



The Plan First Program

**Plan First Section 1115
Demonstration Waiver**

**Annual Report
Demonstration Year 15
Fiscal Year 15
May 10, 2016**

TABLE OF CONTENTS

- I. Introduction**
- II. Executive Summary**
- III. Program Highlights**
- IV. Reporting Schedule**
- V. Significant Program Changes**
- VI. Enrollment and Renewal**
- VII. Program Evaluation, Transition Plan and Monitoring**
- VIII. Annual Expenditures**
- IV. Actual Number of Births to Demonstration Population**
- X. Cost of Medicaid Funded Births**
- XI. Activities for Next Year**
- XII. Updated Budget Neutrality Monitoring Worksheet**

Alabama
Plan First Section 1115 Demonstration Waiver
Annual Report
Demonstration Year 15
Fiscal Year (October 1, 2014 through September 30, 2015)
Annual Report Period (January 1, 2015 through December 31, 2015)
May 10, 2016

I. Introduction

The Alabama Medicaid Agency's (Medicaid) Plan First Program began October 1, 2000. It represents a collaborative effort between Medicaid and the Alabama Department of Public Health (ADPH) to increase the availability of family planning services to all women of childbearing age (19-55) with incomes at or below 141% of the Federal Poverty Level (FPL) that would not otherwise qualify for Medicaid or lost Medicaid coverage 60 days postpartum. The Plan First Program was predicated on the recognized need for continued family planning once Medicaid Maternity eligibility was terminated after the postpartum period, and for those women who would not otherwise qualify for Medicaid unless they were pregnant. Enrollees can choose any Medicaid enrolled Plan First provider enrolled in Plan First for services, including health department clinics, community health centers and non-Title X providers. Contraception and surgical sterilization services, lab tests, pap smears, HIV counseling and smoking cessation are all covered by Medicaid under the Waiver. The program's overall goal is to reduce unintended pregnancies.

II. Executive Summary

The previous Waiver was approved for effective dates of April 12, 2012, through December 31, 2013. CMS granted an extension for effective dates of June 27, 2013, through December 31, 2014. Medicaid requested an extension of the Section 1115 Plan First Demonstration Waiver and an approval was granted by CMS for effective dates of December 29, 2014, through December 31, 2017. Males age 21 and older meeting the eligibility criteria can now receive vasectomies under the Plan First Program.

The Agency no longer has a separate Plan First online web application. Applicants applying for Plan First use the regular online web application used by anyone applying for Medicaid. Applicants applying for Alabama Medicaid through the Federal Facilitated Marketplace do not have the option of applying for Plan First.

Initially enrollment goals were met at the end of the first demonstration period, but net enrollment declined over the next five years due to the annual re-enrollment requirement that Medicaid put in place in 2006 to retain coverage in Plan First. Since that time, the portion of eligible recipients enrolled has increased, and in 2011-2012 enrollment reached 65% of estimated eligible women, or 132,055 women. Medicaid began using a Social Security Administration data match in January 2010 to verify citizenship, which has helped to streamline the enrollment process. Currently, Alabama uses Express-Lane Eligibility (ELE) by relying on

the income findings from the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) programs to determine the eligibility for many children and Plan First women, and uses an administrative renewal process for Plan First women with children. Going forward, Medicaid will continue to work on increasing service utilization in the Plan First Program by improving communication with enrollees on enrollment and coverage issues through recipient and provider education. The placement of Care Coordinators in private provider offices to enhance progress toward these goals have been received favorably.

Effective January 1, 2014, Medicaid implemented a new policy on eligibility coverage groups such as Pregnant Women, Children under age 19, Family Planning, Parents and Other Caretaker Relatives, and Former Foster Care Children who were affected by the Affordable Care Act (ACA) of 2010 (also known as Patient Protection and Affordable Care Act of 2010). The ACA mandates the use of Modified Adjusted Gross Income (MAGI) methodology for eligibility determinations for specific groups of Medicaid applicants and beneficiaries such as pregnant women, children under age 19, family planning, and parents and other caretaker relatives. The income amount for these women now goes up to 141% of the Federal Poverty Level. A standard income disregard of 5% of the federal poverty level is applied if the individual is not eligible for coverage due to excess income.

