

**INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION  
NOTICE OF PUBLIC COMMENT PERIOD TO AMEND THE HEALTHY INDIANA PLAN  
1115 DEMONSTRATION**

Pursuant to 42 CFR § 431.408(a), notice is hereby given that the Indiana Family and Social Services Administration (FSSA) will provide the public the opportunity to review and provide input on a proposed amendment to the Healthy Indiana Plan Section 115 demonstration waiver (HIP Waiver). This notice provides details about the waiver amendment submission and serves to open the 30-day public comment period, which closes on June 14<sup>th</sup>, 2019.

In addition to the 30-day public comment period in which the public will be able to provide written comments to the FSSA via US postal service or electronic mail, the FSSA will host two public hearings in which the public may provide verbal comments. Hearings will be held at the following dates, times, and locations:

- 1) Thursday May 23, 2019, 10:00 AM at the Indiana Government Center South, Conference Room C 302 W Washington St, Indianapolis, IN 46204. This hearing also includes FSSA's presentation of the HIP Waiver to the Medicaid Advisory Committee.
- 2) Tuesday May 28, 2019, 9:30 AM at the Indiana State Library, History Reference Room 211, 315 W. Ohio St., Indianapolis, IN 46202. This public hearing will also be accessible via web conference at <https://indiana.adobeconnect.com/fssaadmin/>.

Prior to finalizing the proposed waiver amendment, the FSSA will consider all the written and verbal public comments received. The comments will be summarized and addressed in the final draft of the waiver amendment to be submitted to the Centers for Medicare and Medicaid Services (CMS).

**AMENDMENT PROPOSAL SUMMARY**

The proposed amendment to the current HIP demonstration adds the HIP Workforce Bridge Account, designed to support successful transition from HIP to commercial insurance. The HIP Workforce Bridge Account would become effective in 2020, the final year of the currently approved demonstration period. The proposed amendment also includes a request to exclude members of federally recognized tribes from the current Gateway to Work requirement, this exemption will replace the current qualified activity limited to members of the Pokagon Band of the Potawatomi available for participation in the tribal Pathways program. Additionally, the submission will include a request to exempt beneficiaries from the Gateway to Work requirement if they are a caregiver for a dependent child below the age of 13, this is a change from the current exemption which applies to caregivers of dependent children under the age of 7.

HIP Workforce Bridge Account, is designed to complement the Gateway to Work community engagement initiative and provide support for the transition from HIP to commercial coverage. It will provide \$1,000 that eligible members can use for qualified health care expenses during the 12-month period following disenrollment from HIP. This account is available to individuals that are in the process of enrolling in commercial insurance or have completed enrollment in commercial insurance. To gain eligibility for the HIP Bridge Account, an individual must be fully enrolled in HIP and would otherwise remain eligible for HIP except for an increase in income. The HIP Bridge Account will be funded from aggregate remaining balances of the HIP \$2,500 POWER Accounts, and eligible individuals will qualify regardless of their POWER Account balance when leaving HIP.

## GOALS AND OBJECTIVES

The objective of this amendment is to target the challenges of maintaining continuous coverage and successfully transitioning to commercial insurance by addressing the increased costs of enrolling in commercial insurance compared to HIP coverage via the HIP Workforce Bridge Account. The goals of the amendment include: reducing the benefit cliff faced by individuals transitioning from HIP to commercial coverage; supporting successful uptake of and continued enrollment in commercial coverage; reducing the number of individuals who exit the HIP program and are uninsured; and reducing churn between HIP and commercial coverage or uninsured status.

Additionally, the proposed changes to the Gateway to Work requirements for members of federally recognized tribes as well as members who are caregivers for dependent children under the age of 13 are intended to alleviate program complexity for members and administrative burden for FSSA. The current Gateway to Work program does not include an exemption from members of federally recognized tribes but does include a qualified activity for members of the Pokagon Band of the Potawatomi who participate in the tribe's comprehensive Pathways program. Adding the exemption for members of federally recognized tribes will override this qualified activity. Additionally, while FSSA currently exempts caregivers of dependent children under the compulsory education age, FSSA has determined that it would be in members', and the State's, best interests to increase this exemption to include caregivers of dependent children under the age of 13. The State has received good cause requests from caregivers of dependent children and understands child care can be difficult to locate.

## ELIGIBILITY

The proposed HIP Waiver amendment will result in the following eligibility change from the currently approved HIP program.

Indiana will adopt limited coverage for the group of adults who have income over the income eligibility level for the new adult group identified in § 1902(a)(10)(A)(ii)(XX) of the Social Security Act and in 42 CFR § 435.218. Individuals with MAGI-based income above 133% of the federal poverty level (FPL) who have lost HIP coverage solely due to an increase in income will be eligible for the defined benefit HIP Bridge Account for 12-months following HIP disenrollment. There will be no income limits on eligibility for the account.

All other current HIP eligibility limits and requirements will remain unchanged.

## ENROLLMENT & FISCAL PROJECTIONS

The fiscal impact of the HIP Workforce Bridge program components is estimated at \$25.9 million, inclusive of \$2.6 million state and will apply to an estimated 27,000 individuals every calendar year as detailed below.

Program Component	Affected Individuals	Fiscal Impact (\$ in millions)	State Share (\$ in millions)	Federal Share (\$ in millions)
Workforce Bridge Account	27,000	\$25.9	\$2.6	\$23.3

The fiscal impact of the Gateway to Work exemption change for caretakers is estimated at (\$1.09 million), inclusive of (\$0.15 million) state, and will grant an exemption to an estimated 5,500 individuals as detailed below. The negative expenditures imply savings.

Program Component	Affected Individuals	Fiscal Impact (\$ in millions)	State Share (\$ in millions)	Federal Share (\$ in millions)
Gateway to Work Exemptions	5,500	(\$1.09)	(\$0.15)	(\$0.94)

There is no estimated fiscal impact from adding the Gateway to Work exemption for members of federally recognized tribes.

The HIP Workforce Bridge amendment and the Gateway to Work exemption modifications are not expected to have overall enrollment impacts on the HIP program. The estimated number of individuals affected by each component are included in the tables above.

### **BENEFITS, COST SHARING, AND DELIVERY SYSTEM**

This amendment does not propose any changes to delivery system. HIP members who qualify for the HIP Workforce Bridge Account will receive the benefits and cost sharing applicable to the Account. The HIP Workforce Bridge Account will provide coverage for direct health care costs incurred while in a waiting period for commercial insurance and for copayments, co-insurance, coverage of deductibles and premium costs incurred while in commercial insurance. The maximum duration of this benefit is for a period of 12-months following an individual’s disenrollment from HIP. Coverage for costs assigned to copayments, co-insurance, and deductibles are limited to services that are reimbursable under regular Medicaid benefits. Reimbursement for premium costs will be less the highest contribution amount applied in HIP. The provision of this benefit does not qualify as minimum essential coverage and will not prevent recipients from receiving coverage on the federal Health Insurance Marketplace. In addition, the HIP Bridge Account benefit will not incur the 5% member cost-sharing limitation since the payable benefit from the HIP Bridge Account is limited to \$1,000.

### **HYPOTHESES & EVALUATION**

Evaluation of the initial implementation of the HIP Workforce Bridge initiative will be incorporated into the final evaluation of the period of operations through December 2020. The evaluation will be submitted in June 2022, in alignment with the timelines in the approved HIP special terms and conditions (STCs). Ongoing evaluation of the HIP Workforce Bridge will be incorporated into the proposed evaluation framework in the HIP renewal proposal. The HIP Workforce Bridge will be evaluated based on the following goals and hypotheses.

Hypothesis	Methodology	Data Source
<b>Goal 1: Reduce the benefit cliff faced by individuals transitioning from HIP to commercial coverage.</b>		
<b>1A. The HIP Bridge Account will reduce the amount of out-of-pocket costs (copayments, co-insurance, deductible, and premium costs) for individuals who transition into</b>	Track total costs covered by the HIP Bridge Account, that in absence of the account would have been covered by member cost sharing.  Collect member perceptions of	Claims Data <ul style="list-style-type: none"> <li>Number and percentage of members with HIP Bridge Account expenditures paid with coordination of benefits to a primary commercial plan.</li> <li>Amount paid from accounts for member claims.</li> </ul> Member Data (Survey/Focus Groups/Or interviews) <ul style="list-style-type: none"> <li>Member perceptions of affordability</li> </ul>

<p><b>commercial health insurance.</b></p>	<p>significance of HIP Bridge Account cost sharing support.</p> <p>Analyze impact and significance of HIP Bridge Account in supporting health insurance enrollment and health care costs when enrolled in a commercial plan following disenrollment from HIP.</p>	<ul style="list-style-type: none"> <li>• Member knowledge and perceptions of HIP Bridge Account impact on affordability</li> <li>• Member decisions to seek or delay health care, or enroll in health insurance, as a result of HIP Bridge Account access.</li> </ul>
<p><b>1B. The HIP Bridge Account will support members who face a coverage gap when transitioning to commercial insurance.</b></p>	<p>Track and compare health care costs among individuals who leave HIP but have a gap in commercial insurance coverage and accessed the HIP Bridge Account during this gap.</p> <p>Analysis of impact and significance of HIP Bridge Account in supporting health insurance enrollment and health care costs following disenrollment from HIP.</p>	<p>Claims Data</p> <ul style="list-style-type: none"> <li>• Number and percentage of members with HIP Bridge Account expenditures without coordination of benefits with a primary insurance plan.</li> <li>• Amount of claims applied to accounts without coordination of benefits.</li> </ul> <p>Member Data (Survey/Focus Groups/Or interviews)</p> <ul style="list-style-type: none"> <li>• Member perceptions of access and affordability of coverage when in a coverage gap.</li> <li>• Member knowledge and perceptions of the HIP Bridge Account impact on access and affordability.</li> <li>• Member decisions to seek or delay health care, or enroll in health insurance, as a result of HIP Bridge Account access.</li> </ul>
<p><b>Goal 2: Support successful uptake and continued enrollment in commercial coverage.</b></p>		
<p><b>2A. The HIP Bridge Account will increase the number of successful enrollments in Marketplace insurance among individuals leaving HIP and eligible for the HIP Bridge Account.</b></p>	<p>Track and compare Marketplace health insurance coverage (including applications for coverage) among individuals who leave HIP due to increased earnings.</p> <p>Analyze the impact and significance of HIP Bridge Account support on uptake of Marketplace insurance.</p>	<p>HIP Bridge Account Premium Payments</p> <ul style="list-style-type: none"> <li>• Track use of the HIP Bridge Account to pay for premiums for enrollment in commercial insurance.</li> </ul> <p>Member Survey Data</p> <ul style="list-style-type: none"> <li>• Member self-report of Marketplace health insurance coverage.</li> </ul>

<p><b>2C. The HIP Bridge Account and contribution policies will increase the number of successful enrollments in employer-sponsored insurance among individuals leaving HIP and eligible for the HIP Bridge Account.</b></p>	<p>Track and compare employer-sponsored health insurance coverage (including applications for coverage) among individuals who leave HIP due to increased earnings.</p> <p>Analyze the impact and significance of HIP Bridge Account and contribution policies on uptake of employer sponsored-insurance.</p>	<p>HIP Bridge Account Premium Payments</p> <ul style="list-style-type: none"> <li>Track use of Bridge Account to pay for premiums for enrollment in commercial insurance.</li> </ul> <p>POWER Account Contributions</p> <ul style="list-style-type: none"> <li>Track if reports of third-party coverage increase with HIP Bridge policies that allow individuals that already have other coverage to request contribution waivers.</li> </ul> <p>Member Survey Data</p> <ul style="list-style-type: none"> <li>Member self-report of employer-sponsored health insurance coverage.</li> </ul>
<p><b>Goal 3: Reduce the number of individuals who leave HIP and are uninsured.</b></p>		
<p><b>3A. The HIP Bridge Account will reduce the number of individuals who leave HIP due to increased earnings and are uninsured following disenrollment.</b></p>	<p>Track and compare rates of insurance among individuals who leave HIP due to increased earnings.</p>	<p>HIP Bridge Account Payments</p> <ul style="list-style-type: none"> <li>Track payments from account for health services incurred without coordination of benefits.</li> </ul> <p>Member Survey Data</p> <ul style="list-style-type: none"> <li>Member self-report of health insurance coverage.</li> </ul>
<p><b>Goal 4: Reduce churn between HIP and commercial coverage or uninsured status.</b></p>		
<p><b>4A. The HIP Bridge Account will reduce churn back to HIP among eligible individuals.</b></p>	<p>Track and compare churn rates among individuals who leave HIP due to increased earnings and return.</p> <p>Analyzing program prior to and after HIP Bridge Account implementation (pre-post analysis) and analysis compared to non-HIP Bridge Account eligible individuals may be leveraged.</p> <p>Analyze impact and significance of the HIP Bridge Account on rates of churn back to Medicaid.</p>	<p>Enrollment and Eligibility Data</p> <ul style="list-style-type: none"> <li>Number and percentage of individuals who return to HIP after disenrollment due to increased income.</li> </ul> <p>Member Survey Data</p> <ul style="list-style-type: none"> <li>Member perceptions on the causes of churn.</li> </ul>

## **WAIVER AUTHORITY**

The State will request a renewal of all currently approved waivers, and only requests the following revisions and additions to the existing HIP waivers:

### **1. Comparability**

Section 1902(a)(17)

To the extent necessary to allow the HIP Workforce Bridge Account to be available solely to defined eligible individuals who are disenrolled from HIP solely due to an increase in income.

### **2. Amount, Duration, and Scope**

Section 1902(a)(10)(B)

To the extent necessary to allow the State to provide a defined benefit via the HIP Bridge Account that is limited to cost sharing assistance up to an amount of \$1,000, regardless of health care costs incurred by the member and to allow any balance payable in excess of \$1,000 to be assigned to member responsibility without regard to cost-sharing limitations.

## **REVIEW OF DOCUMENTS & SUBMISSION OF COMMENTS**

All information regarding the submission, including the public notice, the HIP Workforce Bridge Waiver amendment, and other documentation regarding the proposal are available for public review at the FSSA, Office of General Counsel, 402 W. Washington Street, Room W451, Indianapolis, Indiana 46204. The full Public Notice and HIP Waiver documents are also available to be viewed online at <https://www.in.gov/fssa/hip/>.

Written comments regarding the HIP Waiver will be accepted through 5:00 pm on June 14<sup>th</sup>, 2019 and may be sent to the FSSA via mail at 402 West Washington Street, Room W374, Indianapolis, Indiana 46204, Attention: Natalie Angel or via electronic mail at [HIP@fssa.in.gov](mailto:HIP@fssa.in.gov).