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# Medicaid Managed Care Initiatives Information Session

April 2014

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# Topics

- What is managed care?
  - Overview of STAR and STAR+PLUS
- New managed care initiatives
- Next steps
- Questions

Presentation available at

http://www.hhsc.state.tx.us/medicaid/MMC.shtml

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# What is Managed Care?

- Healthcare provided through a network of doctors, hospitals and other healthcare providers responsible for managing and delivering quality, cost-effective care
- The State pays a managed care organization (MCO) a capitated rate for each member enrolled, rather than paying for each unit of service provided

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# Goals of Managed Care

- Emphasize preventive care
- Improve access to care
- Ensure appropriate utilization of services
- Improve client and provider satisfaction
- Establish a medical home for Medicaid clients through a primary care provider (PCP)
- Improve health outcomes, quality of care, and cost-effectiveness

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# Managed Care Programs in Texas

- STAR (State of Texas Access Reform)
- STAR+PLUS
- STAR Health
- CHIP (Children's Health Insurance Program)
- CHIP and Children's Medicaid Dental

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# Medicaid Managed Care Enrollment

- As of November 2013:
  - About 3.6 million clients enrolled in Texas Medicaid
  - About 2.9 million members are enrolled managed care
    - STAR – 2.5 million
    - STAR+PLUS – 412,000
    - STAR Health – 31,000

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# MCO Plan Identification Cards

- All members receive an MCO plan ID card, in addition to a Your Texas Benefits Medicaid card from the State
- The plan ID card contains the following information:
  - Member's name and Medicaid ID number
  - Healthcare program (e.g. STAR, STAR+PLUS)
  - MCO name
  - PCP name and phone number
  - Toll-free phone numbers for member services and behavioral health services hotline
  - Additional information may be provided (e.g. date of birth, service area, PCP address)

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# Managed Care Organizations

- MCOs provide a medical home through a PCP and referrals for specialty providers, when needed
  - Exception: Clients who receive both Medicare and Medicaid (dual eligibles) get acute care services and a PCP through Medicare
- MCOs may offer value-added services (e.g. extra dental services, extra vision services, health and wellness services)

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# Managed Care Organizations

- Providers must contract and be credentialed with an MCO to provide STAR or STAR+PLUS services
- Rates are negotiated between the provider and the MCO
- Processes such as authorization requirements and claims processing may be different between MCOs

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# Provider Claims

- Providers must file claims within 95 days of the date of service (DOS)
- MCOs are required to adjudicate most claims within 30 days
  - 18 days for electronic pharmacy claims

