Application for

Section 1915(b)(4) Waiver
Fee-for-Service
Selective Contracting Program

June, 2012

v1.0

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Application for Section 1915(b) (4) Waiver
Fee-for-Service (FFS) Selective Contracting Program

Facesheet

The **State** of Nebraska requests a waiver/amendment under the authority of section 1915(b) of the Act. The Medicaid agency will directly operate the waiver.

The **name of the waiver program** is Nebraska Freedom of Choice Waiver Restrictions
(List each program name if the waiver authorizes more than one program.).

Type of request. This is:

☒ an initial request for new waiver. All sections are filled.

☐ a request to amend an existing waiver, which modifies Section/Part Sect/Part

☐ a renewal request

Section A is:

☐ replaced in full

☐ carried over with no changes

☐ changes noted in **BOLD.**

Section B is:

☐ replaced in full

☐ changes noted in **BOLD.**

Effective Dates: This waiver/renewal/amendment is requested for a period of two years beginning 7/1/2025 and ending 6/30/2027.

State Contact: The State contact person for this waiver is Drew Gonshorowski, Director of Medicaid & Long-Term Care. He can be reached by telephone at (402) 613-8656, or e-mail at drew.gonshorowski@nebraska.gov.

Section A – Waiver Program Description

Part I: Program Overview

Tribal Consultation:
Describe the efforts the State has made to ensure that Federally-recognized tribes in the State are aware of and have had the opportunity to comment on this waiver proposal (if additional space is needed, please supplement your answer with a Word attachment).

See Attachment A: Tribal notice, submitted to Tribes on November 18, 2024. The tribal notice included the 1915(b) Waiver summary. The tribes were provided a thirty (30) day comment period. Following the thirty (30) day comment period there were 0 comments received.

Program Description:
Provide a brief description of the proposed selective contracting program or, if this is a request to amend an existing selective contracting waiver, the history of and changes requested to the existing program. Please include the estimated number of enrollees served throughout the waiver (if additional space is needed, please supplement your answer with a Word attachment).

This request for a selective contracting program applies only to Targeted Case Management (TCM) as approved under Nebraska's Medicaid State plan. Nebraska proposes limiting freedom of choice to providers of TCM to the following entities:

1.) State staff employed by the Department of Health and Human Services (DHHS).
2.) Entities awarded a contract through DHHS' competitive bid process to provide TCM services.
3.) Entities for whom DHHS has entered into a sole source award for the provision of TCM.

All TCM providers must meet provider qualifications as specified in Supplements 1-2 of Attachment 3.1-A of Nebraska's Medicaid State plan.

The estimated number of enrollees served throughout this waiver is 8,505. Estimates are derived from slot capacity approved under the State's 1915(c) waivers for which all participants receive TCM through the mandatory and optional groups covered as aged, blind, or disabled under Nebraska's Medicaid state plan.

Waiver Services:
Please list all existing State Plan services the State will provide through this selective contracting waiver (if additional space is needed, please supplement your answer with a Word attachment).

TCM for the following target groups is subject to this selective contracting waiver:

1.) Mandatory and optional groups covered as aged, blind, or disabled under Nebraska's Medicaid state plan.

2.) Mandatory and optional groups covered as Aid for Families and Dependent Children (AFDC)-related in Nebraska's Medicaid state plan.

A. Statutory Authority

1. **Waiver Authority.** The State is seeking authority under the following subsection of 1915(b):

   ☒ **1915(b) (4) - FFS Selective Contracting program**

2. **Sections Waived.** The State requests a waiver of these sections of 1902 of the Social Security Act:

   a. ☐ **Section 1902(a) (1) - Statewideness**

   b. ☐ **Section 1902(a) (10) (B) - Comparability of Services**

   c. ☒ **Section 1902(a) (23) - Freedom of Choice**

   d. ☐ **Other Sections of 1902** – (please specify)

   Click or tap here to enter text.

B. Delivery Systems

1. **Reimbursement.** Payment for the selective contracting program is:

   ☒ the same as stipulated in the State Plan

   ☐ is different than stipulated in the State Plan (please describe)

   Click or tap here to enter text.

2. **Procurement**. The State will select the contractor in the following manner:

   ☒ **Competitive** procurement

   ☐ **Open** cooperative procurement

   ☒ **Sole source** procurement

   ☒ **Other** (please describe)

   DHHS state staff employed by the Division of Developmental Disabilities (DDD) are designated as TCM providers for the and the mandatory and optional groups covered as aged, blind, or disabled under Nebraska's Medicaid state plan. This provision is in place to ensure only qualified professionals serve as designated case managers for this populations given DDD's commitment to serving individuals who are aging or have a physical disability. DDD TCM providers are viewed as trusted members of the service system and have developed longstanding relationships with participants served through 1915(c) waivers. To allow for consistency in

personnel providing TCM to those on a 1915(c) program, DHHS and DDD have committed to using staff who are involved in all aspects of care planning and referral activities for those on the 1915(c) programs, and more broadly served by DDD. An administrative agreement exists between DDD and MLTC, the Single Medicaid Agency within the State of Nebraska for the delivery of TCM by DDD staff.

