Maryland HealthChoice Demonstration
Section 1115 Quarterly Report
Demonstration Year 18 (July 1, 2014 – June 30, 2015)
State Fiscal Third Quarter (January 1, 2015 – March 31, 2015)

Introduction

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

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

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

Enrollment and Enrollment Broker Activities

In the third quarter of fiscal year (FY) 2015, HealthChoice enrollment reached 1,105,463 individuals, representing 83 percent of the state's Medicaid population, and an increase of about 44,679 individuals from the previous quarter. This figure includes the new eligibility categories added under the ACA: former Primary Adult Care (PAC) program enrollees who were automatically converted on January 1, 2014 to full Medicaid coverage; other adults who were eligible for enrollment but had not enrolled prior to January 1, 2014; newly-eligible parents and childless adults and former foster care children up to twenty-six years old. They are accounted for as ACA Expansion Adults in the following enrollment section.

Table 1: Average Monthly Enrollees

Demonstration Populations	Monthly Enrollees (avg. for the quarter)
TANF	545,383
SSI/BD	73,452

Medically Needy	15,534
SOBRA Women	10,012
SOBRA Children	124,856
MCHP	99,326
MCHP Premium	22,973
Family Planning	13,476
ACA Expansion Adults	261,521

There were nearly 19,000 newly-eligible recipients each month during this quarter. The voluntary enrollment rate (VER) has been under the required 80 percent contract standard, due to the increased number of new enrollments each month coupled with the transmission of short-cycled enrollments which had been sent to the Enrollment Broker due to a system flaw. The system flaw was corrected on February 4, 2015, but these occurrences have contributed to the Enrollment Broker's inability to reach the VER. Call volume for the quarter is reported at over 30,000 received each month. The service level for the Call Center has been maintained at an 85-90 percent standard.

Table 2 contains the quarterly report from the Enrollment Broker.

Table 2: Quarterly Enrollment Broker Report

		Jan 2015	Feb 2015	March 2015
Voluntary Enrollment Data	Enrollments	11,684	9,278	11,431
	Transfers	2,473	2,723	3,677
	Providers Selected	8,368	6,515	7,912
	Valid PCPs Selected	7,635	6,001	7,305
	Complete HRAs	20,626	14,233	19,670
Call Center Data	Calls Received	35,690	30,671	36,511
	Abandon Rate	14.0%	8.41%	15.8%
	% Answered < 3 Min	73.1%	82.6%	56.0%
	Overall Service Level	86.0%	91.59%	84.3%
	Outbound Calls	34,169	38,109	32,260
Enrollment Source Data	Phone	1,065	7,853	9,474
	Mail	640	689	837
	Field	979	736	1,120
Outreach Data	Presentations	8	8	9
	Face-To-Face Requests	216	228	266

Maryland Children's Health Program (MCHP)

Effective June 1, 2008, Maryland moved its separate CHIP program, Maryland Children's Health Program (MCHP) and MCHP Premium, into the Medicaid expansion CHIP waiver via

State Plan Amendments, so that Maryland's entire CHIP program is operated as a Medicaid expansion. As of March 31, 2015, the Premium program had 23,341 enrollees, with MCHP at 106,567 enrollees.

Affordable Care Act Expansion

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

Family Planning Program

The HealthChoice waiver allows the state to provide a limited benefits package of family planning services to eligible women. The program covers medical services related to family planning, including office and clinic visits, physical examinations, certain laboratory services, treatments for sexually-transmitted infections, family planning supplies, permanent sterilization and reproductive health counseling, education and referrals. Average enrollment for the third quarter of FY 2015 was 13,630 women, an increase of 509 over the second quarter of FY 2015. While enrollment in the Family Planning Program was expected to decrease as a result of the Medicaid expansion, this quarter's increase can be explained by a phenomenon generated by the Maryland Health Connection's eligibility rules. The new Maryland Health Connection, which went live in November 2014, provides temporary eligibility for 90 days while applicants submit pending verifications for full Medicaid coverage. Pregnant women applicants who fail to provide the necessary Medicaid verifications during this time period are automatically enrolled in the Family Planning Program.

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

Rare and Expensive Case Management (REM) Program

Table 3 displays the types and totals of complaints received and reported by the REM case management agencies and the REM complaint line during this quarter.

Table 3: REM Referral Line

FY 2015	Referrals Received	Referrals Approved	Referrals Denied	REM Disenrollments	Currently Enrolled in REM
Quarter 1	206	177	77	119	4,258
Quarter 2	206	140	67	130	4,266
Quarter 3	255	199	68	98	4,314
Quarter 4					

REM intake and referral staff reviewed and processed an average of 85 referrals per month during this quarter.

The REM Quality Improvement (QI) clinical coordinator completed an on-site quality review during this quarter, which included assessment reports, interdisciplinary plans of care, case notes and case management plans for 20 recipients. All deficiencies found in the documentation were noted in the findings report, and a corrective action plan was received to address them. Additionally, a review of contract-required activities was completed, with the agency achieving 90.3 percent compliance with required QI indicators.

Expenditure Containment Initiatives

Final 2013 HealthChoice Financial Monitoring Report (HFMR) MCO submissions were updated and reviewed. Unadjusted consolidated 2013 HFMRs by region were provided to all MCOs on March 19, 2015.

The final reviewed 2013 submissions will be the base period for the 2016 HealthChoice rate-setting period. The firm Myers & Stauffer (M&S) is currently in the process of performing independent reviews of each MCO's submission, and a separate actuarial firm is completing draft analyses of each MCOs incurred but not reported (IBNR) estimates.

During the next quarter, all MCOs will submit their first HFMR reports for 2014 (reported as of March 31, 2015). These reports are due to DHMH by May 15, 2015; on March 10, MCOs were provided with updated financial templates and instructions for completing their May submissions.

Effective January 1, 2015, MCOs are no longer be responsible for providing substance use disorder services. To carve these services out of the MCO base, the MCOs will be providing a special version of the HFMR report solely for substance use disorder services. The MCOs will provide this special version of the report to inform the development of HealthChoice rates for the next two calendar Years (CYs) (2016 and 2017).

Similar to the HealthChoice Program, an independent review of all MCOs that participated in the former Primary Adult Care (PAC) Program is being performed by M&S for Calendar Year 2013. The program had only four MCOs during CY 2013. Unadjusted consolidated 2013 PAC Financial Monitoring Reports by region were provided to all PAC MCOs on March 19, 2015.

Table 4: Member Month Reporting

Eligibility Group	January 2015	February 2015	March 2015	Total for Quarter Ending March 2015
TANF	434,733	426,436	416,419	1,277,588
TANF Adults 30 – 116	119,228	120,463	118,869	358,560
SSI/BD	73,918	73,677	72,762	220,357
Medically-Needy	15,832	15,584	15,185	46,601
SOBRA Women	10,475	10,031	9,530	30,036
SOBRA Children	122,486	128,009	124,074	374,569
MCHP	99,708	100,479	97,791	297,978

MCHP Premium	23,560	23,664	21,696	68,920
Family Planning	13,215	13,616	13,598	40,429
ACA Expansion Adults	248,230	260,234	261,521	769,985

Consumer Issues

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

Table 5: HealthChoice Recipient Complaints			
Appointment Availability	6	Quality of Care	1
Authorization/Referral PRTF Demonstration	273	Other	19
Billing	129	MCO Issue	101
Network Access	0	Member Issue[1]	406
Office Access	0	Provider Issue	30
Provider Billing	46		
Total HealthChoice Recipient Complaints Received			**1,011**

Table 6: Children with Special Needs Complaints	
Cerebral Palsy	0
Attention Deficit Disorder/Hyperactivity	3
Developmental Delay	2
Congenital/Metabolic Disorders	12
Respiratory Conditions	4
Lead Poisoning	0
Other	2
PRTF Demonstration	0
Autism	1
Mental Health	2
Total	**26**

Table 7: Adults with Special Needs Complaints[2]	
Individuals with a Physical Disability	18
Pregnant Women[3]	162

[1] As of FY 13, "Member Issue" no longer includes "Pregnant Women-Education Only" cases.
[2] As of FY12, data, an individual in one complaint may be identified and counted in more than one special population category.
[3] As of FY13, complaints no longer include "Pregnant Women-Education Only" cases.