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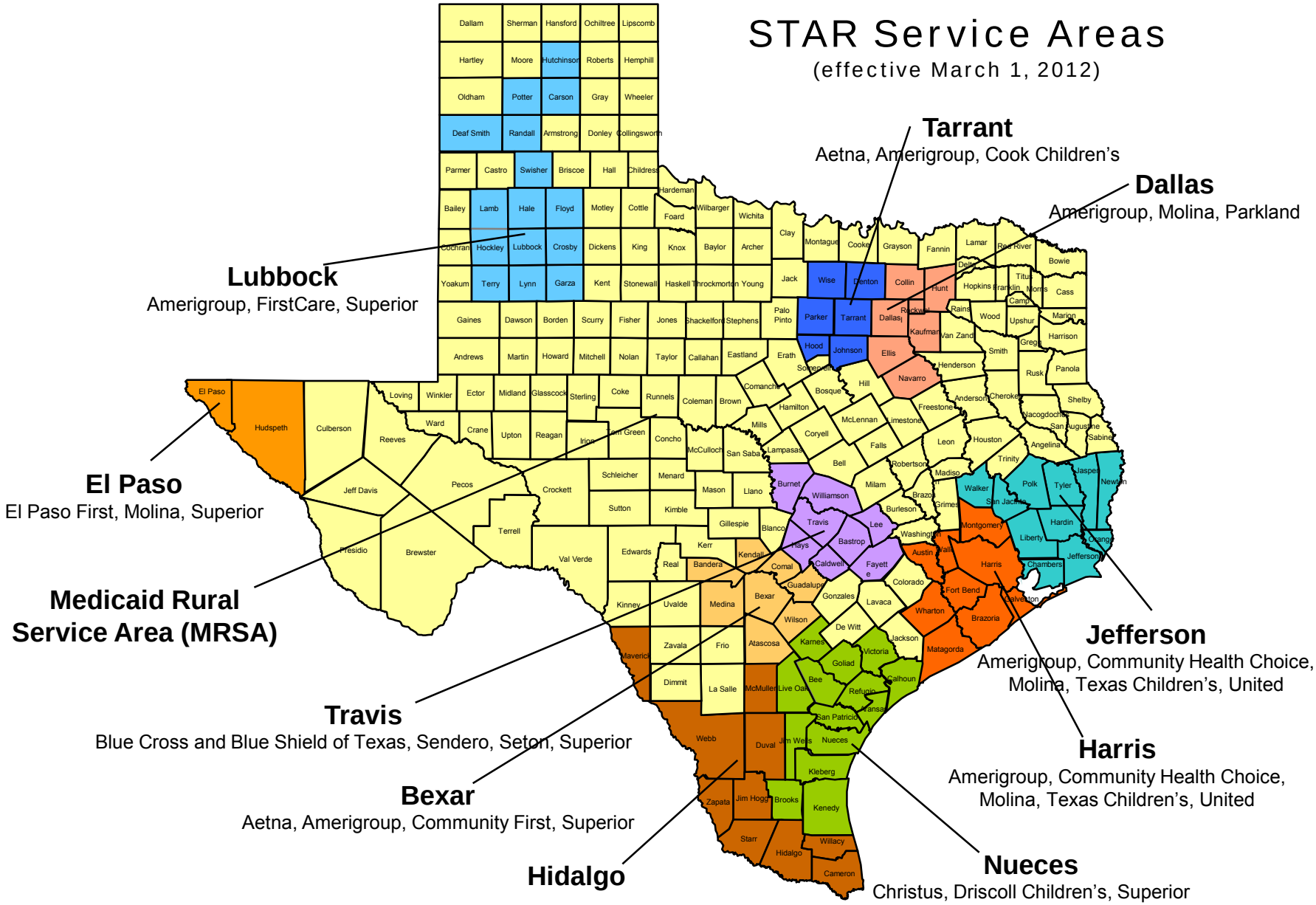
# STAR

- Provides acute care services (like doctor visits, hospital visits, and prescriptions) mostly for children and pregnant women
- About 2.5 million members currently served
- Each member is enrolled in an MCO
  - Primary care provider (PCP) serves as the medical home and coordinates care
- Statewide service areas:
  - Bexar, Dallas, El Paso, Harris, Hidalgo, Jefferson, Lubbock, Medicaid Rural Service Areas (MRSA) Central, Northeast, and West, Nueces, Tarrant, and Travis

# STAR Service Areas

(effective March 1, 2012)




