

2023 IHCP Works Annual Seminar Medicaid Director Keynote

Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
October 25, 2023



2023 OMPP Strategic Goals



Continue building an inclusive culture that motivates and engages our OMPP workforce. Increase intra- and interdivision collaboration.

Ensure a successful implementation as we transition our long-term services and supports program into the new managed care program and build upon our managed care integration.

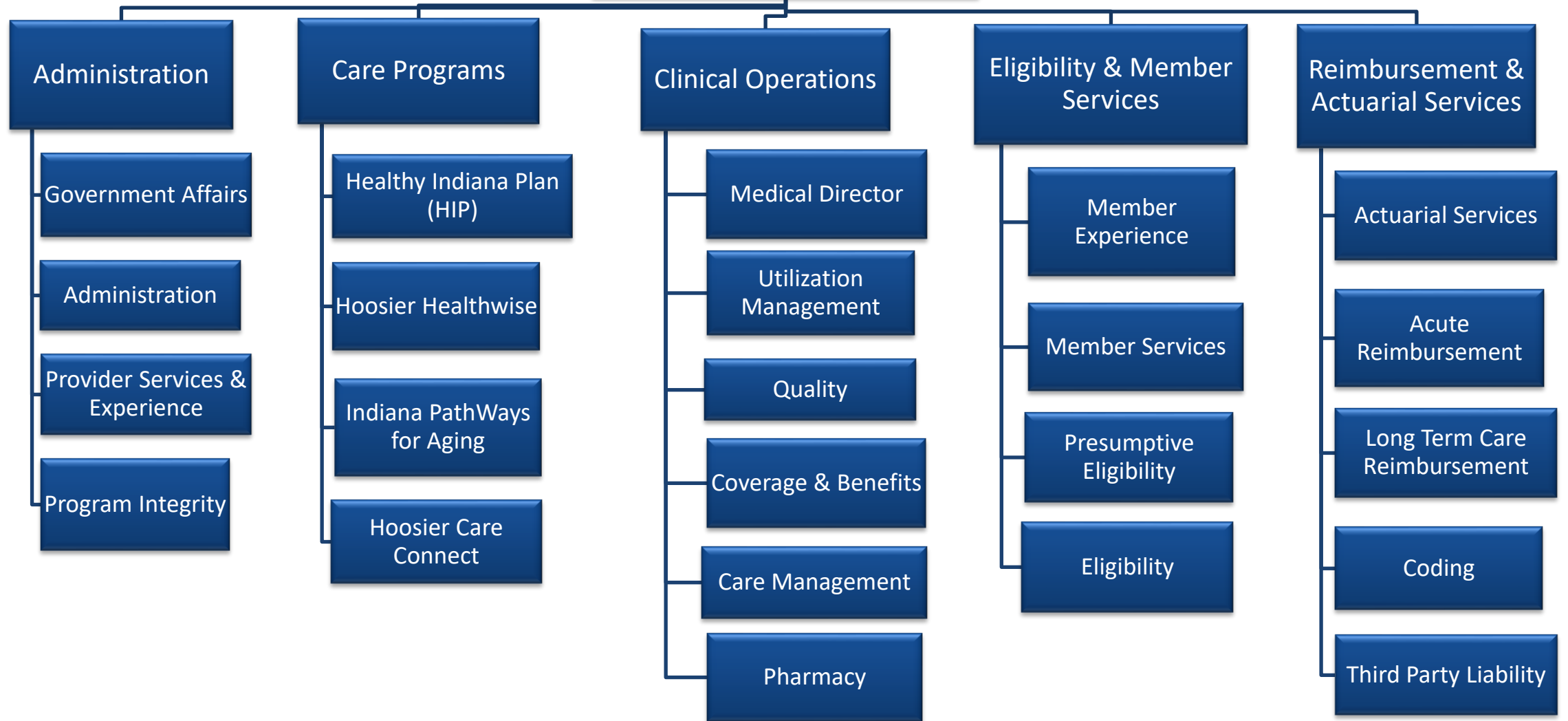
Support DMHA in the transition to the Certified Community Behavioral Health Clinic (CCBHC) model and the continued buildout of crisis response.

Ensure all eligible Hoosiers maintain Medicaid coverage and the unwind is conducted transparently and efficiently.

Continue implementation of the transparent, collaborative, and quality-focused ratesetting that supports FSSA's goals.



