Minnesota Prepaid Medical Assistance Project Plus (PMAP+) §1115 Waiver No. 11-W-0039/5

Demonstration Year 28

Fourth Quarter Report – Revised
April 1, 2023, through June 30, 2023

Submitted to:

U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services

Submitted by:

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LIST OF ATTACHMENTS

FORWARD

As required by the terms and conditions approving §1115(a) waiver No. 11 -W-00039/5, entitled "Minnesota Prepaid Medical Assistance Project Plus (PMAP+)," this document is submitted to the Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health and Human Services as the fourth quarter report for the period of April 1, 2023, through June 30, 2023. This document provides an update on the status of the implementation of the PMAP + Program.

Introduction

Background

The PMAP+ Section 1115 Waiver has been in place for over 30 years, primarily as the federal authority for the MinnesotaCare program, which provided comprehensive health care coverage through Medicaid funding for people with incomes in excess of the standards in the Medical Assistance program. On January 1, 2015, MinnesotaCare was converted to a basic health plan, under section 1331 of the Affordable Care Act. As a basic health plan, MinnesotaCare is no longer funded through Medicaid. Instead, the state receives federal payments based on the premium tax credits and cost-sharing subsidies that would have been available through the health insurance exchange.

The PMAP+ waiver also provided the State with longstanding federal authority to enroll certain populations eligible for Medical Assistance into managed care who otherwise would have been exempt from managed care under the Social Security Act. In December of 2014, CMS notified the Department of Human Services (DHS) that it would need to transition this portion of its PMAP+ waiver authority to a section 1915(b) waiver. Therefore, on October 30, 2015, DHS submitted a request to transfer this authority to its Minnesota Senior Care Plus section 1915(b) waiver.

During this process, DHS determined that continued waiver authority was unnecessary for all of the groups historically included under the PMAP+ waiver. Because of the state's updated eligibility and enrollment processes for Medical Assistance, some of these populations are no longer mandatorily enrolled into managed care. Instead, they can enroll in managed care on a voluntary or an optional basis.

Therefore, the amendment to the MSC+ 1915(b) waiver only sought to continue federal waiver authority to require the following groups to enroll in managed care:

- American Indians, as defined in 25 U.S.C. 1603(c), who otherwise would not be mandatorily enrolled in managed care;
- Children under age 21 who are in state-subsidized foster care or other out-of-home placement; and
- Children under age 21 who are receiving foster care under Title IV-E.

CMS approved the amendment to the MSC+ waiver on December 22, 2015, with an effective date of January 1, 2016.

PMAP+ Waiver Renewal

The PMAP+ waiver continues to be necessary to continue certain elements of Minnesota's Medical Assistance program. On February 11, 2016, CMS approved DHS's request to renew the PMAP+ waiver for the period of January 1, 2016, through December 31, 2020.

The current waiver extension request as submitted to CMS provides for continued federal authority to:

- Cover children as "infants" under Medical Assistance who are 12 to 23 months old with income eligibility above 275 percent and at or below 283 percent of the federal poverty level (FPL) (referred to herein as "MA One Year Olds");
- Waive the federal requirement to redetermine the basis of Medical Assistance eligibility for caretaker adults with incomes at or below 133 percent of the FPL who live with children age 18 who are not full-time secondary school students;
- Provide Medical Assistance benefits to pregnant women during the period of presumptive eligibility; and
- Fund graduate medical education through the Medical Education Research Costs (MERC) trust fund.

On June 29, 2020, a request to renew the PMAP+ waiver for an additional five-year period was submitted to CMS. On December 21, 2020, CMS approved a temporary extension of the PMAP+ waiver through December 31, 2020, to allow the state and CMS to continue working together on approval of the extension of this demonstration. On December 9, 2021, CMS approved a second temporary extension of the PMAP+ waiver through December 31, 2022.

On December 27. 2022, CMS approved a third temporary extension of the PMAP+ waiver through June 30, 2023. CMS' letter with the third extension (dated December 27, 2022) included a revision to the special terms and conditions that sunset Minnesota's authority to disburse certain graduate medical education (GME) funds under waiver authority. Minnesota accepted the special terms and conditions in a letter to CMS dated January 23, 2023, to continue the waiver. More information about the GME change is in the Operational and Policy Development section of this report.