**Tarrant**
Aetna, Amerigroup, Cook Children's

**Dallas**
Amerigroup, Molina, Parkland

**Lubbock**
Amerigroup, FirstCare, Superior

**El Paso**
El Paso First, Molina, Superior

**Medicaid Rural Service Area (MRSA)**

**Jefferson**
Amerigroup, Community Health Choice, Molina, Texas Children's, United

**Travis**
Blue Cross and Blue Shield of Texas, Sendero, Seton, Superior

**Harris**
Amerigroup, Community Health Choice, Molina, Texas Children's, United

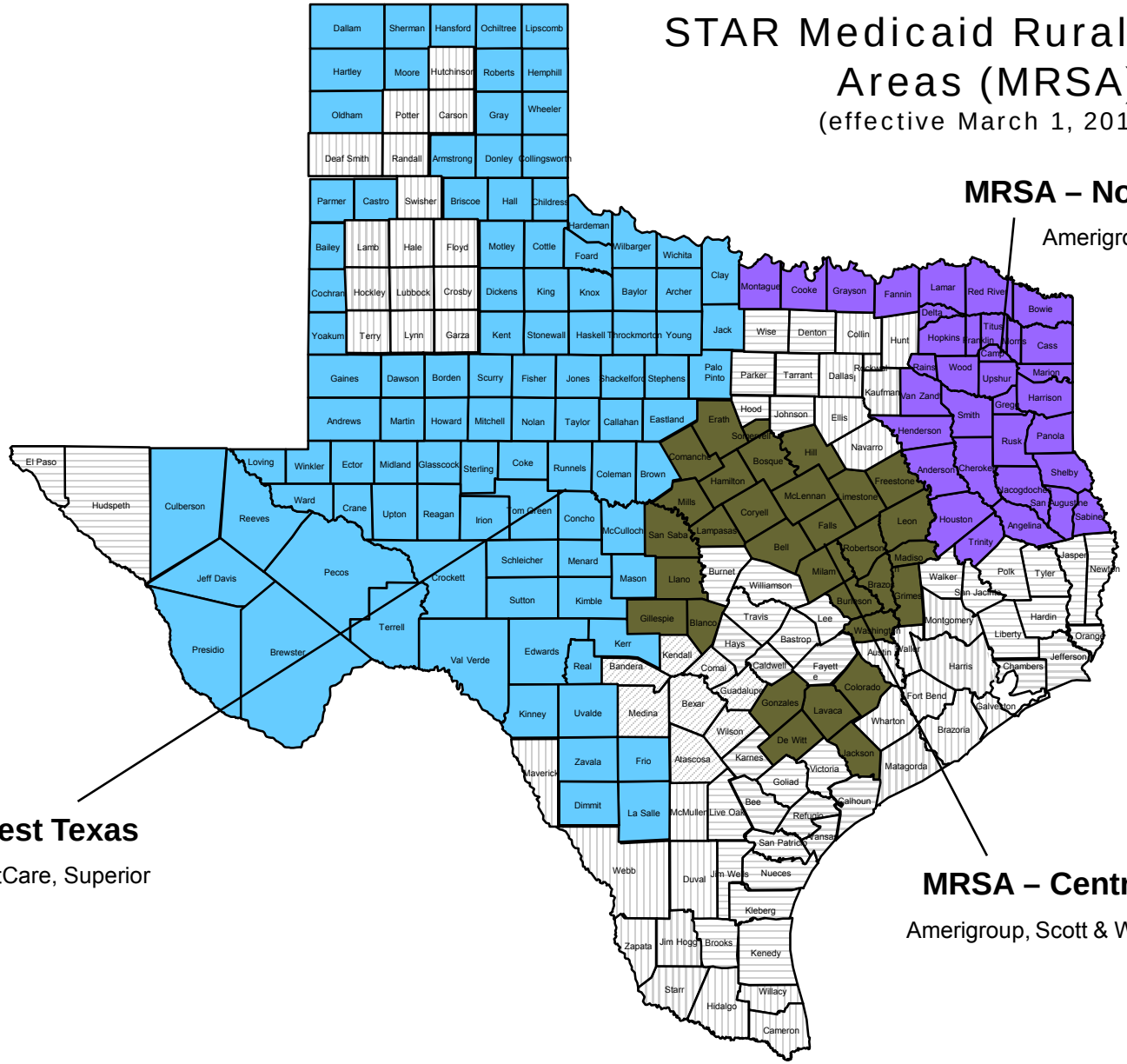
**Bexar**
Aetna, Amerigroup, Community First, Superior

**Nueces**
Christus, Driscoll Children's, Superior

**Hidalgo**
Driscoll Children's, Molina, Superior, UnitedHealthCare

# STAR Medicaid Rural Service Areas (MRSA)

(effective March 1, 2012)




