

Center for Medicaid, CHIP and Survey & Certification

CMCS Informational Bulletin

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SUBJECT: Recent Developments in Medicaid

CMCS is pleased to announce today three initiatives that will give States more resources and flexibility to adopt innovative practices and provide better, more coordinated care at a lower cost in the Medicaid program. Specifically, States will have new flexibility to:

- Develop and upgrade State information technology systems to help people enroll in Medicaid or CHIP;
- Reduce administrative barriers to helping beneficiaries live in their communities rather than institutions; and
- Develop creative ways to provide more efficient health care delivery for “dual eligible” beneficiaries.

Developing and Upgrading Medicaid Information Technology (IT) Enrollment Systems

Today the final rule revising Medicaid regulations for Mechanized Claims Processing and Information Retrieval Systems went on display at the *Federal Register*. This new regulation, which is effective upon publication, will provide increased federal financial support for States needing to overhaul their information technology systems to implement the improvements and changes in Medicaid enrollment under the Affordable Care Act. Under the new rule, Federal financial participation (FFP) at a 90 percent match rate is available for the design, development and installation or enhancement of Medicaid eligibility determination systems until December 31, 2015, with enhanced FFP at the 75 percent match rate for maintenance and operations beyond that date in certain circumstances. Previously, eligibility systems only received a 50 percent match rate.

In order to qualify for the enhanced match all Medicaid Management Information Systems (MMISs) must meet a set of standards and conditions, including seamless coordination with the new Health Insurance Exchanges. The standards and conditions are designed to ensure that State and federal investments in information technology support systems that are high performing, efficient, accurate and customer-friendly.

CMS is also releasing two additional guidance documents to assist States in qualifying for the enhanced funding and in completing their funding request to CMS. *Enhanced Funding Requirements: Seven Standards and Conditions* (Medicaid IT Supplement, MITS-11-01-v1.0) provides more detail on how CMS and States will work together to take full advantage of modern technology approaches in support of program goals and needs. CMS expects this

guidance to be iterative and updated over time with feedback from States. *Enhanced Funding Requirements: Expedited Advance Planning Document Checklist* (Medicaid IT Supplement, MITS-11-02-v1.0) provides a streamlined method for States who have applied for or are receiving Health Insurance Exchange grants to receive the Medicaid funding needed to design and implement eligibility and enrollment systems in support of the Affordable Care Act. To view these documents, please visit <http://www.cms.gov/Medicaid-Information-Technology-MIT>.

This final rule can be viewed on the *Federal Register* website at http://www.ofr.gov/OFRUpload/OFRData/2011-09340_PI.pdf. After April 19, 2011, the regulation can be accessed at http://www.access.gpo.gov/su_docs/fedreg/frcont11.html. Click April 19, 2011 and scroll to the Centers for Medicare & Medicaid Services section.

Helping People with Disabilities Live in their Communities

Also displayed today at the *Federal Register* is an important new proposed rule which will reduce State administrative burden and increase opportunities for community living by allowing states to target multiple groups in a single section 1915(c) home and community-based (HCBS) waiver. The proposed rule removes an existing federal barrier that will make it easier for States to design waiver programs to increase community living options. Under the proposed rule, States wanting to provide home and community-based services to the elderly, people with physical and intellectual disabilities, and those with mental illness would no longer need separate waivers to do so.

This change, which has been advocated for by States and beneficiaries, will help States to design programs based on beneficiary needs rather than diagnosis. The proposed rule also clarifies expectations regarding person-centered planning and service delivery, clarifies the process related to amendments and public input processes, and provides CMS with additional tools to help States make program improvements. Importantly, the proposed rule also clarifies for States those settings that are not HCBS in nature. We invite States and other stakeholders to comment on the rule; comments are due by June 15, 2011.

This proposed rule can be viewed on the *Federal Register* website at http://www.ofr.gov/OFRUpload/OFRData/2011-09116_PI.pdf. After April 15, 2011 the rule can be accessed at http://www.access.gpo.gov/su_docs/fedreg/frcont11.html. Click April 15, 2011 and scroll to the Centers for Medicare & Medicaid Services section.

Coordinated Care for People with Medicare and Medicaid

Finally, CMS' Federal Coordinated Health Care Office also announced today that fifteen states across the country have been selected to receive up to \$1 million to develop new ways to meet the often complex and costly medical needs of the approximately nine million Americans who are eligible for both the Medicare and Medicaid programs, known as "dual eligibles." Under the *State Demonstration to Integrate Care for Dual Eligible Individuals*, CMS will work with States to design strategies for implementing person-centered models that fully coordinate primary, acute, behavioral health and long-term supports and services for dual eligible individuals. The following States will work with beneficiaries, their families and other stakeholders to develop their demonstration proposals: California, Colorado, Connecticut, Massachusetts, Michigan, Minnesota, New York, North Carolina, Oklahoma, Oregon, South Carolina, Tennessee, Vermont, Washington and Wisconsin.

In addition to the States receiving these awards, CMS will also work closely with all States that request assistance in improving care coordination for dual eligible individuals. Additional information is available at <http://www.cms.gov/dualeligible/>.

I hope you will find this information helpful. Thank you for your continued commitment to Medicaid and CHIP.