BRIAN SANDOVAL Governor



RICHARD WHITLEY, MS Director

> MARTA JENSEN Acting Administrator

DEPARTMENT OF HEALTH AND HUMAN SERVICES DIVISION OF HEALTH CARE FINANCING AND POLICY 560 Hammill Lane Reno, Nevada 89511 Telephone (775) 687-1900 • Fax (775) 687-1901 <u>http://dhcfp.nv.gov</u>

October 3, 2016

Patricia Hansen, Ed.D. CMCS, State Demonstrations Group (SDG) Centers for Medicare & Medicaid Services 7500 Security Blvd. Baltimore, MD 21244 410-786-4252

Re: Nevada Comprehensive Care Waiver (NCCW), Project Number: 11W-00284/9. Annual Report DY3 (July 1, 2015 to June 30, 2016).

Dear Ms. Hansen:

Please accept the following submission requirement: "Annual Report-Draft", as outlined in STC 56 of the approved Nevada Comprehensive Care 1115(a) Research and Demonstration Waiver. This report is for the Demonstration Year 3 (DY3) for the period of July 1, 2015 to June 30, 2016.

All technical communication should be submitted to Mrs. Gladys Cook, Program Specialist and Contract Monitor at (775) 684-7596 and through email at: <u>Gladys.Cook@dhcfp.nv.gov</u> with a copy to Mrs. Gloria Macdonald, Chief at <u>Gloria.Macdonald@dhcfp.nv.gov</u>.

We are pleased to continue working with you and your staff.

Sincerely,

Marta Jensen, Acting Administrator

Cc: Elizabeth (Betsy) Aiello, Deputy Administrator Gloria Macdonald, Chief Patricia Hansen, Project Officer

> Nevada Department of Health and Human Services Helping People -- It's Who We Are And What We Do

Introduction

On June 28, 2013, the Nevada Division of Health Care Financing and Policy (DHCFP) received approval for the Nevada Comprehensive Care Waiver (NCCW) (Project Number 11W-00284/9) from the Centers for Medicare & Medicaid Services (CMS) in accordance with section 1115(a) of the Social Security Act. Approval for the NCCW is effective from July 1, 2013 through June 30, 2018.

Under the NCCW, the DHCFP has implemented mandatory care management services throughout the State for a subset of high-cost, high-need beneficiaries not served by the existing Managed Care Organizations (MCOs). This subset of beneficiaries will receive care management services from a Care Management Organization (CMO), named the Health Care Guidance Program (HCGP). This entity will support improved quality of care, which is expected to generate savings/efficiencies for the Medicaid program. Enrollment in the HCGP is mandatory for demonstration eligible Fee-For-Service (FFS) Medicaid beneficiaries with qualifying chronic health conditions.

Following the guidance of the Annual Report STC 56 (a) – (h) for Demonstration Year 3 (DY3) (July 1, 2015 to June 30, 2016). The following activities took place during DY3:

a. All items included in the quarterly report pursuant to STC 55 must be summarized to reflect the operation/activities throughout the DY;

Federal Fiscal Quarter 4/2015 (07/2015 - 09/2015)

This Federal Fiscal Quarter covered the launch of the Health Care Guidance Program (HCGP) in accordance with section 1115(a) of the Social Security Act. The total number of enrollees at the close of Federal Fiscal Quarter 4/2015 was 36,280. The enrollment methodology was based on recipient claims for Federal Fiscal Quarter 4/2015. There were no disenrollments as well as there were no recipients determined non-compliant during Federal Fiscal Quarter 4/2015. There were no "significant" changes or fluctuations within the enrollment into the program during Federal Fiscal Quarter 4/2015. The term "significant" is defined by CMS as changes up to 10% or more within said quarter.

For Federal Fiscal Quarter 4/2015 operation developments/issues included the following: In Federal Fiscal Quarter 4/2015 the HCGP continued to maintain extensive outreach. Emphasis was placed in rural Nevada, Nye and Esmeralda Counties due to their hospital and clinic closure. The Health Care Guidance Program (HCGP) staff identified those members in those areas affected by close of hospital and came up with an action plan. An action plan was developed , identifying how many members enrolled in the program are under the care provided by the

entities closing. The plan included contacting the member and ensuring there is a care plan in place; other action taken was based on the completion of an assessment. Beyond the telephonic effort, HCGP secured a specific location where they met members, i.e. Firehouse, etc for Face to Face outreach prior to the closure of the clinic on September 4, 2015.