**MRSA – Northeast Texas**

Amerigroup, Superior

**MRSA – West Texas**

Amerigroup, FirstCare, Superior

**MRSA – Central Texas**

Amerigroup, Scott & White, Superior

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# Mandatory Populations in STAR

- Temporary Assistance for Needy Families (TANF) recipients
- Pregnant women
- Newborns
- Low income families and children
- Adults age 21 and older, residing in the MRSA:
  - Receiving SSI benefits, but not Medicare, or
  - Enrolled in certain DADS 1915(c) waiver programs

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# Voluntary Populations in STAR

- Children and young adults under age 21, residing in the MRSA who are:
  - Receiving SSI benefits, but not Medicare, or
  - Enrolled in certain DADS 1915(c) waiver programs
    - Children would continue to receive waiver services in fee-for-service if they volunteer for STAR

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# Populations Excluded from STAR

- Medicaid recipients residing in institutions
- Medically needy program participants
- Children in foster care
- Refugees
- Clients who receive both Medicare and Medicaid (dual eligibles)

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# Adult STAR Benefits

- Traditional Medicaid benefits
- Primary care provider (PCP)
- Unlimited prescriptions
- Unlimited necessary days in a hospital
- Value-added services

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# Children's STAR Benefits

- Children's Medicaid benefits
- Primary care provider (PCP)
- Unlimited prescriptions
- Unlimited necessary days in a hospital
  - Children in traditional Medicaid also receive unlimited prescriptions and unlimited necessary days in a hospital
- Value-added services

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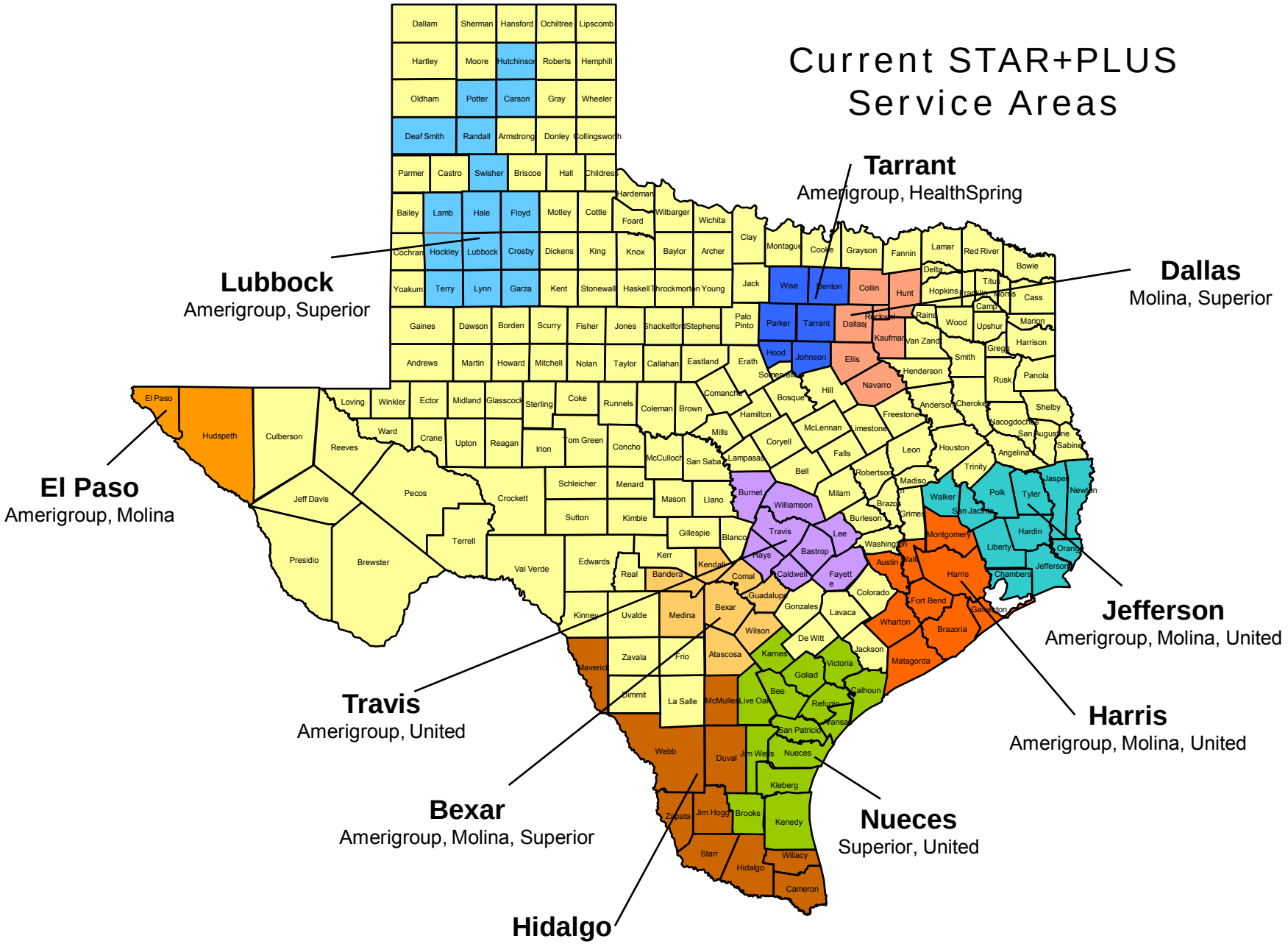
# STAR+PLUS

