Montana Section 1115 Waiver for Additional Services and Populations
Section 1115 Quarterly Report
2nd Quarter DY14, CY 2017 April 2017 - June 2017

Introduction

Effective January 1, 2016, the Waiver for Additional Services and Populations (WASP) covers up to 3,000 individuals age 18 or older, with Severe Disabling Mental Illness (SDMI) who qualify for or are enrolled in the State-financed Mental Health Service Plan (MHSP) but otherwise ineligible for Medicaid benefits and either: 1) have income 0-138% of the federal poverty (FPL) and are eligible for or enrolled in Medicare; or 2) have income 139-150% of the FPL regardless of Medicare status (they can be covered or not covered by Medicare and be eligible). The waiver also offers a 12-month continuous eligibility period for all non-expansion Medicaid-covered individuals whose eligibility is based on Modified Adjusted Gross Income (MAGI). Additionally, it covers, as a pass through cost, dental treatment services above the Medicaid State Plan cap of $1,125 for Aged, Blind and Disabled (ABD) individuals determined categorically eligible.

History

The Montana Medicaid Program is authorized under 53-6-101, Montana Codes Annotated, and Article XII, Section 3 of the Montana Constitution. The Department of Public Health and Human Services (DPHHS) administers the Medicaid Program.

In February 1996, Montana implemented its state-specific welfare reform program known as Families Achieving Independence in Montana (FAIM). This sweeping change involved the cash assistance, food stamp, and Medicaid programs that were administered on the federal side by several agencies under multiple statutes. As part of welfare reform, Montana obtained a Section 1115 waiver, approved in February 1996, known as the Basic Medicaid Waiver. Services were provided for Able Bodied Adults (neither pregnant nor disabled) and who were parents and/or caretaker relatives of dependent children, eligible for Medicaid under Sections 1925 or 1931 of the Social Security Act, at or below 33% of the FPL. The waiver offered all mandatory services and a reduced package of Medicaid optional services through a fee-for-service delivery.

On October 23, 2003, DPHHS submitted an 1115 waiver application to CMS requesting approval to continue the Basic Medicaid Program. CMS approved the waiver application on January 29, 2004 for a five-year period from February 1, 2004, through January 31, 2009. CMS approved the waiver amendment extension and the request to insure the additional "MHSP Waiver" population, effective December 1, 2010. The waiver goal was to increase the number of individuals in Montana with health insurance coverage.

The additional population includes up to 800 individuals who were qualified for the State-financed MHSP, who have Schizophrenia or Bipolar disorder, who are 18 to 64 years of age, and who are a resident of Montana with incomes at or below 150% FPL. A waiver renewal was approved with an effective date of January 1, 2014. Included in the renewal is an enrollment cap of 2000 individuals; the primary SDMI clinical diagnosis of Major Depressive disorder as a covered diagnosis; and home infusion as a covered service. On December 16, 2014, a waiver amendment was approved by CMS which include Raising the enrollment cap from "up to 2000" to "up to 6000" and updated the eligible diagnosis codes to allow all MHSP Program individuals with SDMI. Through a computer case random drawing, individuals with Schizophrenia were enrolled first, then individuals with Bipolar, then individuals with Major

Depressive disorder, and lastly, all remaining SDMI diagnoses. Montana will continually analyze waiver sustainability.

Basic Medicaid services were Full Medicaid benefits with the following medical services generally excluded: audiology, dental and denturist, durable medical equipment, eyeglasses, optometry and ophthalmology for routine eye exams, personal care services and hearing aids. DPHHS recognized there may be situations where the excluded services were necessary as in an emergency or when essential for employment. In the event of an emergency or when essential to obtain or maintain employment, coverage for the excluded services were provided at the State's discretion.

Examples of emergency circumstances included, but were not limited to, coverage for emergency dental situations, medical conditions of the eye, which included but were not limited to annual dilated eye exams for individuals with diabetes or other medical conditions, and certain medical supplies such as diabetic supplies, prosthetic devices and oxygen.

On November 20, 2015, DPHHS submitted an 1115 waiver amendment application to coincide with Montana's Medicaid Expansion State Plan, with an effective date of January 1, 2016. The amendment requested removal of the Able-Bodied Adult population and the SDMI population eligible for State Plan expansion; give MHSP Waiver population the Standard Medicaid benefit; and closes the Basic benefit. This amendment proposed to cover individuals age 18 or older, with SDMI who qualify for or are enrolled in the state-financed MHSP, but are otherwise ineligible for Medicaid benefits and either: 1) have income 0-138% of the federal poverty level (FPL) and are eligible for or enrolled in Medicare; or 2) have income 139-150% of the FPL regardless of Medicare status. Basic Medicaid previously did not cover or had very limited coverage of audiology, dental and denturist, durable medical equipment (DME), eyeglasses, optometry and ophthalmology for routine eye exams, personal care services, and hearing aids, as stated above. Lastly, to adopt a 12-month continuous eligibility period for all non-expansion Medicaid-covered individuals whose eligibility is based on MAGI.

