Maryland HealthChoice Demonstration
Section 1115 Quarterly Report
Demonstration Year 18 (July 1, 2014 – June 30, 2015)
State Fiscal Second Quarter (October 1, 2014 – December 31, 2014)

Introduction

Following approval of the 1115 waiver by the Health Care Financing Administration (now the Centers for Medicare and Medicaid Services, CMS) in October 1996, Maryland implemented the HealthChoice program and moved its fee-for-service and health maintenance organization (HMO) enrollees into a managed care payment system beginning in July 1997. HealthChoice managed care organizations (MCOs) receive a monthly predetermined capitated payment in exchange for providing covered services to enrollees. July 2014 marked the beginning of the eighteenth waiver year providing oversight to the continuing standards of high quality coordination of care and controlling Medicaid costs, by:

- Providing a patient-focused system with a medical home for all beneficiaries;
- Building on the strengths of the established Maryland health care system;
- Providing comprehensive, prevention-oriented systems of care;
- Holding MCOs accountable for high quality care; and
- Achieving better value and predictable expenses.

Subsequent to the initial grant, Maryland requested and received several program extensions, in June 2002, June 2005, August 2008 and June 2011. Maryland submitted its most recent renewal request on June 28, 2013. It sought a continuation of HealthChoice and made allowance for Maryland to include Medicaid expansion adults to be part of HealthChoice. The renewal was approved for another three year extension from November 1, 2013 through December 31, 2016. The Medicaid expansion resulted from the Affordable Care Act (ACA) and surpassed the expectation to increase HealthChoice enrollment by 190,000 in fiscal year 2014, instead enrolling over 200,000 new members by June 30, 2014. For additional information, please see www.marylandhealthconnection.gov.

In the first quarter of fiscal year (FY) 2015, HealthChoice enrollment reached 1,060,784 individuals, representing 83 percent of the state's Medicaid population. This figure includes the new eligibility categories added under the ACA: former Primary Adult Care (PAC) program enrollees who were automatically converted on January 1, 2014 to full Medicaid coverage; other adults who were eligible for enrollment but had not enrolled prior to January 1, 2014; newly-eligible parents and childless adults and former foster care children up to twenty-six years old. They are accounted for in the enrollment table listing quarterly averages as ACA Expansion Adults.

Table 1: Average Monthly New Enrollees

Demonstration Populations	New Enrollees (avg. for the quarter)
TANF	549,943
SSI/BD	73,948
Medically Needy	19,989
SOBRA	119,124
MCHP	96,267
MCHP Premium	20,420
Family Planning	13,121
ACA Expansion Adults	215,562

During this quarter, the HealthChoice Program had a decrease of 18,724 recipients, bringing the current enrollment total to 1,060,784 recipients. This is 83 percent of the state's total Medicaid enrollment.

Table 2: Quarterly Enrollment Broker Report

		October 2014	November 2014	December 2014
Voluntary Enrollment Data	Enrollments	15,646	11,134	14,301
	Transfers	1,916	7,240	1,428
	Providers Selected	11,377	7,845	10,149
	Valid PCP's Selected	10,444	1,583	9,350
	Complete HRA's	20,469	15,826	17,930
Call Center Data	Calls Received	30,208	18,868	29,398
	Abandon Rate	8.7%	2.1%	7.5%
	% Answered < 3 Min	84.5%	98.4%	82.83%
	Overall Service Level	91.3%	97.9%	92.5%
	Outbound Calls	33,256	36,212	30,409
Enrollment Source Data	Phone	13,631	9,819	12,357
	Mail	1,082	549	943
	Field	933	766	1,001
Outreach Data	Presentations	13	4	14
	Face-To-Face Requests	226	160	299

Maryland Children's Health Program

Effective June 1, 2008, Maryland moved its separate CHIP program, Maryland Children's Health Program (MCHP) Premium, into the Medicaid expansion CHIP waiver via State Plan Amendments, so that Maryland's entire CHIP program is operated as a Medicaid expansion. The MCHP Premium program had 22,128 enrollees—and MCHP, 99,285—as of December 31, 2014.

Affordable Care Act Expansion

On January 1, 2014, Medicaid eligibility income under the new household modified adjusted gross income (MAGI) rules became effective. The new annual income limit (138 percent of the Federal Poverty Level (FPL), or $32,913 for a family of four) increased the number of parents and caretaker relatives receiving comprehensive health care coverage, in addition to extending Medicaid coverage to childless adults under 138 percent FPL and former foster care youth up to age 26.

