



NH Department of Health and Human Services  
Medicaid Services

1115 Waiver: NH Health Protection Program:

Premium Assistance Program:

Project #11-W-00298/1

**Annual Report for the period of:**

Demonstration Year 1, January 1, 2016 – December 31, 2016

## **Introduction:**

On March 27, 2014, Governor Margaret Wood Hassan signed into law the bi-partisan Senate Bill 413, an Act relative to health insurance coverage (the “Act”), (2014 NH Laws Chap. 3) establishing the New Hampshire Health Protection Program (NHHPP) to expand health coverage in New Hampshire for adults with incomes up to 133 percent of the Federal Poverty Level<sup>1</sup>.

Among other things, the New Hampshire Health Protection Program initially instituted: (1) a mandatory Health Insurance Premium Payment Program (HIPP) for individuals with access to cost-effective employer-sponsored insurance; (2) a bridge program to cover the new adult group in Medicaid managed care plans through December 31, 2015; and (3) a mandatory individual qualified health plan (QHP) premium assistance program (the “Premium Assistance Program”) beginning on January 1, 2016.

On March 4, 2015, the Centers for Medicare and Medicaid Services (CMS) approved New Hampshire’s application for a one-year Section 1115(a) Medicaid Research and Demonstration Waiver entitled, “New Hampshire Health Protection Program (NHHPP) Premium Assistance” (Project Number 11-W-100298/1), in accordance with section 1115(a) of the Social Security Act. The demonstration became effective on January 1, 2016 with an expiration date of December 31, 2016. Continuation of the program through December 31, 2018 required reauthorization of the program by the New Hampshire legislature.

The New Hampshire General Court enacted legislation authorizing the continuation of the New Hampshire Health Protection Program in March of 2016, pending approval of any necessary waivers or state plan amendments by CMS by November 1, 2016.

In August of 2016 the New Hampshire Department of Health and Human Services submitted a request to amend the Premium Assistance Waiver to accommodate the following program elements:

- Modify eligibility to be inclusive and consistent with the federal Temporary Assistance for Needy Families (TANF) Program, 42 U.S.C. section 607 (d), as well as require that newly eligible adults who are unemployed be eligible to receive benefits if the Department of Health and Human Services finds that the individual is engaging in at least 30 hours per week of one or a combination of other clearly outlined activities.
- Modify eligibility such that a participant cannot be eligible for coverage unless such person verifies his or her United States citizenship by 2 forms of identification and proof of New Hampshire residency by either a New Hampshire driver’s license or a non-driver’s picture identification card.
- Modify cost-sharing requirements such that newly eligible adults who participate in the demonstration who visit the emergency room for non-emergency purposes shall be required to make a co-payment of \$8 for the first visit and \$25 for each and every non-emergency visit thereafter.

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<sup>1</sup> While the Patient Protection and Affordable Care Act expands coverage to 133 percent of the federal poverty level, the ACA otherwise establishes a 5 percent disregard for program eligibility, which extends coverage to those persons up to 138 percent of the federal poverty level.

- Provide that all veterans who are current New Hampshire residents shall receive medical and medical-related services from any hospital in the state providing services to the newly eligible Medicaid population.
- Waive comparability in cost-sharing requirements for the medically frail NHHPP participants under managed care and NHHPP participants who are in the Premium Assistance Program demonstration.

In November of 2016, CMS provided a response to New Hampshire's request to amend the Premium Assistance Waiver. CMS indicated that it could approve a copayment applied to the non-emergent use of the emergency department in the event the state adds coverage for non-emergent use of the emergency department as a component of emergency services in the alternative benefit plan.

**Overview:**

The NH Department of Health and Human Services works in partnership with the NH Insurance Department to administer the Premium Assistance Program. The demonstration serves individuals eligible through the Affordable Care Act's Medicaid expansion of eligibility to Section VIII adults who are not medically frail and who are 19-64 years old. The Premium Assistance Program utilizes premium assistance to support the purchase of coverage for beneficiaries by Qualified Health Plans (QHPs) certified for sale on New Hampshire's federally facilitated Exchange. Each beneficiary has the choice of at least two QHPs that have been certified by the federally-facilitated Marketplace and meet criteria that ensure cost effectiveness in terms of premium amounts and management of care.

Enrollees with incomes between 100 percent and 133 percent of the Federal Poverty Level (FPL) are covered by QHPs that are 94 percent actuarial value (AV) high-value silver plans. Enrollees with incomes below 100 percent of FPL are covered by QHPs that are 100 percent AV high-value silver plans.