On March 23, 2023, the state requested a waiver under section 1115 to extend the reasonable opportunity period for citizenship documentation during the COVID-19 public health emergency unwinding period. The state used a streamlined template provided by CMS. In a letter dated May 4, 2023, CMS approved the request as an amendment to PMAP+ for a period of 15 months starting retroactively to the beginning of the state's unwinding period. There were no changes to the STCs related to this amendment.

On May 10, 2023, the state requested that CMS waive restrictions at 42 CFR §440.167 prohibiting legally responsible relatives from rendering personal care services, a policy waived during the COVID-19 public health emergency under an 1135 waiver. The request applied to recipients covered under Minnesota's section 1115 waivers. During the review process, CMS required the authority for recipients covered under Minnesota's Reform 2020, section 1115 waiver (Project Number 11-W-00286/5) to be separated and the state submitted an Appendix K request for that waiver. See the Minnesota's Reform 2020 waiver report covering this period for more details.

On June 15, 2023, CMS approved a fourth temporary extension of the PMAP+ waiver with an expiration date of September 30, 2023. Because there were no revisions to the STCs, a letter of acceptance from the state was not required.

On July 31, 2023, CMS approved the request to waive the legally responsible relative restriction personal care services provided by responsible relatives under its PMAP+ waiver for the period of March 1, 2020, to November 11, 2023. CMS' approval letter (of July 31, 2023) included

revisions to the STCs, specifically adding Attachment E related to reporting requirements. The state accepted the terms of the STCs in a letter dated August 3, 2023, and will work with CMS staff concerning the modified reporting requirements.

Enrollment Information

Please refer to the table below for PMAP+ enrollment activity for the period of January 1, 2023, through March 31, 2023.

Demonstration Populations (as hard coded in the CMS 64)	Enrollees at close of quarter June 30, 2023	Current Enrollees (as of data pull on Aug. 2, 2023)	Disenrolled in Current Quarter (April 1, 2023 through June 30, 2023)
MA One-Year-Olds with incomes above 275% FPL and at or below 283% FPL	~~59~~63	~~38~~26	~~0~~75
Medicaid Caretaker Adults with incomes at or below 133% FPL living with a child age 18	4,701	4,638	1,322

Pregnant Women in a Hospital Presumptive Eligibility Period

Eligibility Month	Eligibility Year	Unique Enrollees
April	2023	14
May	2023	13
June	2023	14

Outreach and Marketing

Education and Enrollment

DHS utilizes a common streamlined application for Medical Assistance, MinnesotaCare and MNsure coverage. Medical Assistance and MinnesotaCare applicants have the option of applying online through the MNsure Website or by mail with a paper application.

The MNsure Website provides information on Minnesota's health care programs. The site is designed to assist individuals with determining their eligibility status for insurance affordability programs in Minnesota. The site provides a description of coverage options through qualified health plans, Medical Assistance and MinnesotaCare. It also provides information about the application, enrollment and appeal processes for these coverage options.

In-person assisters and navigators are also available to assist individuals with the eligibility and enrollment process through the MNsure website. MNsure has a navigator grantee outreach program that does statewide activities to help individuals with enrollment.

Applicants and enrollees who receive Medical Assistance through fee for service can call the DHS Member Help Desk for assistance with questions about eligibility, information on coverage

options, status of claims, spenddowns, prior authorizations, reporting changes that may affect program eligibility, and other health care program information.

PMAP Purchasing

Coverage for a large portion of enrollees in Medical Assistance is purchased on a prepaid capitated basis. DHS contracts with managed care organizations (MCOs) in each of Minnesota's 87 counties. The remaining recipients receive services from enrolled providers who are paid on a fee-for-service basis. Most of the fee-for-service recipients are individuals with disabilities.

PMAP Purchasing for American Indian Recipients

The Minnesota Legislature enacted a number of provisions, subsequently authorized by CMS, to address issues related to tribal sovereignty that prevent Indian Health Service (IHS) facilities from entering into contracts with MCOs, and other provisions that have posed obstacles to enrolling American Indian recipients who live on reservations into PMAP. The legislation allows American Indian beneficiaries who are enrolled in managed care to receive covered services under Medical Assistance through an IHS or other tribal provider (commonly referred to as "638s") whether or not these providers are in the MCO's network.

