

State: Washington

Demonstration Name: Transitional Bridge

Description & Status:

Entitled the Transitional Bridge, this Demonstration sustains coverage for early expansion-eligible individuals (Transition Eligibles) with countable household incomes up to 133 percent of the Federal poverty level who are enrolled in the State-funded Basic Health, Medical Care Services (formerly the Disability Lifeline), or Alcohol and Drug Addiction Treatment and Support Act (ADATSA) programs. The goal of this Demonstration is to sustain these programs, which provide health care benefits for enrolled individuals, but would be eliminated without Federal financial support. Without Federal assistance, the enrolled individuals would lose their health care coverage until 2014, when they will become Medicaid-eligible due to passage of the Affordable Care Act. This Demonstration also requires Washington to seamlessly transition enrolled individuals to a coverage option available under the Affordable Care Act; and to make system modifications that will expedite the State's readiness for compliance with Federal requirements.

Populations:

Basic Health – Adult residents of Washington State with incomes up to 133 percent of the Federal poverty level and who were enrolled in the State-funded Basic Health program.

Medical Care Services – Adult residents of Washington State with incomes up to 133 percent of the Federal poverty level, who due to a disability were enrolled in the State-funded Medical Care Services program (formerly the Disability Lifeline program).

ADATSA - Adult residents of Washington State with incomes up to 133 percent of the Federal poverty level, who are incapacitated primarily due to an alcohol or drug addiction, and were enrolled in the State-funded ADATSA program.

Approval Date: January 3, 2011

Effective Date: January 1, 2011

Expiration Date: December 31, 2013

Pending Actions: None

Fact Sheet
Medicaid section 1115 Demonstration

State: Washington
Demonstration Name: Transitional Bridge
Date Proposal Received: July 7, 2010
Date Proposal Approved: January 3, 2011
Date Implemented: January 1, 2011

Summary

This Demonstration sustains coverage for early expansion-eligible individuals (individuals who will be Medicaid eligible in 2014) with countable household incomes up to 133 percent of the Federal poverty level, and who are enrolled in the State-funded only Basic Health, Medical Care Services, or Alcohol and Drug Addiction Treatment and Support Act (ADATSA) programs. The Demonstration establishes milestones for the transition of individuals, providers, managed care organizations, and information systems so the State is prepared by 2014 to comply with the requirements of the Affordable Care Act. The State will provide information on lessons learned that may assist other States in their transition efforts. In addition to sustaining coverage, the fundamental program initiatives include the following:

- Evaluations of all Basic Health enrollees for Medicaid eligibility will occur during the first year of the Demonstration, and eligible individuals will be enrolled in direct coverage;
- Reductions in cost sharing for individuals who are enrolled in the Basic Health population and have incomes under 65 percent of the Federal poverty level; as of January 1, 2011 their premiums were reduced by 50 percent;
- Modifications throughout the Demonstration will occur to the operations of the Basic Health and Disability Lifeline programs so they become more like the Medicaid program; and
- Modifications to the cost sharing requirements for Demonstration-eligible individuals of American Indian / Alaska Native heritage (and who receive services through managed care organizations) will be made to conform to the requirements in American Recovery and Reinvestment Act of 2009. The State will subsequently reimburse the Indian Health Service, Tribal, and Urban Indian providers appropriately.

Amendments None

Enrollment

The Demonstration population (Transition Eligibles) is comprised of three adult groups: 1) Individuals below 133 percent of the Federal poverty level who are enrolled in the State-only Basic Health program; 2) All eligible individuals without dependents below 133 percent of the Federal poverty level that are unable to work (“incapacitated”) due to mental or physical impairments and are enrolled in the State-only Medical Care Services program; and 3) All adults below 133 percent of the FPL who are receiving substance abuse treatment through the ADATSA program.

Benefit Package

The Transition Eligibles population will receive a comprehensive benefit package of primary, acute, and mental health benefits.

Cost Sharing

Individuals enrolled in the Basic Health program have cost sharing that significantly exceed Medicaid cost-sharing limits, and although the State reduced these cost-sharing amounts somewhat, it was not able to bring them into full compliance with Medicaid requirements due to fiscal concerns. Transition Eligibles in the Medical Care Services and ADATSA programs will have nominal cost sharing.

Delivery System

Benefits for Basic Health and Medical Care Services enrollees are primarily delivered through managed care organizations. The ADATSA enrollees receive their services through a fee-for-service system.

Estimated Cost of the Demonstration

The Transitional Bridge Demonstration is comprised of all hypothetically eligible groups. Therefore, the budget neutrality ceiling is the same as expected State expenditures. The Demonstration is expected to be budget neutral on an annual basis. The Demonstration years (DY) are concurrent with the calendar year (CY) and run from January 1, 2011 through December 31, 2013. Over this 3-year period, the Demonstration is projected to cost approximately \$70.4 million (total computable) of which \$35.2 million is Federal share.

Last Updated April 25, 2012