American Indian/Alaska Natives [AI/AN] maintain the ability to "opt out" of the program or retain their services through the Indian Health Service, Tribally operated facility, and Urban Indian [I/U/T] facilities while in Medicaid.

Premium Assistance demonstration enrollees receive benefits included in the Alternative Benefit Plan (ABP). Individuals enrolled in QHPs are restricted to the QHP benefit. The state provides wrap-around benefits that are included in the ABP but not covered by the QHPs through its fee-for-service (FFS) delivery system. These benefits include:

- Non-emergency medical transportation (NEMT)
- Early Periodic Screening, Diagnosis and Treatment (EPSDT) services for individuals in the demonstration who are under 21
- Family Planning services and supplies
- Limited adult dental and adult vision services

NHHPP Premium Assistance enrollees receive coverage through the Medicaid Fee for Service (FFS) delivery system during the period between application and QHP coverage effectuation date.

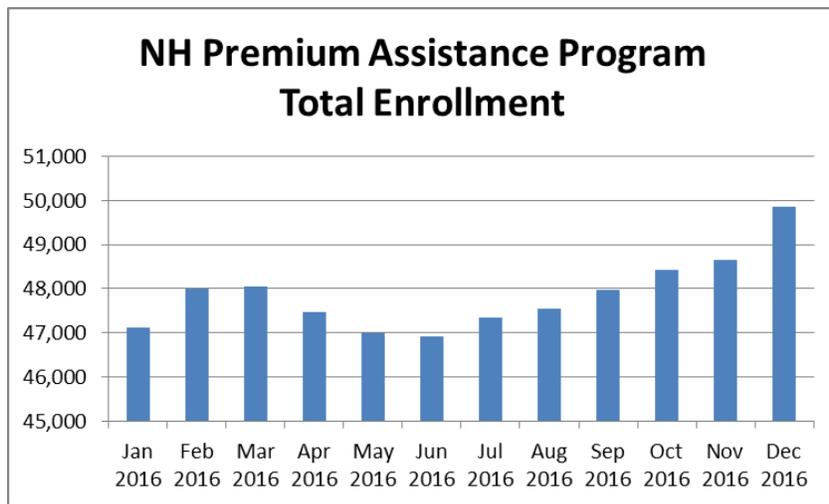
**New Hampshire’s Qualified Health Plans (QHP’s):**

The five QHPs serving NH residents who qualify for the Premium Assistance Program in 2016 are:

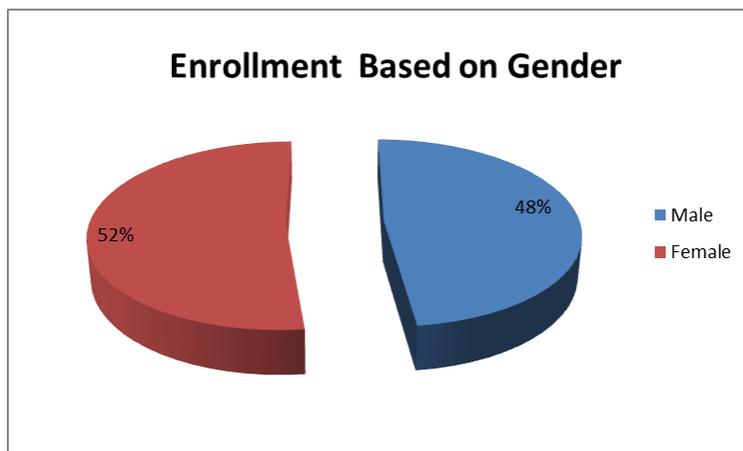
- Ambetter
- Anthem
- Community Health Options<sup>2</sup>
- Harvard Pilgrim Health Care
- Minuteman Health

**Enrollment Data: Demonstration Year 1, January 1, 2016 through December 31, 2016**

[Includes Enrollees assigned to a QHP as well as Enrollees in Fee for Service and MCO Plans]:



Women and men are relatively equally represented at 52% and 48% respectively. This has remained consistent throughout the Demonstration Year. December 2016 data are shown below.