Office of Medicaid Policy & Planning



Medicaid Basics

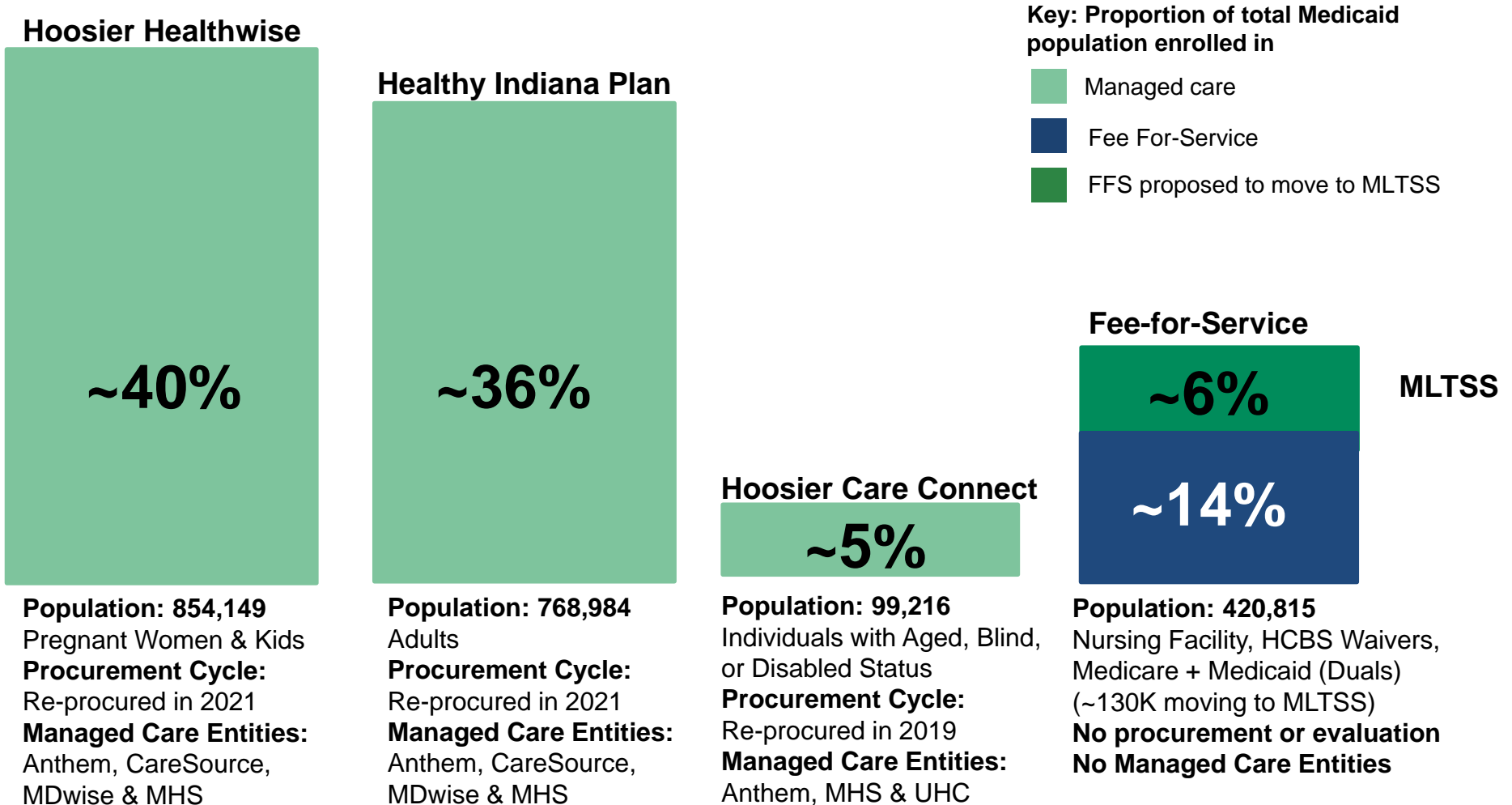
Federal Perspective:

- Federal/state partnership - health coverage for low-income families and individuals, including children, parents, pregnant women, seniors, and people with disabilities
- CMS is lead federal agency
- Each state administers their Medicaid program differently
- Two contract vehicles: State Plan and Waivers
- Two main delivery systems: Fee-for-Service and/or Managed Care

State Detail:

- Typical FMAP: 65.62% Federal Funds & 34.48% State Funds
- Indiana Medicaid Assistance budget for SFY 24: \$19 Billion (\$5.6B state share)
- \$180M for administrative costs (\$71M state share)
- Medicaid is 18% of State budget and 84% of FSSA budget

Indiana Medicaid Snapshot: Serving ~2 Million Hoosiers



Managed Care Alignment

Strategy:

Through our managed care alignment initiative, OMPP is continuing its commitment to strengthening the monitoring and oversight of managed care entities (MCEs)

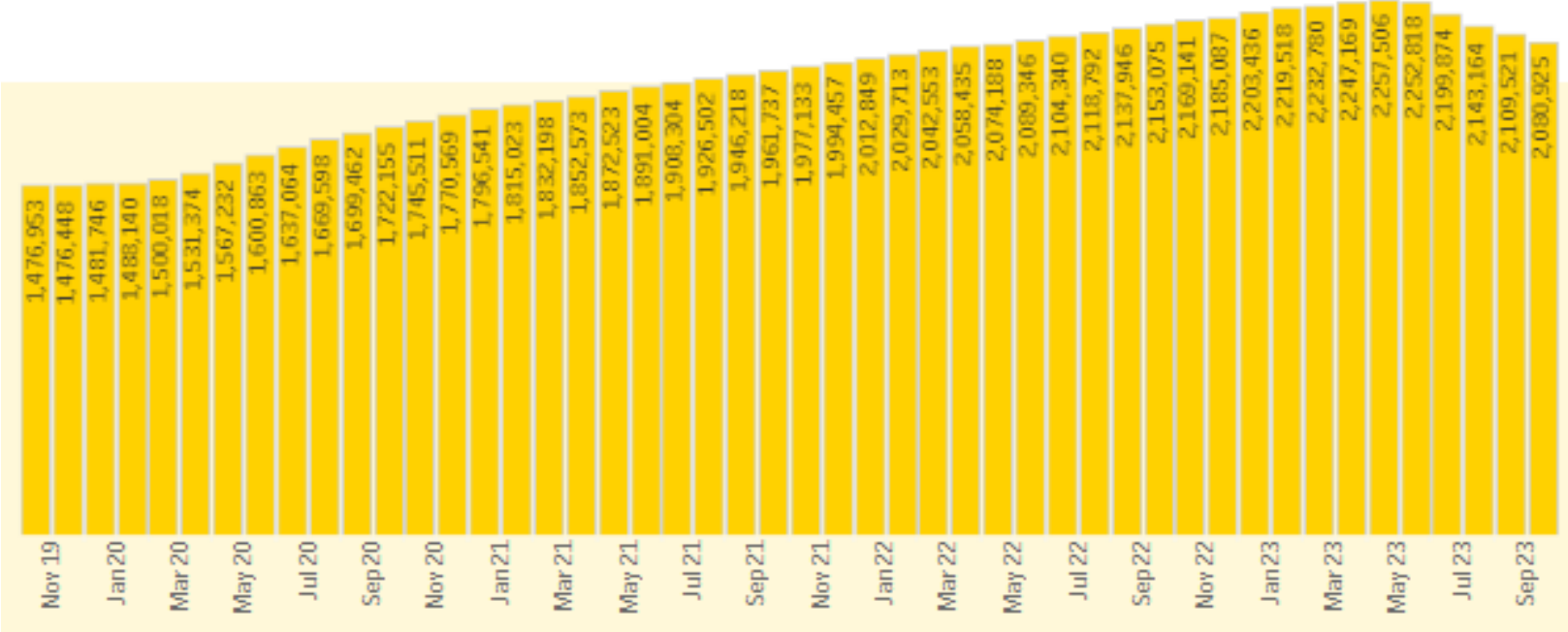
- 1) Align major processes that vary among the MCEs
- 2) Decrease member and provider burden
- 3) Improve access to health care services
- 4) Continue innovation