The following goals and hypotheses are being targeted for DY 15:

- Increase the portion of income eligible women, ages 19 –55 enrolled in Plan First and reduce race/ethnicity and geographic disparities among enrollees. **The goal is to enroll 80% of all eligible clients (based on census estimates of the eligible population) under age 40 across all race/ethnicity and geographic area groups, thereby eliminating disparities across these groups. Census data will be used to generate estimates of the eligible population.**
- Maintain the high level of awareness of the Plan First program among program enrollees. **The goal is that 90% of surveyed enrollees will have heard of the program and 85% of these will be aware that they are enrolled in the program. Telephone surveys of enrollees will be used to track changes in levels of awareness of the program and enrollment in the program.**
- Increase the portion of Plan First enrollees using family planning services initially after enrollment and in subsequent years of enrollment by improving access to services and increasing the rate of return visits for care. **The goal is to have 70% utilization of services by the end of the three year period, along with a 70% rate for 12 and 24 month return visits for individuals using services during the renewal period. Data will be generated from service use claims data and delivery data.**
- Survey data suggest that approximately one third of Plan First enrollees are cigarette smokers, and 85% of these were advised by their family planning providers to quit smoking. **The goal is that 25% of Plan First service users (85% of the 30% who are smokers) will receive either a covered Nicotine Reduction Therapy (NRT) prescription, a referral to the Quit Line or both. Data will be generated from claims for NRT products and from client information provided by the Quit Line contractor.**

- Maintain birth rates among Plan First service users that are lower than the estimated birth rates that would be occurring in the absence of the Plan First Demonstration. **The goal is to maintain the overall birth rate of about 100 births per 1000 Plan First enrollees. The eligible population counts will be based on income and insurance coverage estimates made from surveys collected by the Census Bureau annually.**
- Increase the usage of the Plan First Waiver by making sterilizations available to males ages 21 years or older. **This goal will be evaluated based on the number of sterilizations performed statewide.**

III. Program Highlights

The Plan First Program has continued to function well with enrollment for the key participant group, women ages 20-29, including nearly all the women estimated to be eligible. Through Plan First, women are able to take advantage of all family planning and pregnancy prevention services and products offered through the Medicaid, which also includes smoking cessation products, and counseling through ADPH’s Quitline. Products covered are nicotine patches, nicotine gum, nicotine lozenges, bupropion tablets and varenicline tablets. Education on this benefit continues to be available for new providers and appropriate staff as an on-demand webcast through the ADPH television network. Any qualified provider can enroll as a provider for the Plan First Program. Direct services are augmented with care coordination and tracking for “high risk” and “at risk” women to ensure compliance with the woman’s chosen birth control method. Care coordination services are designed to provide special assistance to those women who are at high risk for an unintended pregnancy and allows for enhanced contraceptive education on appropriate use of the chosen method, further assurance of correct and continued usage, and successful family planning with spacing of pregnancies.

Medicaid continues to conduct its quality assurance processes. Random samplings of recipient records are evaluated to ensure compliance with contractual requirements, treatment guidelines and utilization at intervals during each contract year. This is in conjunction with regularly scheduled internal audits by the Alabama Department of Public Health. Ongoing Plan First Program evaluations also continue through the University of Alabama at Birmingham School of Public Health.

IV. Reporting Schedule

Demonstration Year	Begin Date	End Date	Annual Report Due Date (90 days following end of Annual date)
15	January 1, 2015	December 31, 2015	March 31, 2015
16	January 1, 2016	December 31, 2016	March 31, 2016
17	January 1, 2017	December 31, 2017	March 31, 2017

V. Significant Program Changes

Effective April 1, 2014, Alabama Medicaid began covering long acting birth control in the inpatient hospital setting **immediately** after a delivery or up to the time of the inpatient discharge for postpartum women, or in an outpatient setting **immediately** after discharge from the inpatient hospital. Medicaid is encouraged that this additional service will help with spacing, unplanned pregnancies and improve birth outcomes.

Effective January 1, 2015, coverage was added for men age 21 years or older with incomes up to 141% of the FPL (post MAGI conversion) for vasectomies.

In efforts of expediting reimbursement to providers, effective September 25, 2015 Medicaid made provisions for the Sterilization Consent Form (Form 193) to be available on the Medicaid's website in an electronic fillable format. The form must be printed to complete signatures and dates. The electronic fillable version can now be faxed to Medicaid's fiscal agent for consideration of payment for services rendered to recipients.

