HHS-CMS-CMCS

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Operator: Welcome and thank you for standing by. At this time, I'd like to inform all participants that today's call is being recorded. If you have any objections, you may disconnect at this time. All lines have been placed in listen-only mode for the duration of today's conference.

I would now like to turn the call over to Ms. Jackie Glaze. Thank you, ma'am. You may begin.

Jackie Glaze: Thank you. And good afternoon, and welcome everyone to today's All State Call In Webinar. I'll now turn to Dan Tsai, our Center Director, for opening remarks. Dan?

Dan Tsai: Thanks. Hi everyone. I'll just say a few things. Welcome to today's All State Call. We've really just got one important topic on today's All State Call, and that is going through a new rule that was published last week, so September 21 in the Federal Register, and that is our Eligibility Enrollment Rule Part 1.

And it's really - many of you know that -- I forget when -- some period of time ago we put out a proposed rule on streamlining eligibility enrollment across the Medicaid program. And Part 1 relates to many of the elements in that rule around making coverage and access to Medicare Savings Programs, ESP - MSPs much easier. There are pieces around implementing some long-

standing statute and helping ensure we have broader uptake and access through MSPs, which are really effective for a lot of people.

And so that rule was finalized on September 21. We'll have Melissa Heitt and Kim Glaun from the Duals office to walk us through the new rule. And I think folks also - I just want to reiterate we, CMS, are still reviewing the many many comments we've received on the rest of the rule, and we'll be working to finalize Part 2 of that rule based on the comments we received in the coming months.

And before we get started just a reminder for folks that we'll be using the Webinar platform to share slides today. If you're not already logged in, you can do so now, and you can see the slides on today's presentation. And also it's a place where you can ask questions for some Q&A.

And so, with that I'm going to turn it over to Melissa and Kim, and then we'll go into a round of Q&A after that. So Melissa and Kim, thanks for being with us.

Kim Glaun: Sure. Hi. Actually this is Kim Glaun, and I'm going to start and then I'm going to hand it over to my colleague, Melissa Heitt. And again thank you to our colleagues in CMCS for inviting us to discuss the final rule to streamline enrollment in the Medicare Savings Programs.

Again, that was published in the Federal Register on September 21, it's effective November 17. And Melissa will speak more to that later, but we can go to the next slide.

So basically we wanted to describe - well today's presentation is going to focus on some background on the rule. And then we're going to provide an

overview, each of the provisions, and review the implementation timelines for you. And then again we're going to take your questions.

But just want to reiterate again, as Dan mentioned, this rule is Part 1. And it only - it is Part 1 to finalize provisions that were in last September's eligibility rule that was focused on broad changes to address and simplify processes for eligibility in Medicaid, CHIP, and the Basic Health Care Program. So that rule came out last September. And again there were many, many comments to that rule, so we decided to issue two final rules. And the first one today we're going to talk about is the MSP-related provisions. And the next one, more to come on that hopefully in 2024, you will see a final rule that speaks to those other provisions.

Okay. So just let's start with some background on the MSPs. And I think many of you are familiar with this but just to level set, over ten million people with limited income are currently enrolled in the MSPs, and that's again the Medicare Savings Programs. And they're very - they are really Medicaid eligibility groups through which Medicaid covers Medicare Parts A and B premiums and oftentimes cost-sharing.

So we really think it's hard to overstate the importance of the Medicare Savings Programs. They make Medicare affordable for people who might not otherwise be able to afford the monthly premiums or cost-sharing under Medicare. And that improves access to care.

They also reduce out-of-pocket costs for prescription drugs under Medicare Part D because enrollment in the Medicare Savings Program automatically confers enrollment in the Part D Low-Income Subsidy Program. We also call that LIS. You might often heard that called as Extra Help. But overall, the MSPs really improves economic security, and they help free up limited

income for food, housing and other life necessities for a very - for a population with very limited income. And for states especially, the MSP mean that more people have Medicare as primary payer before Medicaid.