B. Restriction of Freedom of Choice

1. **Provider Limitations.**

☐ Beneficiaries will be limited to a single provider in their service area.

☒ Beneficiaries will be given a choice of providers in their service area.

(NOTE: Please indicate the area(s) of the State where the waiver program will be implemented)

This 1915(b)(4) applies statewide.

2. **State Standards.**

Detail any difference between the state standards that will be applied under this waiver and those detailed in the State Plan coverage or reimbursement documents (if additional space is needed, please supplement your answer with a Word attachment).

Not applicable.

D. Populations Affected by Waiver

(May be modified as needed to fit the State's specific circumstances)

1. **Included Populations.** The following populations are included in the waiver:

☒ Section 1931 Children and Related Populations

☒ Section 1931 Adults and Related Populations

☒ Blind/Disabled Adults and Related Populations

☒ Blind/Disabled Children and Related Populations

☒ Aged and Related Populations

☒ Foster Care Children

☒ Title XXI CHIP Children

2. **Excluded Populations.** Indicate if any of the following populations are excluded

from participating in the waiver:

- ☐ Dual Eligibles
- ☐ Poverty Level Pregnant Women
- ☐ Individuals with other insurance
- ☐ Individuals residing in a nursing facility or ICF/MR
- ☐ Individuals enrolled in a managed care program
- ☐ Individuals participating in a HCBS Waiver program
- ☐ American Indians/Alaskan Natives
- ☐ Special Needs Children (State Defined).
- ☐ Please provide this definition. Individuals receiving retroactive eligibility
- ☐ Other (Please define):

Click or tap here to enter text.

Part II: Access, Provider Capacity and Utilization Standards

A. Timely Access Standards

Describe the standard that the State will adopt (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has adopted) defining timely Medicaid beneficiary access to the contracted services, *i.e.,* what constitutes timely access to the service?

1. How does the State measure (or propose to measure) the timeliness of Medicaid beneficiary access to the services covered under the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment)?

   DHHS monitors access to TCM using a variety of methods, dependent on how an individual accesses the service. TCM is automatically provided to enrolled in an approved 1915(c) waiver. Frequency of contacts and service planning monitoring are outlined in Appendix C of each of the approved 1915(c) waiver programs. The electronic case management system is used to track access and monitor compliance with contact schedules.

2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiaries are unable to access the contracted service in a timely fashion (if additional space is needed, please supplement your answer with a Word attachment).

   Using information generated from the electronic case management system, DHHS

monitors access and enrollment to 1915(c) programs to determine immediate access to TCM. Case management system data is also used to determine compliance with contact and monitoring schedules.

B. Provider Capacity Standards

Describe how the State will ensure (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has ensured) that its selective contracting program provides a sufficient supply of contracted providers to meet Medicaid beneficiaries' needs.

1. Provide a detailed capacity analysis of the number of providers (e.g., by type, or number of beds for facility-based programs), or vehicles (by type, per contractor for non-emergency transportation programs), needed per location or region to assure sufficient capacity under the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

   DHHS employs a continual monitoring process to ensure there is sufficient provider capacity across all TCM target groups. Current provider enrollment data maintained by MLTC and the Division of Public Health (DPH) is used to conduct a stratified annual review of the number of TCM providers, by type to determine sufficient capacity. Sufficient capacity is determined by analyzing the number of individuals receiving TCM in comparison to caseloads identified in DHHS guidance.

2. Describe how the State will evaluate and ensure on an ongoing basis that providers are appropriately distributed throughout the geographic regions covered by the selective contracting program so that Medicaid beneficiaries have sufficient and timely access throughout the regions affected by the program (if additional space is needed, please supplement your answer with a Word attachment).

   The stratified annual review discussed in B1 is used to evaluate distribution of TCM providers across different geographic regions, dependent on the target group. Should the annual review indicate insufficient provider capacity to serve individuals in accordance with established caseloads, DHHS will take one of the following actions:

   1.) Employ additional DHHS staff.
   2.) Release additional requests for proposals to procure additional TCM providers.
   3. Enter into additional sole source contracts, only when deemed necessary to ensure immediate adequate provider capacity.

B. Utilization Standards

Describe the State's utilization standards specific to the selective contracting program.

1. How will the State (or if this is a renewal or amendment of an existing selective

contracting waiver, provide evidence that the State) regularly monitor(s) the selective contracting program to determine appropriate Medicaid beneficiary utilization, as defined by the utilization standard described above (if additional space is needed, please supplement your answer with a Word attachment)?

