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State/Territory Name: Missouri

State Plan Amendment (SPA) #: 22-0012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



September 2, 2022

Robert Knodell
Acting Director
Missouri Department of Social Services
Broadway State Office Building
P.O. Box 1527
Jefferson City, Missouri 65102

Re: Missouri State Plan Amendment (SPA) 22-0012


Dear Mr. Knodell:

On June 6, 2022, the Centers for Medicare & Medicaid Services (CMS) received Missouri State Plan (SPA) No. 22-0012. This State Plan Amendment ensures that the Health Insurance Premium Payment (HIPP) Program in Missouri operates in the most efficient and cost-effective manner possible by eliminating areas where Medicaid may be paying for multiple premiums on behalf of the same participant. It also operationalizes the processes the state is utilizing to move from a reimbursement model to a prospective payment model.

We are pleased to inform you that SPA 22-0012 was approved on September 1, 2022, with an effective date of January 1, 2023, as requested by the state. Enclosed is a copy the approved pages for incorporation into the Missouri State Plan.

If you have any questions regarding this matter you may contact Deborah Read (816) 426-5925 or by e-mail at Deborah.read@cms.hhs.gov.

Sincerely,

 Digitally signed by James G. Scott -5
Date: 2022.09.02 12:24:40 -05'00'

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Todd Richardson, SMD, MHD
Becky McCarthy, MHD
Sophia Hinojosa, Program Branch Manager

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2</u> <u>2</u> — <u>0</u> <u>1</u> <u>2</u>	2. STATE MO
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE 01/01/2023	

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*)

- NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT


COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION	7. FEDERAL BUDGET IMPACT a. FFY ²⁰²³ \$ <u>0</u> b. FFY ²⁰²⁴ \$ <u>0</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.22C, Pages 1-3 _{4*}	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Attachment 4.22C, Pages 1-2, TN 96-11

10. SUBJECT OF AMENDMENT
This amendment will eliminate areas where Medicaid is paying for multiple coverages on behalf of the same participant and also clarifies processes within the program.

11. GOVERNOR'S REVIEW (*Check One*)

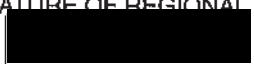
- GOVERNOR'S OFFICE REPORTED NO COMMENT SLV OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO MO HealthNet Division P.O. Box 6500 Jefferson City, MO 65102
13. TYPED NAME Robert J. Knodell	
14. TITLE Acting Director	
15. DATE SUBMITTED <u>06-03-2022</u>	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 6/6/2022	18. DATE APPROVED September 1, 2022
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL 1/1/2023	20. SIGNATURE OF REGIONAL OFFICIAL  Digitally signed by James G. Scott -S Date: 2022.09.02 12:27:44 -05'00'
21. TYPED NAME James G. Scott	22. TITLE Director, Division of Program Operations

23. REMARKS

* per e-mail from the state dated 8/31/2022 a pen and ink change to the number of pages is needed. There are now 4 pages versus 3.

State Plan 4.22 Third Party Liability
Attachment 4.22-C

STATE METHODOLOGY FOR COST EFFECTIVENESS OF HEALTH PLANS

Missouri's formula for determining cost effectiveness of insurance plans under the Health Insurance Premium Payment Program (HIPP) program is modeled after the Secretary's methodology in the State Medicaid Manual, Section 3910. The formula is:

$$\text{Savings from the plan} = \text{GHPC} - \text{CSM}$$

DEFINITIONS:

Health Insurance Premium Payment (HIPP) Program – The HIPP Program is a premium assistance program that Medicaid participants may be eligible for if they have access to a group health insurance plan. Missouri operates a voluntary program where participants may choose to apply to participate in the program. Missouri's HIPP Program authority is pursuant to Section 1906 of the Social Security Act.

Group Health Insurance - any plan of, or contributed to by, an employer (including a self-insured plan) to provide health care (directly or otherwise) to the employer's employees, former employees, or the families of the employees or former employees. A group health plan must meet section 5000(b)(1) of the *Internal Revenue Code of 1986*, as amended, and include continuation coverage pursuant to Title XXII of the Public Health Service Act, section 4980B of the *Internal Revenue Code of 1986*, or Title VI of the Employee Retirement Income Security Act of 1974, as amended.

CSM - Computer Summed Medicaid Costs: Average Medicaid expenditures (only for the services covered under the insurance plan) from the previous fiscal year, for persons with like demographic data and no third party resources, excluding Medicare.

Determine average Medicaid cost for each Medicaid-eligible person in the household by the following demographic data:

1. Age - As Tabled
2. Sex - Male/Female
3. Types of Assistance – Medicaid Eligibility (ME) Code
4. Geographic Location – Statewide average
5. Category of Service - As Tabled

GHPC - Group Health Plan Costs: Calculate total costs to the State under the group health

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plan. GHPC consists of the following formula:

$$EP + AC = GHPC$$

EP: Annual premium amount + annual policy cost sharing

AC: Administrative Cost - \$100 annually per recipient

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If the formula indicates that the policy is not cost effective based on average Medicaid expenditures for similar households, the specific health-related circumstances of the household are examined. Health insurance will be purchased if the household's anticipated medical expenditures are greater than the average and would cause the policy to be cost-effective.

TABLE OF AGE GROUPS

#1	0
#2	1 - 4
#3	5 - 14
#4	15 - 19
#5	20 - 45
#6	46-65
#7	66- 79
#8	80+

TABLE OF CATEGORY OF SERVICES

Inpatient Hospital	Lab & Radiology	Medicare Suppl.
Outpatient Hospital	Ambulance	Nursing Homes
Physician	Emergency Room	Hospice
Clinic	DME	ICF/MR Service
Drugs	Home Health	Skilled Nurse
Psychiatric / Psychology	Dental	Optical

Participants are not eligible for Premium Assistance if they are eligible for or enrolled in the following:

Medicare;
MO HealthNet Managed Care; or
Court Ordered Health Insurance.

Dental and Vision insurance policies will not be eligible for premium assistance unless the benefits are part of the medical policy and cannot be separated from the medical policy premium. Dental and Vision benefits will be provided to participants through wrap around coverage.

Payment for premiums will be made prospectively to the insurance carrier. If payment to the insurance carrier is not possible, payment will be made to the employer for employer based

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policies. In the event these options are not available payment may be made to the policyholder. The policyholder shall provide documentation of continuing coverage on a monthly basis.

The department shall be entitled to any refund from the health insurance carrier, due to overpayment or payment of an inactive policy, for any time period for which the department paid.

Payment for cost sharing will be made prospectively to the policyholder. The HIPP program shall be notified of upcoming Medicaid-covered services, and associated cost sharing obligations, at least three (3) weeks prior to date of service in order to receive prospective payment for any cost sharing obligation. Payment for cost sharing related to services obtained without notice to the HIPP program will be reimbursed. Documentation supporting the services occurred, and cost sharing payment made, must be submitted to the department by the end of the month following the date of service. Cost sharing payment will be made only for services obtained by Medicaid participants. Family members who are not Medicaid eligible, but are covered through the policy, are not eligible to receive payment for cost sharing.

Participants in the HIPP program are eligible for all benefits available to their eligibility group under the Medicaid state plan or section 1115 demonstration. Participants in the HIPP program will access benefits covered by both the HIPP policy and Medicaid by ensuring their providers are in-network for the HIPP policy and presenting both insurances to providers when they obtain services. If the HIPP policy does not cover a service, but Medicaid does, the participant will obtain services from a Medicaid provider.

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