Examples of Tactics:

- Single Preferred Drug List (PDL)
- Internal subject matter expertise expansion
- Monthly onsite auditing
- Dashboard creation and data monitoring

Medicaid Enrollment

Total Enrollment for September 2023 2,080,925

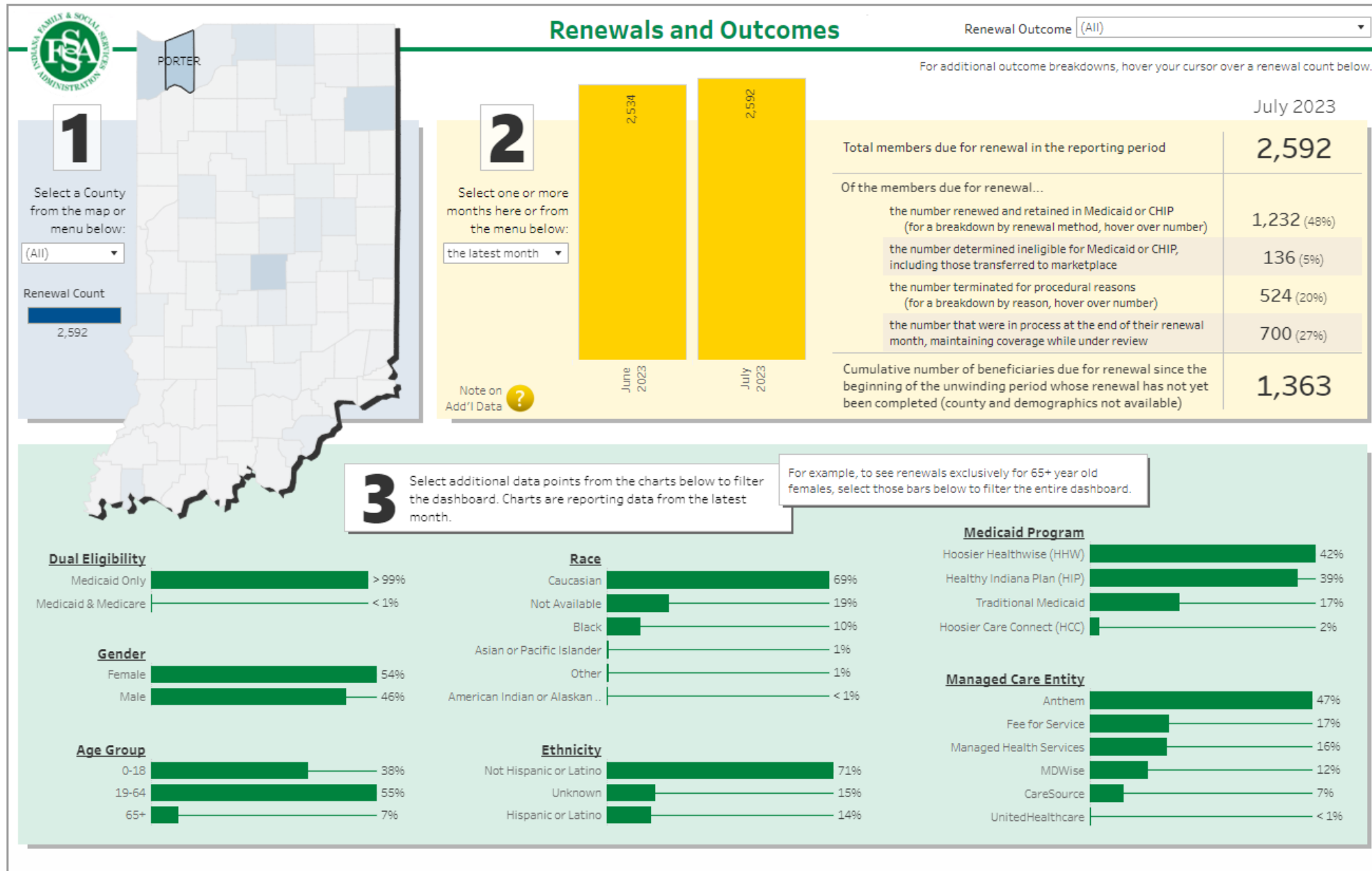


PHE Continuous Coverage Requirements in Effect March 2020 to March 2023

Data Notes

- For more detailed data, please visit: <https://www.in.gov/fssa/ompp/forms-documents-and-tools2/medicaid-monthly-enrollment-reports/>

