DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop: S2-26-12
Baltimore, Maryland 21244-1850

June 28, 2017

Stephanie Azar
Commissioner
Alabama Medicaid Agency
501 Dexter Avenue, P.O. Box 5624
Montgomery, Alabama 36103-5624

Dear Ms. Azar:

The Centers for Medicare & Medicaid Services (CMS) is pleased to inform you that Alabama's request to amend its section 1115 demonstration, entitled "Alabama's Plan First Section 1115 Family Planning Demonstration (Project Number: 11-W-00133/4) has been approved.

The Alabama Plan First Section 1115 Family Planning Demonstration (hereinafter referred to as "Plan First") extends eligibility for family planning services to: 1) women, ages 19 through 55, with income up to 141 percent of the federal poverty level (FPL) that are not otherwise eligible for Medicaid; and 2) men age 21 or older with income up to 141 percent of the FPL that are not otherwise eligible for Medicaid and are seeking vasectomy services only. Approval of this amendment authorizes the state to extend its enhanced family planning counseling service (referred to as "care coordination") to Plan First male enrollees with respect to arrangement for and follow-up to receipt of vasectomy services. The state already has demonstrated success with using care coordination to address impediments to successful family planning through the provision of this benefit to Plan First female enrollees that have been identified as "high risk" for an unintended pregnancy.

CMS' approval of this amendment is under the authority of section 1115(a) of the Social Security Act and is effective as of the date of this letter. This approval is subject to the state's continued compliance with the enclosed set of Special Terms and Conditions (STCs) and associated expenditure authorities that have been updated to reflect this amendment. The state may deviate from Medicaid State Plan requirements only to the extent those requirements have been specifically listed in the enclosed CMS approval documents as granted expenditure authority or not applicable title XIX requirements. All requirements of the Medicaid program as expressed in law, regulation, and policy statement not expressly identified as not applicable in the STCs and associated authorities, shall apply to this demonstration.

This award is subject to your written acknowledgement of the award and acceptance of the STCs within 30 days of the date of this letter.

Your project officer for this demonstration is Mr. Emmett Ruff. He is available to answer any questions concerning this section 1115 demonstration. Mr. Ruff's contact information is:

Mr. Emmett Ruff
Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop: S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850
Telephone: (410) 786-4252
E-mail: Emmett.Ruff@cms.hhs.gov

Official communications regarding this demonstration should be sent simultaneously to Mr. Ruff and Ms. Jackie Glaze, Associate Regional Administrator (ARA) for the Division of Medicaid and Children's Health in our Atlanta Regional Office. Ms. Glaze's contact information is as follows:

Ms. Jackie Glaze
Centers for Medicare & Medicaid Services
Atlanta Federal Center, Suite 4T20
61 Forsyth Street, South West
Atlanta, GA 30303-8909

If you have any questions regarding this approval, please contact Ms. Judith Cash, Acting Director, State Demonstrations Group, Center for Medicaid and CHIP Services at (410) 786-9686.

Sincerely,

/s/

Brian Neale
Director

cc: Jackie Glaze, ARA, CMS Region IV
Alice Hogan, State Lead, CMS Region IV

CENTERS FOR MEDICARE & MEDICAID SERVICES

EXPENDITURE AUTHORITY

NUMBER: **11 -W-00 133/4**

TITLE: **Alabama Plan First Section 1115 Family Planning Demonstration**

AWARDEE: **Alabama Medicaid Agency**

Under the authority of section 1115(a)(2) of the Social Security Act (the Act), expenditures made by Alabama for the items identified below, which are not otherwise included as expenditures under section 1903 of the Act shall, for the period of this demonstration extension, be regarded as expenditures under the state's Title XIX plan. All requirements of the Medicaid statute will be applicable to such expenditure authorities (including adherence to income and eligibility system verification requirements under section 1137(d) of the Act), except those specified below as not applicable to these expenditure authorities.

The following expenditure authorities and the provisions specified as "not applicable" enable Alabama to operate its demonstration effective January 1, 2015 through December 31, 2017, unless otherwise stated.

Effective through December 31, 2017, expenditures for extending Medicaid eligibility for family planning services to:

1. Women, ages 19 through 55, with income up to 141 percent of the federal poverty level (FPL) that are not otherwise eligible for Medicaid; and,

2. Men age 21 or older with income up to 141 percent of the FPL that are not otherwise eligible for Medicaid.

These expenditure authorities promote the objectives of title XIX in the following ways:

- increases and strengthens overall coverage of low-income individuals in the state; and,
- improves health outcomes for Medicaid and other low-income populations in the state.

Medicaid Requirements Not Applicable to the Medicaid Expenditure Authorities:

All Medicaid requirements apply, except the following:

1. Methods of Administration: Transportation **Section 1902(a)(4) insofar as it incorporates 42 CFR 431.53**

To the extent necessary to enable the state to not assure transportation to and from providers for the demonstration population.

2. Amount, Duration, and Scope of Services (Comparability) Section 1902(a)(10)(B)

To the extent necessary to allow the state to offer the demonstration population a benefit package consisting only of family planning services and family planning-related services.

3. Retroactive Coverage Section 1902(a)(34)

To the extent necessary to enable the state to not provide medical assistance to the demonstration population for any time prior to when an application for the demonstration is made.

4. Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Section 1902(a)(43)(A)

To the extent necessary to enable the state to not furnish or arrange for EPSDT services to the demonstration populations.

5. Eligibility Procedures and Standards Section 1902(a)(17)

To the extent necessary to enable the state to use Express Lane eligibility determinations and redeterminations, for the demonstration populations.

Centers for Medicare & Medicaid Services
SPECIAL TERMS AND CONDITIONS

NUMBER: **11 -W-00 133/4**

TITLE: **Alabama Plan First Section 1115 Family Planning Demonstration**

AWARDEE: **Alabama Medicaid Agency**

I. PREFACE

The following are the Special Terms and Conditions (STCs) for the Alabama family planning section 1115(a) Medicaid demonstration (hereinafter "demonstration"). The parties to this agreement are the Alabama Medicaid Agency and the Centers for Medicare & Medicaid Services (CMS). The STCs set forth in detail the nature, character, and extent of federal involvement in the demonstration and the state's obligations to CMS during the life of the demonstration. The STCs are effective January 1, 2015 through December 31, 2017, unless otherwise specified. All previously approved STCs, waivers, and expenditure authorities are superseded by the STCs set forth below. This demonstration is approved through December 31, 2017.

The STCs have been arranged into the following subject areas:

II. PROGRAM DESCRIPTION AND HISTORICAL CONTEXT

Demonstration Description

Effective through December 31, 2017, the Alabama Plan First family planning section 1115(a) Medicaid demonstration expands the provision of family planning services to women, ages 19 through 55, and men ages 21 or older, with income up to 141 percent of the federal poverty level (FPL), that are not otherwise eligible for Medicaid. Men are eligible to receive only vasectomy services and enhanced family planning counseling services (referred

to as "care coordination" services) with respect to arrangement for and follow-up to receipt of vasectomy services under the demonstration.

Historical Context

The Plan First demonstration was initially approved for a five-year period on July 1, 2000 and implemented October 1, 2000. The demonstration has been consistently extended since then and is currently set to expire December 31, 2017. With CMS' approval of the 2014 three-year extension request, the state was approved to provide coverage for vasectomy services only for eligible males 21 years of age and older, with income up to 141 percent of the FPL. The current three (3) year extension approval, for which these STCs are in effect, is for the period of January 1, 2015 through December 31, 2017.

On November 28, 2016, Alabama submitted an amendment request to extend its enhanced family planning counseling service (hereinafter referred to as "care coordination") for males enrolled in the demonstration receiving vasectomy services. The care coordination service will assist male enrollees with establishing Medicaid, locating the appropriate doctor to perform the vasectomy procedure, and assist with making and keeping appointments for initial consultations and follow-up visits. All care coordination will be provided by licensed social workers or registered nurses through the Alabama Department of Public Health. Alabama estimates that approximately 30 males will receive care coordination annually at a total annual expenditure of $12,150. The state's goal with this amendment is to increase the number of men enrolled in the demonstration and the proportion of male enrollees undergoing vasectomy by assisting with the demonstration application process, identifying Medicaid approved vasectomy providers, facilitating the initial appointment process, and providing appointment reminders.

Demonstration Purpose

Under this demonstration, Alabama expects to promote the objectives of title XIX by: Increasing the portion of eligible women enrolled in the Plan First and reducing age, race and geographic disparities among enrollees;

- Maintaining high levels of awareness of the 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 for care.
- Increasing the portion of the demonstration 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;
- Increasing the number of Plan First enrollees who are cigarette smokers to receive either a covered Nicotine Reduction Therapy prescription, a referral to the Quit line or both.
- Increasing the portion of family planning visits that include referrals for primary care services where indicated;
- Maintaining birth rates among demonstration service users that are lower than the

estimated birth rates that would be occurring in the absence of the Plan First demonstration; and

- Increasing the usage of the Plan First demonstration by making sterilizations and care coordination services related to arranging, receiving, and completing follow-up to sterilizations available to men up to 141 percent of the FPL who are age 21 or older.

