligibility statistics released by NJ DMAHS Office of Research available at <http://www.nj.gov/humanservices/dmahs/news/reports/index.html>;
Dec. eligibility recast to reflect new public statistical report categories established in January 2014

Notes: Net change since Dec. 2013; includes individuals enrolling and leaving NJFamilyCare.

NJ Total Population: 8,958,013

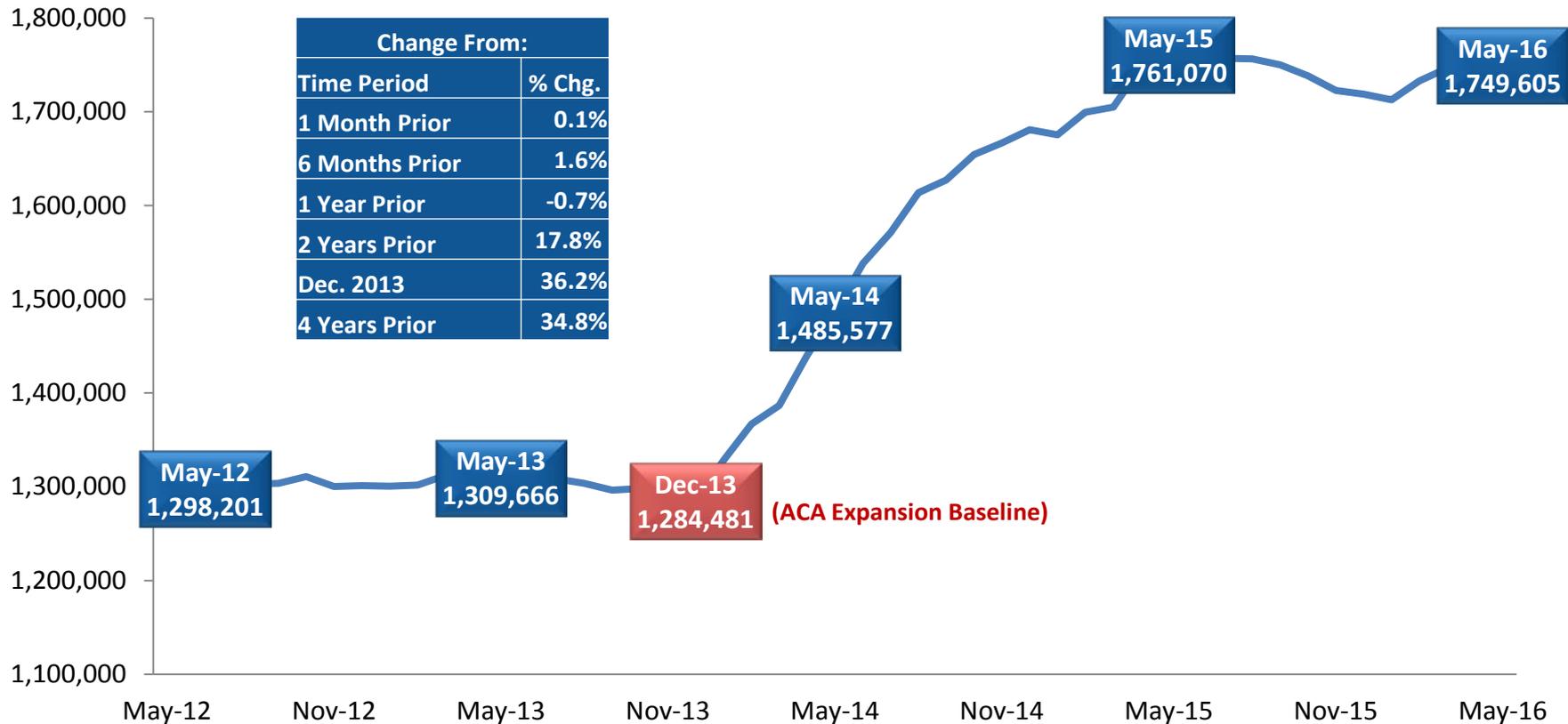


Sources: Total New Jersey Population from U.S. Census Bureau 2015 population estimate at <http://www.census.gov/popest/data/state/totals/2015/index.html>

NJ FamilyCare enrollment from monthly eligibility statistics released by NJ DMAHS Office of Research available at <http://www.nj.gov/humanservices/dmahs/news/reports/index.html>