Family Planning Program

The HealthChoice waiver allows the state to provide a limited benefits package of family planning services to eligible women. The program covers medical services related to family planning, including office and clinic visits, physical examinations, certain laboratory services, treatments for sexually-transmitted infections, family planning supplies, permanent sterilization and reproductive health counseling, education and referrals. Average enrollment for the second quarter of FY 2015 was 13,476 women, an increase of 923 from the first quarter. While enrollment in the Family Planning Program was expected to decrease as a result of the Medicaid expansion, this quarter's increase can be explained by a phenomenon generated by the Maryland Health Connection's eligibility rules. The new Maryland Health Connection, which went live in November 2014, provides temporary eligibility for 90 days while applicants submit pending verifications for full Medicaid coverage. Pregnant women applicants who fail to provide the necessary Medicaid verifications during this time period are automatically enrolled in the Family Planning Program.

As of January 1, 2012, Maryland Medicaid's Family Planning Program expanded access to allow all women at less than 200 percent of the FPL to apply for and receive family planning services, as a result of the *"Family Planning Works Act"* passed in 2011. Women who receive pregnancy coverage under the Maryland Children's Health Program will continue to be automatically-enrolled, if eligible, following the end of their pregnancy-related eligibility.

Rare and Expensive Case Management (REM) Program

The following table displays the types and totals of complaints received and reported by the REM case management agencies and the REM complaint line during this quarter.

Table 3: REM Complaint Line

FY 2015	Referrals Received	Referrals Approved	Referrals Denied	REM Disenrollments	Currently Enrolled in REM
Quarter 1	206	177	77	119	4,258
Quarter 2	206	140	67	130	4,266
Quarter 3-4					

REM intake and referral staff reviewed and processed an average of 69 referrals per month during this quarter.

The REM QI clinical coordinator completed an on-site quality review during this quarter. The coordinator completed reviews of assessment reports, interdisciplinary plans of care, case notes, and case management plans for 20 recipients at the on-site quality review. Any deficiencies found in the documentation were noted in the findings report and a corrective action plan was received to address all deficiencies. Additionally, a review of contract required activities was completed. The agency scored 91.4% compliance with required QI indicators.

Expenditure Containment Initiatives

Final Service Year 2013 HFMR submissions (reported as of September 30, 2014) and the supporting Financial Templates were provided to DHMH and Hilltop for review and for eventual distribution to MCOs on a consolidated basis. MCO submissions were due to DHMH by November 24, 2014. The final 2013 submissions are expected to be the base period for the 2016 HealthChoice rate-setting period. The firm Myers & Stauffer (M&S) is expected to perform an independent review of each MCO's submission including an income statement of each MCO's underwriting results. All initial submissions were received by December 10, 2014. As of January 2, 2015, all MCOs have had their original or revised submissions forwarded to M&S.

As part of the HealthChoice HFMR submissions for 2012, 2013, and 2014, MCOs were required to provide their substance use disorder (SUD) experience. Effective January 1, 2015, SUD services will no longer be part of the MCO covered services.

During the next quarter, Myers & Stauffer will review all MCOs submissions for 2013, and their reported IBNR will be independently evaluated. The next MCO submissions will likely be due by May 2015 and will reflect preliminary 2014 results.

Similar to the HealthChoice Program, MCOs who participated in the Maryland Primary Adult Care (PAC) Program submitted their final Service Year 2013 PFMR reports (reported as of September 30, 2014) and the supporting Financial Templates to DHMH and Hilltop for review and for eventual distribution to MCOs on a consolidated basis. MCO submissions were due to DHMH by December 1, 2014. The final 2013 submissions are expected to be used in the evaluation of PAC MCO financial performance. The firm Myers & Stauffer (M&S) is expected to perform an independent review of each MCO's submission including an income statement of each MCO's underwriting results. All initial submissions were received by December 4, 2014. As of January 2, 2014, all MCOs have had their original or revised submissions forwarded to M&S. The PAC managed care program was implemented July 1, 2006 and current PAC enrollees were incorporated into the HealthChoice Program effective January 1, 2014 as part of ACA.

Table 4: Member Month Reporting

Eligibility Group	October 2014	November 2014	December 2014	Total for Quarter Ending December 2014
TANF	391,336	394,013	397,139	1,182,488
TANF Adults 30 – 116	154,280	156,353	156,708	467,341
SSI/BD	74,224	73,966	73,653	221,843
Medically-Needy	18,239	19,091	19,637	56,967
SOBRA	114,992	117,755	124,625	357,372
MCHP	95,050	96,127	97,625	288,802
MCHP Premium	19,179	19,955	22,127	61,261
Family Planning	12,849	13,094	13,420	39,363
ACA Expansion Adults	213,124	209,571	218,948	641,643

Consumer Issues

The following tables display an account of the complaints, grievances and appeals made to the Department on behalf of HealthChoice Recipients as reported to Recipient Hotline and Complaint Resolution Unit for the quarter.