III. GENERAL PROGRAM REQUIREMENTS

1. **Compliance with Federal Non-Discrimination Statutes.** The state must comply with all applicable federal statutes relating to non-discrimination. These include, but are not limited to, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.

2. **Compliance with Medicaid Law, Regulation, and Policy.** All requirements of the Medicaid programs expressed in law, regulation, and policy statement not expressly waived or identified as not applicable in the waiver and expenditure authority documents (of which these terms and conditions are part), must apply to the demonstration.

3. **Changes in Medicaid Law, Regulation, and Policy.** The state must, within the timeframes specified in law, regulation, court order, or policy statement, come into compliance with any changes in federal law, regulation, or policy affecting the Medicaid programs that occur during this demonstration approval period, unless the provision being changed is explicitly waived or identified as not applicable.

4. **Impact on Demonstration of Changes in Federal Law, Regulation, and Policy Statements.**

   a) To the extent that a change in federal law, regulation, or policy requires either a reduction or an increase in federal financial participation (FFP) for expenditures made under this demonstration, the state must adopt, subject to CMS approval, a modified budget neutrality agreement for the demonstration as necessary to comply with such change. The modified agreement will be effective upon the implementation of the change.

   b) If mandated changes in the federal law require state legislation, the changes must take effect on the day, such state legislation becomes effective, or on the last day such legislation was required to be in effect under the law.

5. **Changes Subject to the Amendment Process.** Changes related to eligibility, enrollment, benefits, delivery systems, cost sharing, sources of non-federal share of funding, budget neutrality, and other comparable program elements in these STCs must be submitted to CMS as amendments to the demonstration. All amendment requests are subject to approval at the discretion of the Secretary in accordance with section 1115 of the Social Security Act (the Act). The state must not implement changes to these elements without prior approval by CMS. Amendments to the demonstration are not retroactive and FFP will not be available for changes to the demonstration that have not been approved through the amendment process set forth in STC 6 below. The state will notify CMS of proposed demonstration

changes at the quarterly monitoring call, as well as in the written quarterly report, to determine if a formal amendment is necessary.

6. **Amendment Process.** Requests to amend the demonstration must be submitted to CMS for approval no later than 120 days prior to the planned date of implementation of the change and may not be implemented until approved. CMS reserves the right to deny or delay approval of a demonstration amendment based on non-compliance with these STCs, including but not limited to failure by the state to submit required reports and other deliverables in a timely fashion according to the deadlines specified therein. Amendment requests must include, but are not limited to, the following:

    a) An explanation of the public process used by the state consistent with the requirements of STC 13 to reach a decision regarding the requested amendment;

    b) A data analysis which identifies the specific impact of the proposed amendment on the current budget neutrality expenditure limit.

    c) A detailed description of the amendment, including impact on beneficiaries, with sufficient supporting documentation; and

    d) If applicable, a description of how the evaluation design must be modified to incorporate the amendment provisions.

7. **Extension of the Demonstration.**

    a) States that intend to request demonstration extensions under sections 1115(e) or 1115(f) are advised to observe the timelines contained in those statutes. Otherwise, no later than 12 months prior to the expiration date of the demonstration, the chief executive officer of the state must submit to CMS either a demonstration extension request or a phase-out plan consistent with the requirements of STC 8.

    b) <u>Compliance with Transparency Requirements at 42 CFR §431.412:</u> As part of the demonstration extension request, the state must provide documentation of compliance with the public notice requirements outlined in STC 13, as well as include the following supporting documentation:

        i) Demonstration Summary and Objectives: The state must provide a narrative summary of the demonstration project, reiterate the objectives set forth at the time the demonstration was proposed and provide evidence of how these objectives have been met as well as future goals of the program. If changes are requested, a narrative of the changes being requested along with the objective of the change and desired outcomes must be included.

        ii) Special Terms and Conditions (STCs): The state must provide documentation of its compliance with each of the STCs. Where appropriate, a brief explanation may be

accompanied by an attachment containing more detailed information. Where the STCs address any of the following areas, they need not be documented a second time.

iii) Waiver and Expenditure Authorities: The state must provide a list along with a programmatic description of the waivers and expenditure authorities that are being requested in the extension.

iv) Quality: The state must provide summaries of External Quality Review Organization (EQRO) reports, managed care organization (MCO) and state quality assurance monitoring, and any other documentation of the quality of care provided under the demonstration.

v) Compliance with the Budget Neutrality Limit: The state must provide financial data (as set forth in the current STCs) demonstrating the state's detailed and aggregate, historical and projected budget neutrality status for the requested period of the extension as well as cumulatively over the lifetime of the demonstration. In doing so, CMS will take into account the best estimate of current trend rates at the time of the extension. In addition, the state must provide up to date responses to the CMS Financial Management standard questions. If Title XXI funding is used in the demonstration, a CHIP Allotment Neutrality worksheet must be included.

vi) Draft report with Evaluation Status and Findings: The state must provide a narrative summary of the evaluation design, status (including evaluation activities and findings to date), and plans for evaluation activities during the extension period. The narrative is to include, but not be limited to, describing the hypotheses being tested and any results available.

vii) Demonstration of Public Notice 42 CFR §431.408: The state must provide documentation of the state's compliance with public notice process as specified in 42 CFR §431.408 including the post-award public input process described in 42 CFR §431.420(c) with a report of the issues raised by the public during the comment period and how the state considered the comments when developing the demonstration extension application.

8. **Demonstration Transition and Phase-Out.** The state may only suspend or terminate this demonstration in whole, or in part, consistent with the following requirements.

a) Notification of Suspension or Termination: The state must promptly notify CMS in writing of the reason(s) for the suspension or termination, together with the effective date and a phase-out plan. The state must submit its notification letter and a draft phase-out plan to CMS no less than six (6) months before the effective date of the demonstration's suspension or termination. Prior to submitting the draft phase-out plan to CMS, the state must publish on its website the draft phase-out plan for a 30-day public comment period. In addition, the state must conduct tribal consultation in accordance with its approved tribal consultation State Plan Amendment. Once the 30-day public comment period has ended, the state must provide a summary of each public comment received, the state's

response to the comment and how the state incorporated the received comment into a revised phase-out plan.

b) Plan Approval: The state must obtain CMS approval of the transition and phase-out plan prior to the implementation of the phase-out activities. Implementation of phase-out activities must be no sooner than 14 days after CMS approval of the phase-out plan.

c) Transition and Phase-out Plan Requirements: The state must include, at a minimum, in its phase-out plan the process by which it will notify affected beneficiaries, the content of said notices (including information on the beneficiary's appeal rights), the process by which the state will conduct administrative reviews of Medicaid eligibility for the affected beneficiaries, and ensure ongoing coverage for eligible individuals, as well as any community outreach activities and community resources that are available.

d) Phase-out Procedures: The state must comply with all notice requirements found in 42 CFR §§431.206, 431.210 and 431.213. In addition, the state must assure all appeal and hearing rights afforded to demonstration participants as outlined in 42 CFR §§431.220 and 431.221. If a demonstration participant requests a hearing before the date of action, the state must maintain benefits as required in 42 CFR §431.230. In addition, the state must conduct administrative renewals for all affected beneficiaries in order to determine if they qualify for Medicaid eligibility under a different eligibility category as found in 42 CFR § 435.916.

e) Exemption from Public Notice Procedures 42.CFR Section 431.416(g): CMS may expedite the federal and state public notice requirements in the event it determines that the objectives of Titles XIX and XXI would be served or under circumstances described in 42 CFR section 431.416(g).

f) Federal Financial Participation (FFP): If the project is terminated or any relevant waivers suspended by the state, FFP shall be limited to normal closeout costs associated with terminating the demonstration including services and administrative costs of disenrolling participants.

g) Post Award Forum: Within six months of the demonstration's implementation, and annually thereafter, the state will afford the public with an opportunity to provide meaningful comment on the progress of the demonstration. At least 30 days prior to the date of the planned public forum, the state must publish the date, time and location of the forum in a prominent location on its website. The state can use either its Medical Care Advisory Committee, or another meeting that is open to the public and where an interested party can learn about the progress of the demonstration to meet the requirements of this STC. The state must include a summary of the comments and issues raised by the public at the forum and include the summary in the quarterly report, as specified in STC 27 associated with the quarter in which the forum was held. The state must also include the summary in its annual report as required in STC 27.