- Designed to integrate the delivery of acute care and long-term services and supports (LTSS) through a managed care system
- 412,000 members currently served
- Each member is enrolled in an MCO
- Main feature - service coordination
  - Specialized care management service that is available to all members and performed by an MCO service coordinator
- Current Service Areas:
  - Bexar, Dallas, El Paso, Harris, Hidalgo, Jefferson, Lubbock, Nueces, Tarrant, and Travis

# Current STAR+PLUS Service Areas




**Tarrant**
Amerigroup, HealthSpring

**Lubbock**
Amerigroup, Superior

**Dallas**
Molina, Superior

**El Paso**
Amerigroup, Molina

**Jefferson**
Amerigroup, Molina, United

**Travis**
Amerigroup, United

**Harris**
Amerigroup, Molina, United

**Bexar**
Amerigroup, Molina, Superior

**Nueces**
Superior, United

**Hidalgo**
HealthSpring, Molina, Superior

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# STAR+PLUS Service Coordination

- MCO nurses, social workers, and other professionals with the necessary skills to coordinate care
- Service coordinators make home visits and assess member needs
  - Coordinate with Medicaid and Medicare providers
  - Authorize community-based LTSS
  - Arrange for other services (e.g. medical transportation)
  - Coordinate community supports (e.g. housing, utilities, legal)

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# Mandatory Populations in STAR+PLUS

- Adults age 21 and older who:
  - Have a physical or mental disability and qualify for SSI benefits or Medicaid because of low income
  - Qualify for Medicaid because they receive STAR+PLUS Home and Community Based Services (HCBS) waiver services

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# Voluntary Populations in STAR+PLUS

- Most children and young adults under age 21 receiving SSI or SSI-related benefits may choose to enroll in STAR+PLUS or remain in traditional Medicaid

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# Adult STAR+PLUS Benefits

- Medicaid Only
  - Traditional Medicaid benefits
  - Primary care provider (PCP)
  - Community-based LTSS
  - Service coordination
  - Unlimited prescriptions
  - Value-added services

- Dual eligible individuals receive LTSS through STAR+PLUS and acute care through Medicare

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# Children's STAR+PLUS Benefits

- Children's Medicaid benefits
- Primary care provider (PCP)
- Community-based LTSS
- Service coordination
- Unlimited prescriptions
- Unlimited necessary days in a hospital
  - Children in traditional Medicaid also receive unlimited prescriptions and unlimited necessary days in a hospital
- Value-added services