So despite these benefits the Medicaid and CHIP Payment and Access Commission, that's MedPAC, has estimated that only about half of eligible individuals are enrolled. And this means that millions of people, unfortunately, who are living in poverty are paying over 10% of their income to cover Medicare premiums alone.

A key reason for this under enrollment in the MSPs is that individuals find the eligibility process to be extremely difficult to navigate. So Executive Orders in 2021 and 2022 directed federal agencies, including CMS and HHS, to take action to expand affordable, quality health care. And to that end this new rule, Part 1, simplifies MSP eligibility and enrollment to improve participation and retention for the MSPs.

Next slide please. Okay. So before we dive into the actual provisions we want to provide a little more background. We think the final rule actually, we estimate that it will -- and predict it will help reduce duplicative paperwork, and by leveraging data from two other federal programs for older adults and people with disabilities with limited income.

And these programs are the Supplemental Security Income or SSI, and the Medicare Part D Low Income Subsidy Drug Program, LIS. Again we're going to use that for shorthand. And we estimate that the rule will improve access to care and economic security for over 860,000 low-income older adults and people with disabilities.

We realized that states will need to update processes and systems to implement these policies, but over time, we will - we believe this rule will ultimately reduce state burden overall. And specifically, we estimate it would reduce state administrative burden by over 2 million hours each year.

Just another note. We did review, obviously, the incoming comments related to the MSP provisions for this Part 1. We did make some technical changes and clarifications but - based on the public comments, but you were probably waiting for this information about like when - what are the compliance time frames.

So the most significant change we really did make from the proposed rule is that we are delaying full compliance dates. Commenters raised concerns about states implementing this rule while managing the unwinding and compliance with the Consolidated Appropriations Act of 2023. And in recognition of that challenge most of the provisions have compliance dates of April 1, 2026, while one provision has a date of October 1, 2024.

So of course the rule only goes so far though. We encourage states to take further steps to reduce state and beneficiary burden related to the Medicare Savings Program. So we list some steps here on the slide using - that states can do using 1902(r)(2) authority.

For example, the LIS program and the MSPs have similar eligibility criterion, but there are some differences in the financial methodologies as Melissa will discuss in a bit. Also starting January 1, 2024, the income and resource limits for LIS will increase while the MSPs will not have an increase in their income and resource limits. So states can use Section 1902(r)(2) authority to align MSP criteria with that of LIS. And we encourage that, and we're here to help with those changes.

In addition, there are 14 states that have not elected Part A buy-in agreements, and these states are known as Group Payer states. And we encourage Group Payer states to adopt Part A buy-in agreements to streamline enrollment in the most generous MSP eligibility group, and that's the Qualified Medicare Beneficiary group or the QMB group. Again, we're here to help states with any of those changes and to talk through options with you.

Next slide, please. Okay. So as you likely know SSI is a federal program that provides monthly payments to older adults and people with disabilities. And this actually includes many individuals who have Medicare. All people on Medicare who receive SSI are financially eligible for the QMB group, which covers Medicare Parts A and B premiums and cost-sharing, but an estimated 500,000 are not enrolled as QMBs. And that's about one out of every six Medicare beneficiaries on SSI. And it means they're missing out on important Medicare premium and cost-sharing assistance.

One reason for this disconnect is that CMS is not - that we have not expressly permitted states to deem individuals with SSI eligible for QMB. The result is that some states require separate application for QMB, and some states haven't been requiring it. But this means that SSI recipients must, in many cases, file a separate application to enroll in QMB coverage. And this is true even though we know they definitely qualify for it.

So the proposed rule eliminated the extra application to become a QMB, and with limited exceptions required states to automatically enroll all their SSI recipients on Medicare in QMB. And the exception is that Group Payer states were permitted, but not required to automatically enroll all SSI recipients in the QMB group.

And all told we believe this provision will enroll the vast majority of the eligible but enrolled - unenrolled SSI recipients in QMB. And we are finalizing this provision as proposed except we are extending the compliance date to October 1, 2024.