9. **CMS Right to Terminate or Suspend.** CMS may suspend or terminate the demonstration, in whole or in part, at any time before the date of expiration, whenever it determines

following a hearing that the state has materially failed to comply with the terms of the project. CMS will promptly notify the State in writing of the determination and the reasons for the suspension or termination, together with the effective date.

10. **Finding of Non-Compliance.** The state does not relinquish its rights to challenge the CMS finding that the state materially failed to comply with the terms of this agreement.

11. **Withdrawal of Waiver Authority.** CMS reserves the right to withdraw waivers or expenditure authorities at any time it determines that continuing the waivers or expenditure authorities would no longer be in the public interest or promote the objectives of Title XIX. CMS must promptly notify the state in writing of the determination and the reasons for the withdrawal, together with the effective date, and must afford the state an opportunity to request a hearing to challenge CMS' determination prior to the effective date. If a waiver or expenditure authority is withdrawn, FFP is limited to normal closeout costs associated with terminating the waiver or expenditure authorities, including services and administrative costs of disenrolling participants.

12. **Adequacy of Infrastructure.** CMS and the state acknowledge while funding is subject to appropriation from the state legislature, the state must ensure the availability of adequate resources for implementation and monitoring of the demonstration, including education, outreach, and enrollment; maintaining eligibility systems applicable to the demonstration; compliance with cost sharing requirements to the extent they apply; and reporting on financial and other demonstration components.

13. **Public Notice, Tribal Consultation, and Consultation with Interested Parties.** The state must comply with the state notice procedures as required in 42 CFR 431.408 prior to submitting an application to extend the demonstration. For applications to amend the demonstration, the state must comply with the state notice procedures set forth in 59 Fed. Reg. 49249 (September 27, 1994) prior to submitting such request.

    The state must also comply with the tribal consultation requirements as set forth in section 1902(a)(73) of the Act and implemented in regulation at 42 CFR 431.408(b), and the tribal consultation requirements as outlined in the state's approved Medicaid State Plan, when any program changes to the demonstration, either through amendment or extension, are proposed by the state.

14. **FFP.** No federal matching funds for expenditures for this demonstration will take effect until the effective date identified in the demonstration approval letter.

IV. ELIGIBILITY

15. **Use of Modified Adjusted Gross Income (MAGI) Based Methodologies.** The state must use the CMS-approved MAGI standard for determining eligibility for the demonstration. Based on the CMS-approved MAGI-based standard, the state's income level for eligibility is 141 percent of the FPL (which is the equivalent of the state's 2013 pre-MAGI income level of 133 percent of the FPL). Any other Medicaid State Plan Amendments to the eligibility

standards and methodologies for these eligibility groups, or any future CMS-approved revisions to the state's MAGI standard taking place during the approval period will apply to this demonstration.

16. **Eligibility Requirements.** Family planning services are provided to eligible individuals, provided that the individual is re-determined eligible for the program on an annual basis. Additionally, the state will provide 12-month continuous eligibility, and not require reporting of changes in income or household size for this 12-month period, for an individual found to be income-eligible for this demonstration upon initial application or annual redetermination.

    Effective through December 31, 2017, individuals eligible for this demonstration are:

    a. Women ages 19 through 55 losing Medicaid 60 days postpartum, with income up to 141 percent of the FPL;

    b. Women ages 19 through 55 with income up to 141 percent of the FPL who are not otherwise eligible for Medicaid; and,

    b. Men age 21 or older with income up to 141 percent of the FPL that are not otherwise eligible for Medicaid, seeking a vasectomy; and care coordination services related to arranging for, receipt of, and follow-up to vasectomy services.

    A standard income disregard of five (5) percent of the FPL is applied if the individual is not eligible for coverage due to excess income.

17. **Redeterminations.** The state must ensure that redeterminations of eligibility for the demonstration are conducted at least every 12 months. At the state's option, redeterminations may be administrative in nature.

18. **Express Lane Eligibility.** The Medicaid State agency may rely on a finding from an Express lane agency when determining whether the individual satisfies one or more components of eligibility derived through the Demonstration at the time of initial determination and redetermination. All procedures outlined in the companion Medicaid Express Lane Eligibility State Plan Amendment must also apply to Express Lane eligibility determinations for the Demonstration population.

19. **Demonstration Disenrollment.** If a woman becomes pregnant while enrolled in the demonstration, she may be determined eligible for Medicaid under the state plan. The state must not submit claims under the demonstration for any woman who is found to be eligible under the Medicaid state plan. In addition, women and men who receive a sterilization procedure and complete all necessary follow-up procedures will be disenrolled from the demonstration.

V. BENEFITS AND DELIVERY SYSTEMS

20. **Family Planning Benefits.** Individuals eligible under this demonstration will receive family planning services and supplies as described in section 1905(a)(4)(C) of the Act, which are reimbursable at the 90 percent Federal matching rate pursuant to section 1903(a)(5) of the

Act. The specific family planning services provided under this demonstration are as follows:

a) FDA-approved methods of contraception; and vasectomy services for men;

b) Laboratory tests done during an initial family planning visit for contraception including, Pap smears, screening tests for STIs/STDs, blood count and pregnancy tests. Additional screening tests may be performed depending on the method of contraception desired and the protocol established by the clinic, program or provider. Additional laboratory tests may be needed to address a family planning problem or needed during an inter-periodic family planning visit for contraception;

b) Drugs, supplies, or devices related to women's health services described above that are prescribed by a health care provider who meets the state's provider enrollment requirements (subject to the national drug rebate program requirements);

c) Contraceptive management, patient education, and counseling, including care coordination services that provide enhanced education on appropriate use of the chosen family planning method and further assurance of correct and continued usage to address impediments to successful family planning. These care coordination services will be provided to female enrollees identified by providers as "high risk" or "at risk" for an unintended pregnancy and male enrollees seeking vasectomy services. Care coordination services include:

i. Assistance with arranging a family planning visit;
ii. Locating appropriate Medicaid doctor to perform sterilization procedures;
iii. Assistance with referrals, making appointments, and follow-up to ensure appointments are kept, including subsequent family planning visits;
iv. Provision of answers to general questions about family planning;
v. Family planning education utilizing the standardized educational model (PT+3) for providing information in a manner that meets the recipients' level of understanding; and,
vi. Counseling regarding problems with the selected family planning method.

21. **Minimum Essential Coverage (MEC).** The Plan First demonstration is limited to the provision of family planning services as described in STC 20. Consequently, this demonstration is not recognized as Minimum Essential Coverage (MEC), as indicated by CMS in its February 12, 2016 correspondence to Alabama Commissioner Stephanie Azar regarding our designation of MEC for this section 1115 demonstration.

22. **Primary Care Referrals.** Primary care referrals to other social service and health care providers as medically indicated are provided; however, the costs of those primary care services are not covered for enrollees of this demonstration. The state must facilitate access to primary care services for participants, and must assure CMS that written materials concerning access to primary care services are distributed to demonstration participants. The written materials must explain to the participants how they can access primary care services.

23. **Delivery of Services.** Enrollees in the Plan First demonstration will receive services on a fee-for-service (FFS) basis. Beneficiary freedom of choice of family planning provider shall not be restricted.

VI. GENERAL REPORTING REQUIREMENTS

24. **General Financial Requirements.** The state must comply with all general financial requirements under Title XIX set forth in section VII.

25. **Reporting Requirements Relating to Budget Neutrality.** The state must comply with all reporting requirements for monitoring budget neutrality as set forth in section VIII.

26. **Monitoring Calls.** CMS and the state will participate in quarterly conference calls following the receipt of the quarterly reports unless CMS determines that more frequent calls are necessary to adequately monitor the demonstration. The purpose of these calls is to discuss any significant actual or anticipated developments affecting the demonstration. Areas to be addressed include, but are not limited to, health care delivery, enrollment, quality of care, access, benefits, anticipated or proposed changes in payment rates, audits, lawsuits, financial reporting and budget neutrality issues, progress on evaluations, state legislative developments, and any demonstration amendments the state is considering submitting. The state and CMS will discuss quarterly expenditure reports submitted by the state for purposes of monitoring budget neutrality. CMS will update the state on any amendments under review as well as federal policies and issues that may affect any aspect of the demonstration. The state and CMS will jointly develop the agenda for the calls.