Table 5: HealthChoice Recipient Complaints			
Appointment Availability	7	Quality of Care	0
Authorization/Referral PRTF Demonstration	363	Other	49
Billing	59	MCO Issue	214
Network Access	0	Member Issue[1]	588
Office Access	0	Provider Issue	38
Provider Billing	15		
Total HealthChoice Recipient Complaints Received			**1,333**

Table 6: Children with Special Needs Complaints	
Cerebral Palsy	0
Attention Deficit Disorder/Hyperactivity	9
Developmental Delay	5
Congenital/Metabolic Disorders	18
Respiratory Conditions	11
Lead Poisoning	0
Other	2
PRTF Demonstration	0

[1] As of FY 13, "Member Issue" no longer includes "Pregnant Women-Education Only" cases.

Autism	8
Mental Health	5
Total	**58**

Table 7: Adults with Special Needs Complaints[2]	
Individuals with a Physical Disability	16
Pregnant Women[3]	206
Homeless	9
Developmental Disability	2
HIV/AIDS	9
Substance Abuse Treatment	58
Mental Health	37
Rare & Expensive Case Management	0
Hearing Impaired	5
Stop Loss Case Management	0
Total*	**342**

Table 8: Appeal Rights Issued	
Ten-Day	16
Denial	0
Compromise	0
Directive	0
Total	**16**

Table 9: Hearing Activity	
Hearings Requested	0
Hearings Held	0
Decision Upheld	0
Decision Overturned	0

[2] As of FY12, data, an individual in one complaint may be identified and counted in more than one special population category.
[3] As of FY13, complaints no longer include "Pregnant Women-Education Only" cases.

Table 10: REM Complaints and Significant Events									
FY 2015 Q2	**Transportation**	**Dental**	**DMS/DME**	**EPSDT**	**Clinical**	**Pharmacy**	**Case Mgt.**	**REM Intake**	**Other**
REM CM Agencies	0	0	0	0	0	0	10	0	0
REM Hotline	0	0	0	0	0	0	2	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**12**	**0**	**0**

The following table displays the types and total of significant events reported by the case management agencies during this quarter. Agencies report this information on a monthly basis.

Table 11: Case Management and Significant Events								
FY 2015 Q2	**DMS/ DME**	**Legal**	**Media**	**Other**	**Protective Services**	**Appeals**	**Services**	**Total**
REM Enrollees	4	7	0	58	14	7	19	**109**

Network Adequacy

The Division of HealthChoice Quality Assurance (DHQA) monitors HealthChoice Managed Care Organizations (MCOs) quality assurance activities in accordance to COMAR 10.09.65.

Systems Performance Review (SPR)

MCO Sample Selection listings of appeals, grievances, credentialing, recredentialing and notices of denials have been sent to Delmarva in preparation for the CY 2014 SPR on-site reviews starting January 2015.

Value Based Purchasing (VBP)

CY 2014 VBP results were completed. Letters were sent to the MCOs, notifying them of final results and financial impacts. MCOs have the right to appeal within a 30-day period ending on January 28, 2015.

Performance Improvement Projects (PIP)

The annual submissions for both PIPs—Adolescent Well Care and Controlling High Blood Pressure—were received and validated by Delmarva. The results were posted to the MCOs' Delmarva portal site.

Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Medical Record Reviews

During this quarter, Delmarva mailed the final and preliminary EPSDT reports. Also, Delmarva provided technical assistance to UnitedHealthcare with its Corrective Action Plan (CAP).

HealthChoice Consumer Report Card

Delmarva began preparing the 2015 Consumer Report Card to accommodate the increased roster of MCOs. The Department has coordinated with Delmarva to discuss the inclusion of HEDIS and CAHPS data, with analysis pending the receipt of any MCO appeals of VBP results.

HEDIS Performance Review

HealthcareData Company, LLC (HDC) distributed the Audit Information Packet (AIP) via its secure client portal to all HealthChoice MCOs and the Department in November 2014. Additionally, HDC conducted its Annual Client Conference call in mid-December. UMBC is scheduled to submit the final adult and child CAHPS sample frame for validation and approval in early January.

HealthChoice Enrollee Satisfaction Survey

WBA Research (WBA) distributed all final CY 2013 reports to the HealthChoice MCOs and the Department in November. Final results for the CAHPS® 5.0H Adult and Child Medicaid Satisfaction Surveys measures are available for review in the Executive Summary report online.

WBA began 2015 CAHPS survey administration preparation in late November.