Next slide. Thank you. Okay. So as some background, most individuals enrolled in Medicare qualify for Part A without paying a premium, and we call this Premium-Free Part A. But some individuals have not worked enough hours to qualify for Premium-Free Part A.

And these individuals who lack Premium-Free Part A are individuals who are more likely to have worked in the informal economy and low-wage jobs. And we have found that they -- as compared to their other QMB eligible counterparts -- they are - they tend to have lower incomes, so they tend to be poor.

The proposed rule included a provision that would allow individuals who owe a premium for Part A and live in Group Payer state to get QMB coverage of Parts A and B premiums and cost-sharing on the earliest possible date. The final rule adopts this provision without modification, except that it extends the compliance date until April 2026.

Now let's turn things over to my colleague, Melissa Heitt, to continue walking through the provision.

Melissa Heitt: Thanks, Kim. It's always great to be back here at CMCS talking about Medicaid. As Kim said, I'm going to talk about the remainder of the provisions, and then we'll have plenty of time for questions.

So with that said the next provision of the final rule seeks to better leverage LIS data. In 2008, the Medicare Improvement for Patients and Providers Act of 2008, or MIPPA, included new requirements for states to streamline enrollment of LIS program enrollers into the MSPs.

Nonetheless, there are over one million individuals who are enrolled in LIS and likely eligible for MSPs but not enrolled. So we finalized several policies to help close this gap. First, MIPPA already requires the Social Security Administration to process applications for LIS, and then send those applications to the relevant states.

And MIPPA requires the states to treat the LIS data as an application for the MSPs. However, CMS never created any regulations governing this process, and it is not working as well as intended. As a result, in many cases people end up completing a separate MSP application, or in the worst case they just give up on the process. So in this final rule, we direct states to use LIS information not only as an application for the MSPs, but also when making eligibility determinations.

Second, financial eligibility rules for the LIS and MSP programs are very similar but not identical. Because of this, LIS application data is missing certain kinds of income and resources that the MSPs count, but LIS doesn't. This means that states often end up requiring individuals to obtain and submit paperwork documenting their value. But these financial documents such as the value of whole life insurance policies can be very hard to obtain much less in the short time period allotted.

An application process, to simplify the process for beneficiaries and states, the final rule requires states to accept MSP applicants' attestation of the value of items counted by the MSPs but not LIS. We encourage states to adopt targeted

income and resource disregards, even Section 1902(r)(2) of the Social Security Act, to fully align LIS and MSP's financial methodology.

Next slide, please. We also require states to accept LIS leads data without further verification and deem full subsidy LIS recipients as eligible for MSP if income and resource methodologies are required. Overall, these changes will streamline enrollment of individuals from LIS to MSP and alleviate administrative burden for states.

Finally, there are also differences between how the LIS and MSP programs define family size. Based on SSI rule, most states define family size to include the individual and their spouse, but not other dependent relatives. LIS definition is broader, including the applicant, the applicant's spouse if living in the same household, and all other relatives in the same household who depend on the applicant or spouse for at least half of their support.

Therefore, to better align LIS and MSPs, we define family size for MSPs as no more restrictive than the definition established for LIS. This also aligns very neatly with MedPAC 2020 recommendations to Congress on improving MSPs. Most importantly, this policy helps grandparents raising grandchildren and other multi-generational families. We also require states to screen for full Medicaid eligibility when individuals apply through the LIS pathway for MSPs.

Overall, our proposals to streamline LIS, MSP enrollment remained intact from the proposed rule. However, we did make a significant change to how states screen for full Medicaid eligibility when individuals apply for MSPs through the LIS pathway.

States must provide individuals with information on full Medicaid eligibility in an opportunity to furnish such additional information for full Medicaid eligibility determination in addition to and separate from requests for additional information on MSPs. This change was made as a result of feedback that we received from many stakeholders -- both states and advocates -- who were concerned about the current process that we proposed that didn't take into account the unique features of full Medicaid that the LIS application does not have.

For example, the feature related to state recovery. We also delayed compliance date on all of these lease data provisions to April 1, 2026.

Next slide, please. The rule includes important program integrity safeguards too. States must still perform verification and maintain oversight to ensure ineligible individuals are not enrolled. For example, prior to enrollment, states must reach out to individuals if information returned from electronic resources is not reasonably compatible with information either in LIS data or attested to by the applicant.

Also after enrollment, states may require individuals to produce documentation of income and resources that are counted by the MSPs but not LIS, also known as Post-Eligibility Verification. Furthermore, states will not be penalized for enrollment errors based on leaked data or self-attestation. If the state enrolls individuals based on information and the individual is later determined to be ineligible, CMS does not consider it an error for purposes of PERM or MNQC or other audits.

Next slide, please. States have raised concerns about managing of the unwinding of the COVID-19 Public Health Emergency, plus the new

requirements in the Consolidated Appropriations Act 2023, plus system and operational requirements in the proposed rule.

As Kim mentioned earlier on, that in recognition of all these challenges, most provisions have compliance date of April 1, 2026, while deeming SSI recipients entitled to Medicare and QMB provisions has a compliance date of October 1, 2024. States are also able to adopt provisions in the final rule on the final rule's effective date, which is November 17, 2023.

Next slide, please. We encourage states to read the final rule and to come to us with any questions or technical assistance needs they may have as they work towards implementation and compliance. We have also provided a link to updated titles and descriptions of LIS data elements to make it easier for states to process and use LIS data.

As Kim noted earlier, we plan to address other provisions and public comments from the September 2022 proposed rule and a subsequent final rule in 2024.

Thanks for allowing us to present today. Please let us know if you have any questions.

Jackie Glaze: Thank you, Melissa, and thank you, Kim, for your presentations. We're ready to take states questions at this time. So you may ask questions about today's presentations or about any other topic you may have questions about.

So we will begin by taking your questions through the chat function, so you can begin submitting them now. And then we will follow by taking questions over the phone line. So I will turn now to you, (Crista).

(Krista): Thanks so much, Jackie. I have one question here for the E&E team. The question is, "For QMB, to sum it up, we need to be in compliance by October 2024 and should have a seamless enrollment for our Medicare and SSI folks to be automatically placed in QMB without a separate application. Is that correct?"

Kim Glaun: That's correct.

(Krista): Thank you. And then I have one additional question here. I don't believe that this one is for the Duals team on eligibility and enrollment but the question is, "We were reviewing the VFC document and noticed that there is language to state that Ukrainian parolees, can - that have been updated to parole grant date from, on or between on February 24, 2022, and September 30, 2023, to on February 24, 2022, or later. Are the grant dates for parolees indefinite based on this update?" I'm not sure if there's anyone on the line that can answer this one. If not, we might need to take it back.

Sarah Lichtman Spector: (Crista), this is Sarah Lichtman Spector from the Division of Medicaid Eligibility Policy. I think I can take that one, but I think we should take it back given the level of specificity. There are some updates about Ukraine. I - was that question was about Ukrainians, is that right?

(Krista): That's correct.

Sarah Lichtman Spector: Or about Russians? Okay. There are a few updates about Ukrainians, and I think given how detailed they are we can take that back and maybe get that to the specific questioner. I also think we'll be going over it on E-TAG.

(Krista): Great. Thank you so much, Sarah.

Sarah Lichtman Spector: Thanks.

(Krista): I have one additional question - actually I have a couple of additional questions here on E&E. So the first one is, "Does aligning LIS and MSP income standards using the 1902(r) authority involve disregards or actually changing the income limit?"

Melissa Heitt: Hi, this is Melissa. So you used the 902(r)(2) disregards. And so it effectively increases income for MSPs, but the regs on the MSP is what the regs are, but it's an effective increase by using the disregard.

(Krista): Great. Thank you so much. And then another question here on E&E, "How is enrollment in the QMB group identified for a mandatory SSI recipient that is enrolled in mandatory coverage group already?"

Kim Glaun: I'll - hi. This is Kim Glaun, and I'll help take that question. So right now there are few ways that states report basically to CMS that a person is enrolled in the QMB program, the QMB program. But also - so I'll start with those and then I'll just say that, that would be separate from what you do in your own eligibility system to identify that the person has QMB coverage.

So there are two things. When a state has to submit to CMS through the MMA file process, it's a process where you submit on a daily basis to CMS information about your beneficiaries who are dually eligible and you submit different codes. One of the codes for designating which eligibility groups individuals are in, so you would be submitting those individuals in the code that shows that they're enrolled in QMB and QMB Plus or QMB Plus full Medicaid benefits, and that is 02. And I can put the MMA user guide in the chat also just to show you.

The other is that in the - the other way that you report to us is through buy-in, the buy-in data exchange that you have for us for paying the Part B and A premiums for QMBs.

And it allows you as a state, to identify the individual as a QMB for your own record keeping. And we also use that to suggest to you which individuals are in QMB and are eligible for federal match for the premium that you pay for them.

So those are the two primary ways that you report to us, like, to confirm with us, CMS, that those folks are enrolled. And then of course in your own eligibility systems each state might have a different process for that. And I'm going to include the MMA file user guide as we're talking. I can - can I add that in the chat that everyone can see, (Crista)?

(Krista): Unfortunately, I don't think so. So...

Kim Glaun: Oh.

(Krista): ...perhaps we can publish the link when we publish the slides.

Kim Glaun: Okay. Okay. Great. We can do that. And of course like states have already been - just to say, some states have already been emailing us about these questions. And we really do invite - you know, no question is too basic. So please just ask anything.

And you can use that mailbox on Slide 12, I think it's Slide 12. The modernizemsps@cms.hhs.gov. And we really do - we will be checking that,

and we can respond to your questions. You can also email Melissa and I directly as well.

(Krista): Great. Thank you so much. I do see a couple of additional questions here about the new rule. So the first question is, "QMB start date is the month after the person is determined eligible. If the SSI start date is 07/01, then would the QMB start date be on 08/01?"

Kim Glaun: That's exactly right. You get the gold star. That's right.

(Krista): Thanks so much. One more here. "Will the 2024 LIS, MSP resource limits be communicated directly to the state Medicaid agencies? Each year we have to search for the memo on the Medicare plan payment group sent to the Part D plan sponsors."

Melissa Heitt: So this is Melissa. So because of the Inflation Reduction Act, the LIS and MSP limits starting January 1, 2024, are going to go their separate ways because the Inflation Reduction Act increased the income limit and the resource limit for LIS, and it did not do that for MSP groups.

So MSP groups, the income and the resource limits are the same. And LIS, they're going to increase with inflation. They're the same - the statute didn't change for them, but the statute changed for LIS. So I will defer to my CMCS colleagues on how that will be disseminated, but it is not going to be the same starting January 1, 2024. It's not going to - LIS and MSP are not quite going to be aligned.

(Krista): Awesome, thank you. And then one more question here on eligibility and enrollment. "Will 1634 states who are already meeting the requirements of

this rule still be required to build actual QMB coverage for the SSI recipients?"

Kim Glaun: So I think, like, actually indicating that the individual is a QMB, whichever way you do that internal is - internally now, if you are already meeting requirements that you already confer QMB eligibility in your system you wouldn't have to make a change. I think, you know, if you have specific questions about what you're doing now compared to - and does it meet the requirements, please ask.

And we would like to know more too. Like, you could explain to us what your status quo right now, and if that's - some states have already reached out to ask that. So please do that. But generally, I guess, in a nutshell we would like - you know, we would expect you to be conferring eligibility and have that reflected on your end, but also, you know, reporting it out to us in the way that we described earlier.

Jackie Glaze: Thank you, Kim. We'll transition now to the phone lines. So (Missy), I'll ask that you provide instructions for registering the calls for questions. And then if you can open the phone lines, please.