27. **Quarterly Operational Reports.** The state must submit progress reports no later than 60 days following the end of each quarter for every demonstration year (DY) within the format outlined in Appendix A. The intent of these reports is to present the state's data along with an analysis of the status of the various operational areas under the demonstration. These quarterly reports must include, but are not limited to:

    a) Quarterly expenditures for the demonstration population, with administrative costs reported separately;

    b) Quarterly enrollment reports for demonstration enrollees (enrollees include all individuals enrolled in the demonstration) that include the member months for each DY, as required to evaluate compliance with the budget neutral agreement and as specified in STC 42;

    c) Total number of participants served monthly during the quarter for each DY (participants include all individuals who obtain one or more covered family planning services through the demonstration);

    d) Events occurring during the quarter, or anticipated to occur in the near future that affect health care delivery, benefits, enrollment, systems, grievances, quality of care, access, payment rates, pertinent legislative activity, eligibility verification activities, eligibility

redetermination processes (including the option to utilize administrative redetermination), and other operational issues;

e) Notification of any changes in enrollment and/or participation that fluctuate 10 percent or more in relation to the previous quarter within the same DY and the same quarter in the previous DY;

f) Action plans for addressing any policy, administrative or budget issues identified;

g) An updated budget neutrality monitoring worksheet; and

h) Evaluation activities and interim findings.

i) Contraceptive Methods. Using the Contraceptive Methods chart in Appendix B, the Template for the Annual Report, report the number of each contraceptive method dispensed in the previous demonstration year and the number of unique contraceptive users. This data will be used to identify the number of unique beneficiaries who received a given method in the previous year.

28. **Annual Report.** The annual report is due 90 days following the end of the fourth quarter of each DY within the format outlined in Appendix B. The report must include a summary of the year's preceding activity as well as the following:

a) Total annual expenditures for the demonstration population for each DY, with administrative costs reported separately;

b) The average total Medicaid expenditures for a Medicaid-funded birth each DY. The cost of a birth includes prenatal services and delivery and pregnancy-related services and services to infants from birth up to age 1 (the services should be limited to the services that are available to women who are eligible for Medicaid because of their pregnancy and their infants);

c) The number of actual births that occur to family planning demonstration participants within the DY. (participants include all individuals who obtain one or more covered medical family planning services through the family planning program each year);

d) Yearly enrollment reports for demonstration enrollees for each DY (enrollees include all individuals enrolled in the demonstration) that include the member months, as required to evaluate compliance with the budget neutral agreement and as specified in STC 34

e) Total number of participants for the DY (participants include all individuals who obtain one or more covered family planning services through the demonstration);

f) A summary of program integrity and related audit activities for the demonstration, including an analysis of point-of-service eligibility procedures;

g) Evaluation activities and interim findings; and

h) An updated budget neutrality monitoring worksheet.

29. **Final Report.** The state must submit a final demonstration report to CMS to describe the impact of the demonstration, including the extent to which the state met the goals of the demonstration. The draft report will be due to CMS 180 days after the expiration of the demonstration. CMS must provide comments within 60 days of receipt of the draft final demonstration report. The state must submit a final demonstration report within 60 days of receipt of CMS comments.

VII. GENERAL FINANCIAL REQUIREMENTS

30. **Quarterly Expenditure Reports.** The state must provide quarterly expenditure reports using the Form CMS-64 to report total expenditures for services provided under the Medicaid program, including those provided through the demonstration under section 1115 authority. This project is approved for expenditures applicable to services rendered during the demonstration period. CMS must provide FFP for allowable demonstration expenditures only as long as they do not exceed the pre-defined limits on the costs incurred as specified in Section VIII.

31. **Reporting Expenditures Subject to the Title XIX Budget Neutrality Agreement.** The following describes the reporting of expenditures subject to the budget neutrality limit:

a) Tracking Expenditures. In order to track expenditures under this demonstration, Alabama must report demonstration expenditures through the Medicaid and CHIP Budget and Expenditure System (MBES/CBES); following routine CMS-64 reporting instructions outlined in section 2500 of the State Medicaid Manual. All demonstration expenditures claimed under the authority of Title XIX of the Act and subject to the budget neutrality expenditure limit must be reported each quarter on separate Forms CMS-64.9 Waiver and/or 64.9P Waiver, identified by the demonstration project number assigned by CMS, including the project number extension, which indicates the DY in which services were rendered or for which capitation payments were made.

b) Cost Settlements. For monitoring purposes, cost settlements attributable to the demonstration must be recorded on the appropriate prior period adjustment schedules (Form CMS-64.9P Waiver) for the Summary Sheet Line 10B, in lieu of Lines 9 or 10C. For any other cost settlements not attributable to this demonstration, the adjustments should be reported on lines 9 or 10C as instructed in the State Medicaid Manual.

c) Use of Waiver Forms. The state must report demonstration expenditures on separate Forms CMS-64.9 Waiver and/or 64.9P Waiver each quarter to report Title XIX expenditures for demonstration services.

32. **Title XIX Administrative Costs.** Administrative costs will not be included in the budget neutrality agreement, but the state must separately track and report additional administrative

costs that are directly attributable to the demonstration. All administrative costs must be identified on the Forms CMS-64.10.

33. **Claiming Period.** All claims for expenditures subject to the budget neutrality agreement (including any cost settlements) must be made within 2 years after the calendar quarter in which the state made the expenditures. All claims for services during the demonstration period (including any cost settlements) must be made within 2 years after the conclusion or termination of the demonstration. During the latter 2-year period, the state must continue to identify separately net expenditures related to dates of service during the operation of the demonstration on the CMS-64 waiver forms in order to properly account for these expenditures in determining budget neutrality.

34. **Reporting Member Months.** The following describes the reporting of member months for the demonstration:

    a. For the purpose of calculating the budget neutrality expenditure limit, the state must provide to CMS, as part of the quarterly and annual reports as required under STC 27 and 28 respectively, the actual number of eligible member months for all demonstration enrollees. The state must submit a statement accompanying the quarterly and annual reports, certifying the accuracy of this information.

    b. The term "eligible member months" refers to the number of months in which persons enrolled in the demonstration are eligible to receive services. For example, a person who is eligible for three months contributes three eligible member months to the total. Two individuals who are eligible for two months each contribute two eligible member months to the total, for a total of four eligible member months.

35. **Standard Medicaid Funding Process.** The standard Medicaid funding process must be used during the demonstration. The state must estimate matchable demonstration expenditures (total computable and federal share) subject to the budget neutrality expenditure limit and separately report these expenditures by quarter for each federal fiscal year on the Form CMS-37 for both the Medical Assistance Payments (MAP) and State and Local Administration Costs (ADM). CMS shall make federal funds available based upon the state's estimate, as approved by CMS. Within 30 days after the end of each quarter, the state must submit the Form CMS-64 quarterly Medicaid expenditure report, showing Medicaid expenditures made in the quarter just ended. CMS shall reconcile expenditures reported on the Form CMS-64 with federal funding previously made available to the state, and include the reconciling adjustment in the finalization of the grant award to the state.

36. **Extent of Federal Financial Participation (FFP) for the Demonstration.** CMS shall provide FFP for family planning services and supplies at the applicable federal matching rates described in STC 20 , subject to the limits and processes described below:

    a) For family planning services, reimbursable procedure codes for office visits, laboratory tests, and certain other procedures must carry a primary diagnosis or a modifier that specifically identifies them as a family planning service.

b) Allowable family planning expenditures eligible for reimbursement at the enhanced family planning match rate, as described in STC 20, should be entered in Column (D) on the Forms CMS-64.9 Waiver.

c) FFP will not be available for the costs of any services, items, or procedures that do not meet the requirements specified above, even if family planning clinics or providers provide them. For example, in the instance of testing for STIs as part of a family planning visit, FFP will be available at the 90 percent federal matching rate. The match rate for the subsequent treatment would be paid at the applicable federal matching rate for the state. For testing or treatment not associated with a family planning visit, no FFP will be available.

d) Pursuant to 42 CFR 433.15(b)(2), FFP is available at the 90 percent administrative match rate for administrative activities associated with administering the family planning services provided under the demonstration including the offering, arranging, and furnishing of family planning services. These costs must be allocated in accordance with OMB Circular A-87 cost allocation requirements. The processing of claims is reimbursable at the 50 percent administrative match rate.

37. **Sources of Non-Federal Share.** The state must certify that matching the non-federal share of funds for the demonstration are state/local monies. The state further certifies that such funds must not be used to match for any other federal grant or contract, except as permitted by law. All sources of non-federal funding must be compliant with section 1903(w) of the Act and applicable regulations. In addition, all sources of the non-federal share of funding are subject to CMS approval.

a) CMS shall review the sources of the non-federal share of funding for the demonstration at any time. The state agrees that all funding sources deemed unacceptable by CMS must be addressed within the time frames set by CMS.

b) Any amendments that impact the financial status of the program must require the state to provide information to CMS regarding all sources of the non-federal share of funding.