The DHCFP staff held Public Workshops on July 17 and July 24, 2015, at the State Legislature Building in Carson City; these were also attended via video conference at the Grant Sawyer Building in Las Vegas. The intent of the public workshops was to bring awareness to the public on the possibility of expanding the HCGP to include the expansion population, those who are found eligible for Medicaid post 2012. During the Public Workshop (s), the DHCFP staff took the opportunity to afford the public with open comments regarding the program or any other program issues.

Following the guidance of STC 15, Post Award Forum the HCGP was scheduled to present at the Medical Care Advisory Committee (MCAC) meeting on July 21, 2015. However, the meeting was cancelled and re-scheduled for October 20, 2015. The meeting for October 20, 2015 was also cancelled at the MCAC board members request due to lack of quorum and participation. The public workshops held on July 17 and July 24 did afford the public opportunity to make comment on the progress of the demonstration.

The DHCFP held its quarterly meeting on July 28, 2015 with the HCGP. At the meeting, AxisPoint Health (APH), the contracted vendor for the HCGP, presented the quality strategies modules developed by DHCFP and state's External Quality Review Organization (EQRO), Health Advisory Group (HSAG).

The HCGP staff presented at the 2015 National Association of Social Workers (NASW). The session was well attended with providers and clinical staff. Members were satisfied with the clarity of the program. HCGP staff extended the opportunity to the members for any public comments on the program.

For Federal Fiscal Quarter 4/2015, the DHCFP continued to work with CMS on approval for the new Reconciliation Methodology for Demonstration Years (DY's) 3-5, July 1, 2015 – June 30, 2018. CMS granted an extension to September 30, 2015 of this process.

On March 12, 2014, the DHCFP submitted a technical correction to the STC's to address the new Medicaid-eligible Modified Adjusted Gross Income (MAGI) population and align the eligibility charts (STC 17) with the revised medical assistance AID categories. During Federal Fiscal Quarter 04/2015 no additional feedback and/or final approval has been received from CMS.

Within the Federal Fiscal Quarter 4/2015 there were no financial developments and/or issues to report. Additionally, within Federal Fiscal Quarter 4/2015 there were no problems with accounting or budget neutrality to report. There were no consumer issues to report for Federal Fiscal Quarter 4/2015.

Demonstration Evaluation Design Plan for the NCCW was submitted to CMS for review on July 28, 2015. Feedback and/or final approval were not received from CMS as of the end of Federal Fiscal Quarter 4/2015.

Federal Fiscal Quarter 1/2016 (10/2015-12/2015)

At the close of Federal Fiscal Quarter 1/2016 the total numbers of enrollees were 35,864. Within the Federal Fiscal Quarter 1/2016 claims data was utilized to identify recipients eligible to enroll in the program and there were no disenrollments from the program. No recipients were determined non-compliant within this quarter. The DHCFP reports a fluctuation in enrollment numbers for Federal Fiscal Quarter 1/2016. The fluctuation included the following: 10/15enrollment numbers totaled 36,522, 11/2015 enrollment numbers totaled 36,028 and 12/2015 35,864. The fluctuation was attributed to change of ICD-9 process to ICD-10. Initial transitioning between the coding breakdowns caused some changes but has since steadied out. Within Federal Fiscal Quarter 1/2016, the DHCFP continued CMO outreach activities with APH. The outreach activities included visiting clinics, stakeholder meetings, and hospitals. The results of the outreach efforts ensured adequate understanding of the program with providers and enrollees.

