



Shelby Higgins
Project Officer
State Demonstrations Group
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, MD 21244-1850

Dear Ms. Higgins,

The State of Nebraska is in the process of terminating the 1115 Heritage Health Adult (HHA) demonstration waiver and transitioning to a single benefit package for the adult expansion population. Previously, in anticipation of implementing the 1115 HHA waiver, the state developed two Medicaid Eligibility Groups (MEGs) for the 2020 1915(b) waiver renewal that incorporated the adult expansion group into our managed care waiver. The state subsequently recommended to CMS that the same MEGs be used for adding the expansion group (for budget neutrality purposes) to the 1115 Substance Use Disorder (SUD) waiver. The rationale was that it would be administratively simpler for the state and better ensure accuracy in reporting for both authorities if we utilized the same MEGs for both waivers. The two MEGs approach was driven by the current two benefit tier structure (Prime and Basic) for which medically frail (higher cost) individuals are only included in one benefit tier. Additionally, the two MEG structure was proposed to ensure better accuracy in the cost effectiveness projections for the 1915b waiver.

With Nebraska's transition to a single benefit tier for expansion adults, the state will no longer have a distinct eligibility category for Medically Frail individuals and therefore will not be able to report to the current Medically Frail MEG.

Nebraska requests that the current 1115 SUD budget neutrality (Part C) template and the STCs (51, 52, and 62) be updated to replace the two expansion MEGs with one expansion MEG (labeled EXP). This will align with the single benefit tier all expansion adults will be enrolled in as of 10/1/2021.

Example:

DRAFT for discussion Collapsed EXP MEGs	Effective 10/01/2021			
Eligible Member Months	212	289	295	300
PMPM Cost	\$ 1,027	\$ 1,086	\$ 1,148	\$ 1,213
Total Expenditure	\$ 218,202	\$ 313,669	\$ 338,178	\$ 364,603

Thank you for your time and consideration.

Sincerely,

Todd Baustert
Administrator, Demonstration Waivers
Division of Medicaid & Long-Term Care
Nebraska Department of Health and Human Services