38. **State Certification of Funding Conditions.** The state must certify that the following conditions for non-federal share of demonstration expenditures are met:

a) Units of government, including governmentally operated health care providers, may certify that state or local tax dollars have been expended as the non-federal share of funds under the demonstration.

b) To the extent the state utilizes certified public expenditures (CPEs) as the funding mechanism for Title XIX (or under section 1115 authority) payments, CMS must approve a cost reimbursement methodology. This methodology must include a detailed explanation of the process by which the state would identify those costs eligible under

Title XIX (or under section 1115 authority) for purposes of certifying public expenditures.

c) To the extent the state utilizes CPEs as the funding mechanism to claim federal match for payments under the demonstration, governmental entities to which general revenue funds are appropriated must certify to the state the amount of such tax revenue (state or local) used to satisfy demonstration expenditures. The entities that incurred the cost must also provide cost documentation to support the state's claim for federal match.

d) The state may use intergovernmental transfers to the extent that such funds are derived from state or local tax revenues and are transferred by units of government within the state. Any transfers from governmentally operated health care providers must be made in an amount not to exceed the non-federal share of Title XIX payments. Under all circumstances, health care providers must retain 100 percent of the claimed expenditure. Moreover, no pre-arranged agreements (contractual or otherwise) exist between health care providers and state and/or local government to return and/or redirect any portion of the Medicaid payments. This confirmation of Medicaid payment retention is made with the understanding that payments that are the normal operating expenses of conducting business, such as payments related to taxes, (including health care provider-related taxes), fees, business relationships with governments that are unrelated to Medicaid and in which there is no connection to Medicaid payments, are not considered returning and/or redirecting a Medicaid payment.

39. **Monitoring the Demonstration.** The state must provide CMS with information to effectively monitor the demonstration, upon request, in a reasonable time frame.

VIII. MONITORING BUDGET NEUTRALITY

40. **Limit on Title XIX Funding.** The state shall be subject to a limit on the amount of federal Title XIX funding it may receive on selected Medicaid expenditures during the period of approval of the demonstration. The budget neutrality expenditure targets are set on a yearly basis with a cumulative budget neutrality expenditure limit for the length of the entire demonstration. Actual expenditures subject to budget neutrality expenditure limit shall be reported by the state using the procedures described in STC 30.

41. **Risk.** Alabama shall be at risk for the per capita cost (as determined by the method described below in this section) for the Medicaid family planning enrollees, but not for the number of demonstration enrollees. By providing FFP for enrollees in this eligibility group, Alabama shall not be at risk of changing economic conditions that impact enrollment levels. However, by placing Alabama at risk for the per capita costs for enrollees in the demonstration, CMS assures that federal demonstration expenditures do not exceed the level of expenditures that would have occurred had there been no demonstration.

42. **Budget Neutrality Annual Expenditure Limits.** For each DY, an annual budget limit will be calculated for the demonstration. For this demonstration, the DY is based on the original date of implementation and runs from October 1 through September 30 each year. The

budget limit is calculated as the projected per member/per month (PMPM) cost times the actual number of member months for the demonstration multiplied by the Composite Federal Share.

PMPM Cost. The following table gives the PMPM (total computable) costs for the calculation described above by DY. The PMPM cost for DY15 and DY16 was constructed based on state expenditures for DY 14 and increased by the rate of growth included in the President's federal fiscal year 2015 budget.

To reflect the addition of care coordination services for all Plan First enrollees, the PMPM cost for DY17 was calculated based on the state's actual expenditures for DY15 and DY16. Because the state experienced a decline in expenditures incurred under the demonstration, a zero percent trend rate was applied to PMPM costs. The PMPMs for DYs 15 through 17 are as outlined below.

	Trend	DY 15	DY 16	DY 17
Demonstration Enrollees	5.0 %	$42.10	$40.48	
	0%			$25.54

a) Composite Federal Share. The Composite Federal Share is the ratio calculated by dividing the sum total of FFP received by the state on actual demonstration expenditures during the approval period, as reported on the forms listed in STC 30 above, by total computable demonstration expenditures for the same period as reported on the same forms. Should the demonstration be terminated prior to the end of the approval period (see STCs 8 and 9), the Composite Federal Share will be determined based on actual expenditures for the period in which the demonstration was active. For the purpose of interim monitoring of budget neutrality, a reasonable Composite Federal Share may be used.

b) Structure. The demonstration is structured as a "pass-through" or "hypothetical" population. Therefore, the state may not derive savings from the demonstration.

c) Application of the Budget Limit. The budget limit calculated above will apply to demonstration expenditures, as reported by the state on the CMS-64 forms. If at the end of the demonstration period, the costs of the demonstration services exceed the budget limit, the excess federal funds will be returned to CMS.

43. **Future Adjustments to the Budget Neutrality Expenditure Limit.** CMS reserves the right to adjust the budget neutrality expenditure limit to be consistent with enforcement of impermissible provider payments, health care related taxes, new federal statutes, or policy interpretations implemented through letters, memoranda, or regulations with respect to the provision of services covered under the demonstration.

44. **Enforcement of Budget Neutrality.** CMS will enforce budget neutrality over the life of the demonstration, rather than annually. However, no later than 6 months after the end of each

DY or as soon thereafter as the data are available, the state will calculate annual expenditure targets for the completed year. This amount will be compared with the actual claimed FFP for Medicaid. Using the schedule below as a guide, if the state exceeds these targets, it will submit a corrective action plan to CMS for approval. The state will subsequently implement the approved corrective action plan.

Year	Cumulative Target Expenditures	Percentage
DY 2015	DY 10 budget limit amount	+2 percent
DY 2016	DYs 10 through 11 combined budget limit amount	+1.5 percent
DY 2017	DYs 11 through 12 combined budget limit amount	+0 percent

Failure to Meet Budget Neutrality Goals. The state, whenever it determines that the demonstration is not budget neutral or is informed by CMS that the demonstration is not budget neutral, must immediately collaborate with CMS on corrective actions, which must include submitting a corrective action plan to CMS within 21 days of the date the state is informed of the problem. While CMS will pursue corrective actions with the state, CMS will work with the state to set reasonable goals that will ensure that the state is in compliance.

IX. EVALUATION

45. **Submission of Draft Evaluation Design.** A draft evaluation design report must be submitted to CMS for approval within 120 days from the award of the demonstration extension. At a minimum, the evaluation design should include a detailed analysis plan that describes how the effects of the demonstration will be isolated from those of other initiatives occurring in the state. The evaluation must include an analysis of the costs and benefits of the utilization of point-of-service eligibility. The report should also include an integrated presentation and discussion of the specific hypotheses (including those that focus specifically on the target population for the demonstration) that are being tested. The report will also discuss the outcome measures that will be used in evaluating the impact of the demonstration, particularly among the target population. It will also discuss the data sources and sampling methodology for assessing these outcomes. The state must implement the evaluation design and report its progress in each of the demonstration's quarterly and annual reports.

46. **Final Evaluation Plan and Implementation.** CMS shall provide comments on the draft design within 60 days of receipt, and the state must submit a final plan for the overall evaluation of the demonstration described in STC 44, within 60 days of receipt of CMS comments.

X. SCHEDULE OF STATE DELIVERABLES DURING THE DEMONSTRATION

Timeline	Deliverable	STC Reference
Within 120 days from the award of the demonstration	Submit Draft Evaluation Design	Section IX, STC 44
Within 60 days receipt of CMS comments	Submit Final Evaluation Plan	Section IX, STC 45

Annually within 90 days following the end of the 4th quarter for each DY	Submit Annual Report	Section VI, STC 27
Quarterly within 60 days following the end of each quarter	Submit Quarterly Operational Reports	Section VI, STC 26
Within 180 days after the expiration of the demonstration	Submit Draft Final Report	Section VI, STC 28
60 days receipt of CMS comments	Submit Final Report	Section VI, STC 28

APPENDIX A: Template for Quarterly Operational Report

[Insert Name of Demonstration]
Section 1115 Quarterly Report
Demonstration Year, Quarter X
Fiscal Quarter
Date Submitted

Introduction

Narrative on a brief introduction of demonstration, provide historical background from previous demonstration years and trends.

Executive Summary

- *Brief description of demonstration populations*
- *Goal of demonstration (list out)*
- *Program highlights* (e.g. summary of benefits provided to the demonstration population)

(Fill in chart- Indicate when each quarter begins and when it ends, see example below)

Demonstration Year (DY)	Begin Date	End Date	Quarterly Report Due Date (60 days following end of quarter)
Quarter 1			
Quarter 2			
Quarter 3			
Quarter 4			

- *Significant program changes*
  - Narrative describing any administrative and operational changes to the demonstration, such as eligibility and enrollment processes, eligibility redetermination processes (including the option to utilize administrative redetermination), systems, health care delivery, benefits, quality of care, anticipated or proposed changes in payment rates, and outreach changes; and
  - Narrative on any noteworthy demonstration changes, such as changes in enrollment, service utilization, education and outreach, and provider participation. Discussion of any action plan if applicable.

- *Policy issues and challenges*
  - Narrative providing an overview of any policy issues the state is considering, including pertinent legislative/budget activity and potential demonstration amendments; and
  - Discussion of any action plans addressing any policy, administrative or budget issues identified, if applicable.