For Federal Fiscal Quarter 1/2016 operation developments/issues included the following: On October 27, 2015 the DHCFP held its quarterly HCGP meeting with APH. The HCGP staff introduced APH's new CEO Dr. Ron Geraty, presented the enrollment and engagement rate, and top ten chronic conditions by cost. APH provided an update on outreach activities, in the months of July, August and September 2015 they met with catchment facilities, identified partners to assist HCFP members who were affected by the closure of the Tonopah Hospital closure. APH and Behavioral Health Outreach (BHO) staff attended to:11 major events and visits, three Medicaid conferences, Medicaid Drug Utilization and Review Board, Nevada Health Alliance, several rural facilities and multiple outreach events. APH also presented results on Program Year 1 (PY1) versus Program Year 2 (PY2) Member Satisfaction Survey results.

HSAG, Nevada's EQRO, conducted the PMV Audit on October 15, 2015. The purpose of the audit was to validate the performance measure rates calculated and reported by APH. The measures primarily consisted of performance measures that were contractually required by the DHCFP, but are not part of the HCGP pay-for-performance (P4P). HSAG also checked for any inconsistencies in interpretation of the measures between APH and the Nevada's actuary

(Milliman). Milliman is the entity responsible for calculating the baseline rates for the non-P4P measures. The audit examined 24 measures with a total of 63 indicators, or individual rates. Of the 63 indicators, 26 rates were Not Completed (NC). The rates for the other 37 indicators appear to be appropriately calculated and reported by APH. The DHCFP team continued to work with APH to bring the 26 NC indicators to reportable validation results.

During FFY16 Q1/2016, the DHCFP continued to work with the CMS on obtaining approval for the new Reconciliation Methodology. The table below represents the dates the CMS provided temporary extensions as well as the final approval to the Attachment B of the Special Terms and Conditions (STCs) Reconciliation Methodology.

The CMS Temporary Extension to Attachment B of the STC's - Reconciliation Methodology	Extension Granted Through
June 30, 2015	September 30, 2015
September 30, 2015	October 31, 2015
October 30, 2015	November 16, 2015
November 30, 2015	January 31, 2016
January 6, 2016	CMS approved Amendment to Attachment B of the STC's.

During Within the Federal Fiscal Quarter 1/2015 there were no financial developments and/or issues to report. Additionally within Federal Fiscal Quarter 1/2015 there were no problems with accounting or budget neutrality to report. There were no consumer issues to report for Federal Fiscal Quarter 1/2015.

Federal Fiscal Quarter 2/2016 (01/2016-3/2016)

At the close of the Federal Fiscal Quarter 2/2016 the total number of recipients enrolled was 38,102. During Federal Fiscal Quarter 2/2016 claims data was utilized to identify recipients eligible to enroll in the program. There were no disenrollments from the program for Federal Fiscal Quarter 2/2016. The program steadily continued to increase their enrollment numbers.

On January 26, 2016 the DHCFP held its quarterly HCGP meeting. At the meeting APH introduced Dr. Tim Moore, Consultant Medical Director. APH presented on Quality Module #2 Goal #1, Program Dashboard, PMV audit recap that took place on 10/15/15. APH delivered response to the DHCFP on 12/23/15 on the PMV audit. APH continued their outreach; focus on targeted messaging and facilities with the highest volume of HCGP members, APH acknowledges despite the repeated visits with the facility leaders and line staff a superficial level of knowledge of program remains. There is a continued focus on program familiarity as it is an

important part of provider outreach, visited Medical clinics, large Federal Health Qualified Health Center's (FQHC's), rural and tribal facilities, and all of four Nevada Medical Schools.

During

Federal Fiscal Quarter 2/2016, the DHCFP continued to work with CMS on obtaining approval for Amendment #4 Attachment AA. On January 2, 2016, the DHCFP receive approval from CMS on Amendment #4. The, purpose of amendment #4 was to update contract and change the following; Time Frames for State of Nevada Date Extracts to reflect program launch date of June 2, 2014; ICD-9 language to reflect current ICD's and the Reconciliation Methodology of the STC's Attachment B.

The DHCFP continues to wait for an approval from CMS on the technical correction to the STC's to address the MAGI population.

During Federal Fiscal Quarter 2/2016, there were no financial/budget neutrality development issues. There were no consumer issues to report for this quarter 02/2016.

The program reports zero members deemed non-complaint and on /or "on demand for noncompliance" for this quarter 02/2016. The DHCFP sent an e-mail to CMS on August 19, 2015 for guidance on the definition of noncompliance to assure reporting is done adequately. During this quarter we have not received any additional feedback.