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# LTSS in STAR+PLUS

- Personal Assistance Services (PAS)
- Day Activity and Health Services (DAHS)
- STAR+PLUS HCBS Waiver – similar to CBA in traditional Medicaid:
  - Assisted living
  - Adaptive aids
  - Minor home modifications
  - Personal assistance services
  - Respite care
  - Emergency response
  - Transition assistance services
  - Home delivered meals
  - Nursing services
  - Medical supplies
  - Adult foster care
  - Dental
  - Therapies
  - Financial management services
  - Cognitive Rehabilitation Therapy (March 1, 2014)
  - Supported Employment and Employment Assistance (September 1, 2014)

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# Upcoming Managed Care Initiatives

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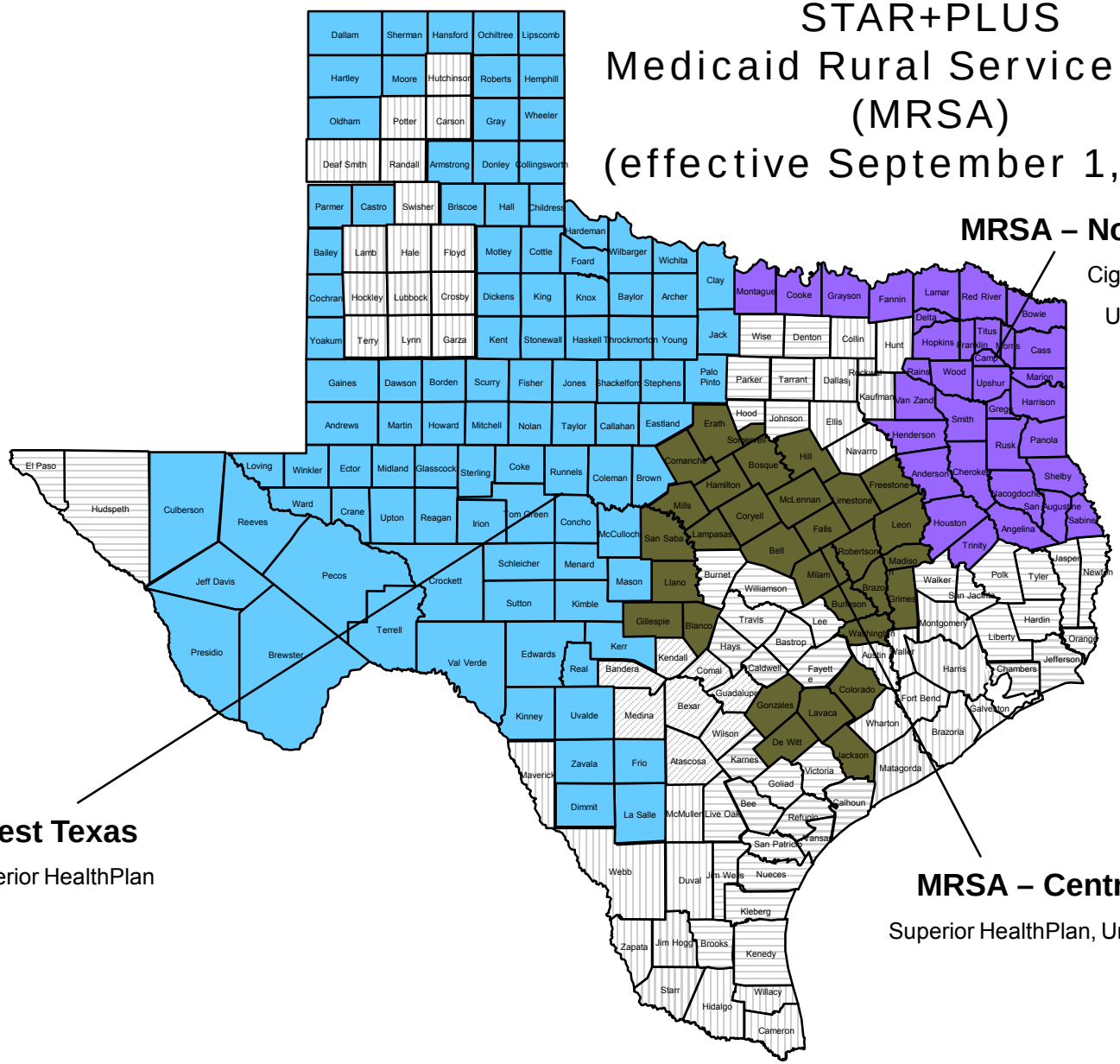
# STAR+PLUS Expansion