Contracts with MCOs include provisions designed to facilitate access to providers for American Indian recipients, including direct access to IHS and 638 providers. IHS and 638 providers may refer recipients to MCO-network specialists without requiring the recipient to first see a primary care provider. DHS has implemented the PMAP+ out-of-network purchasing model for American Indian recipients of Medical Assistance who are not residents of reservations.

Summary Data. The following is a summary of the number of people identified as American Indians who were enrolled in Medical Assistance during calendar year 2022.

Medical Assistance Enrollees who are American Indian
Calendar Year 2022

Population	Enrollees
Families and Children	38,388
Disabled	4,626
Elderly	1,742
Adults with no Children	15,853
Total	60,609

Tribal Health Workgroup. The quarterly Tribal and Urban Indian Health Directors workgroup was formed to address the need for a regular forum for formal consultation between tribes and state employees. The workgroup meets on a quarterly basis and is regularly attended by Tribal and Urban Indian Health Directors, Tribal Human Services Directors, and representatives from the Indian Health Service, the Minnesota Department of Health and DHS. The work group met on May 25, 2023. Please see Attachment A for a copy of the meeting agenda. The next work group meeting is scheduled on August 24, 2023.

Operational and Policy Developments

The special terms and conditions in CMS' award letter (received December 27, 2022) to temporarily extend the waiver through June 30, 2023, ended Minnesota's authority to disburse graduate medical education (GME) funds included under the waiver authority. The GME payments attributable to state fiscal year 2022 were made in April 2023 and claimed on the CMS-64 report (for the quarter ending June 30, 2023) as a prior quarter adjustment per CMS' guidance.

On June 6, 2023, CMS notified DHS via email that the *Minnesota Report of Graduate Medical Education Expenditures for State Fiscal Year 2020* was approved. DHS submitted the report on December 30, 2022, and subsequently received and responded to questions from CMS. Because the GME portion of the waiver was ended, please refer to the Demonstration Evaluation section of this report for the plan concerning final GME reporting.

Budget Neutrality Developments

Demonstration expenditures are reported quarterly using Form CMS-64, 64.9 and 64.10. DHS also provides quarterly budget neutrality status updates, including baseline and member months data, using the budget neutrality monitoring tool provided through the performance metrics database and analytics (PMDA) system.

Consumer Issues

County Advocates

Under Minnesota law, county advocates are required to assist managed care enrollees in each county. The advocates assist enrollees with resolving issues related to their MCO. When unable to resolve issues informally, the county advocates educate enrollees about their rights under the grievance system. County advocates provide assistance in filing grievances through both formal and informal processes, and are available to assist in the appeal or state fair hearing process. State ombudsmen and county advocates meet regularly to identify issues that arise and to cooperate in resolving problematic cases.

Grievance System

The grievance system is available to managed care enrollees who have problems accessing necessary care, billing issues or quality of care issues. Enrollees may file a grievance or an appeal with the MCO and may file a state fair hearing through DHS. A county advocate or a state managed care ombudsman may assist managed care enrollees with grievances, appeals, and state fair hearings. The provider or health plan must respond directly to county advocates and the state ombudsman regarding service delivery and must be accountable to the state regarding contracts with Medical Assistance funds. Please refer to Attachment B for a summary of state fair hearings closed in the second calendar quarter of 2023.

Post Award Public Forum on PMAP+ Waiver

DHS held a virtual public forum on April 29, 2022, to provide the public with an opportunity to comment on the progress of the PMAP+ demonstration. A notice was published on the DHS Public Participation web site on March 30, 2022, informing the public of the date and time of the

forum and instructions on how to join the forum. There were no members of the public in attendance at the forum.

The next public forum was anticipated to be held in the fall of 2022. Two meetings in calendar year 2022 were planned. One was carried over from 2020, to cover the one that was not held due to reasons related to the public health emergency. However, due to state staffing changes, the forum planned for the fall of 2022 was not held. During a quarterly monitoring call, CMS informed the state that it was not necessary to hold a form to cover a past period as the intent is for the public to provide feedback for the related time period. The next public forum is planned for August 22, 2023. Virtual and in-person participation will be supported. Information about the forum was posted on July 19, 2023.

Quality Assurance and Monitoring

Comprehensive Quality Strategy

Minnesota's quality strategy is overarching, comprehensive, and provides quality improvement programs, processes and requirements across the state's Medicaid managed care program. Minnesota has incorporated into its quality strategy measures and processes related to the programs affected by this waiver. The current version of the quality strategy can be accessed on the DHS website at Managed Care Reporting.