Operator: Yes ma'am. If you would like to ask a question over the phone, please press star followed by 1. Please make sure your phone is unmuted and record your name when prompted. If you wish to withdraw your question, you can press star 2. Please allow a moment for questions to come in. Thank you. I'm not seeing any questions coming in yet.

Jackie Glaze: Okay. Okay. We'll transition back to the chat, and then we'll come back around. So (Crista), I'll turn back to you.

(Krista): Great. We have one new question in the chat on eligibility and enrollment, which is, "Can you talk again about how to align income and assets guidelines for MSP with LIS guidelines?"

Melissa Heitt: Sure. This is Melissa. So what you'd need to do is submit a SPA in MACPro, I believe, is - the template is already there. And you would actually just submit certain 1902(r)(2) disregards for income and resources that are not aligned in order to get them aligned.

So if you want to do it for, as I said, for January 1, 2024 and beyond, the income and resource standards of the LIS is changing. And so at CMCS, my colleague (Joe), will work with you on submitting that SPA and making sure that it's aligned so - because the resource is going to be higher and income is going to be higher than the current MSP regulations have right now.

So right now it's going to - LIS income is going up to 150% for a full LIS, a 150% of FPL, and the income methodology is sort of - is also - the resource methodology is also going up. And as I said on the slides there were a few things that were not aligned with income and resources as well as family size. So we'll work with you.

You can, as I said, work with us. You can also work with our colleagues in DMEP. I don't know if any of them are on the phone line and - from (Sarah)'s group, but we're all available to help you with submitting a SPA.

(Krista): Thank you so much. Shifting gears a little bit.

Marc Steinberg: That is correct.

(Krista): I see - sorry. Go ahead.

Marc Steinberg: Melissa - this is Marc Steinberg with the Division of Medicaid Eligibility Policy. Melissa is correct. We are happy to help states working on it who want to do a disregards policy in this area.

(Crista): Great. Thank you guys. Thank you both so much. So shifting gears just a little bit. We have a question in the chat about COVID-19 vaccine administration. I don't know if there's anyone on the phone to help answer this one, but we'll give it a shot.

"So regarding the new COVID-19 vaccine Administration Code 90480, at a fee of $40, are states to use this administration code for all ages? Of note, the C-19 vaccine, the COVID-19 vaccines are VFC vaccines, and VFC vaccine administration rate is $25.10.

Jackie Glaze: (Crista) we might need to take that one back.

(Krista): Okay, great. Thank you, Jackie. We will take this one back and follow up offline. At this time, I'm not seeing any additional questions in the chat, so maybe do we want to open the phone lines again?

Jackie Glaze: Yes. That sounds good. So, (Missy), can you please provide instructions once again for registering the questions? And then open the phone lines, please.

Operator: Yes, ma'am. If you would like to ask a question over the phone, that again a star followed by 1. Please make sure your phone is unmuted and record your name when prompted. Thank you. I'm not seeing any coming in yet this time.

Jackie Glaze: Thank you, (Missy). (Crista), do you see any additional questions?

(Krista): No additional questions in the chat.

Jackie Glaze: (Crista) we'll give it just another minute or two, and then we will probably close early.

(Krista): Jackie, I am seeing one question in chat related to our Access NPRM that we put out a few months, just asking for an update on the proposed HCBS Access Rule. I'm not sure if anyone on the phone is able to give an update on that.

Jackie Glaze: I think we might need to take that one back as well, (Crista).

(Krista): Okay. No additional questions then at this time.

Jackie Glaze: Okay. And then (Missy), any I guess additional questions in the queue?

Operator: No, ma'am.

Jackie Glaze: Okay, okay. So then I think we'll go ahead and close early. So in closing I would like to thank Melissa Heitt and Kim Glaun for their presentations today. Looking forward, we will provide the topics and invitations for the next call.

If you do have questions before we talk again, please bring those questions to us. You can reach out to your state lead or bring the questions to the call. So we do thank you again for joining us today, and we hope everyone has a great afternoon. Thank you.

Operator: Thank you. That does conclude today's conference. You may disconnect at this time, and thank you for joining.

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