Medicaid Renewals and Outcomes Dashboard



Rate Matrix and Strategic Rate Review



FSSA Strategic Objectives for Rate Setting

To develop rate setting methods that comply with Centers for Medicare and Medicaid Services (CMS) rules and achieve the following:

- **Alignment** - Bring continuity and alignment across rate methodologies, providing a consistent framework and supporting payment rates that advance FSSA goals.
- **Sustainability** - Facilitate adequate participant access to quality services, as required by CMS. Cost effective, provide for long-term workforce growth and provider stability, and affordable by the State. Reduce administrative burden. Ensure predictability.
- **Promote Person-Centeredness and Value-Based Purchasing** - Striving to align provider and participant incentives to achieve access to person-centered services, encourage services that drive healthy outcomes and participant satisfaction.
- **Reduce Disparities** – Analyze and quantify disparities in access, quality, site of care, and person-centeredness, then build payment structures to level the playing field.



Rate Matrix

| Medicaid Services | Last Rate Review | Year of Rate Review/Rate Rebasing | | | | | | | | Rating Approach | |
|--------------------------------|------------------|-----------------------------------|------|------|------|------|------|------|------|---------------------------------------|--|
| | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | | |
| Home Health Services SI | 2021 | | | RR | i | i | i | RR | i | Included in 2024/2025 Biennium Budget | Rate Review every four years, Inflationary Adjustments Between Reviews |
| Aging/DDRS Waivers SI | Various | | | RR | i | i | i | RR | i | | |
| Dental Services SI HIP | 2015 | | | RR | i | i | i | RR | i | | |
| NEMT SI HIP | 1999 | | | RR | i | i | i | RR | i | | |
| DMHA 1915(I) Waivers SI | 2014 | | | RR | i | i | i | RR | i | | |
| Pace Capitation* | 2021 | | | RR | i | i | RR | i | i | | |
| ABA Therapy* | N/A | | | E | i | i | i | RR | i | | |
| CRMNF* | 2021 | | | RR | i | i | i | RR | i | Included in 2026/2027 Biennium Budget | Rate Review every four years, Rate Rebasing every two years |
| Outpatient Hospital | 2003 | | | | | RR | i | RB | i | | |
| Inpatient Hospital | 2003 | | | | | RR | i | RB | i | | |
| Other Mental Health Services | 2015 | | | | | RR | i | i | i | | |
| Mental Health Rehabilitation | 2018 | | | | | RR | i | i | i | | |
| Inpatient Psychiatric Services | 2003 | | | | | RR | i | i | i | | |
| School Based Services | 2016 | | | | | RR | i | i | i | | |
| Speech/OT/Physical | | Updated with physician services | | | | | | | | | |

* These rate adjustments are included in the Medicaid base budget and no further investments are needed for this budget cycle.

SI = Strategic Investment **HIP = HIP Rate Equalization**

Year represent State Fiscal Year

RR shows the year in which the rate updates from the rate review will be implemented

E represent year in which rates were established

RB represents a rebasing year in which there is not impact to State funding needed for program



Rates Set by State or Federal Regulation or % of Medicare

Rates Review set in State or Federal Regulation

| | | | | |
|------------------|------|---|--|--|
| PRTF Services | 2021 | Rate Methodology Set Forth in 405 IAC 1-21 | | Rates reviewed every other year and indexed in |
| Pharmacy | 2021 | Rates Determined According to 405 IAC 5-24 | | |
| Nursing Facility | 2021 | Rate Methodology Set Forth in 405 IAC 1-14.6 | | |
| ICF/ID | 2021 | Rate Methodology Set Forth in 405 IAC 1-12 | | |
| FQHC/RHC | | Rate Methodology Consistent with the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000 | | Indexed Annually |

Rates Set Based on % of Current Medicare Rates

| | | | | |
|--|------|---------------------------|--|-------------------------------|
| Hospice | 2021 | 100% Medicare | | Rates set at 100% of Medicare |
| DME and Medical Supplies | 1994 | 100% Medicare | | |
| Emergency Transportation | 2023 | 100% Medicare | | |
| Physician Services HIP | 2015 | Per HB1001, 100% Medicare | | Rates set at 100% of Medicare |
| Maternity and Behavioral Health | | 100% Medicare | | Rates set at 100% of Medicare |



Year 1 Rate Matrix Activity

As Included in HEA 1001 (2023)

| Medicaid Services | Last Rate Update | Year of Rate Review / Rate Rebasing | | | | | | |
|-----------------------------|------------------|-------------------------------------|--------|--------|--------|--------|--------|--------|
| | | SFY 24 | SFY 25 | SFY 26 | SFY 27 | SFY 28 | SFY 29 | SFY 30 |
| HCBS - DA Waivers | 2020 | RR | i | i | i | RR | i | i |
| HCBS - DDRS Waivers | Various | RR | i | i | i | RR | i | i |
| HCBS - Home Health Services | 2021 | RR | i | i | i | RR | i | i |
| NEMT | 1999 | RR | i | i | i | RR | i | i |
| Dental Services | 2015 | RR | i | i | i | RR | i | i |
| Physician Services | 2015 | RR | i | i | i | RR | i | i |