Federal Fiscal Quarter 3/2016 (04/2016-6/2016)

At the close of the Federal Fiscal Quarter 3/2016 the total number of recipients enrolled was 38,802. During the Federal Fiscal Quarter 3/2016 claims data was utilized to identify recipients eligible to enroll in the program. There were no disenrollments from the program for Federal Fiscal quarter 3/2016. The DHCFP reported zero (0) for those deemed non-compliant and "on demand for noncompliance".

For Federal Fiscal Quarter 3/2016 operational developments/issues included the following: On April 26, 2016 the DHCFP held its quarterly meeting with the HCGP. Cheri Glockner, Executive Director, for the HCGP, presented program updates; the HCGP continued to work with the community paramedicine launch, APH was pleased and honored to have worked on the group initiative which they refer to as the vulnerable population, HCGP compliments Beacon (HCGP's Mental and Behavioral Health subcontractor) for their efforts in finding the 1,869 members, the HCGP reports they are getting closer to launching their standalone website. The website was created for the general public to get more information about the program, Dr. Tim Moore, APH's Chief of Medical Officer presented on the program development and rural initiatives, APH

presented on Quality Module #2, Goal 1 and Module 3, Goal #2, HCGP provided an update on Executive Summary enrollment using April 2016 data. APH also presented on enrollment vs. the minimum and maximum for the waiver and were pleased to report they are above the minimum and have been for the past couple of months. At the request of DHCFP, APH represented on Quality Module #2 Goals #1 by going over the power points slides from the January 2016 quarterly meeting to provide the metrics and charts as described in the modules.

During Federal Fiscal Quarter 3/2016, Medical Transportation Management (MTM), the state's new non emergency transportation vendor, presented a power point about MTM's history and footprint.

HSAG the states EQRO started activities for the upcoming APH, PMV. The onsite PMV audit is scheduled to take place in September 22-23, 2016.

On April 28, 2016 DHCFP staff attended the HCGP Provider Advisory Board (PAB) meeting; which is comprised of a total of six providers. The purpose of the PAB is to advise the Nevada Medicaid and the HCGP on matters that support the Care Management Organization (CMO) in achieving its goals. The composition of the board reflects a cross section of health care providers in Nevada including representatives from rural and urban locations, primary care and behavioral health specialties, acute care facilities and outpatient clinics, and public and private health care systems. The board members discuss program progress; outcomes and ways to improve the program; a vehicle for the CMO to hear provider's opinions and recommendations about the program; a way for the CMO to gain awareness of preferred methods for outreach and communication.

During Federal Fiscal Year 16 Q3/2016, the DHCFP continued to work with CMS on obtaining approval for Amendment #4 Attachment AA. The purpose of Amendment #4 is to update the contract language to match the STC's Attachment B. The DHCFP followed CMS guidance to revise the "Reconciliation Methodology "in Attachment B of the STC's. In addition, the DHCFP amended the following:

- ICD-9 language to remove the numerical version to avoid additional amendments due to a change in ICD codes.
- The Nevada Data Extra Table was updated to match the program launch date of June 2014.
- Removal of procedure codes under "Additional condition inclusion criteria are as follows" to match the STC's.

The DHCFP plans on working with CMS, CMO Vendor and DHCFP internal staff on Amendment #5. The purpose of this amendment is to extend the CMO contract term an

additional two years ending November 30, 2018 and make minor language updates to Attachment AA.

There were no financial developments or issues reported within Federal Fiscal Quarter 3/2016. There were no problems or issues with accounting or budget neutrality to report for Federal Fiscal Quarter 3/2016. There are no consumer issues to report for Federal Fiscal Quarter 3/2016.

b. Total annual expenditures for the demonstration populations for each DY, with administrative costs reported separately;

During DY3 (July 1, 2015 to June 30, 2016) demonstration population expenditures include the following:

