

**WASHINGTON STATE
TAKE CHARGE MEDICAID SECTION 1115
DEMONSTRATION WAIVER**

01/01/2014 -03/31/2014 Third Quarter Year Thirteen

May 30, 2014

Introduction

Washington State's TAKE CHARGE program, which began July 2001, expanded Medicaid coverage for family planning services to men and women with family incomes at or below 200% of the federal poverty level (FPL). Beginning on October 1, 2012, clients with incomes up to 250% of FPL were eligible to apply for TAKE CHARGE. Program goals are to improve the health of women, children and families by decreasing unintended pregnancies and lengthening intervals between births, and to reduce state and federal Medicaid expenditures for births from unintended pregnancies. The Centers for Medicare and Medicaid Services (CMS) approved the TAKE CHARGE program as a family planning demonstration program (§1115 waiver). For the first ten years of the waiver, TAKE CHARGE was administered by the Washington State Department of Social and Health Services (DSHS) Health and Recovery Services Administration (HRSA). On July 1, 2011, Washington State Medicaid merged with the Washington State Health Care Authority (HCA). The reorganized Health Care Authority now administers the TAKE CHARGE program.

Executive Summary

Demonstration Population:

The TAKE CHARGE family planning demonstration includes three groups of clients:

- Recently pregnant women who would otherwise lose Medicaid coverage after their maternity coverage ends;
- Women with family incomes at or below 250% of the FPL, seeking to prevent an unintended pregnancy; and
- Men with family incomes at or below 250% of the FPL, seeking to prevent an unintended pregnancy.

Goals of Demonstration:

- Decrease unintended pregnancies, and;
- Reduce state and federal Medicaid expenditures for births from unintended pregnancies.

Program Highlights:

- TAKE CHARGE will continue to cover nearly every FDA approved birth control method and a narrow range of family planning services that help clients to use their contraceptive methods safely, effectively and successfully to avoid unintended pregnancy. The types of birth control include:
 - Oral Contraceptives
 - Contraceptive Ring and Patch

- Male and Female Condoms
- Spermicides
- Contraceptive Injections
- Contraceptive Implants
- Intrauterine Devices
- Emergency Contraception
- Male and Female Sterilizations
- Diaphragms
- Natural Family Planning
- Abstinence Counseling
- Family planning-related services for women include an annual comprehensive family planning preventive medicine visit and a GC/CT screening for women ages 13 – 25.
- Men’s family planning-related services include one counseling session for reducing the risk of unintended pregnancy, condoms and spermicides and services directly related to vasectomies.

| Demonstration Year (DY) | Begin Date | End Date | Quarterly Report Due Date (60 days following end of quarter) |
|-------------------------|------------|--------------|--|
| Quarter 1 | July 1 | September 30 | November 29 |
| Quarter 2 | October 1 | December 31 | March 1 |
| Quarter 3 | January 1 | March 31 | May 30 |
| Quarter 4 | April 1 | June 30 | August 29 |

Significant program changes:

Due to the implementation of the Affordable Care Act, beginning Jan. 1, 2014 the following policy and program changes were made.

Policy issues and challenges:

Beginning January 1, 2014, with the goal of moving as many clients off of TAKE CHARGE and into full insurance coverage, HCA will be making several adjustments to eligibility for the Waiver:

- Clients with insurance will no longer be eligible for TAKE CHARGE. All family planning services covered under the Waiver will be covered without co-pay or deductibles.
- Adults, 19 and older, who have incomes of 150% of the Federal Poverty Level or below must first apply for and be denied by Apple Health before they can be enrolled in TAKE CHARGE.
- As directed by the legislature, the Agency will be requiring hormonal contraceptives be dispensed in a 12-month supply unless there is a medical indication not to or the client requests a smaller supply. Information regarding this policy change was distributed to prescribers and pharmacists in late December 2013. Research from the California Waiver suggests that there could be a significant drop in unintended pregnancies and Medicaid paid births.

Enrollment

From the first quarter of DY12 through the second quarter of DY13, we observed very little change overall in the total demonstration new enrollees: decreases in Populations 2 and 3 were offset by increases in Population 1. In the third quarter of DY13, we begin to see the major impact of health care reform: total new enrollees declined by 46%, from 11,318 in Quarter 2 to 6,149 in Quarter 3. Populations 1 and 3 demonstrated declines of 50% in new enrollees, and Population 2 showed a smaller decline (37%). Changes of this magnitude also impact total enrollees, the number of participants, and the number of member-months. All these measures showed declines of at least 20%, with smaller declines in total enrollees and member-months, and larger declines in the number of participants.

Washington's health insurance exchange was implemented October 1, 2013. Approximately 300,000 newly eligible and 150,000 previously eligible but not enrolled adults have signed up for Washington Medicaid since Oct 1 (AP, 5/4/2014). This expanded enrollment in Medicaid has contributed to the decline in the Populations 2 and 3. In addition, as of 4/23/2014, more than 164,000 people had enrolled in private health insurance plans through Washington's exchange: the majority of enrollees were women, and enrollees age 18 to 34 comprised 25% of enrollees in private plans (Seattle *Times*, 4/23/2014). The enrollment in private health insurance has contributed to declines in Population 1.