Status of SFY24 Rate Setting

| Service Category | Stakeholder Engagement / Rate Setting | FSSA Leadership Review | State Budget Committee Review | CMS Approval | Rate Implementation |
|--------------------------------------|---------------------------------------|------------------------|-------------------------------|-------------------|------------------------|
| Division of Aging Waivers (HCBS) | May 2023 | June 2023 | June 2023 | Sept 2023 | 7/1/2023 (retroactive) |
| DDRS Waivers (HCBS) | May 2023 | June 2023 | June 2023 | Sept 2023 | 7/1/2023 (retroactive) |
| Home Health (HCBS) | May 2023 | June 2023 | N/A | N/A | 7/1/2023 |
| DMHA Waivers | May 2023 | May 2023 | June 2023 | CMS Reviewing | 10/1/2023 |
| Non-Emergency Medical Transportation | Aug 2023 | Aug 2023 | Sept 2023 | Submitting to CMS | 1/1/2024 |
| Physician / Professional | Aug 2023 | Aug 2023 | Sept 2023 | Submitting to CMS | 1/1/2024 |
| Dental | Sept 2023 | Sept 2023 | Oct 2023 | | 1/1/2024 |

| SFY 22 Base Expenditures (\$M) | Annual Incurred Increases (\$M) |
|--------------------------------|---------------------------------|
| \$726.6 | \$496.4 |
| \$977.1 | \$238.1 |
| \$279.1 | \$125.7 |
| \$13.5 | \$1.5 |
| \$56.0 | TBD |
| \$2,411.4 | \$475.0 |
| \$258.9 | \$26.0 |

Key:

Completed

Current Process

Expenditures and Increases reflect both Federal and State Funding



Indiana PathWays for Aging



What can PathWays do for Indiana's LTSS system?

MLTSS builds on Indiana's long-standing, statewide partnerships offering comprehensive benefits to Hoosiers – **85% of current Medicaid members receive services through managed care plans.**



CHOICE

- Creates **better opportunities** for Hoosiers **to age at home**
- MLTSS plans responsible for making sure every **member** has **access to all eligible services**
- Promotes **integration** with the community and **consumer access** to LTSS



QUALITY

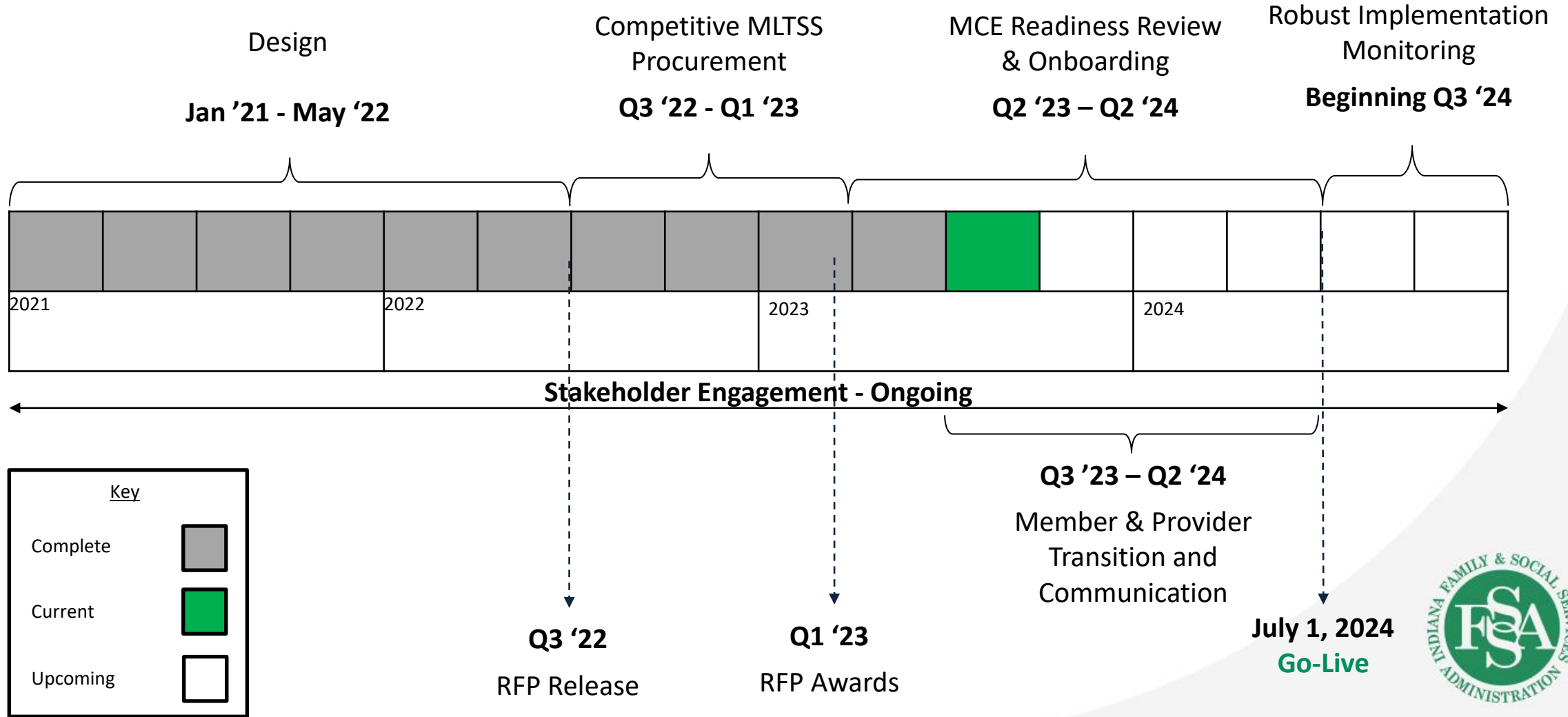
- Single point of **accountability**
- MLTSS is the **best path** for **aligning benefits** and improving experience **for duals** (80% of program)
- Extending care coordination to older Hoosiers and offering **single point of contact** for every member
- Comprehensive monitoring of **member satisfaction**