DHHS will use adjudicated fee-for-service claims to monitor for appropriate Medicaid beneficiary utilization of TCM included in this 1915(b)(4) application, on a bi-annual basis. The bi-annual utilization review will, at minimum, include an analysis of the following elements:

1.) Medicaid beneficiary name and eligibility group.
2.) Location of service.
3.) Date of service.
4.) TCM service code paid.
5.) Units of TCM billed and paid.

This review will allow DHHS to monitor utilization Statewide and assist in potential access and provider capacity concerns.

2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiary utilization falls below the utilization standards described above (if additional space is needed, please supplement your answer with a Word attachment).

   In addition to the bi-annual claims review, the quality improvement strategy (QI) outlined in each of the 1915(c) waivers will be used to conduct ongoing discovery, remediation, and improvement in utilization standards. The QI is employed across all TCM target groups and includes a QI Committee that is responsible for ongoing monitoring of identified concerns in programming.

Part III: Quality

A. Quality Standards and Contract Monitoring

1. Describe the State's quality measurement standards specific to the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

   a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):

      i. Regularly monitor(s) the contracted providers to determine compliance with the State's quality standards for the selective contracting program.
      ii. Take(s) corrective action if there is a failure to comply.

MLTC and DPH regularly oversee Medicaid-enrolled providers of TCM to ensure provider quality standards are met in accordance with Nebraska Administrative Code (NAC). Providers are subject to review standards indicated in the Medicaid provider agreement and finalized contracts between providers and DHHS.

Corrective action is dependent on the severity of the non-compliance as outlined in NAC and finalized provider contracts.

2. Describe the State's contract monitoring process specific to the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

    a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):

        i. Regularly monitor(s) the contracted providers to determine compliance with the contractual requirements of the selective contracting program.
        ii. Take(s) corrective action if there is a failure to comply.

        MLTC and DPH regularly oversee Medicaid-enrolled providers of TCM to ensure compliance with contractual requirements of the selective contracting program are met in accordance with Nebraska Administrative Code (NAC). Providers are subject to review standards indicated in the Medicaid provider agreement and finalized contracts between providers and DHHS.

        Corrective action is dependent on the severity of the non-compliance as outlined in NAC and finalized provider contracts.

B. Coordination and Continuity of Care Standards

Describe how the State assures that coordination and continuity of care is not negatively impacted by the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

Providers of TCM are state and local community providers who are familiar with the geographic differences found throughout the State of Nebraska. TCM providers have a variety of resources available to them to ensure they are equipped to coordinate care in a manner that promotes continuity when individuals change programs or providers. No changes are expected in coordination or continuity of care as a result of the approval of this 1915(b)(4).

Part IV: Program Operations

A. Beneficiary Information

Describe how beneficiaries will get information about the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

Individuals enrolled in the approved 1915(c) waivers are provided with information regarding the freedom of choice waiver at the time of enrollment and at every person-centered planning conversation. Compliance with this requirement is monitored as part of the quality improvement strategies noted in the 1915(c) waiver applications.

B. Individuals with Special Needs.

☒ The State has special processes in place for persons with special needs (Please provide detail).

Individuals receiving TCM via a 1915(c) waiver are required to have an individual service plan (ISP) that include tailored supports to meet their assessed needs.

Section B – Waiver Cost-Effectiveness & Efficiency

Efficient and economic provision of covered care and services:

1. Provide a description of the State's efficient and economic provision of covered care and services (if additional space is needed, please supplement your answer with a Word attachment).

   DHHS establishes payment rates and methodologies in accordance with the approved Nebraska Medicaid State plan, Section 4.19b, Item 19. No changes to payment rates or methodologies are being requested as part of the 1915(b)(4) waiver submission for the TCM target groups approved prior to March 31, 2025.

2. Project the waiver expenditures for the upcoming waiver period.

   Year 1 from: 7/1/2025 to 6/30/2026

   Trend rate from current expenditures (or historical figures): 20.3%
   Projected pre-waiver cost $32,595,675.07
   Projected Waiver cost $32,595,675.07
   Difference: $0

   Year 2 from: to

   Trend rate from current expenditures (or historical figures): 21.1%
   Projected pre-waiver cost $39,459,278.31
   Projected Waiver cost $39,459,278.31
   Difference: $0

   Year 3 (if applicable) from: to
   (*For renewals, use trend rate from previous year and claims data from the CMS-64*)
   Projected pre-waiver cost
   Projected Waiver cost
   Difference:

   Year 4 (if applicable) from: to
   (*For renewals, use trend rate from previous year and claims data from the CMS-64*)
   Projected pre-waiver cost
   Projected Waiver cost
   Difference:

Year 5 (if applicable) from: to
(*For renewals, use trend rate from previous year and claims data from the CMS-64*)
Projected pre-waiver cost
Projected Waiver cost
Difference: