



MISSISSIPPI DIVISION OF
MEDICAID

February 5, 2016

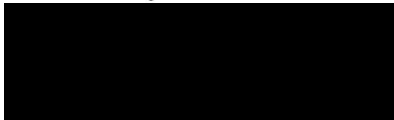
Ms. Julie Sharp
Division of State Demonstrations and Waivers
Centers for Medicaid, CHIP and Survey & Certification, CMS
7500 Security Blvd.
Mail Stop S2-01-16
Baltimore, MD 21244-1850

Dear Ms. Sharp:

The enclosed Annual Progress Report for the Healthier Mississippi Waiver Demonstration Project includes a full reporting of beneficiary enrollment and expenditure information for FFY15.

If you have questions or need additional information, do not hesitate to contact me at (601) 359-5248.

Sincerely,



Margaret Wilson
Nurse Director, Office of Policy

Healthier Mississippi

Section 1115 Annual Report

Demonstration Reporting Period:

Demonstration Years: 1-11 (10/01/2004 – 9/30/2015)

Federal Fiscal Year 2015 (10/01/2014 – 09/30/2015)

Introduction:

The Healthier Mississippi Waiver (HMW) demonstration project was originally approved for a five (5) year period beginning on October 1, 2004, through September 30, 2009. The demonstration was approved for renewal and under a series of temporary approvals for an additional five (5) year period beginning October 1, 2009, through July 23, 2015. Currently, the demonstration is approved from July 24, 2015, through September 30, 2018 with two changes: an enrollment cap increase from 5,500 to 6,000 and coverage of the following previously excluded services: podiatry, eyeglasses, dental, and chiropractic services.

This demonstration project allows Mississippi to provide a full benefit package to individuals with income up to 135 percent of the federal poverty level who are aged or disabled, and who are not eligible for Medicare. With this demonstration, Mississippi expects to achieve the following to promote the objectives of title XIX:

- Increase access to primary and preventive services which will reduce hospitalizations, premature nursing facility placements, and improper use of the emergency department, and
- Slow the deterioration of health status for the demonstration population.

Accomplishments

The Division of Medicaid was able to provide full Medicaid services to 8,227 beneficiaries during federal fiscal year (FFY) 2015. Without the HMW these beneficiaries would not have been able to receive these services. Beginning July 24, 2015, the HMW renewal was approved, with two (2) changes: an enrollment cap increase from 5,500 to 6,000 and to provide the following services that were previously excluded: podiatry, eyeglasses, dental and chiropractic services. By providing these additional services, beneficiaries enrolled in the HMW have access to services to treat conditions caused by other disease processes, for example podiatry services for diabetes.

Project Status

The HMW's enrollment at the end of FFY 2015 was 4,891. This is well below the 6,000 enrollee cap. During the past year, the financial/budget neutrality reporting format was revised to only report Population 1 (Medicaid only) and not Population 2 (prior enrollees). The demonstration met the budget neutrality for demonstration year 11 with an actual expenditure of \$754,466,330 compared to a cumulative budget neutrality expenditure limit of \$1,029,989,323.

Quantitative and case study findings

Objective 1: Access to medical services will reduce the rate of inpatient hospitalization admissions for participants with specific ambulatory sensitive conditions that can often be managed in an outpatient setting.

For beneficiaries requiring an inpatient hospital admission for a preventable condition, there was a decrease in admissions from 624 in FFY14 to 555 in FFY15. Although the actual percentage rate decreased for the number of admissions for preventable conditions, the expenditures increased by \$944,034.03 in FFY15 when compared to total expenditures in FFY14.

Federal Fiscal Year	Number of Beneficiaries with Inpatient Hospitalization	Number of Beneficiaries with Preventable Inpatient Hospitalization	Percent of Beneficiaries with Preventable Inpatient Hospitalization	Number of Inpatient Hospitalizations	Number of Preventable Hospitalizations	Costs Attributable to Preventable Hospitalizations	Preventable Hospitalization Rate	Preventable Hospitalization Rate Increase or Decrease?	Rate of Increase/Decrease	Actual Inpatient Expenditures
FFY14	1,792	624	34.82%	2,948	776	\$6,443,827.66	26.32%			\$28,931,133.35
FFY15	1,758	555	31.57%	2,900	664	\$4,896,949.46	22.90%	Decrease	12.994%	\$29,875,167.38

Objective 2: Access to medical services will reduce the rate of admissions to long-term care nursing facilities for participants with specific ambulatory sensitive conditions that can often be managed in an outpatient setting.

For beneficiaries requiring nursing facility admissions, there was a 33.2% rate decrease in the number of admissions in FFY15 when compared to FFY14. The costs attributable to preventive stays decreased from \$390,608.70 in FFY14 to \$386,325.80 in FFY15. Although the nursing facility rate of admissions for preventable conditions and costs attributable to preventive stays decreased from FFY14 to FFY15, the actual expenditures increased by \$388,646.81.