Enrollment

- Provide narrative on observed trends and explanation of data. As per STC 27, the state must include a narrative of any changes in enrollment and/or participation that fluctuate 10 percent or more in relation to the previous quarter with the same demonstration year (DY) and the same quarter in the previous DY.

- Enrollment figures- Please utilize the chart below to provide data on the enrollees and participants within the demonstration in addition to member months. The chart should provide information to date, over the lifetime of the demonstration extension.
    - As outlined in STCs 27 and 34,

        1. Enrollees are defined as all individuals enrolled in the demonstration,
            - The number of newly enrolled should reflect the number of individuals enrolled for the quarter reported.
            - The number of total enrollees should reflect the total number of individuals enrolled for the current DY.

        2. Participants are defined as all individuals who obtain one or more covered family planning services through the demonstration, and

        3. Member months refer to the number of months in which persons enrolled in the demonstration are eligible for services. For example, a person who is eligible for 3 months contributes to 3 eligible member months to the total.

    - This demonstration has three eligible populations, as described in STC 16.

      *Population 1: **XXXXX***.

      *Population 2: **XXXXX***.

      Population 3: ***XXXXX***.

DY 12: 2014	**Quarter 1 (fill in quarter dates)**				**Quarter 2 (fill in quarter dates)**			
	Population 1	Population 2	Population 3	Total Population	Population 1	Population 2	Population 3	Total Population
# of Newly enrolled								
# of Total Enrollees								
# of Participants								
# of Member Months								

DY 12: 2014	**Quarter 3**	**Quarter 4**

	(fill in quarter dates)				(fill in quarter dates)			
	Population 1	Population 2	Population 3	Total Population	Population 1	Population 2	Population 3	Total Population
# of Newly enrolled								
# of Total Enrollees								
# of Participants								
# of Member Months								

DY 13: 2015	**Quarter 1 (fill in quarter dates)**				**Quarter 2 (fill in quarter dates)**			
	Population 1	Population 2	Population 3	Total Population	Population 1	Population 2	Population 3	Total Population
# of Newly enrolled								
# of Total Enrollees								
# of Participants								
# of Member Months								

DY 13: 2015	**Quarter 3 (fill in quarter dates)**				**Quarter 4 (fill in quarter dates)**			
	Population 1	Population 2	Population 3	Total Population	Population 1	Population 2	Population 3	Total Population
# of Newly enrolled								
# of Total Enrollees								
# of Participants								
# of Member Months								

DY 14: 2016	**Quarter 1 (fill in quarter dates)**	**Quarter 2 (fill in quarter dates)**

	Population 1	Population 2	Population 3	Total Population	Population 1	Population 2	Population 3	Total Population
# of Newly enrolled								
# of Total Enrollees								
# of Participants								
# of Member Months								

DY 14: 2016	**Quarter 3 (fill in quarter dates)**				**Quarter 4 (fill in quarter dates)**			
	Population 1	Population 2	Population 3	Total Population	Population 1	Population 2	Population 3	Total Population
# of Newly enrolled								
# of Total Enrollees								
# of Participants								
# of Member Months								

Service and Providers

- *Service Utilization*
  - Provide a narrative on trends observed with service utilization. Please also describe any changes in service utilizations or change to the demonstration's benefit package.

- *Provider Participation*
  - Provide a narrative on the current provider participation in point-of-service eligibility during this quarter highlighting any current or expected changes in provider participation, planned eligibility provider outreach and implication for health care delivery.
  - Provide a narrative on the current provider participation in rendering services during this quarter highlighting any current or expected changes in provider participation, planned provider outreach and implications for health care delivery.

Program Outreach Awareness and Notification

- *General Outreach and Awareness*
  - Provide information on the public outreach activities conducted this quarter; and
  - Provide a brief assessment on the effectiveness of outreach programs.

- *Target Outreach Campaign(s) (if applicable)*

- Provide a narrative on who the targeted populations for these outreaches are, and reasons for targeted outreach; and
- Provide a brief assessment on the effectiveness of the targeted outreach program(s).

Program Evaluation, Transition Plan and Monitoring

- Identify any quality assurance and monitoring activities in current quarter. Also, please discuss program evaluation activities and interim findings;

- Provide a narrative of any feedback and grievances made by beneficiaries, providers and the public, including any public hearings or other notice procedures, with a summary of the state's response or planned response.

Quarterly Expenditures

- The state 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. Please see Section VII of the STCs for more details.

- Please utilize the chart below to include expenditure data, as reported on the Form CMS-64. Provide information to date, over the lifetime of the demonstration extension.

	Demonstration Year 12 (fill in dates)			
	Service Expenditures as Reported on the CMS-64	Administrative Expenditures as Reported on the CMS-64	Total Expenditures as Reported on the CMS-64	Expenditures as requested on the CMS- 37
Quarter 1 Expenditures				
Quarter 2 Expenditures				
Quarter 3 Expenditures				
Quarter 4 Expenditures				
Total Annual Expenditures				

	Demonstration Year 13

	(fill in dates)			
	Service Expenditures as Reported on the CMS -64	Administrative Expenditures as Reported on the CMS -64	Total Expenditures as Reported on the CMS -64	Expenditures as requested on the CMS- 37
Quarter 1 Expenditures				
Quarter 2 Expenditures				
Quarter 3 Expenditures				
Quarter 4 Expenditures				
Total Annual Expenditures				

	Demonstration Year 14 (fill in dates)			
	Service Expenditures as Reported on the CMS -64	Administrative Expenditures as Reported on the CMS -64	Total Expenditures as Reported on the CMS -64	Expenditures as requested on the CMS- 37
Quarter 1 Expenditures				
Quarter 2 Expenditures				
Quarter 3 Expenditures				
Quarter 4 Expenditures				
Total Annual Expenditures				

Activities for Next Quarter

- Provide details and report on any anticipated activities for next quarter.

APPENDIX B: Template for Annual Report

State
Name of Demonstration
Section 1115 Annual Report
Demonstration Year, Annual Report (list dates covered)
Fiscal Year
Date Submitted

*****Please include a cover page and a table of contents***

Introduction
Narrative on a brief introduction of demonstration, provide historical background, such as amendment changes, extension request and dates of CMS approvals.

Executive Summary

- *Brief description of demonstration population*
- *Goal of demonstration* (list out)
- *Program highlights* (e.g. summary of benefits provided to the demonstration population)

Demonstration Year	Begin Date	End Date	Annual Report Due Date (90 days following end of Annual date)

(Fill in chart- Indicate when each annual year begins and when it ends, see example below)

- *Significant program changes from previous demonstration years*
  - Narrative describing any administrative and operational changes to the demonstration, such as eligibility and enrollment processes, eligibility redetermination processes (including the option to utilize administrative redetermination), systems, health care delivery, benefits, quality of care, anticipated or proposed changes in payment rates, and outreach changes; and
  - Narrative on any noteworthy demonstration changes, such as changes in enrollment, service utilization, education and outreach, and provider participation. Please include a description of action plan if applicable.

- *Policy issues and challenges*
  - Brief narrative on noteworthy policy issues and challenges from previous Demonstration years and actions if applicable;
  - Narrative providing an overview of any policy issues the state has dealt with in the reporting year, including pertinent legislative/budget activity and potential demonstration amendments;

- Discussion of any action plans addressing any policy, administrative or budget issues identified, if applicable; and
- Narrative on any budget neutrality issues the state has identified. Please include a description of action plan if applicable.

Enrollment and Renewal

- Enrollment figures- Please utilize the chart below to provide data on the enrollees and participants within the demonstration in addition to member months. The chart should provide information to date, over the lifetime of the demonstration extension.
  - As outlined in STCs 28 and 34,
    1. Enrollees are defined as all individuals enrolled in the demonstration,
       i. The number of newly enrolled should reflect the number of individuals enrolled for the quarter reported.
       ii. The number of total enrollees should reflect the total number of individuals enrolled for the current DY.
    2. Participants are defined as all individuals who obtain one or more covered family planning services through the demonstration
    3. Member months refers to the number of months in which persons enrolled in the demonstration are eligible for services. For example, a person who is eligible for 3 months contributes to 3 eligible member months to the total.

  - This demonstration has three eligible populations, as described in STC 16.

    Population 1: ***XXXXX***

    Population 2: ***XXXXX***

    Population 3: ***XXXXX***

	Demonstration Year 12 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# of Total Enrollees				
# of Participants				
# of Member Months				

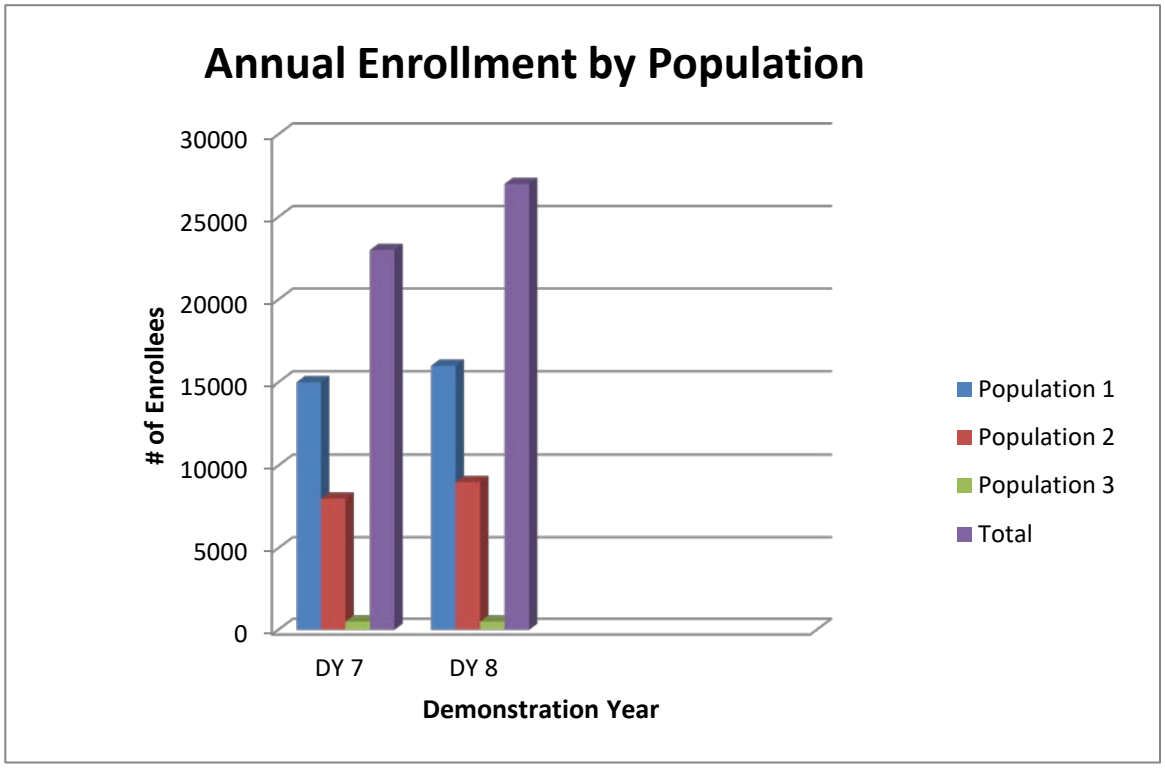
	Demonstration Year 13 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# of Total Enrollees				
# of Participants				
# of Member Months				

	Demonstration Year 14 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# of Total Enrollees				
# of Participants				
# of Member Months				

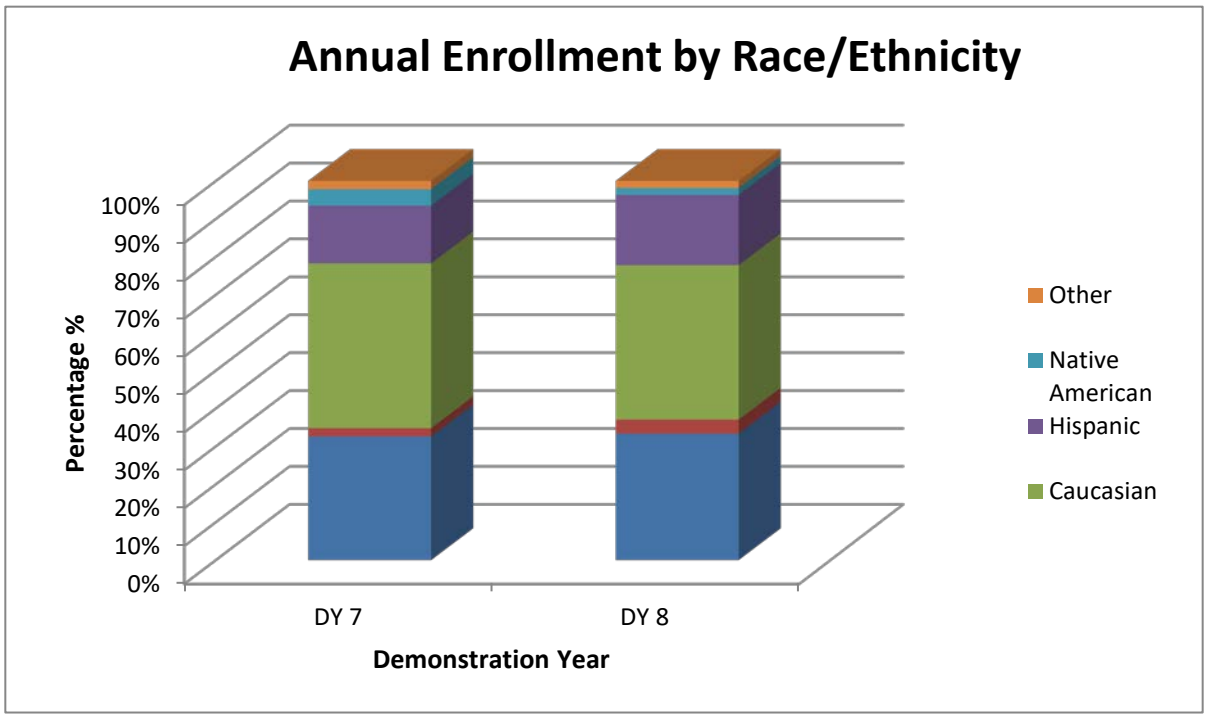
- Provide narrative on observed trends and analysis of data, including any proposed actions for improvement. As per STCs 27 and 28, the state must include a narrative of any changes in enrollment and/or participation that fluctuate 10 percent or more in relation to the previous demonstration year (DY). Also discuss actions identified that could improve enrollment numbers, if applicable.

- Provide graphs/charts for the data indicated below (***samples of the graph structure are included):***

  1) Annual enrollment by population for each demonstration year over the lifetime of the demonstration.

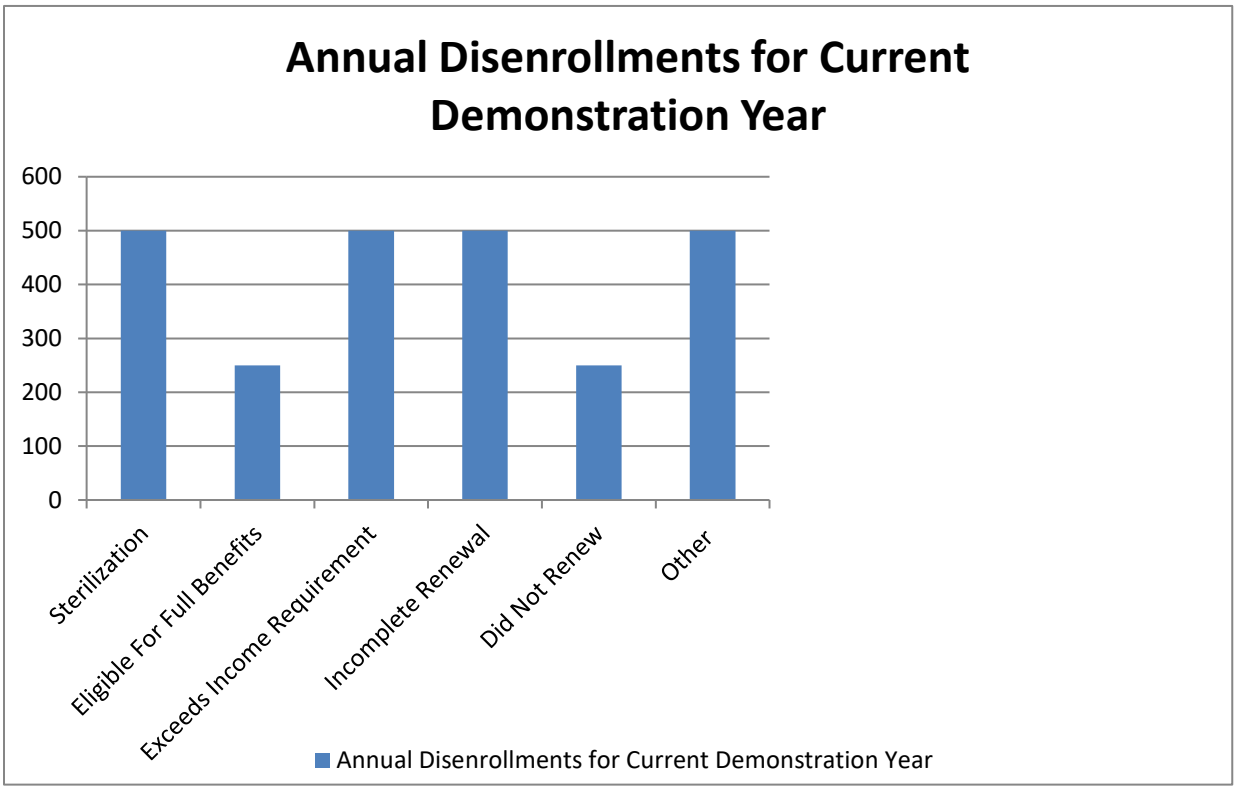


2) It is the state's option to provide graphs and analysis of annual enrollment by characteristics, such as race/ethnicity, and age. Two examples of such information is included below.