Overall Enrollment

Total NJ FamilyCare Recipients, May 2012 - May 2016

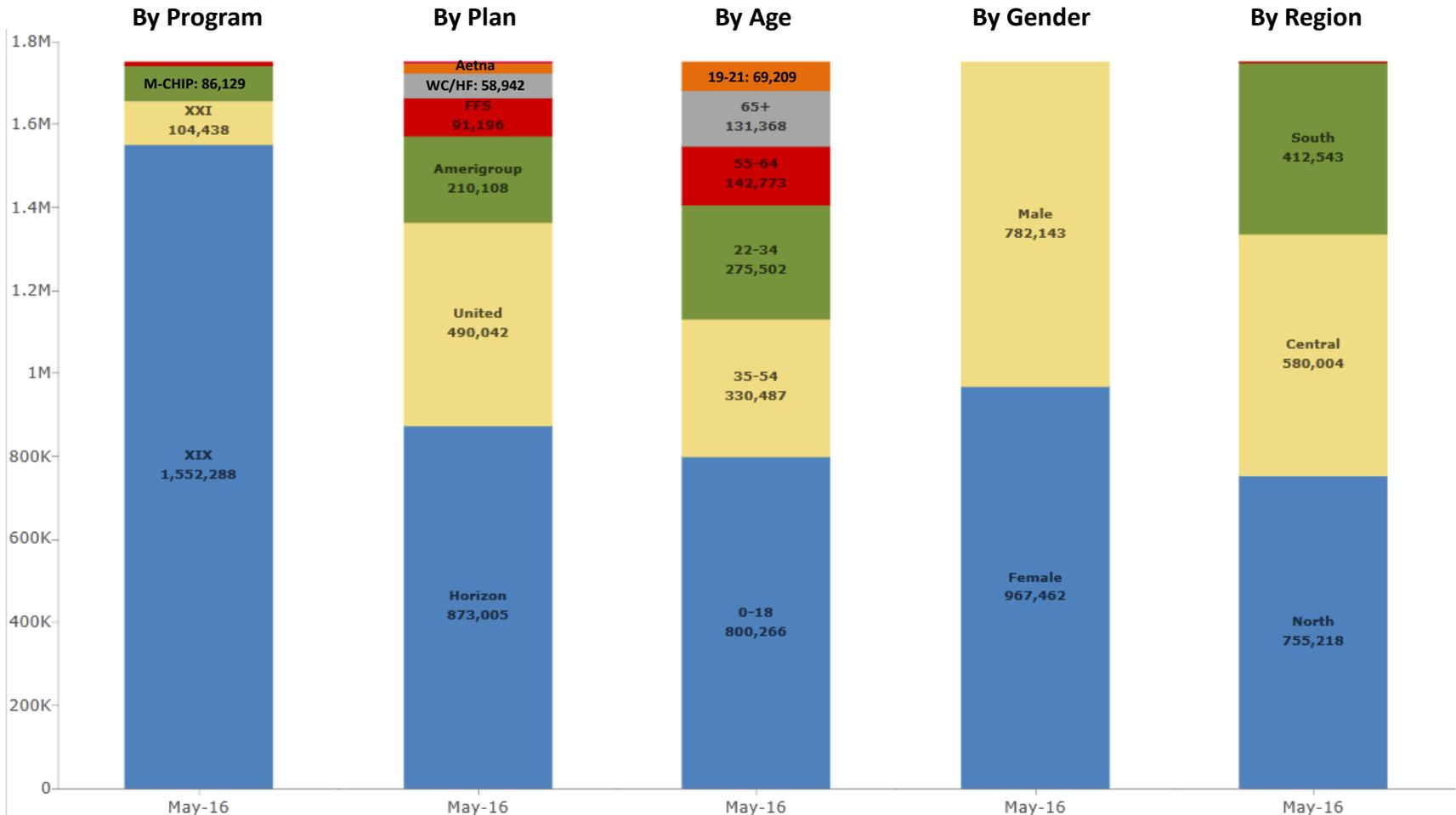


Source: SDW MMX Snapshot Universe, accessed 6/1/2016.

Notes: Includes all recipients eligible for NJ DMAHS programs at any point during the month

NJ FamilyCare Enrollment “Breakdowns”

Total Enrollment: 1,749,605



Source: NJ DMAHS Shared Data Warehouse Snapshot Eligibility Summary Universe, run for May 2016.

Notes: By Region: North= Bergen, Essex, Hudson, Morris, Passaic, Sussex & Warren. Central= Hunterdon, Mercer, Middlesex, Monmouth, Ocean, Somerset & Union. South= Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester & Salem. Region does not add up to total enrollment due to small “unknown” category that is not displayed. *M-CHIP: Individuals eligible under Title XIX, but paid with CHIP (Title XXI) federal funds.