	7/1/2015	8/1/2015	9/1/2015	10/1/2015	11/1/2015	12/1/2015	1/1/2016	2/1/2016	3/1/2016	4/1/2016	5/1/2016	6/1/2016
Members	35,470	36,567	36,280	36,522	36,028	35,864	36,890	37,721	38,102	38,527	38,752	38,802
Capitation Rate	15.35	15.35	15.35	15.35	15.35	15.35	15.35	15.35	15.35	15.35	15.35	15.35
Total	\$544,464.50	\$561,303.45	\$556,898.00	\$560,612.70	\$553,029.80	\$550,512.40	\$566,261.50	\$579,017.35	\$584,865.70	\$591,389.45	\$594,843.20	\$595,610.70

c. Yearly enrollment reports for demonstration enrollees for each DY (enrollees include all individuals enrolled in the demonstration) that include the member months, the total number of unique enrollees within the DY;

Total count for Demonstration Year 3 (DY3) (July 1, 2015 to June 30, 2016):

Demonstration Populations (member months)	Enrolled in DY3 (07/01/15 - 06/30/16)	Disenrolled in DY3 (07/01/15 – 06/30/15)
Population 1: MAABD	251,590	0
Population 2: TANF/CHAP	193,935	0
Total:	445,525	0

Total number of unique enrollees in the program for DY3 (July 1, 2015 to June 30, 2016) was 55,770.

d. Eligibility Determination Auditing. Pursuant to STC 26, the state must report on the results of its audit of the CMO's eligibility determinations.

During DY3, the state did not conduct a compliance monitoring evaluation. The state continued to work with the vendor and the states EQRO on resolution to the 2014-15 PMV.

e. Waiting List. Pursuant to STC 29, the state must provide an annual review of the state's waiting list.

During DY3 (July 1, 2015 to June 30, 2016), there were no members on the HCGP Waiting List.

f. Quality Strategy. Pursuant to STC 23, the state must report on the implementation and effectiveness of the updated Comprehensive Quality Strategy as it impacts the demonstration;

HSAG the states EQRO conducted the PMV Audit on October 15, 2015. The purpose of the audit was to validate the performance measure rates calculated and reported by APH. The measures primarily consisted of performance measures that were contractually required by the DHCFP, but are not part of the HCGP pay-for-performance (P4P). HSAG also checked for any inconsistencies in interpretation of the measures between APH and the Nevada's actuary (Milliman). Milliman the entity responsible for calculating the baseline rates for the non-P4P measures. The audit examined 24 measures with a total of 63 indicators, or individual rates. Of the 63 indicators, 26 rates were Not Completed (NC). The rates for the other 37 indicators appear to be appropriately calculated and reported by APH. The DHCFP team continued to work with APH to bring the 26 indicators that were rated NC to reportable validation results.

During DY3, HSAG started activities with drafting the States Fiscal Year 2015-2016 External Quality Review Technical Report and plan on finalizing at the end of October 2016.

g. State Advisory Committee. Pursuant to STC 24, the state must submit as an attachment to the annual report the meeting minutes from the NCCW State Advisory Committee meetings.

On April 28, 2016 the DHCFP staff attended to the HCGP Provider Advisory Board (PAB) meeting, comprised of six providers, and led by Dr. Thomas McCrorey, HCGP's Medical Director. The purpose of the PAB is to advise the Nevada Medicaid and the HCGP on matters that support the Care Management Organization (CMO) in achieving its goals. The composition of the board reflects a cross section of health care providers in Nevada including representatives from rural and urban locations, primary care and behavioral health specialties, acute care facilities and outpatient clinics, and public and private health care systems. The board members discuss program progress; outcomes and ways to improve the program; a vehicle for the CMO to hear provider's opinions and recommendations about the program; a way for the CMO to gain awareness of preferred methods for outreach and communication.

Included within this Annual report (DY3) are the minutes for the PAB meeting held on April 28, 2016.

h. Administrative Costs. The state must track and report additional administrative costs that are directly attributable to the demonstration. The state must specify how administrative costs for the demonstration compare to baseline administrative costs for the demonstration population.