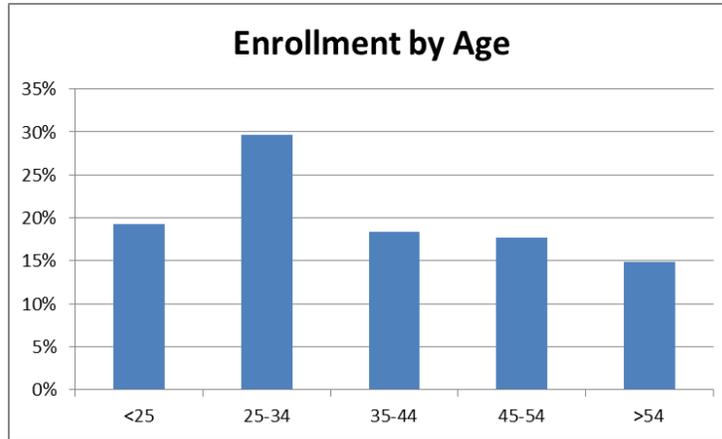
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<sup>2</sup> Community Health Options (CHO) completed its work as a QHP in New Hampshire on December 31, 2016. CHO enrollees were transitioned to a new QHP effective January 1, 2017.

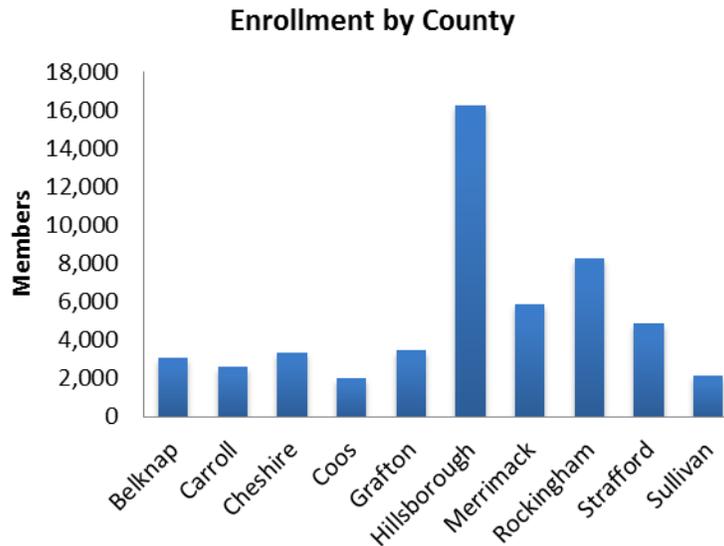
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With the exception of the 25-34 year old age group, enrollees [who are all between the ages of 19 and 64] are relatively evenly represented by age group. This has remained consistent throughout the Demonstration Year. December 2016 data are shown below.

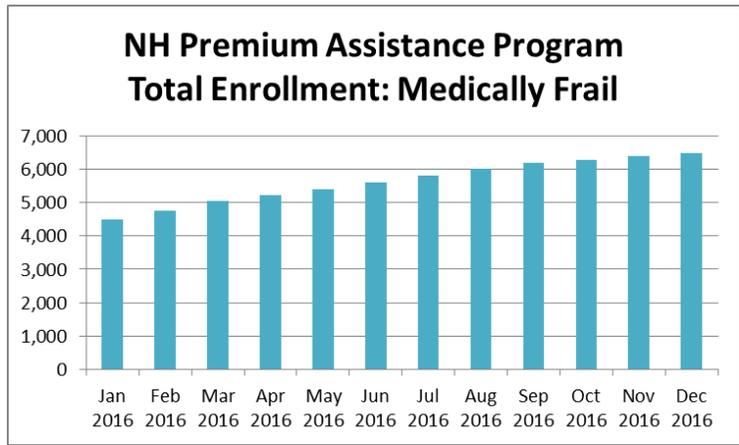


The highest level of enrollment is in Hillsborough County. Enrollment by County has also remained consistent throughout the Demonstration Year. December 2016 data are shown below.