Expansion Basics

Timeline

- Oct. 2013 – Applications Started
- Jan. 2014 – Expansion Population Benefits Started

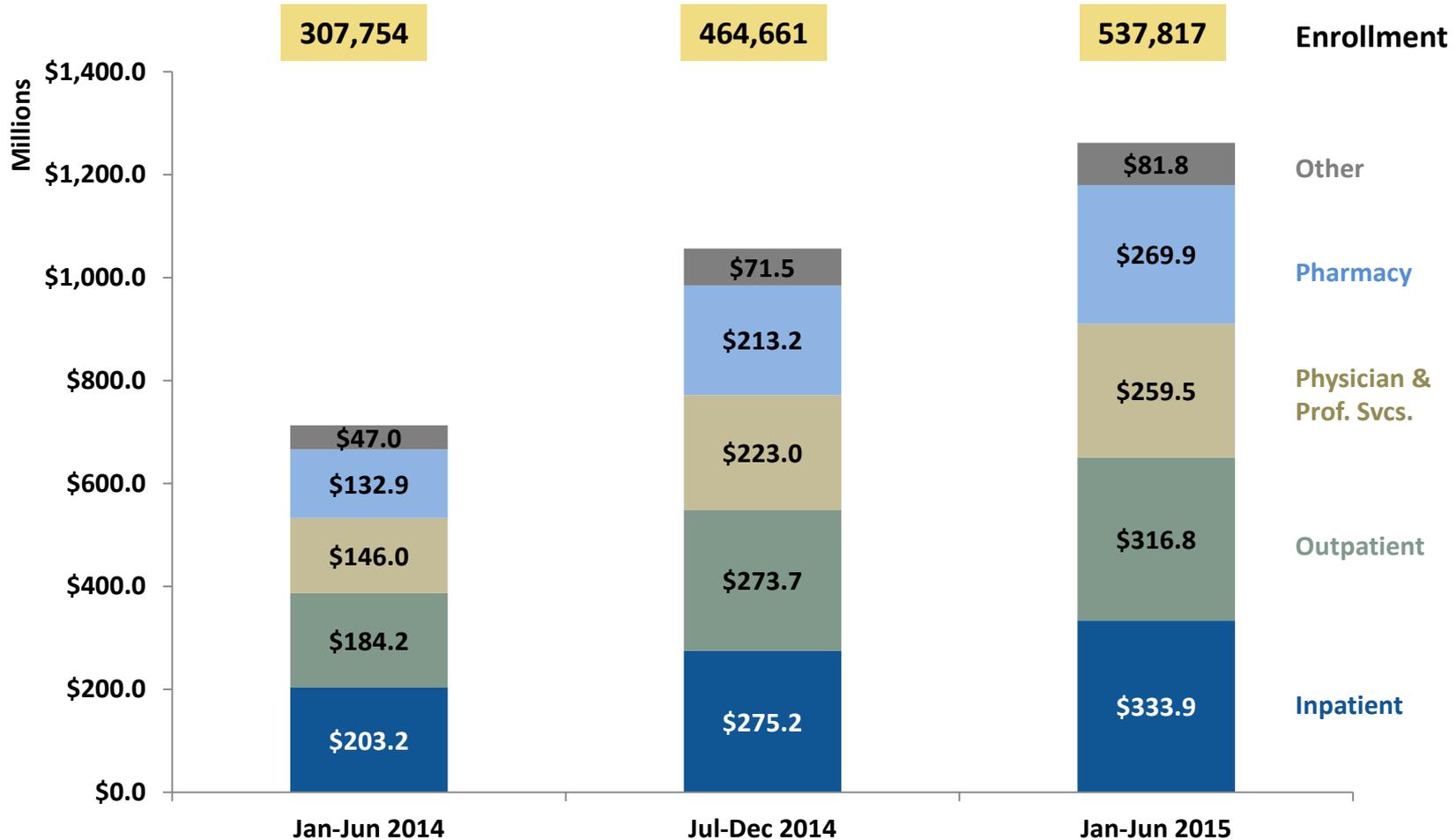
Who's Eligible?

- All adults earning up to 133% of federal poverty level (\$26,321 per year for a family of three)
- Those previously eligible also expected to enroll due to federal law's "individual mandate"

Who pays?

- Federal government pays 100% of expansion population's benefits through 2016
- Federal share slowly tapers to 90% by 2020

Expansion Population Service Cost Detail



Source: NJ DMAHS Share Data Warehouse fee-for-service claim and managed care encounter information accessed 6/2/2016

Notes: Amounts shown are dollars paid by NJ FamilyCare MCOs to providers for services supplied to NJ FamilyCare members – capitation payments made by NJ FamilyCare to its managed care organizations are not included. Amounts shown include all claims paid through 12/28/15 for services provided in the time period shown. Additional service claims may have been received after this date. Subcapitations are not included in this data. In addition to traditional “physician services” claims, “Professional Services” includes orthotics, prosthetics, independent clinics, supplies, durable medical equipment, hearing aids and EPSDT, laboratory, chiropractor, podiatry, optometry, psychology, nurse practitioner, and nurse midwifery services. “Other” includes dental, transportation, home health, long term care, vision and crossover claims for duals.