Homeless	1
Developmental Disability	3
HIV/AIDS	14
Substance Abuse Treatment	6
Mental Health	22
Rare & Expensive Case Management	0
Hearing Impaired	2
Total*	**228**

Table 8: Appeal Rights Issued	
Ten-Day	19
Denial	0
Compromise	0
Directive	0
Total	**19**

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

Table 10: REM Complaints and Significant Events									
FY 2015 Q3	**Transportation**	**Dental**	**DMS/DME**	**EPSDT**	**Clinical**	**Pharmacy**	**Case Mgt.**	**REM Intake**	**Other**
REM CM Agencies	0	0	0	0	0	0	9	0	0
REM Hotline	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**9**	**0**	**0**

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

Table 11: Case Management and Significant Events								
FY 2015 Q3	**DMS/ DME**	**Legal**	**Media**	**Other**	**Protective Services**	**Appeals**	**Services**	**Total**
REM Enrollees	3	9	3	63	21	7	13	**119**

Quality Monitoring

The Division of HealthChoice Quality Assurance (DHQA) monitors HealthChoice Managed Care Organizations (MCOs) quality assurance activities in accordance to COMAR 10.09.65. All Quality Assurance activities reports are available online at: https://mmcp.dhmh.maryland.gov/healthchoice/SitePages/HealthChoice%20Quality%20Assurance%20Activities.aspx

Systems Performance Review (SPR)

Delmarva completed all MCO onsite reviews for CY 2014. Preliminary findings have been sent to the Department for comment.

Value Based Purchasing (VBP)

Delmarva completed and sent the CY 2014 VBP Report; the report is now posted to the DHMH website.

Performance Improvement Projects (PIP)

The next annual submission for the current Adolescent Well Care and Controlling High Blood Pressure PIPs are due September 30, 2015. Riverside Health of Maryland (RHMD) is required to participate in the September PIPs submission for the first time.

Annual Technical Report (ATR)

The Department reviewed and approved the CY 2014 ATR, which Delmarva submitted to CMS by the April 30 deadline.

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

Delmarva received CY 2014 encounter data samples from Hilltop. Delmarva is in the process of validating the EPSDT encounter data samples. Provider Medical Record Request Letters were forwarded to the Department for review and approval.

HealthChoice Consumer Report Card

Delmarva finalized the CY 2015 Consumer Report Card. The High-Resolution English and Spanish versions were sent to the Enrollment Broker to be included in the CY 2015 Enrollment Package. Both versions are posted to the DHMH website.

HEDIS Performance Review

The University of Maryland, Baltimore County (UMBC) forwarded the final Consumer Assessment of Healthcare Providers and Systems (CAHPS) sample frames to the Department on January 9, 2015. HealthCareData Company, LLC (HDC) validated the Adult, Child, and

Children with Chronic Conditions CAHPS sample frames and sent a notice of approval to WBA Research (WBA) and the Department on January 15. The MCOs submitted the HEDIS Roadmap Submission, which were very comprehensive and complete, by the end of January. Onsite audits of the MCOs were conducted by HDC in February and March. On February 18, the National Committee for Quality Assurance's (NCQA) HEDIS 2016 draft specifications and proposed revisions to existing measures were released. One proposed major change is end the practice of MCOs rotating measures. Additionally, seven new measures are being proposed for implementation. Once final, HDC will provide the Department with an analysis of the changes and their impact on the Department's required measures. The proposed measures include:

1. Utilization of the PHQ-9 to monitor depression symptoms for adolescents and adults;
2. Depression remission, response or treatment adjustment for adolescents and adults;
3. Depression screening and follow-up for adolescents and adults;
4. Inpatient hospital utilization;
5. Emergency department utilization;
6. Statin therapy for patients with cardiovascular disease; and
7. Statin therapy for patients with diabetes.

HealthChoice Enrollee Satisfaction Survey

In January, WBA received NCQA's approval of the questionnaires and collateral materials for the 2014 HealthChoice Enrollee Satisfaction Survey. WBA also received NCQA approval on the CAHPS Computer Aided Telephone Interviewing (CATI) screenshots. In February, WBA received the validated CAHPS Sample Frames that had been produced by and validated and approved by HDC. WBA mailed the first questionnaires in late February to eligible random samples of HC enrollees. Survey fielding continued through March, with the processing of returned, completed surveys and the mailing of the second questionnaires and the postcard reminders.

Provider Satisfaction Survey

WBA began administering the 2015 Provider Survey in early January. The 2015 Provider Survey Tool continues to include an option for the survey to be completed online. WBA received the final approved Provider Sample Frames from the HealthChoice MCOs in late January. In February and March, WBA de-duplicated the sample frames and mailed the first questionnaires. Survey fielding continued through March with the processing of returned, completed surveys and the mailing of the first postcard reminders.

Public Mental Health System (PMHS)

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

The new contract with ValueOptions for an Administrative Services Organization (ASO) began on January 1, 2015.

The PBHS continued to work with Medicaid on:

1. The Section 1915(i) state plan amendment entitled "*Intensive Behavioral Health Services for Children, Youth and Families*" was approved by CMS effective October 1, 2014. Two chapters of regulations have been promulgated to govern the operation of the SPA and a new Targeted Case Management program SPA designed to provide care coordination for enrollees and others. These regulations for both programs also went into effect on October 1st. Focus during the past quarter has been on initial implementation of the Targeted Case Management program.

2. *Implementation of telemental health services in designated jurisdictions*. The BHA submitted to CMS a state plan amendment to reimburse psychiatrists and originating sites in designated rural counties for certain telemental health services. CMS has reviewed and approved Maryland's state plan amendment. In the 2014 Maryland legislative session, the legislature passed legislation to permit telehealth services state-wide, including mental health services. The Department will be drafting regulations on this issue.

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

4. *Participation in a statewide multi-agency process to improve the integration of care across the behavioral and somatic domains*. The process reforms the way the State finances operate, in an effort to support reimbursement based on prevention and value, while strengthening clinical outcomes for Maryland consumers and their families. The first phase of the process was completed in early 2012. The second phase saw the selection of a financial model and was concluded in April 2013. The Department selected an ASO to combine mental health and substance use disorder services under one entity. The vendor is the same as for the past contract, Value Options. The new contract began January 1, 2015.

The BHA continues to collaborate with Maryland Medicaid on the implementation of a Health Home SPA to serve those with serious and persistent mental illness, serious emotional disturbances and/or an opioid substance use disorder. The state began enrolling Health Home providers in August 2013 and began service delivery during the last quarter of 2013. The Department has begun to develop ongoing evaluation reports of the Chronic Health Home project; results will be highlighted in future reports as they become available.

In mid-September 2008, the MHA launched the initial phase of its Outcomes Measurement System (OMS) Datamart. The OMS was developed to collect information on individuals, ages 6-64, who are receiving outpatient mental health services from Maryland's PMHS (now PBHS). The MHA worked with the ASO, ValueOptions, and with representatives from its provider

community and the University of Maryland, Systems Evaluation Center (SEC) to implement an enhanced OMS Datamart, which became available in June 2012. The enhanced Datamart includes outcome information at the provider, county and statewide levels. The data that are currently available through the publically-accessible Datamart are aggregated responses from consumers' most recent OMS interviews, as well as change-over-time outcomes information. In addition, an interface to allow provider access to OMS data for their own programs is accessible to providers through a secure log-in process. Starting in January 2015, several revisions were made to the OMS questionnaires as Level 1 outpatient services for Substance Related Disorders were included in the OMS workflow.

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

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

Ms. Alice Middleton, Deputy Director
Office of Planning, Maryland Medicaid Administration
201 W. Preston Street, Rm. 223
Baltimore, Maryland 21201
(410) 767-3419