Provider Satisfaction Survey

WBA distributed the final CY2013 Primary Care Provider (PCP) Satisfaction Survey reports to all HealthChoice MCOs and the Department in November. Final results for the CY 2013 Primary Care Provider (PCP) Satisfaction Survey measures are available for review in the Executive Summary report online.

WBA has begun CY2014 survey data file preparations for each MCO. Also, WBA is preparing a website set-up regarding the selection option for Providers to complete this survey online.

To view all quality assurance reports, go to:
http://mmcp.dhmh.maryland.gov/healthchoice/SitePages/HealthChoice%20Quality%20Assurance%20Activities.aspx.

Public Behavioral Health System (PBHS)

The Mental Hygiene Administration merged with the Alcohol and Drug Abuse Administration effective July 1, 2014. The new Behavioral Health Administration (BHA), in conjunction with the Core Service Agencies (CSAs) and the Administrative Service Organization (ASO), continues to review and address programmatic and budgetary issues in the management of the Public Behavioral Health System (PBHS). The PBHS has seen an increase of almost 68 percent in Medicaid consumers served in FY 2014 as compared to FY 2008 and an increase of about eight percent between FY 2013 and FY 2014.

The contract with ValueOptions for an Administrative Services Organization (ASO) to manage Maryland's public mental health system expired on December 31, 2014. ValueOptions was selected via competitive solicitation to administer the new behavioral health carve-out starting on January 1, 2015.

The PBHS continued to work with Medicaid on:

1. The Section 1915(i) state plan amendment (SPA), entitled *"Intensive Behavioral Health Services for Children, Youth and Families"* was approved by CMS, effective October 1, 2014. Additionally, two chapters of regulations have been went into effect on October 1, to govern the operation of the SPA and a new Targeted Case Management SPA designed to provide care coordination for enrollees and others.

2. *The implementation of telemental health services in designated jurisdictions*. The MHA submitted a SPA to reimburse psychiatrists and originating sites in designated rural counties for certain telemental health services, which CMS has reviewed and approved. In the 2014 Maryland legislative session, the General Assembly passed legislation to permit telehealth services state-wide, including mental health services. The Department will be drafting regulations on this issue.

3. In collaboration with the Office of Long Term Care and Waiver Services, *the identification of which non-institutional long-term support services may be eligible for enhanced matching payments under the Balancing Incentives Program (BIP).* The MHA is continuing to review its assessment instruments to see which meet the BIP criteria.

4. Participation in a statewide multi-agency process to improve the integration of care across the behavioral and somatic domains. The process will reform the way the State finances operate, in an effort to support reimbursement based on prevention and value, while strengthening clinical outcomes for Maryland consumers and their families. The first phase of the process was completed in early 2012. The second phase saw the selection of a financial model and was concluded in April 2013. The Department selected an Administrative Services Organization that will combine mental health and substance use disorder services under one ASO. The vendor will be the same as for the past contract, Value Options.

The BHA continues to collaborate with Maryland Medicaid on the implementation of a Health Home SPA to serve those with serious and persistent mental illness, serious emotional disturbances, and/or an opioid substance use disorder. The state began enrolling Health Home providers in August 2013 and began service delivery during the last quarter of 2013.

In mid-September 2008, the then-MHA launched the initial phase of its Outcomes Measurement System (OMS) Datamart. The OMS was developed to collect information on individuals, ages 6 – 64, who receive outpatient mental health services from the PBHS. The MHA worked with ValueOptions, representatives from its provider community and the University of Maryland, Systems Evaluation Center (SEC) to implement an enhanced OMS Datamart, which became available June, 2012. The enhanced Datamart includes outcome information at the provider,

county and statewide levels. The data currently available through the publically-accessible Datamart are aggregated responses from consumers' most recent OMS interviews, as well as change-over-time outcomes information. In addition, an interface to allow provider access—through a secure log-in process—to OMS data for their own programs. Starting in January 2015, several revisions were made to the OMS questionnaires, and Level 1 outpatient services for Substance Related Disorders were included in the OMS workflow.

The BHA's Office of Managed Care Operations and Compliance continues to review provider billings and refers providers of concern to Maryland Medicaid Fraud Control Unit and Maryland Office of the Inspector General.

The BHA continues to monitor the admission of consumers aged 21-64 with emergency psychiatric conditions for inclusion in the Medicaid Emergency Psychiatric Demonstration (MEPD). Maryland was one of 11 states selected to participate in the MEPD, which provides reimbursement for certain services delivered by private psychiatric hospitals, for which Medicaid reimbursement has historically been unavailable. During this quarter (October – December 2014), Maryland admitted 454 individuals to private psychiatric hospitals for treatment of an emergency psychiatric condition.

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Submission Date: June 19, 2015