The quality strategy is developed in accordance with 42 C.F.R. §438.340, which requires the state Medicaid agency to have a written strategy for assessing and improving the quality of health care services offered by MCOs.

The quality strategy assesses the quality and appropriateness of care and services provided by MCOs for all managed care program enrollees. It incorporates elements of current DHS/MCO contract requirements, state licensing requirements (Minnesota Statutes, Chapters 62D, 62M, 62Q), and federal Medicaid managed care regulations (42 C.F.R. Part 438). The combination of these requirements (contract and licensing) and standards (quality assurance and performance improvement) is the core of DHS' responsibility to ensure the delivery of quality care and services in managed health care programs.

DHS assesses the quality and appropriateness of health care services, monitors and evaluates the MCO's compliance with state and federal Medicaid and Medicare requirements and, when necessary, imposes corrective actions and appropriate sanctions if MCOs are not in compliance with these requirements and standards. The outcome of DHS' quality improvement activities is included in the Annual Technical Report by a contracted external quality review organization. The quality strategy will evolve over time as the external quality review activities continue. DHS intends to review the effectiveness of the quality strategy.

MCO Internal Quality Improvement System

MCOs are required to have an internal quality improvement system that meets state and federal standards set forth in the contract between the MCO and DHS. These standards are consistent with those required under state Health Maintenance Organization (HMO) licensing requirements. The Minnesota Department of Health conducts triennial audits of these requirements.

External Review Process

Each year the state Medicaid agency must conduct an external quality review of managed care services. The purpose of the external quality review is to produce the Annual Technical Report (ATR) that includes:

- Determination of compliance with federal and state requirements,
- Validation of performance measures, and performance improvement projects, and
- An assessment of the quality, access, and timeliness of health care services provided under managed care.

Where there is a finding that a requirement is not met, the MCO is expected to take corrective action to come into compliance with the requirement.

The external quality review organization (EQRO) conducts an overall review of Minnesota's managed care system for Minnesota Health Care Programs enrollees. Part of the EQRO's charge is to identify areas of strength and weakness and to make recommendations for change. Where the ATR describes areas of weakness or makes recommendations, the MCO is expected to consider the information, determine how the issue applies to its situation and respond appropriately. The EQRO follows up on the MCO's response to the areas identified in the past year's ATR. The ATR is shared with all MCOs under contract and other interested parties and is available upon request. The ATR is published on the DHS website at Managed Care Reporting.

Consumer Satisfaction

DHS sponsors an annual satisfaction survey of public program managed care enrollees using the Consumer Assessment of Health Plans Survey (CAHPS®) instrument and methodology to assess and compare the satisfaction of enrollees with services and care provided by MCOs. DHS contracts with a certified CAHPS vendor to administer and analyze the survey. Survey results are published on the DHS website at Managed Care Reporting.

Demonstration Evaluation

The evaluation plan for the PMAP+ waiver period from January 1, 2015, through December 31, 2018, was initially submitted with Minnesota's PMAP+ waiver extension request in December of 2014. In May of 2016 the evaluation plan was revised to reflect the approved terms of our waiver with an end date of 2020 instead of the previous draft timeline which ended in 2018. The evaluation plan was updated in November 2016, and again in June 2017, to address CMS comments. In August 2017, CMS approved the PMAP+ evaluation plan. The PMAP+ STCs were updated to incorporate the approved evaluation plan as Attachment B of the STCs.

On May 25, 2023, DHS received CMS comments on the *PMAP+ Draft Final Evaluation Report* submitted to CMS on August 11, 2022. DHS responded on June 14, 2023, to CMS' comments. DHS stated in the response that for the temporary extension periods (currently ending September 30, 2023), the evaluation of the GME components of the waiver will be included in the revised Final Evaluation Report. The remaining components of the PMAP+ waiver will be evaluated as provided under the waiver's five-year extension, once approved. In a call with CMS and DHS staff on June 14, 2023, CMS agreed with this plan.