Below are the expenses from the states External Quality Review Organization (EQRO), Health Advisory Group (HSAG for DY3 (July 1, 2015 – to June 30, 2016):

Task	Costs
External Quality Review Organization (EQRO), Health	
Services Advisory Group (HSAG) Expenses: DY3,	
July 1, 2015 - June 30, 2016	
Technical Assistance	
NCCW Quality Strategy Implementation, Evaluation	
and Consulting	\$36,745.00
Performance Measure Validation (PMV) of Non P4P	\$54,734.00
measures	
Total	\$91,479.00

Expenses from the states actuary, Rob Bachler, Principal & Consulting Actuary for Milliman for DY3 (July 1, 2015 – to June 30, 2016):

Task	Costs
Milliman's Actuary Expenses: DY3, July 1,	
2015 - June 30, 2016	\$54,197.50
Total:	\$54,197.50

Total DHCFP, administrative cost for DY3 (July 1, 2015 to June 30, 2016). All of these costs are 100% incurred due to the 1115 (a) Demonstration Waiver:

Task	Costs
Quarter ending 09/30/2015 DHCFP Salaries	\$35,622.00
DHCFF Salalles	
Quarter ending 12/31/2015	\$33,711.00
DHCFP Salaries	
Quarter ending 03/31/2016	\$28,005.00
DHCFP Salaries	

Quarter ending 06/30/2015 DHCFP Salaries	\$27,119.00	
Total:	\$124,457.00	

Total Administrative Expenditures for DY3,	\$270,133.50
July 1, 2015 - June 30, 2016	



Nevada Health Care Guidance Program (HCGP) Provider Advisory Board (PAB) Quarterly Meeting

AGENDA

Teleconference: https://axispointhealth.globalmeet.com/ThomasMcCrorey

tel://1-719-234-7800,*,766666#

Date: Thursday, April 28th, 2016; 12 Noon – 3 PM Pacific Time

			Beacon Health					
	Members		AxisPoint Health		Options		Invited Guests	
			Dr. Thomas					
	Dr. Tom Hunt	х	McCrorey	х	Dr. Ryan Ley			
					Dr. Sanjay		Betsy Aiello, NV DHCFP	
	Dr. Lisa Durette	х	Cheri Glockner	х	Vaswani		Deputy Administrator	
			Angela Cave-Brown		Erin Snell			
х	Dr. Katherine Keeley					Х	Gladys Cook, NV DHCFP	
	Ms. Holly Hansen						Dr. Tim Moore, AxisPoint	
	Taylor Ann Johnson,						Health Chief Medical	
х	NP						Officer	
	Dr. Nicole Pavlatos							
х	Dr. Aditi Singh					Х	John Kucera, NV DHCFP	

X = Indicates Meeting Attendance

Agenda:

Торіс	Discussion Items/Actions
 12:00 PM: Call to order (Chair) Welcome new members and guests Introductions (All) 12:10 PM Lunch served 	Introductions made. Special Guest Dr. Sanjay Vaswani, Western Chief Medical Officer for Beacon Health Options
 12:20 PM: Presentation on Nevada's Provider Shortage and Roseman University New School of Medicine (Dr. Tom Hunt) 	Brief discussion about the expansion from 2 to 4 medical schools and the need for increased residency slots
1:00 PM Presentation: Update on Nevada Medicaid's Care Management Organization (Dr. Thomas McCrorey)	Intended to give a thorough understanding of the workings of the care management program to allow PAB members to best assist the program
 2:20 PM: Topics of discussion (Dr. Thomas McCrorey) Encouraging providers to practice in NV MCO Expansion Rural Shortages 	lots of interest in the MCO expansion thought it was a done deal. a lot of unhappiness with the HPN and Amerigroup. encouraged to contact state Medicaid and
 Mental health provider shortage Provider outreachfocus ? Communication from me? 	Legislators to inform them. discussion by John Kucera
 Activities that you would like to see and participate in. 	Keeley: issues with not getting on panels- and not clear GL
	may want to discuss with HP at next PAB



	interest in having regular news from the HCGP and Medicaid. Will make intermittent email "news" blasts
2:50 PM: Topics for Future Meetings (All)	Please email Dr. Thomas McCrorey
3:00 PM: Meeting adjourned	Next Dates TBD, Location will be Northern Nevada or Web based.

Attachments:

- A: HCGP update and overview for PAB. B: Roseman intro-healthcare.