Federal Fiscal Year	Number of Beneficiaries with Nursing Home Stay	Number of Beneficiaries with Preventable Nursing Home Stay	Percent of Beneficiaries with Preventable Nursing Home Stay	Number of Nursing Home Stays	Number of Preventable Stays	Costs Attributable to Preventable Stays	Preventable Stay Rate	Preventable Stay Rate Increase or Decrease?	Rate of Increase/Decrease	Actual Nursing Home Expenditures
FFY14	66	30	45.45%	66	30	\$390,608.70	45.45%			\$1,200,206.84
FFY15	79	24	30.38%	79	24	\$386,325.80	30.38%	Decrease	33.2%	\$1,588,853.65

Objective 3: Access to medical services will reduce the rate of emergency room visits for participants with specific ambulatory sensitive conditions that can often be managed in an outpatient setting.

Access to preventive and primary care services in the outpatient setting resulted in an increase in ER visits for preventable conditions from 1,267 to 1,290 which represents a preventable ER rate increase of 4.251%. Although there was an increase of expenditures of \$115,119.33 for preventable conditions in the ER, the actual number of beneficiaries receiving ER services decreased by eighteen (18) beneficiaries.

Federal Fiscal Year	Number of Beneficiaries with ER Visits	Number of Beneficiaries with Preventable ER Visits	Percent of Beneficiaries with Preventable ER Visits	Number of ER Visits	Number of Preventable ER Visits	Costs Attributable to Preventable ER Visits	Preventable ER Rate	Preventable ER Rate Increase or Decrease?	Rate of Increase/Decrease	Actual Inpatient Expenditures
FFY14	3,167	1,267	40.01%	6,865	1906	\$887,305.50	27.76%			\$3,047,376.36
FFY15	3,149	1,290	40.97%	6,744	1952	\$1,002,424.83	28.94%	Increase	4.251%	\$3,279,476.64

Interim evaluation findings

Goal #1: Provide Medicaid coverage to certain individuals who will no longer be covered under the Mississippi Medicaid State Plan.

The average enrollment for non-Medicare (Medicaid only) beneficiaries from October 1, 2014-September 30, 2015 was approximately 4,895 beneficiaries.

Goal #2: Demonstrate budget neutrality based on an aggregate dollar cap that cannot exceed the cumulative target of \$1,520,279,231.

As of September 30, 2015, the cumulative expenditure amount as reported on the CMS 64 Report was \$754,466,330, as compared to the budget neutrality limit of \$1,022,614,041, yielding a cumulative variance of \$268,147,711.

Utilization data

The number of unique HMW beneficiaries accessing preventive and primary services in FFY15 was 8,227. Seventeen hundred fifty-eight (1,758) beneficiaries had an inpatient hospital admission; 3,149 beneficiaries had an emergency department visit; and 79 beneficiaries had an admission to a long-term care nursing facility.

Policy and administrative difficulties in the operation of the demonstration

There was no policy or administrative difficulties in the operation of the demonstration during FFY15.

Enrollment Information

Enrollment counts are person counts, not member months. The enrollment cap is 6,000.

Participant Populations	Number of Enrollments during FFY 2015	Number of Voluntary Disenrollments during FFY 2015	Number of Involuntary Disenrollments during FFY 2015
Population 1 – Medicaid Only	8,227	593	3,021

Outreach/Innovative Activities

The Division of Medicaid has published brochures and other outreach materials which include a description of the Healthier Mississippi Waiver qualifications and benefits. These brochures are made available to the public in various locations throughout the state and are posted on the Division of Medicaid’s website.

Operational/Policy Developments/Issues

Changes to the CMS-064 report and other in-house reports were made to only report Population 1 “Medicaid Only” as noted below.

Demonstration Population 1 “Medicaid Only”:

Aged or disabled individuals enrolled in the demonstration below 135 percent of the FPL who are not eligible for Medicare and do not otherwise qualify for Medicaid.

Consumer Issues

There have been no consumer issues reported.

Appeals of denials, terminations or other adverse changes are granted by the Division of Medicaid upon receipt of the written request provided the appeal is requested within the specified deadline of thirty (30) days. Both local and/or state level appeals are granted and continuation of benefits applies for adverse changes to active beneficiaries requesting an appeal within a ten (10) day deadline.

Quality Assurance/Monitoring Activity

The Office of Eligibility staff continues to monitor the enrollment process to ensure only beneficiaries meeting the qualifications for the HMW are enrolled.

Demonstration Evaluation

The Healthier MS Waiver Draft Evaluation Design was submitted to CMS for feedback and approval on November 10, 2015.

Financial/Budget Neutrality Development/Issues

In working through this current renewal process with CMS Central and Regional staff, CMS provided revised budget neutrality cumulative targets (below). Also, the State has revised its financial/budget neutrality reporting format to provide statistics for the distinct population defined in the demonstration.

In accordance with the “Special Terms and Conditions”, Section VIII, *Monitoring Budget Neutrality*, CMS shall enforce budget neutrality over the life of the demonstration, rather than on an annual basis. The following table includes the reporting of expenditures for those currently enrolled in the waiver.

Demonstration Year	Cumulative Budget Neutrality Expenditure Limit	Expenditures for current enrollees and those disenrolled within one year
Years 1 – 5	\$350,250,000	\$213,905,091
Year 6	\$448,787,000	\$289,909,421
Year 7	\$552,743,535	\$377,640,601
Year 8	\$662,417,679	\$473,168,820
Year 9	\$778,123,901	\$575,717,085
Year 10	\$893,830,123	\$690,331,933
Year 11	\$1,029,989,323	\$754,466,330*

State Contact(s)

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02/05/2016