Enrollees are defined as all individuals enrolled in the demonstration for the specified quarter of the demonstration years, including those newly enrolled and the total enrollees during the quarter. Participants are defined as all individuals who obtain one or more covered family planning service through the demonstration. Member months refer to the number of months in which persons enrolled in the demonstration are eligible for services.

This demonstration had three eligible populations:

- Population 1: Women losing Medicaid coverage at the conclusion of the 60-day postpartum period
- Population 2: Women who have an income at or below 250% of the FPL
- Population 3: Men who have income at or below 250% of the FPL

The following tables (below) show data on enrollees, participants, and member months within the demonstration.

| <i>DY 11:</i> <i>SFY2012</i> | Quarter 4 | | | |
|---------------------------------|---------------------------------------|--------------|--------------|------------------|
| | April 1, 2012 to June 30, 2012 | | | |
| | Population 1 | Population 2 | Population 3 | Total Population |
| # of Newly enrolled | 6,455 | 6,472 | 135 | 13,058 |
| # of Total Enrollees | 22,666 | 40,643 | 549 | 63,772 |
| # of Participants | 2,291 | 12,168 | 88 | 14,544 |
| # of Member Months | 55,224 | 106,141 | 1,393 | 162,758 |

| <i>DY 12: SFY2013</i> | Quarter 1 July 1, 2012 to September 30, 2012 | | | | Quarter 2 October 1, 2012 to December 31, 2012 | | | |
|-----------------------------|---|-----------------|-----------------|---------------------|---|-----------------|-----------------|---------------------|
| | Population 1 | Population 2 | Population 3 | Total Population | Population 1 | Population 2 | Population 3 | Total Population |
| # of Newly enrolled | 6,401 | 3,575 | 66 | 10,041 | 6,821 | 10,039 | 154 | 17,014 |
| # of Total Enrollees | 22,590 | 36,457 | 479 | 59,496 | 22,711 | 38,833 | 519 | 62,010 |
| # of Participants | 2,077 | 9,101 | 56 | 11,234 | 2,205 | 9,493 | 68 | 11,766 |
| # of Member Months | 54,758 | 97,588 | 1,305 | 153,651 | 55,351 | 101,533 | 1,370 | 158,254 |

| <i>DY 12: SFY2013</i> | Quarter 3 January 1, 2013 to March 31, 2013 | | | | Quarter 4 April 1, 2013 to June 30, 2013 | | | |
|-----------------------------|--|-----------------|-----------------|---------------------|---|-----------------|-----------------|---------------------|
| | Population 1 | Population 2 | Population 3 | Total Population | Population 1 | Population 2 | Population 3 | Total Population |
| # of Newly enrolled | 6,355 | 9,306 | 162 | 15,822 | 6,586 | 8,681 | 167 | 15,434 |
| # of Total Enrollees | 22,846 | 42,154 | 571 | 65,493 | 23,216 | 44,445 | 602 | 68,175 |
| # of Participants | 2,071 | 12,180 | 91 | 14,341 | 2,108 | 12,739 | 87 | 14,934 |
| # of Member Months | 55,728 | 109,244 | 1,440 | 166,412 | 56,845 | 116,129 | 1,496 | 174,470 |

| <i>DY 13: SFY2014</i> | Quarter 1 July 1, 2013 to September 30, 2013 | | | | Quarter 2 October 1, 2013 to December 30, 2013 | | | |
|-----------------------------|---|-----------------|-----------------|---------------------|---|-----------------|-----------------|---------------------|
| | Population 1 | Population 2 | Population 3 | Total Population | Population 1 | Population 2 | Population 3 | Total Population |
| # of Newly enrolled | 6,258 | 8,081 | 129 | 14,464 | 7,009 | 4,234 | 75 | 11,318 |
| # of Total Enrollees | 23,065 | 46,287 | 598 | 69,876 | 23,348 | 43,369 | 536 | 67,222 |
| # of Participants | 1,976 | 13,962 | 91 | 16,029 | 1,933 | 10,582 | 69 | 12,584 |
| # of Member Months | 55,909 | 122,629 | 1,568 | 180,106 | 57,545 | 119,098 | 1,481 | 178,124 |

| <i>DY 13: SFY2014</i> | Quarter 3 January 1, 2014 to March 31, 2014 | | | | Quarter 4 April 1, 2014 to June 30, 2014 | | | |
|-----------------------------|--|-----------------|-----------------|---------------------|---|-----------------|-----------------|---------------------|
| | Population 1 | Population 2 | Population 3 | Total Population | Population 1 | Population 2 | Population 3 | Total Population |
| # of Newly enrolled | 3,441 | 2,670 | 38 | 6,149 | | | | |
| # of Total Enrollees | 17,867 | 32,007 | 359 | 50,229 | | | | |
| # of Participants | 972 | 4,647 | 16 | 5,635 | | | | |
| # of Member Months | 40,210 | 78,978 | 894 | 120,082 | | | | |

Service and Providers

Service Utilization

Since providers have a year to bill for services provided, utilization reviews are done once each year at the time of the annual report.