Informational Update:

**Managed Long Term
Services and Supports**

Long Term Care (LTC) and Managed Long Term Services & Supports (MLTSS)



April 2016 MLTSS Headlines

38.5% of the NJ FamilyCare LTC Population is in
Home and Community Based Services*

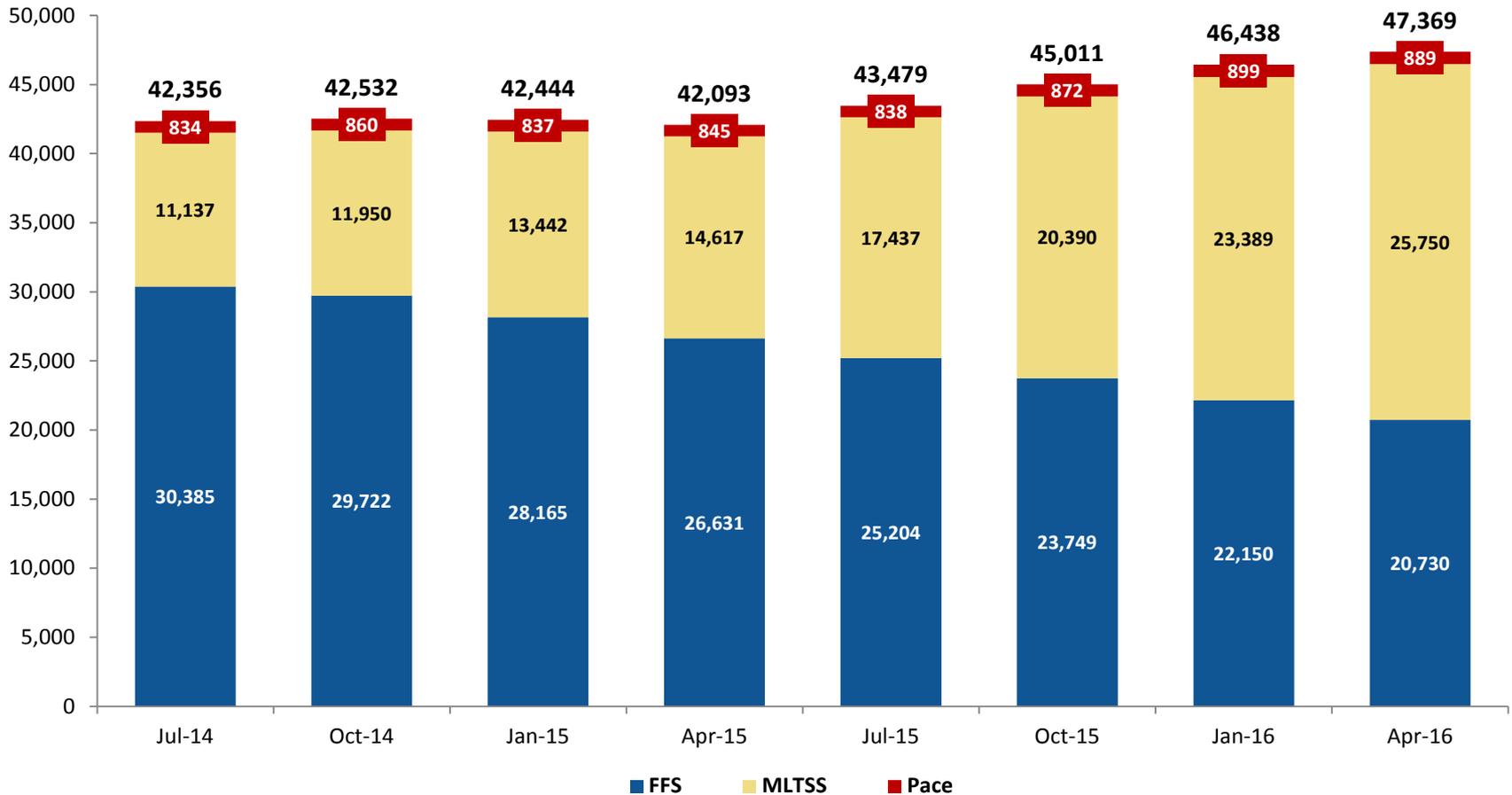
Prior Month = 37.9%; Start of Program = 28.9%

Nursing Facility Population Down by about 1,000
Since the July 2014 Implementation of MLTSS

1.47% of the Overall NJ FamilyCare Population
is Enrolled in MLTSS

* Methodology used to calculate completion factor for claims lag in the 'NF FFS Other' category (which primarily consists of medically needy and rehab recipients) has been recalculated as of December 2015 to account for changes in claims lag; this population was being under-estimated.