On March 7, 2016, an amendment was submitted that proposed to: change the name of the Waiver to Section 1115 Montana Waiver for Additional Services and Populations and cover individuals determined categorically eligible for ABD for dental treatment services above the Medicaid State Plan cap of $1,125, as a pass through cost. This amendment was approved with an effective date of March 1, 2016.

On July 15, 2016, an extension request was submitted to extend this Waiver through December 31, 2019. That request is currently pending. Following the third quarter report for DY13, CY 2016, the decision was made to change the reporting for this demonstration to a January through December calendar year as opposed to the prior February through January schedule.

Enrollment

Demonstration Populations DY14, CY 2017 2nd Quarter April – June 2017	**Month 1** April 2017	**Month 2** May 2017	**Month 3** June 2017	**Total Average for Quarter** Ending June 30, 2017
WMHSP Adults	1,164	1,129	1,127	**1,140**

Member Month Reporting

Eligibility Group DY14, CY 2017 2nd Quarter April – June 2017	**Month 1** April 2017	**Month 2** May 2017	**Month 3** June 2017	**Total for Quarter Ending** June 30, 2017
WMHSP Adults	1,164	2,293	3,420	**3,420**

*The demonstration population is reported using deprivation codes and the member months report sometimes shows a slightly different count. The member months report is used for the quarterly BN report.

ABD Unique Member Usage and Cost of Benefit above State Plan Cap during Q2, DY14, CY 2017

N/A	**Month 1** April 2017	**Month 2** May 2017	**Month 3** June 2017	**Quarterly Total** April - June 2017	**April - June 2017 DY14, CY 2017 Monthly Average**
# of Unique ABD WASP Users of the Above State Plan Dental Cap Benefit	67	96	62	225	**75**
Cost of ABD WASP Users of the Above State Plan Dental Cap Benefit	$ 43,351.76	$ 69,569.59	$ 38,847.80	$ 151,769.15	**$ 50,589.72**

There were an average of 75 unique benefit users per month and an overall average monthly cost of $ 50,589.72 for an average cost per unique user per month of $ 674.53.

Outreach/Innovative Activities

Upon eligibility determination, the MHSP Waiver member receives an enrollment notice for Standard Medicaid. The notice has a program phone number the member may call with questions. The Mental Health Center discusses this new health benefit with the member. In addition, Medicaid members receive a post card informing them the Montana Medicaid and Healthy Montana Kids *Plus* Member Guide is available online or hard copy by request via contacting the Member Help Line. The Montana Medicaid and Healthy Montana Kids *Plus* Member Guide is found at: Montana Medicaid and Healthy Montana Kids Plus Member Guide. A chart of Medicaid covered benefits is published with additional service details.

Operational/Policy Developments/Issues

Montana has no operational issues at this time.

Financial/Budget Neutrality Developments/Issues

Montana has no financial issues at this time.

Member Issues

We are not hearing reported member issues. Members, family members, and providers, including Mental Health Center staff, are happy that members are receiving health benefits, and are pleased the waiver has expanded to align with the Standard Medicaid benefit package.

Quality Assurance/Monitoring Activity

No quality assurance/monitoring activity in current quarter.

Status of Benefits and Cost Sharing

No changes were made to benefits or cost sharing during the quarter.

Demonstration Evaluation

Montana evaluated the effectiveness of the Waiver for Additional Services and Population with a CMS approved evaluation design from December 2010, through December 2017. A baseline survey of the 800 MHSP Waiver individuals was completed in the summer of 2012, and then a follow-up survey was conducted in October 2015. The 2015 return rate was 25.5% compared to the 2012 return rate of 26.5%. In 2015, approximately 3.5 times the number of surveys were sent out compared to 2012, with about 3.5 times the numbers of surveys returned. In 2015, 704 were returned and in 2012, 209 surveys were returned. The survey has helped us learn about participants' health status, access to health care, and quality of care. A new survey and analysis is scheduled for completion by the end of 2017.

Budget Neutrality

The Q1 DY14 budget neutrality update will be submitted upon final approval from CMS of revised format.

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