VI. Enrollment and Renewal

The table below captures DY 15 enrollment figures for the following populations:

Population 1: Women losing Medicaid pregnancy coverage the conclusion of 60 days postpartum.

Population 2: Women 13-44 who have an income at or below 185 percent of the FPL.

Population 3: Men 13-44 who have family income at or below 185 percent of the FPL

	Demonstration Year 15 January 1, 2015 through December 31, 2015			
	Population 1	Population 2	Population 3	Total Demonstration Population
# of Total Enrollees	17,228	13,336	249	429,211
# of Participants	*	*	249	117,312♦
# of Member Months	49,722	36,756	1,102	1,079,346

*Currently Alabama Medicaid is unable to track Populations 1 & 2 ongoing as once a recipient "flips" from maternity to Plan First after the 60th postpartum day or is awarded Plan First coverage, they do not stay in that group and become part of the total population the following month – they do not stay in Population 1 (flips) or Population 2 (awards) ongoing. Likewise there is no mechanism for tracking which flips or awards

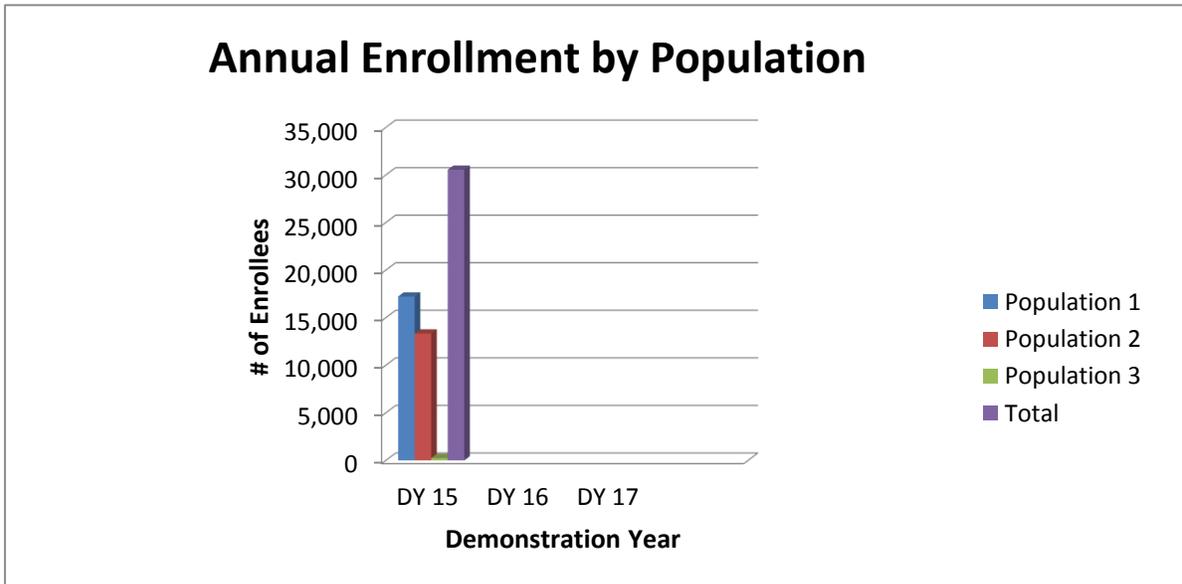
are active participants, only the active participants for the total population. Alabama Medicaid is also unable to track those enrolled with Express-lane Eligibility ongoing as markers identifying those recipients are removed when matching with SNAP and TANF data.

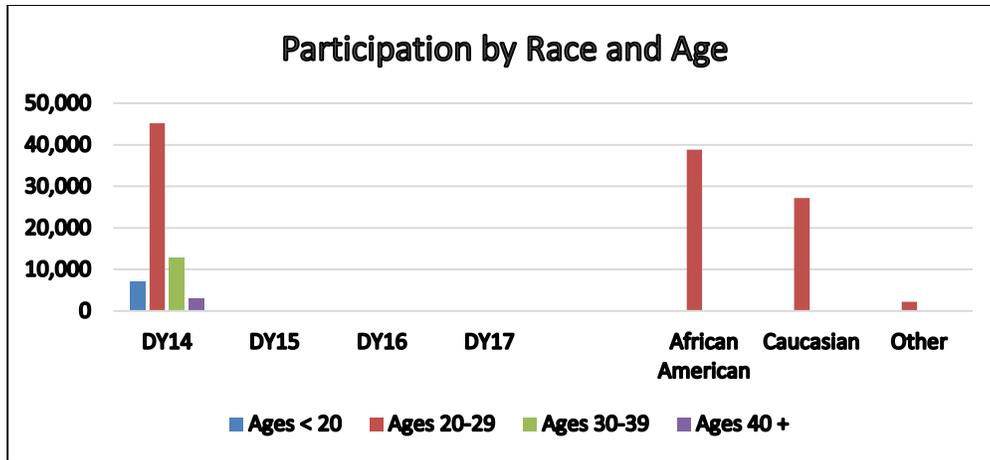
◆Of the total population of eligibles, this is the number of recipients with a billable service during the quarter (active participants).

	Demonstration Year 16 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# of Total Enrollees				
# of Participants				
# of Member Months				

	Demonstration Year 17 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# of Total Enrollees				
# of Participants				
# of Member Months				

Annual enrolment for DY 15 through DY 17s:





	African American (Enrollees/ Percentage %)	Caucasian	Other	Total enrollees
DY 14	38,795 (57%)	27,191 (40%)	3,213 (3%)	68,199
DY 15				
DY 16				

VII. Program Evaluation, Transition Plan and Monitoring

Medicaid is responsible for Quality Assurance, Complaint and Grievance Resolution, and Utilization Monitoring. In order to accomplish these Waiver requirements, the Agency implemented several monitoring functions as outlined below:

- Utilization reports from claims data to monitor trends and utilization,
- Care Coordinator activity monitoring via summary reports
- Summary Reports from UAB
- Monitoring of complaints and grievances to acceptable resolution.

The University of Alabama at Birmingham conducts ongoing internal evaluations for this Demonstration Waiver. Their responsibility is to evaluate the program. UAB has designed data collection tools that collect, compile and analyze data, providing feedback annually to the Alabama Medicaid Agency and the Department of Public Health on program operation and outcomes. With UAB's assistance, a yearly Demonstration progress report that illustrates progress, goal achievement, and other areas for continued improvement. UAB is not involved in direct patient care for the Plan First program.

Public Health Area supervisors audit Plan First care coordination patient records quarterly utilizing a standardized audit tool. These audits are submitted to the Public Health Central Office and are available for review by Medicaid. All care coordination patient records are documented electronically and the Central Office conducts an annual desk review of the patient records for each Care Coordinator, submitting a written report to supervisors. Six weeks after Care Coordinators complete certification training, the Central Office training staff reviews their

documentation and submits a written report to their supervisor. The Public Health Program Integrity staff randomly reviews patient records in county health departments for compliance with travel reimbursement, billing of appropriate time for services, and ensuring that all time coded to Plan First has appropriate documentation to justify billing. A total of 3,336 record reviews were conducted by the Medicaid's monitoring agency with a reported compliance rate of 99%

The Medicaid Agency provides general quality oversight for the Plan First program through direct monitoring and serves as the clearinghouse for other activities done in this area. Medicaid conducts random checks on enrollment and claims data. Edits and audits are built into Medicaid's claims processes to prevent billing errors. Budgets are monitored on an on-going basis, and any areas of concern are evaluated and referred for claims review as indicated. The Agency has the responsibility for monitoring overall program performance, complaints and grievances.

In 2014, Medicaid initiated a schedule of administrative audits of Plan First providers and care coordinators. Random samplings of recipient records were evaluated to determine compliance with contractual requirements, treatment guidelines and utilization. This is in conjunction with regularly scheduled internal audits by the Alabama Department of Public Health. Medicaid conducted medical record reviews of Plan First providers. Education was provided regarding proper documentation of counseling activities. Audits were conducted as a result of high utilization of care coordination. Policies were revised to improve utilization and reports are submitted quarterly to monitor usage.

Telephone surveys of enrollees are conducted to track changes in levels of awareness of the program and enrollment in the program. Overall awareness of Plan First remains quite high (90%) among enrollees. However, about 25% of enrollees are not aware of their enrollment status, including the 10% who report they have never heard of Plan First, and another 15% who have heard of the program but did not know they were enrolled. Some of these are women who prefer not to use contraception and thus do not have an incentive to learn about Plan First. However, others are women who do use contraception, and have concerns about affordability and access to services which reflect the fact that they are not aware of their enrollment status. Medicaid will continue to partner with Alabama Department of public Health to ensure program awareness and outreach are effective through recipient and provider education.

Complaint and Grievance are tracked and monitored until resolution. Medicaid has not received any grievances from beneficiaries, providers or the public. No public hearing or other notice procedures were conducted during DY 15.

VIII. Annual Expenditures

Medicaid is required to provide quarterly expenditure reports using the Form CMS-64 to report expenditures for services provided under the demonstration in addition to administrative expenditures. The chart below includes the expenditure data, as reported on the Form CMS-64 for DY 15.

	Service Expenditures as reported on the CMS-64		Administrative Expenditures as reported on the CMS-64		Expenditures as requested on the CMS-37	Total Expenditures as reported on the CMS-64
	Total Computable	Federal Share	Total Computable	Federal Share		
DY 15	34,504,758.94	31,054,283.05	180,231.88	162,208.70	36,759,039.00	34,684,990.82
DY 16						
DY 17						

	Demonstration Year 15 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# Member Months	49,722	36,756	1102	1,079,346
PMPM	49.10	49.10	49.10	49.10
Total Expenditures <i>(Member months multiplied by PMPM)</i>	2,441,350.20	1,804,719.60	54,108.20	52,995,888.60

	Demonstration Year 16 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# Member Months				
PMPM				
Total Expenditures <i>(Member months multiplied by PMPM)</i>				

	Demonstration Year 17 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# Member Months				
PMPM				
Total Expenditures <i>(Member months multiplied by PMPM)</i>				

IV. Actual Number of Births to Demonstration Population

This number captures Plan First participants who received one or more covered family planning services between January 1, 2014, and December 31, 2015 and had an actual birth in DY15.

	# of Births to Demonstration Participants
Demonstration Year 15	16,725
Demonstration Year 16	
Demonstration Year 17	

X. Cost of Medicaid Funded Births

The average total Medicaid expenditures for DY 15 for a Medicaid-funded birth is noted below. The cost of a birth includes prenatal services and delivery and pregnancy-related services. The services for infants from birth up to age 1 for the women infants could not be captured for DY 15 because a complete data set is not available for the entire DY if infants were born in December 2015.

	Average total Medicaid expenditures for a Medicaid-funded birth
Demonstration Year 15	* 4, 761.35 – This amount is reflect of the cost of prenatal services, delivery and pregnancy-related services.
Demonstration Year 16	
Demonstration Year 17	

IX. Activities for DY 16

Medicaid is in the process of updating the Plan First brochure and other Plan First educational materials to include a Plan First Vasectomy reach card to publicize the new service for males age 21 year and older.

Medicaid will continue striving to meet identified goals and, in partnership with ADPH, provide family planning services to all women and men eligible for coverage. Efforts will continue to improve access to services. ADPH will continue to explore and improve statewide outreach activities to recipients and potential enrollees, contacting women who have recently delivered by phone or mail to inform them of Plan First services. Medicaid Maternity Care Program care coordinators will assist with these efforts by informing maternity recipients of the Plan First program before and after delivery, and facilitating referrals to Plan First care coordinators and utilization of smoking cessation products and services. Complaints and grievances will be accepted and evaluated by Medicaid and ADPH, with appropriate follow-up. Plan First Providers will continue to receive education, updates and Medicaid program/policy issues through the “Provider Insider” and through “Alert” messages sent by the Agency. Ongoing program evaluations will also continue through the University of Alabama at Birmingham School of Public Health.

Medicaid will continue to evaluate the new services; vasectomies for males ages 21 and older and the removal of embedded IUDs to determine its effectiveness and ways to improve upon such coverage.

XII. Updated Budget Neutrality Monitoring Worksheet

Reference the attachment for the updated budget neutrality monitoring worksheet. The worksheet exhibits a decrease in the PMPM amount compared to the budget neutrality worksheet submitted with the 2014 waiver renewal. Medicaid anticipates that this decrease may be related to the changes in the federal poverty level as a result of the Affordable Care Act which made more Plan First and SOBRA recipients eligible for full Medicaid.

Attachment XII: Budget Neutrality Calculations

Alabama's Section 1115 Plan First Demonstration Waiver January 1, 2015-December 31, 2017 Budget Neutrality Calculations

I. Budget Neutrality Methodology Discussion

To determine projected enrollment growth, we calculated the average annualized enrollment between each calendar year beginning in 2009 and going to 2015. Per this method, the average annualized rate of growth in enrollment is 5.0%. From CY 2009 to CY 2010 enrollment via member months grew by 6.5%. From CY 2010 to CY 2011 growth was 12.4%. From CY 2011 to CY 2012 growth was 6.8%. From CY 2012 to CY 2013 growth was 11.1%. From CY 2013 to CY 2014 growth was 1.4%. From CY 2014 to CY 2015 growth dropped by 8.1%. The average across these 7 years total 9.2%.

Utilization and per member per month costs: For each time period members were identified as those enrolled with aid category 50 and/or code benefit plan 'PLNF' (Plan First). To normalize the distribution of enrollees, each enrollee was multiplied by the number of months they were enrolled and projections were based on the resulting member months. To ensure the data was not skewed, member months were evaluated on an overall as well as an average quarterly enrollment.

Cost trend/growth was projected at five (5.0%) per calendar year as asserted by CMS. Costs were then broken down to reflect the Federal share at 90% and the state share at 10%.

II. Budget Neutrality Calculations

Current Costs and Recipients DY 15

PF Expenditures	\$30,605,643.05
PF Enrollees who utilize services—Quarterly Average	42,566
Cost per Person utilization	\$309.12
Cost per Person per Month	\$25.76

Trend Rate

President's Budget Trend
(2015-2017) 5.0%

	<u>DY 16</u> CY 2016	<u>DY 17</u> CY 2017	<u>DY 18</u> CY2018
Average Quarterly Enrollment	58,388	62,140	64,866

Per Member/Per Month (PMPM) Cost (Total Computable)

	Trend	<u>DY 16</u> CY 2016	<u>DY 17</u> CY 2016	<u>DY 18</u> CY2017
Demonstration Eligibles	5.0%	\$30.78	\$29.60	\$28.46

SAMPLE: Extension Budget Neutrality Agreement (Total computable)

This is a sample in nature only to illustrate the projected costs of the Demonstration.

	<u>DY 16</u> CY 2016	<u>DY 17</u> CY 2017	<u>DY 18</u> CY 2018	Total
Without Demonstration				
Member Months	58,388	62,140	64,866	185,394
PMPM	\$30.78	\$29.60	\$28.46	
Total Costs	\$32,135,925.15	\$33,742,721.41	\$35,429,857.48	\$101,308,504.04
With Demonstration				
Member Months	58,388	62,140	64,866	
PMPM	\$30.78	\$29.60	\$28.46	
Total Costs	\$32,135,925.15	\$33,742,721.41	\$35,429,857.48	\$101,308,504.04

**Alabama Section 1115 Family Planning Demonstration
January 1, 2015-December 31, 2017 Extension Request
Historical Enrollment and Expenditure Data**

I. Enrollment

	2011	2012	2013	2014	2015
January	17,042	18,530	21,206	24,353	21,792
February	17,106	18,231	19,879	23,096	18,721
March	19,537	19,677	20,216	24,340	21,381
April	17,484	19,082	21,089	24,486	20,041
May	18,570	20,310	21,523	22,785	18,215
June	18,931	19,430	19,993	22,410	19,561
July	18,204	19,763	21,937	23,514	18,993
August	20,398	20,744	21,883	21,828	17,855
September	19,311	19,746	20,873	22,879	17,804
October	19,053	21,760	21,298	22,523	16,514
November	18,197	20,171	18,494	18,282	14,474
December	<u>18,597</u>	<u>19,278</u>	<u>18,717</u>	<u>21,067</u>	<u>15,172</u>
Average	18,536	19,727	20,592	22,630	18,377

II. Reported Expenditures

Time Period	CY_2011	CY_2012	CY2013	CY2014	CY2015
Total	\$ 36,932,753.83	\$ 39,299,088.91	\$ 39,303,007.86	\$ 35,767,355.91	\$ 30,605,643.00
Federal Share	\$ 33,239,478.45	\$ 35,369,180.02	\$ 35,372,707.07	\$ 32,190,620.32	\$ 27,545,078.70
State Share	\$ 3,693,275.38	\$ 3,929,908.89	\$ 3,930,300.79	\$ 3,576,735.59	\$ 3,060,564.30