Provider Participation

- As of March 31, 2014, the TAKE CHARGE Waiver had 52 providers serving clients at 164 sites. We have good provider distribution across the state that reflects Washington's population density. There is at least one TAKE CHARGE provider in most counties and more in the more populous counties. As expected, fewer clinics are located in sparsely populated counties of Eastern Washington. In these counties, residents routinely travel to small towns to access goods and services such as groceries, banks, local government agencies, and medical care.
- In the last year, a number of hospitals and medical clinics have been purchased by Catholic entities. We are monitoring this phenomenon closely to see if this results in decreased access to family planning services. It is of concern to our Department of Health as well.

Program Outreach Awareness and Notification

General Outreach and Awareness:

No general public outreach was conducted these past two quarters regarding the Waiver. However, the Health Care Authority has been actively engaged in multimedia outreach regarding health care reform, promoting Washington's Apple Health and access to insurance through the state's insurance exchange.

Target Outreach Campaign(s) (if applicable):

- All providers have been actively engaging clients in conversations about applying for Apple Health and for insurance through the State Insurance Exchange. A number of the larger clinics have trained Application Assistors to help clients with the application process.
- There will be an outreach campaign in early 2014 targeting the "Young Invincibles" urging them to enroll in comprehensive health insurance instead of the narrow coverage under the Family Planning Waiver.

Program Evaluation, Transition Plan and Monitoring

The evaluation team in Research and Data Analysis has proposed a Client Survey to be administered in mid-2014. This survey will ask women who have recently enrolled in the TAKE CHARGE family planning program why they do not have other health insurance and probe their understanding and expectations about the affordability of health insurance in the future.

Understanding the reasons that account for the lack of health insurance (other than family planning coverage) in these women may help to reduce barriers to getting health insurance and to achieve nearly universal coverage after health care reform. Approval from CMS (a modification to the evaluation plan) and from the Washington State Institutional Review Board will be obtained prior to administering the survey.

Quarterly Expenditures

We have utilized the charts below to include expenditure data, as reported on the Form CMS-64. We have provided information to date, over the lifetime of the Demonstration extension.

| | Demonstration Year 11 (April , 2013 - June 30,2012) | | | |
|----------------------------------|--|---|--|--|
| | Service Expenditures as Reported on the CMS-64 | Administrative Expenditures as Reported on the CMS-64 | Total Expenditures as Reported on the CMS-64 | Expenditures as requested on the CMS- 37 |
| Quarter 4 Expenditures | \$9,326,493 | \$164,514 | \$9,491,007 | \$3,485,754 |
| Total Annual Expenditures | \$9,326,493 | \$164,514 | \$9,491,007 | \$3,485,754 |

| | Demonstration Year 12 (July 1, 2012 -June 30, 2013) | | | |
|----------------------------------|--|--|---|--|
| | Service Expenditures as Reported on the CMS -64 | Administrative Expenditures as Reported on the CMS -64 | Total Expenditures as Reported on the CMS -64 | Expenditures as requested on the CMS- 37 |
| Quarter 1 Expenditures | \$3,848,004 | \$151,670 | \$3,999,674 | \$4,121,158 |
| Quarter 2 Expenditures | \$4,283,712 | \$166,647 | \$4,450,359 | \$3,566,530 |
| Quarter 3 Expenditures | \$4,535,704 | \$191,502 | \$4,727,206 | \$3,912,507 |
| Quarter 4 Expenditures | \$9,326,493 | \$164,514 | \$9,491,007 | \$3,643,423 |
| Total Annual Expenditures | \$21,993,913 | \$674,333 | \$22,668,246 | \$15,243,618 |

| | Demonstration Year 13 (July 1, 2013 -June 30, 2014) | | | |
|----------------------------------|--|--|---|--|
| | Service Expenditures as Reported on the CMS -64 | Administrative Expenditures as Reported on the CMS -64 | Total Expenditures as Reported on the CMS -64 | Expenditures as requested on the CMS- 37 |
| Quarter 1 Expenditures | \$4,933,555 | \$23,593 | \$4,957,148 | \$4,394,192 |
| Quarter 2 Expenditures | \$5,338,249 | \$192,961 | \$5,338,314 | \$3,679,638 |
| Quarter 3 Expenditures | \$2,115,013 | \$310,773 | \$2,425,786 | \$3,736,993 |
| Total Annual Expenditures | \$12,386,817 | \$334,431 | \$12,721,248 | \$11,810,823 |

Activities for Next Quarter

- Continue to track new enrollees in Population 2 to identify optimal timing for proposed client survey.
- Monitor prescribing and dispensing practices of hormonal contraceptives for the "Twelve Month Supply Project".
- Continue to support providers in their efforts to help clients become enrolled in Apple Health or insurance through Washington's Health Plan Finder.
- Explore options for increasing access to Long Acting Reversible Contraceptives (LARCs), especially post-delivery.