SUSTAINABILITY

- Creates **financial incentive** to improve health outcomes, especially for members receiving services in two programs: Medicaid and Medicaid
- Drives **system accountability**
- Promotes **rebalancing** of expenditures
- **Prevention** of waste & abuse

PathWays Implementation Timeline



Stakeholder Engagement

Who are our "stakeholders"?

Aging Hoosiers receiving Medicaid, their families and caregivers; organizations representing aging individuals and individuals with disabilities; providers; trade organizations; and other interested parties



- 2+ years of surveying and community conversations
- Indiana Pathways for Aging Scope of Work
 - Years' worth of feedback from stakeholders
 - Model contract language from other states
 - National subject matter expertise
 - Federally mandated requirements
- Stakeholders reviewed excerpts from the Pathways SoW; care management manual; MCE reporting manual
- Ongoing updates on readiness review

600+

Meetings with stakeholders

92%

of stakeholder considerations
fully or partially incorporated into
Pathways Scope of Work

10

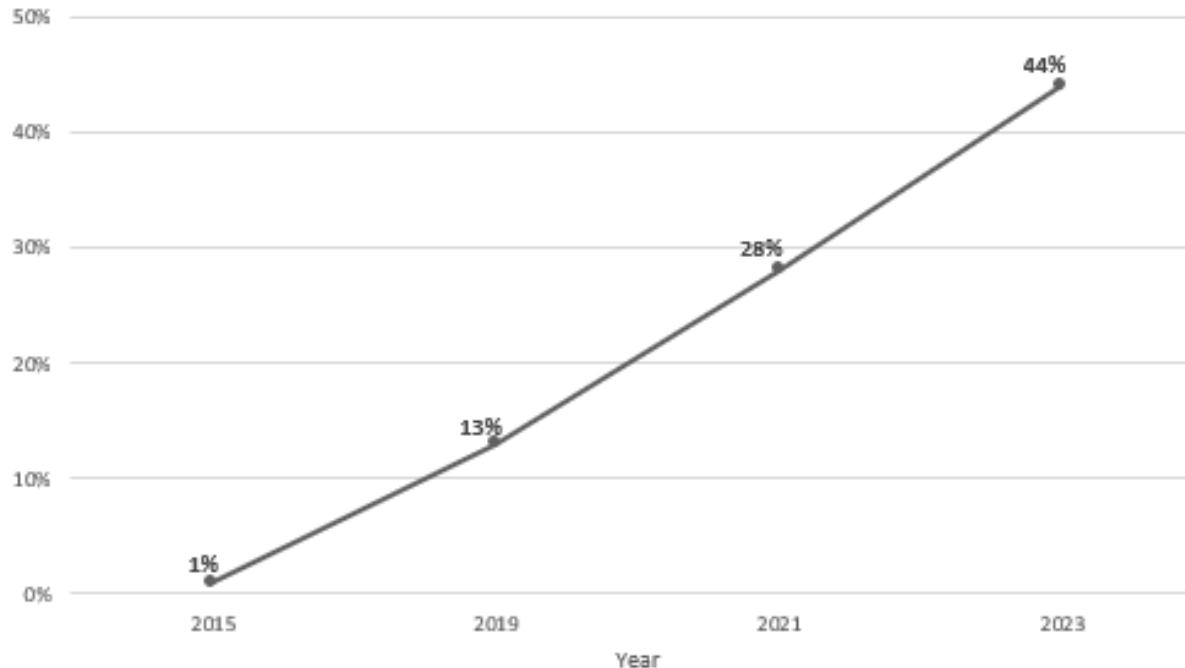
Peer-state programs reviewed
in detail



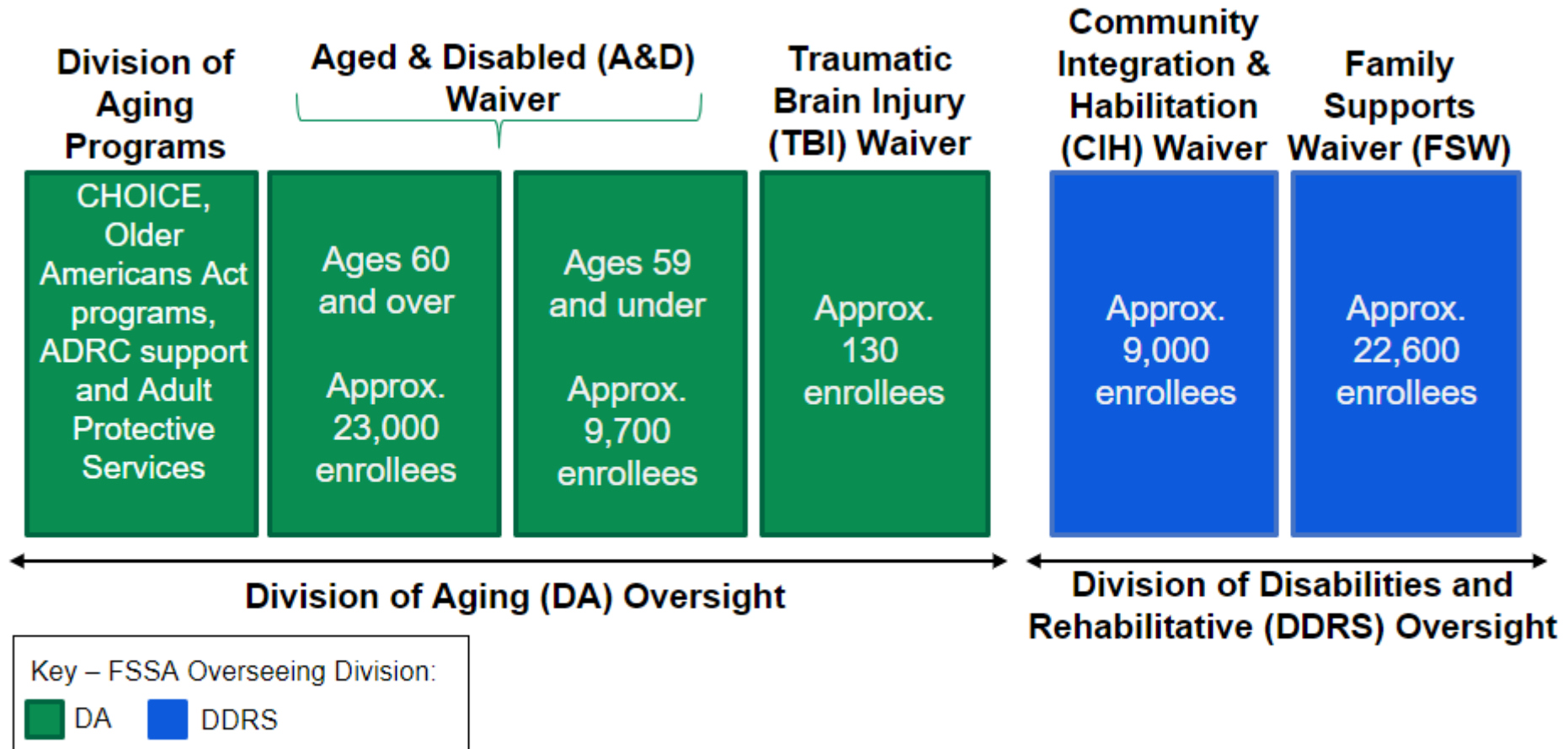
Medicaid & Medicare Dual-Eligible Population

Over 80% of individuals enrolled in PathWays will be “duals” meaning they will have a PathWays for Aging Medicaid health plan and Medicare health plan. **Integrating care for the duals populations is a foundational principle of the program.** The method for this is enrolling in aligned PathWays and dual special needs plans (D-SNPs).

Growth of Indiana Dual Eligible Members in a D-SNP



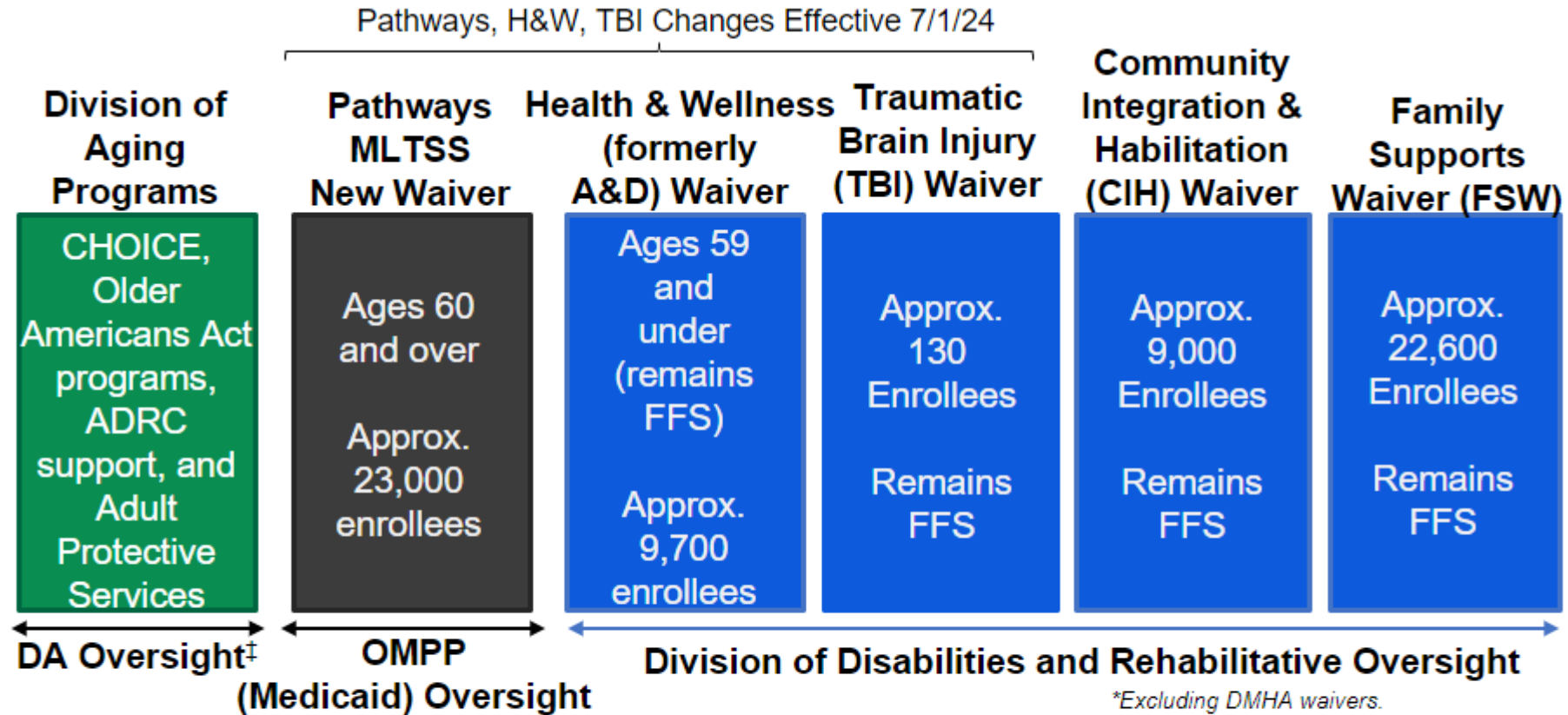
Waiver Transition: Current FSSA HCBS Programs*



