

NEBRASKA

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DEPT. OF HEALTH AND HUMAN SERVICES



Pete Ricketts, Governor

August 17, 2021

Angela D. Garner, MPH
Director
Division of System Reform Demonstrations
State Demonstrations Group
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, MD 21244-1850

Dear Ms. Garner:

In accordance with the Nebraska 1115 Heritage Health Adult Demonstration (Project Number 11-W-00337/7) Special Terms and Conditions (STCs), Item 9 (Approved by CMS on October 20, 2020), the Nebraska Department of Health and Human Services (DHHS) Division of Medicaid and Long-Term Care submits this Demonstration Conclusion Statement. As such, Nebraska is formally requesting the termination of its Heritage Health Adult Expansion Demonstration program.

A public comment period regarding DHHS's plan to terminate Nebraska's Heritage Health Adult demonstration waiver occurred from June 2 to July 2, 2021, and a tribal consultation on this topic occurred from June 2 – July 10, 2021 (in accordance with STCs 9a and 12).

Nebraska received one (1) comment during the public comment period mentioned above. This comment indicated agreement with Nebraska's intent to terminate the 1115 Heritage Health Adult demonstration waiver. A copy of this comment is attached.

If you have any questions, please contact Todd Baustert, administrator for demonstration waivers, at Todd.Baustert@Nebraska.gov or by phone at (402) 890-8939.

Sincerely,

Kevin Bagley, Director
Division of Medicaid & Long-Term Care
Nebraska Department of Health & Human Services

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Nebraska Medicaid

Section 1115 Heritage Health Adult Expansion Demonstration

Demonstration Conclusion Statement

August 12, 2021

Activities leading to the decision to end the demonstration

Coverage through Nebraska's Medicaid expansion program, Heritage Health Adult (HHA), began on October 1, 2020. Nebraska originally planned to begin its demonstration program on the same date, but responding to the COVID-19 pandemic became a priority and delayed federal approvals necessary for the beginning of the demonstration. CMS approved Nebraska's HHA demonstration waiver on October 20, 2020.

In November 2020, Nebraska's Department of Health and Human Services (DHHS) began discussions with CMS on how to develop the state's demonstration implementation plan. The implementation plan was submitted in draft form in December 2020, and was formally submitted to CMS for approval in January 2021. DHHS planned to implement the demonstration April 1, 2021.

In anticipation of the April 1, 2021 demonstration start date, Nebraska worked aggressively on all fronts of the demonstration implementation including:

- Technology system updates and testing
- Contract amendments with impacted entities such as managed care plans and Nebraska's enrollment broker
- Health plan preparation and readiness reviews
- Training for eligibility and other program staff
- Robust communication plan for demonstration participants, Medicaid providers, and other stakeholders
- Amending Nebraska's Medicaid Alternative Benefits Plans

Based on discussions with CMS during the development of the implementation plan, Nebraska had anticipated timely approval of the demonstration implementation plan by February 2021. However, in the weeks following the plan submission, Nebraska received no feedback on the plan or an indication that approval was forthcoming. Additionally, on February 12, 2021, CMS notified several states, including Nebraska, that it was reversing its encouragement of community engagement activities and as a result was now reviewing whether it would continue to allow states to include community engagement components in their Medicaid demonstration programs.

On February 24, 2021, DHHS announced in a press release that it would not be implementing the demonstration program on April 1, 2021, as originally planned, as Nebraska still had not received approval for its implementation plan and there would not be enough time to launch the program by this date. The demonstration program and its implementation were paused from this date until June 1, 2021, when DHHS announced it was no longer seeking to go forward with the demonstration program. DHHS arrived at this decision due to the fact that a major component of the demonstration program – community engagement – would no longer be allowed to be included in the demonstration.

DHHS has announced that effective October 1, 2021, everyone enrolled in Heritage Health Adult will receive full state plan benefits, which includes physical health, behavioral health, and pharmacy benefits, as well as dental, vision, and over-the-counter medication coverage.