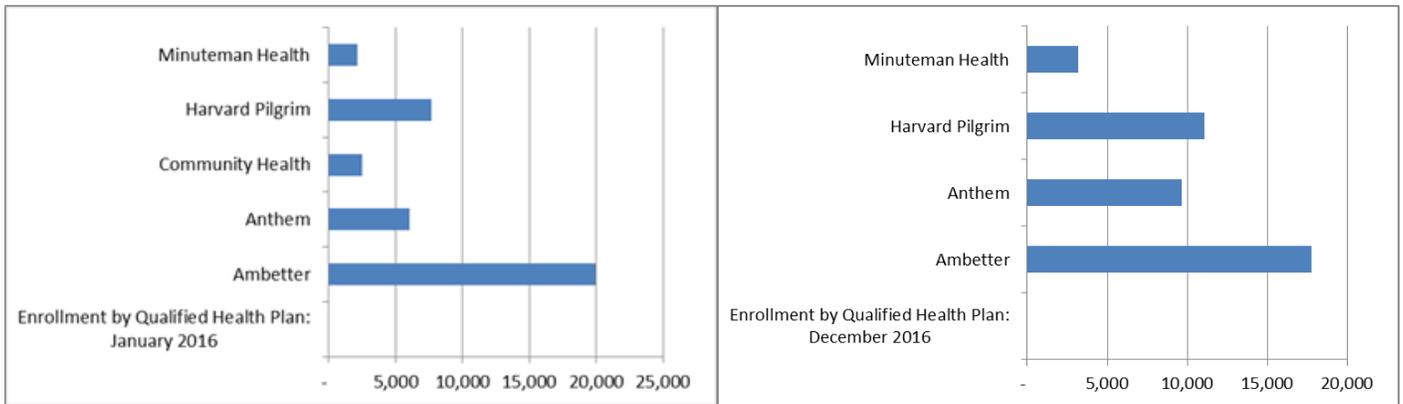
### Medically Frail

New Hampshire allows NHHPP members to identify as medically frail at any time. If an individual identifies as medically frail, they are excluded from the PAP demonstration and return to receiving Medicaid benefits from the Medicaid Managed Care (MCO) delivery system. At year end, approximately 13% of members identified as medically frail.



**Qualified Health Plan Enrollment:**

**Enrollment by Qualified Health Plan: Comparison January 2016 & December 2016:**



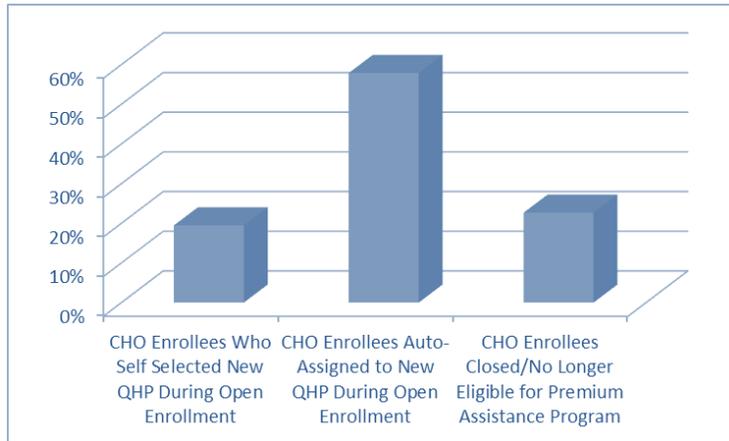
**Exit of Community Health Options:**

In September of 2016, Community Health Options (CHO) provided notification to NH DHHS of its intent to withdraw from the NH QHP market effective December 31, 2016. Approximately 1,340 of the Plan’s NH members were Premium Assistance enrollees. NH DHHS responded as follows:

- Worked with the NH Insurance Department to ensure appropriate notice was given by the Plan to CHO enrollees;
- Ceased auto-assignment of new Premium Assistance enrollees to CHO;
- Reached out via an individual mailing to all CHO enrollees and via NH EASY to explain that CHO would no longer be available after December 31, 2016 and encouraged enrollees to select a new Qualified Health Plan during the annual 2016 open enrollment period; and,
- Worked with CHO to ensure that processes were in place to ensure appropriate care transitions to a new Qualified Health Plan for pregnant members and members with complex or special needs.

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The transition of CHO enrollees to a new Qualified Health Plan was successfully accomplished by December 31, 2016 for coverage effective January 1, 2017. Of the approximately 1,340 CHO enrollees, 19% self-selected a new plan and 58% were auto-assigned to a new plan. The remaining 23% were no longer eligible for the Premium Assistance Program.



**Financial**

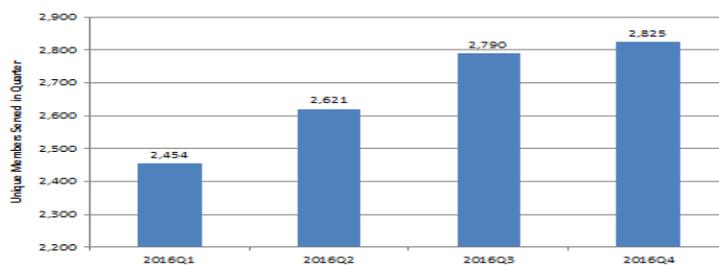
Information about premiums, cost sharing and average costs for Demonstration Year 1 is shown below:

PAP REPORTING: Plan Year 2016	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Monthly count of number of premiums paid	39,011	38,546	39,366	39,862	39,869	40,306	40,532	40,599	41,187	41,129	41,373	40,061
Monthly amount of cost sharing reduction (CSR) payments	\$5,878,276	\$5,763,227	\$5,858,342	\$5,900,972	\$5,877,242	\$5,915,355	\$5,926,943	\$5,905,161	\$5,966,655	\$5,977,714	\$5,947,864	\$5,766,854
Monthly amount of premium payments	\$16,221,501	\$15,907,709	\$16,155,095	\$16,263,557	\$16,196,746	\$16,300,505	\$16,331,949	\$16,274,114	\$16,441,409	\$16,461,963	\$16,383,607	\$15,877,660
Monthly amount of wraparound costs	\$515,701	\$475,215	\$1,576,297	\$1,299,475	\$447,069	\$462,301	\$1,577,731	\$491,986	\$1,447,723	\$1,639,311	\$711,120	\$1,290,906
Monthly average CSR per person	\$151	\$150	\$149	\$148	\$147	\$147	\$146	\$145	\$145	\$145	\$144	\$144
Monthly average premium per person	\$416	\$413	\$410	\$408	\$406	\$404	\$403	\$401	\$399	\$400	\$396	\$396
Monthly average wraparound cost per person	\$330	\$304	\$1,008	\$831	\$286	\$296	\$1,009	\$316	\$1,124	\$487	\$184	\$266
Monthly total average cost per person on premium assistance	\$580	\$575	\$599	\$589	\$565	\$563	\$588	\$558	\$579	\$585	\$557	\$573

**Treatment for Premium Assistance Members with a Substance Use Disorder (SUD):**

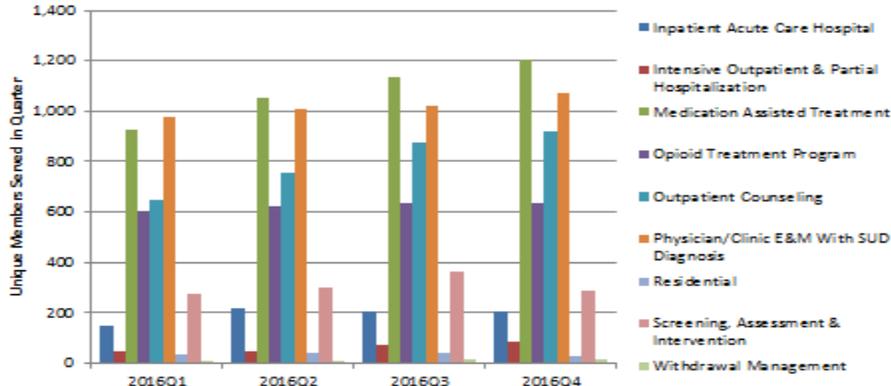
Information about the use of the Substance Use Disorders benefit for Demonstration Year 1 is shown below:

**NH Premium Assistance Program SUD Service Users, Any Service, CY2016**



Note: Source CHS/PAP/enrollees selected 4/22/17; data subject to change; final quarter may not have complete claims runout

## NH Premium Assistance Program SUD Service Users by Service, CY2016



Note: Source: CHSPAP encounters extracted 4/21/17; data subject to change; final quarter may not have complete claims runout

### Appeals:

Premium Assistance Program enrollees have the right to appeal the denial of a QHP covered service. The enrollee must first appeal to the QHP, which conducts an internal review. If the outcome of the internal review is continued denial of the service, the enrollee can request an external review from the NH Insurance Department, to be conducted by an Independent Review Organization [IRO].

If the outcome of the external review is continued denial of the service, the enrollee can appeal to the NH Department of Health and Human Services by making a request for a Medicaid Fair Hearing.

External Health Review (EHR) Cases: Premium Assistance Program Enrollees: Calendar Year 2016												
Standard Review						Expedited Review						Total Reviews
Number of Requests for External Review	Requests Rejected [Do not meet criteria for review]	Requests Accepted [Meet criteria for review]	Denials Upheld Upon Review	Denials Overturned Upon Review	Average Number of Days for Decision	Number of Requests for Expedited External Review	Requests Rejected [Do not meet criteria for review]	Requests Accepted [Meet criteria for review]	Denials Upheld	Denials Overturned	Average Number of Days for Decision	Total Standard and Expedited Reviews
4	0	4	4	0	34	2	0	2	1	1	3	6

In the Demonstration Year 1 the NH Insurance Department received a total of six requests for External Review. The Independent Review Organization upheld the denial in five of the six cases. One of the six denials resulted in a request for a DHHS Fair Hearing; however, this request was ultimately withdrawn.

### Conclusion:

The first year of New Hampshire’s Premium Assistance Program has proven invaluable in providing a wide range of preventive and restorative medical, behavioral health and substance use disorders treatment to almost 50,000 NH citizens.