*Excluding DMHA waivers



Future FSSA HCBS Programs*

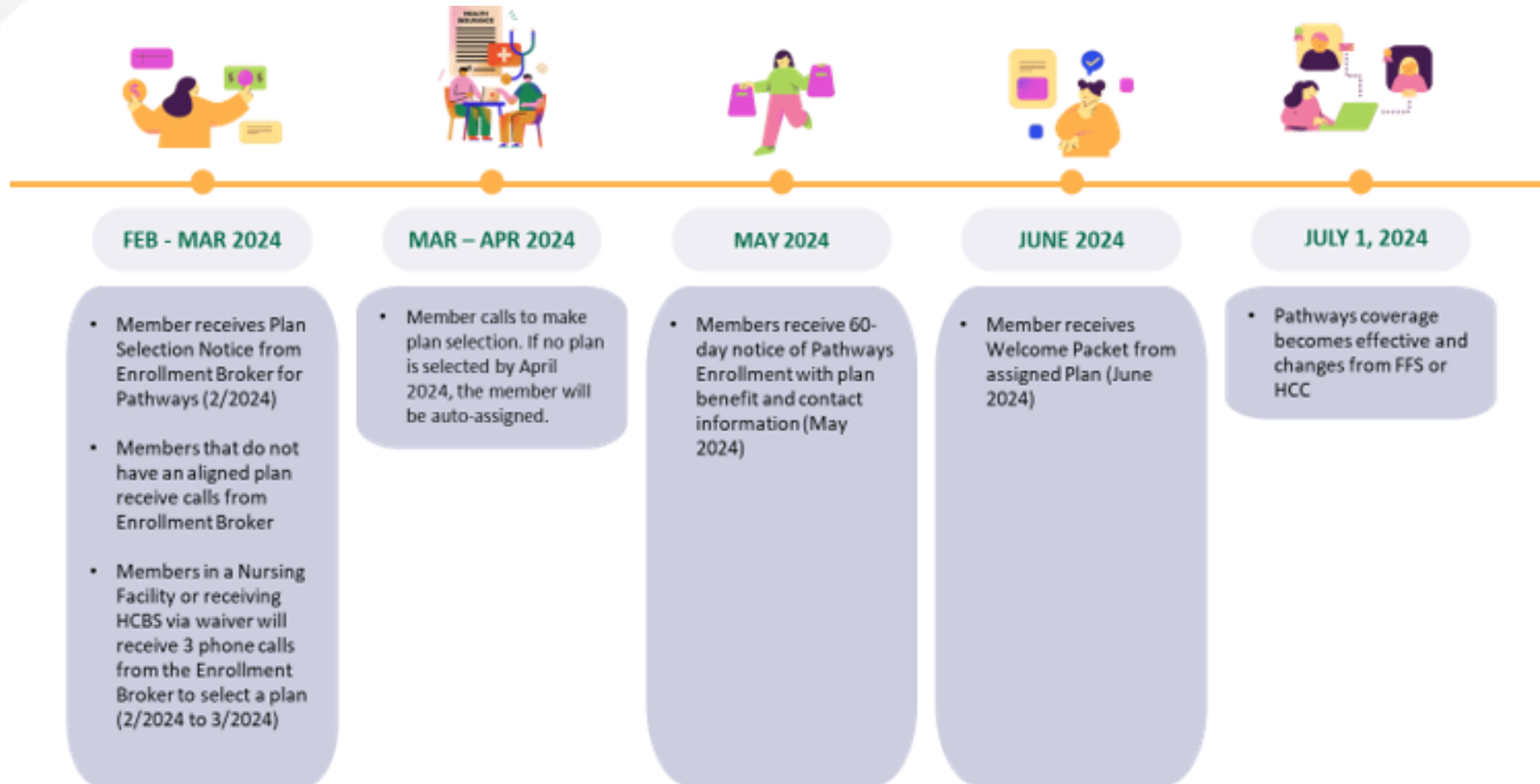


*Excluding DMHA waivers.

‡The Division of Aging will continue to provide support and subject matter expertise to OMPP and DDRS in managing HCBS waivers.



Member Communications & Timeline Overview



Connect with Us

OMPP Provider Relations

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General Inquiries

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