State Contact

The state contact person for this waiver is Michelle Long. She can be reached by telephone at (651) 431-2224 or by email at michelle.long@state.mn.us

Attachment A

Tribal and Urban Indian Health Directors Quarterly Meeting

Microsoft Teams meeting
Log-in is in calendar meeting invite

Thursday, May 25, 2023
9:00 am to 3:30 pm
AGENDA

9:00 – 9:15 am **Welcome opening/prayer and roll call/networking**

MDH Agenda Items

9:15am – 9:40 am **MDH Tribal Liaison & Office of American Indian Health Updates**

- **OAIH newly hired Director, Darin Prescott**
  - **(Start date June 1, 2023)**
- **MDH Tribal Liaison; Interim TL, job posting and hiring process**
- **Grants Update for OAIH (Elizabeth Magnuson)**
  - **Vaccine grant (supplement #4) extended to June 2025**
  - **MDH Tribal Public Health Infrastructure (TPHI) extended to June 2024. Remote training offered**
  - **MDH Workforce Infrastructure Grant**
    - **$1.5 Million to be spend by 2027**
  - **Tribal Public Health Block Grant – start date July 1**
    - **MCH, EHDI, EP, TANF and Flexible (General) Fund**

9:40am – 10:00 am **Update from Chelsey Huntley, Kim Milbrath, and Kris Rhodes**

10:00 – 10:15 am **Introduction of Cedar Savage – IDEPC Tribal Liaison**

10:15 – 10:30 am **OERAC Opiate Funding Discussion – Dana Farley and Darin Prescott**

10:30 - 11:00 am **Mayo Clinic "Ways of Knowing" TBI project**

11:00 –12:00 pm **UMD School of Medicine – Mary Owen and Amanda Dionne**
Mayo Clinic WAYS Program

12:00 – 12:30 pm **NIHB updates – Sam Moose**
GLIHB/GLITEC updates– Will Funmaker
Indian Health Services updates

12:30 – 1:00 pm **Lunch Break/Networking**

DHS Agenda Items

1:00 – 3:30 pm

- **Opening Remarks** – Vern LaPlante, Office of Indian Policy Director/Melorine Mokri, Deputy Federal Relations Director
- **Legislative Update** – Julie Marquardt, Interim Assistant Commissioner and State Medicaid Director
- **Four Walls Update** – Melorine Mokri, Deputy Federal Relations Director
- **Medicaid Waiver and State Plan Amendments** – Patrick Hultman, Deputy Medicaid Director
- **Medicaid Managed Care and Access to Medicaid Services Proposed Rules** – Patrick Hultman, Deputy Medicaid Director
- **Unwinding Continuous Medicaid Coverage: Text Messaging Campaign** – Meghan Lee, Communications Manager
- **Closing Remarks** – Vern LaPlante, Office of Indian Policy Director/Melorine Mokri, Deputy Federal Relations Director

Tribal Health Directors 2023 remaining meeting dates (last Thursday of each quarters month, except Nov 2023):

August 17-18, 2023
November 16-17, 2023

Time and Location – Hybrid

Attachment B

Managed Care Ombudsman CMS Report

State Fair Hearings Closed in Quarter 2 of CY 2023 by Metro and Non-Metro Areas

Area	N
Eleven County Metro Area	110
Non-Metro Area	48
Total	**158**

State Fair Hearings Closed in Quarter 2 of CY 2023 by Type, Service Category and Outcome

	Dismissed	Enrollee Prevailed	HP and Enrollee each prevailed in part	HP Prevailed	Resolved before hearing	State Affirmed	With-drawn	Total
Chemical Dependency					1			**1**
DME-Medical Supplies	2	1		1				**4**
Dental	2	1		11	4		2	**20**
Elderly Waiver Service	1							**1**
Health Plan Change	2				14	10	2	**28**
Home Care	4	3	2	5	4		1	**19**
Hospital					2		1	**3**
Mental Health		1		2	3		2	**8**
Pharmacy	11	4		4	21		3	**43**
Professional Medical Services	1	8		6	4		4	**23**
Restricted Recipient	2	1		2	2			**7**
Vision Services	1							**1**
Total	**26**	**19**	**2**	**31**	**55**	**10**	**15**	**158**

Summary of State Fair Hearings Closed in Quarter 2 of CY 2023 by Outcome

Outcome	n
Dismissed	26
Enrollee Prevailed	19
Health Plan Prevailed	31
HP Partially Upheld/Member Partially Denied	2
Resolved after hearing	0
Resolved before hearing	55
State Affirmed	10
Withdrawn	15
Total	**158**