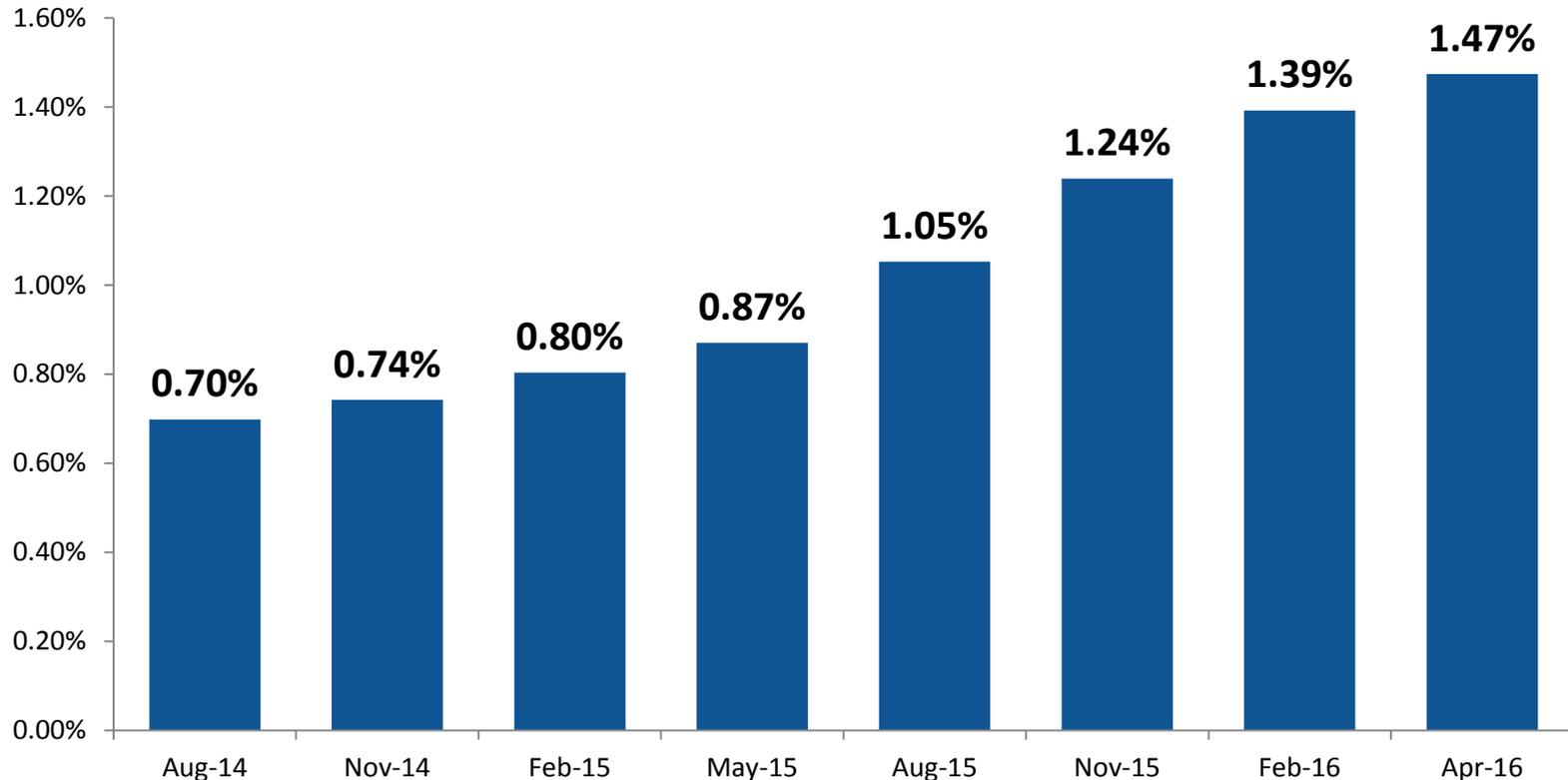
Long Term Care Population: FFS-MLTSS Breakdown



Source: Monthly Eligibility Universe (MMX) in Shared Data Warehouse (SDW), accessed on 5/13/2016.

Notes: Information shown includes any person who was considered LTC at any point in a given month based on: Capitation Codes 79399, 89399, 78199, 88199, 78399, 88399, 78499 & 88499, Special Program Codes 03, 05, 06, 17, 32, 60-67, Category of Service Code 07, or MC Plan Codes 220-223 (PACE). All recipients with PACE plan codes (220-229) are categorized as PACE regardless of SPC, Capitation Code, or COS. MLTSS includes all recipients with the cap codes listed above. FFS includes SPC 65-67 and all other COS 07, which is derived using the prior month's COS 07 population with a completion factor (CF) included to estimate the impact of nursing facility claims not yet received. Historically, 90.76% of long term care nursing facility claims and encounters are received one month after the end of a given service month.

MLTSS Percentage of Overall Enrollment

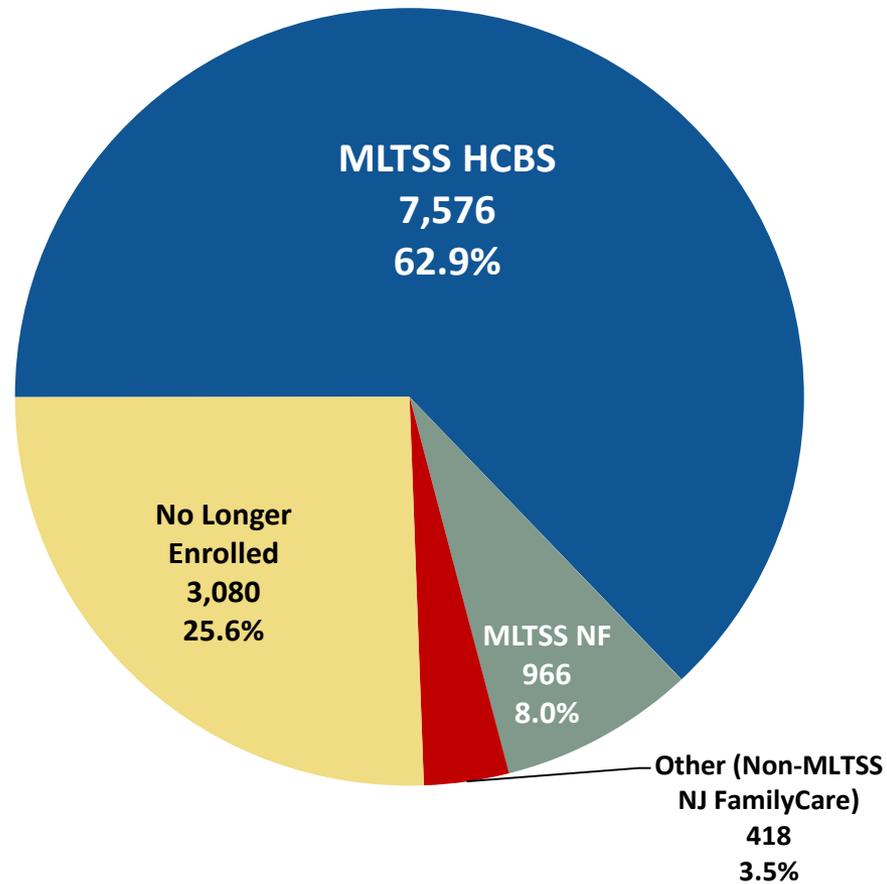


Source: Monthly Eligibility Universe (MMX) in Shared Data Warehouse (SDW), accessed on 5/13/2016.

Notes: Information shown includes any person who was considered LTC at any point in a given month based on: Capitation Codes 79399, 89399, 78199, 88199, 78399, 88399, 78499 & 88499, Special Program Codes 03, 05, 06, 17, 32, 60-67, Category of Service Code 07, or MC Plan Codes 220-223 (PACE). All recipients with PACE plan codes (220-229) are categorized as PACE regardless of SPC, Capitation Code, or COS. MLTSS includes all recipients with the cap codes listed above. FFS includes SPC 65-67 and all other COS 07, which is derived using the prior month's COS 07 population with a completion factor (CF) included to estimate the impact of nursing facility claims not yet received. Historically, 90.76% of long term care nursing facility claims and encounters are received one month after the end of a given service month.

A Look at the June 30, 2014 Waiver Population Today

All Waivers
(6/30/14 = 12,039)

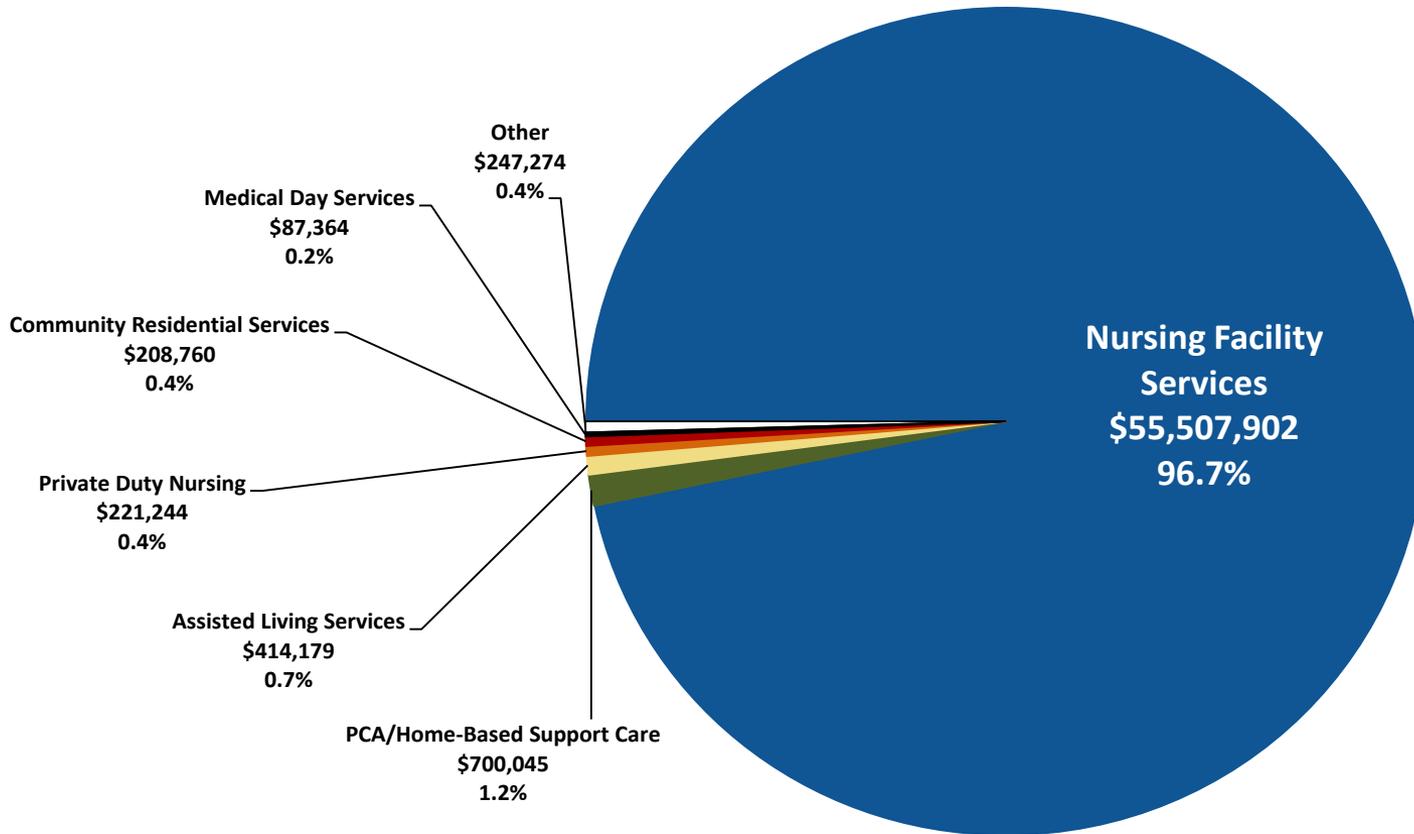


Source: DMAHS Shared Data Warehouse Monthly Eligibility Universe, accessed 5/16/16.

Notes: Includes all recipients who were in a waiver SPC (03, 05, 06, 17 or 32) on 6/30/14. Where they are now is based on capitation code or PSC. Those without a current capitation code or PSC are determined to be "No Longer Enrolled".

MLTSS Nursing Facility Population's LTC Services Utilization

MLTSS NF Population's LTC Services Utilization, SFY15

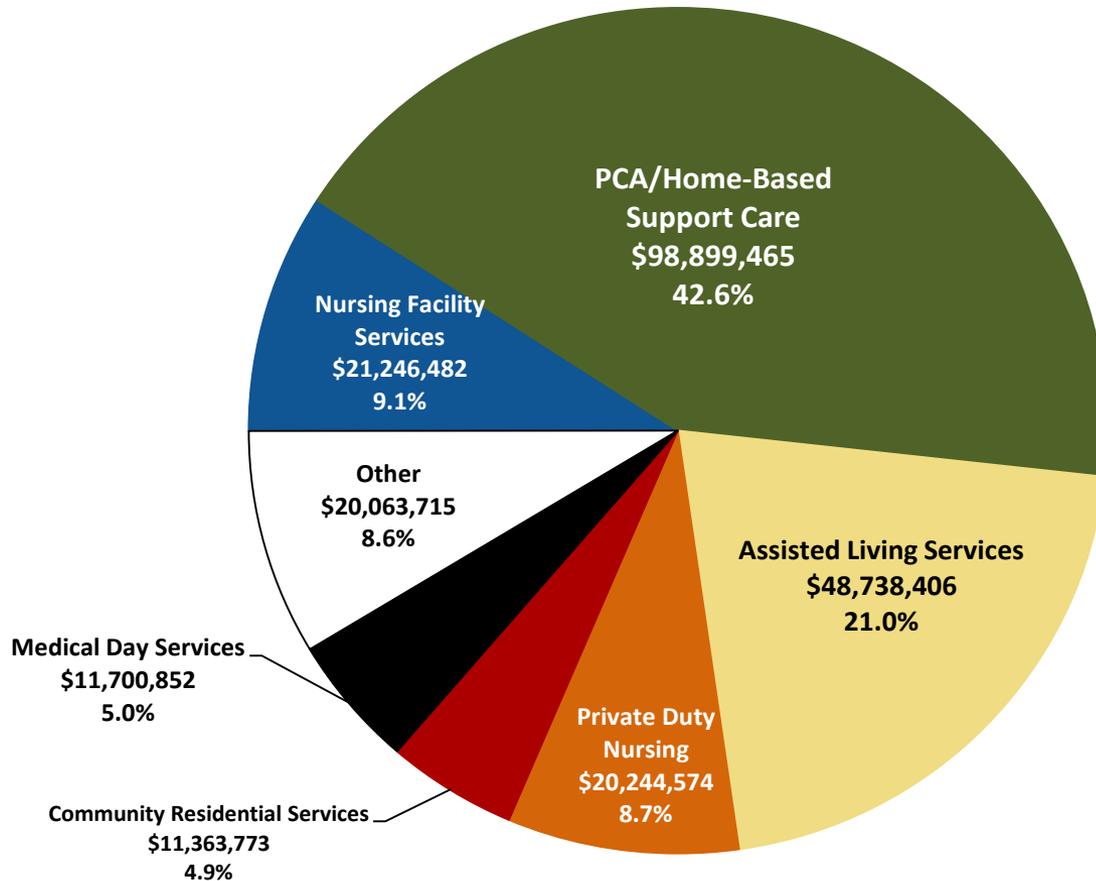


Source: NJ DMAHS Share Data Warehouse MLTSS Services Dictionary, accessed on 4/19/16.

Notes: Dollars represent encounters paid through the date that the SDW was accessed. Subcapitations are not included in this data. Other Includes: Adult Family Care, Assisted Living Program, Caregiver Training, Chore Services, Cognitive Therapy (Group/Indiv.), Community Transition Services, Home-Delivered Meals, Medication Dispensing Device (Monitoring), Medication Dispensing Device (Setup), Occupational Therapy (Group/Indiv.), PERS Monitoring, PERS Setup, Physical Therapy (Group/Indiv.), Residential Modifications, Respite (Daily/Hourly), Social Adult Day Care, Speech/Language/Hearing Therapy (Group/Indiv.), Structured Day Program, Supported Day Services, TBI Behavioral Management, and Vehicle Modifications.

MLTSS Home & Community-Based Population's LTC Services Utilization

MLTSS HCBS Population's LTC Services Utilization, SFY15



Source: NJ DMAHS Share Data Warehouse MLTSS Services Dictionary, accessed on 4/19/16.

Notes: Dollars represent encounters paid through the date that the SDW was accessed. Subcapitations are not included in this data. Other Includes: Adult Family Care, Assisted Living Program, Caregiver Training, Chore Services, Cognitive Therapy (Group/Indiv.), Community Transition Services, Home-Delivered Meals, Medication Dispensing Device (Monitoring), Medication Dispensing Device (Setup), Occupational Therapy (Group/Indiv.), PERS Monitoring, PERS Setup, Physical Therapy (Group/Indiv.), Residential Modifications, Respite (Daily/Hourly), Social Adult Day Care, Speech/Language/Hearing Therapy (Group/Indiv.), Structured Day Program, Supported Day Services, TBI Behavioral Management, and Vehicle Modifications.

Informational Update:

**National Core Indicators
Initiative**

National Core Indicators – Aging and Disabilities (NCI-AD)

- NCI-AD MLTSS Survey Participants - enrolled in the 1st six months of MLTSS.
- These results will serve as a baseline for NJ's MLTSS program.
- Cannot compare results between states as the target populations/programs surveyed varied, longevity of programs varied, etc.
- New Jersey was one of the only states to include all publically funded Long-Term Services and Supports programs in their NCI-AD survey.
 - MLTSS HCBS (4 MCOs)
 - Older Americans Act
 - PACE
 - Nursing Facility (FFS)
- New Jersey and North Carolina were the only states to include their nursing facility population in their respective NCI-AD survey sample.

www.nci-ad.org

Resources – Reports

State-specific report detailing NJ's individual programs – to follow