Current activities to stand-down the demonstration and begin a single benefit plan

Following DHHS's June 1, 2021 announcement, the State began the required public and tribal noticing processes to enact the changes necessary for the transition to full state plan benefits. These notices were issued to stand down Nebraska's 1115 waiver and to indicate the State's intention to submit a necessary state plan amendment creating a single benefit tier for Heritage Health Adult enrollees. Additionally, tribal noticing occurred between June 10th and July 10th, indicating the State's intention to amend the 1915(b) waiver to reflect the transition to the single benefit tier. The 1915(b) waiver amendment was submitted to CMS on July 14, 2021. DHHS also began the process of standing down its Medically Frail eligibility determination process. This determination will no longer be necessary, as everyone in Heritage Health Adult will automatically receive the same benefits.

DHHS identified and is implementing technology changes necessary to ensure all HHA enrollees receive the single benefit package on October 1, 2021. DHHS is also in the process of updating managed care capitation rates to reflect the consolidation of the current benefit tiers.

DHHS began discussions in June 2021 with its contracted Medicaid managed care entities (MCEs) to identify updates the MCEs will need to make to their member and provider information materials, technology systems, and related items to be sure this change is implemented in a timely manner. In particular, DHHS began discussions with its Medicaid dental benefits manager to ensure provider capacity will be able to meet the increased number of Medicaid beneficiaries who will be eligible for dental benefits.

Stakeholder outreach on demonstration's termination

To date, DHHS has issued two press releases, one on February 24, 2021 and another on June 1, 2021, regarding the demonstration program's delayed implementation and eventual termination. DHHS is planning further direct outreach with key stakeholders, including providers, certain Nebraskan health care provider associations, as well as community partners in August and September 2021.

DHHS is preparing a number of communications specifically for beneficiaries. A one-time notice will directly inform them of the change to a single benefit plan and what that means for them. Messaging about the change to a single benefit plan is being developed for DHHS social media. Additionally, existing informational resources such as FAQs, fact sheets, and fliers on Heritage Health Adult are being adjusted to reflect the upcoming change. These materials will be posted on DHHS's public website dedicated to Nebraska's Medicaid Expansion in August 2021.

Nebraska compliance with HHA demonstration special terms and conditions

From the time of waiver approval, DHHS was in compliance with the Special Terms and Conditions (STCs), submitting deliverables on time. For those deliverables that fell within the period following the submission of the implementation plan and the decision to terminate the 1115 HHA waiver, DHHS was in communication with CMS regarding all deliverable due dates and acted according to CMS guidance.



July 1, 2021

VIA EMAIL

Nebraska Department of Health and Human Services
Nebraska Medicaid
ATTN: Demonstration Waivers
301 Centennial Mall South
P.O. Box 95026
Lincoln, NE 68509-5026
DHHS.DemonstrationWaivers@nebraska.gov

Re: Nebraska Appleseed's Comments to the Nebraska Department of Health and Human Services' notice of intent to submit a Notification of Termination to the Centers for Medicare & Medicaid Services terminating the Section 1115 Heritage Health Adult Demonstration waiver program

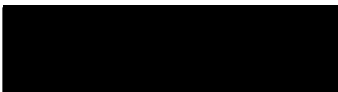
To Whom it May Concern:

My name is Sarah Maresh, and I am a staff attorney in the Health Care Access Program at Nebraska Appleseed. Nebraska Appleseed is a nonprofit organization that fights for justice and opportunity for all Nebraskans, and we appreciate the opportunity to comment on the Nebraska Department of Health and Human Services' (DHHS) notice of intent to submit a Notification of Termination to the Centers for Medicare & Medicaid Services (CMS) terminating the Section 1115 Heritage Health Adult (HHA) Demonstration waiver program.

We are pleased to see the DHHS' notice of intent to submit a Notice of Termination to CMS terminating the Section 1115 HHA Demonstration waiver program. We believe that terminating the Section 1115 HHA Demonstration waiver program is required by law for DHHS to comply with Neb. Rev. Stat. § 68-992.

Thank you for your time.

Sincerely,


Sarah K. Maresh, J.D.
Staff Attorney, Health Care Access Program
Nebraska Appleseed

cc: James Campbell, Solicitor General (via email jim.campbell@nebraska.gov)
Stephanie Caldwell, Assistant Attorney General (via email stephanie.caldwell@nebraska.gov)