	African American (Enrollees/ Percentage %)	Asian American	Caucasian	Hispanic	Native American	Other	Total enrollees
DY 9	7500(32.6%)	500 (2.17%)	10000(43.4%)	3500(15.2%)	1000(4.34%)	500(2.17%)	23000
DY 10	9000(33.3%)	1000(3.70%)	11000(40.7%)	5000(18.5%)	500(1.85%)	500(1.85%)	27000
DY 11							

3) Annual Disenrollment and Retention figures
   - Discuss the current demonstration year's retention and disenrollment figures, including top reasons for disenrollment, compared to last demonstration year and trends observed throughout the current demonstration year's quarters.
   - Provide charts/graphs to illustrate the data, please see examples below on disenrollment figures.

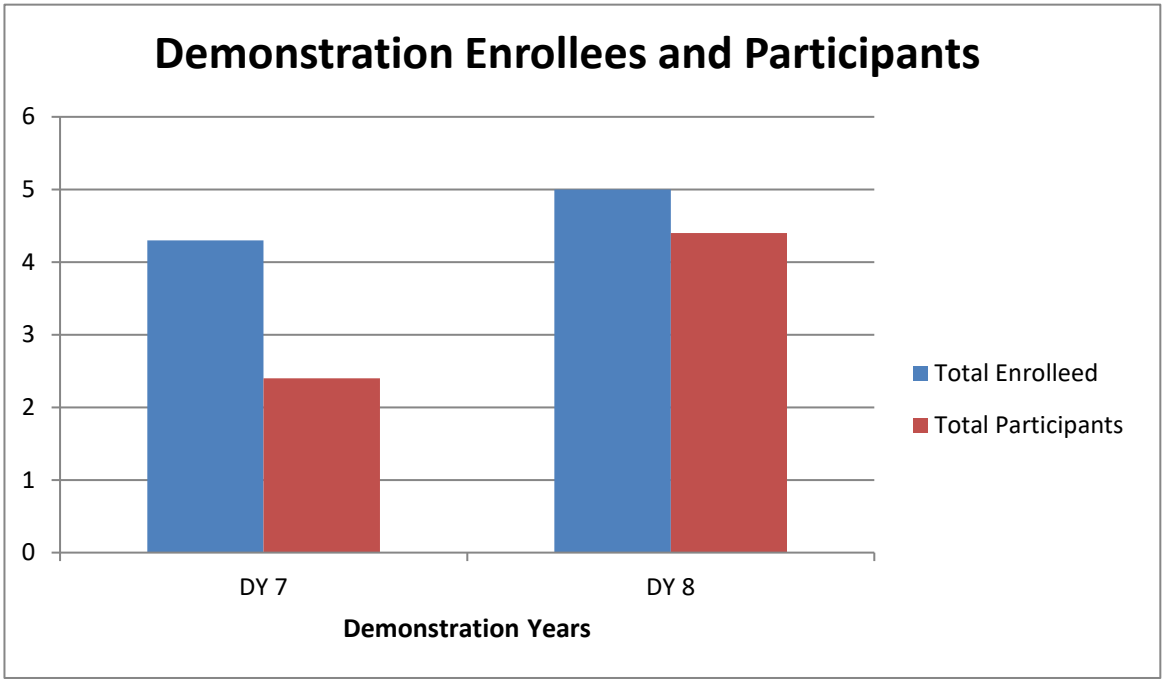


	Sterilization (Enrollees/ Percentage %)	Eligible for Full Benefits	Exceeds income requirement	Incomplete Renewal	Did not Renew	Other	Total Disenrollment Numbers
DY 9	500(20.0%)	250(10.0%)	500(20.0%)	500(20.0%)	250(10.0%)	500(20.0%)	2500
DY 10	500(16.67%)	750(25%)	500(16.67%)	250(8.33%)	500(16.7%)	500(16.7%)	3000
DY 11							

Service and Providers

- *Service Utilization*
  - Provide a narrative on trends observed with family planning and family planning-related services and supplies utilization. Please also describe any changes in service utilizations or change to the demonstration's benefit package. Provide any relevant charts/graphs illustrating data found.

  - Provide a cumulative graph highlighting the enrollees and participants over the lifetime of the demonstration.



- *Provider Participation*
  - Provide a narrative on the current provider participation in point-of-service eligibility during this quarter highlighting any current or expected changes in provider participation, planned eligibility provider outreach and implication for health care delivery.
  - Provide a narrative on the current provider participation in rendering services during this demonstration year highlighting any current or expected changes in

provider participation, planned provider outreach and implications for health care delivery.

Program Outreach Awareness and Notification

- *General Outreach and Awareness*
  - Provide information on the public outreach activities conducted this demonstration year, and
  - Provide a brief assessment on the effectiveness of outreach programs throughout the demonstration Year.

- *Target Outreach Campaign(s) (if applicable)*
  - Provide a narrative on who the targeted populations for these outreaches are, and reasons for targeted outreach,
  - Provide a brief assessment on the effectiveness of the targeted outreach program(s); and
  - Describe any trends observed and any identified actions that could improve the outreach programs.

Program Evaluation, Transition Plan and Monitoring

- A summary of program integrity and related audit activities for the demonstration, including an analysis of point-of-service eligibility procedures;

- Identify any quality assurance and monitoring activities in current quarter. Also, please discuss program evaluation activities and interim findings; and

- Provide a narrative of any feedback and grievances made by beneficiaries, providers and the public, including any public hearings or other notice procedures, with a summary of the state's response or planned response.

Provide an Interim Evaluation of Goals and Progress

Goal 1:
Progress Update:

Goal 2:
Progress Update:

Goal 3:
Progress Update:

Annual Expenditures

- The state 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. Please see Section VII of the STCs for more details.

- Please utilize the chart below to include this expenditure data, as reported on the Form CMS-64. The chart should provide information to date, over the lifetime of the demonstration extension.

	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		
Demonstration Year 12						
Demonstration Year 13						
Demonstration Year 14						

	Demonstration Year 12 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# Member Months				
PMPM				
Total Expenditures *(Member months multiplied by PMPM)*				

	Demonstration Year 13 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# Member Months				
PMPM				
Total Expenditures *(Member months multiplied by PMPM)*				

	Demonstration Year 14 (fill in dates)			
	Population 1	Population 2	Population 3	Total Demonstration Population
# Member Months				
PMPM				
Total Expenditures				

(Member months multiplied by PMPM)				

Actual Number of Births to Demonstration Population

- Provide the number of actual births that occur to family planning demonstration participants within the DY over the lifetime of the demonstration (participants include all individuals who obtain one or more covered family planning services each year).

	# of Births to Demonstration Participants
Demonstration Year 12	
Demonstration Year 13	
Demonstration Year 14	

Cost of Medicaid Funded Births

- For each demonstration year, provide the average total Medicaid expenditures for a Medicaid-funded birth. The cost of a birth includes prenatal services and delivery and pregnancy-related services and services to infants from birth up to age 1 (the services should be limited to the services that are available to women who are eligible for Medicaid because of their pregnancy and their infants);

Activities for Next Year

- Report on any anticipated activities for next year.

Contraceptive Methods

- Please insert the state name, demonstration year, and start and end dates for the demonstration year into the chart below. Using this chart, please indicate the *number of each contraceptive method dispensed* in the previous demonstration year. If a state did not receive any claims for a specific contraceptive method in the last year, enter a zero ("0"). If a state does not cover a specific method under its demonstration, enter not applicable ("N/A"). The *number of unique contraceptive users* should identify the number of unique beneficiaries who received a given method in the previous year. The *data source* column should specify the type of data used to describe the specified contraceptive method (i.e., MMIS data, claims data, chart review, etc.).

STATE Family Planning Demonstration – Contraceptive Methods			
Demonstration Year X (MM/DD/YY – MM/DD/YY)			
	Number of contraceptive method dispensed	Number of unique contraceptive users	Data source
Male Condom			
Female Condom			
Sponge			
Diaphragm			
Pill			

Patch			
Ring			
Injectable			
Implant			
IUD			
Emergency Contraception			
Sterilization			