- September 1, 2014
- Expands STAR+PLUS statewide to the Medicaid Rural Service Areas
  - MRSA Central, MRSA Northeast and MRSA West
- Estimated to serve an additional 80,000 members in STAR+PLUS

# STAR+PLUS
# Medicaid Rural Service Areas (MRSA)
# (effective September 1, 2014)




**MRSA – Northeast Texas**

Cigna-HealthSpring, UnitedHealthcare

**MRSA – West Texas**

Amerigroup, Superior HealthPlan

**MRSA – Central Texas**

Superior HealthPlan, UnitedHealthcare

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# Assessments & Authorizations

- MCO service coordinators assess need for LTSS
- MCO is responsible for functional and medical assessments
  - Form 2060
  - Medical Necessity/Level of Care (MN/LOC)
- Existing authorizations for LTSS are honored for 6 months or until the MCO does a new assessment
- Existing authorizations for acute care services are honored for 90 days or until the MCO does a new assessment

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# Behavioral Health Services

- On September 1, 2014 two additional behavioral health services will be added to managed care:
  - Mental health rehabilitation and mental health targeted case management
    - Currently provided through fee-for-service and delivered through the Local Mental Health Authorities (LMHAs)
    - The NorthSTAR program in the Dallas service area will not be affected
- The State must also:
  - Develop two health home pilots and a Behavioral Health Integration Advisory Committee
  - Create community collaboratives for persons who are homeless, with mental illness, and/or with a substance abuse problem
  - Establish and maintain a mental health and substance abuse treatment public reporting system

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# Eligible Populations

- Mental health rehabilitation services and mental health targeted case management are available to the following Medicaid recipients who are assessed and found eligible:
  - Determined to have a severe and persistent mental illness such as schizophrenia, major depression, bipolar disorder or other severely disabling mental disorders
  - Are children and adolescents ages 3 through 17 years with a diagnosis of a mental illness or exhibit a serious emotional disturbance

# Clients with Intellectual and Developmental Disabilities (IDD)

- September 1, 2014
- Persons transitioning into STAR+PLUS for acute care services only:
  - Individuals receiving services in community-based Intermediate Care Facilities for Individuals with Intellectual Disabilities or Related Conditions (ICF-IID)
  - Individuals receiving services in certain DADS 1915(c) waiver programs:
    - Home and Community-based Services (HCS)
    - Community Living Assistance and Support Services (CLASS)
    - Texas Home Living (TxHmL)
    - Deaf Blind Multiple Disabilities (DBMD)

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# Populations Excluded and Voluntary

- Not included:
  - Individuals residing in a state supported living center
  - Dual eligibles (receiving both Medicare and Medicaid)
- Children and young adults under age 21 receiving SSI or SSI-related benefits are *voluntary*

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# Nursing Facility Services

- March 1, 2015
- Nursing facility services will be provided through STAR+PLUS statewide
- Intended to improve quality of care and promote care in the least restrictive, most appropriate setting
- Between 50,000 - 60,000 nursing facility residents will transition to STAR+PLUS

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# Nursing Facility STAR+PLUS Populations

- Adults age 21 and older who are in a nursing facility, who have been determined eligible for Medicaid, and who meet STAR+PLUS criteria will be *mandatory*
- Children and young adults under age 21 will be *excluded*
- Truman W. Smith Children's Care Center residents will be *excluded*
- State veteran's home residents will be *excluded*

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# Nursing Facility Services in STAR+PLUS

- DADS will:
  - Maintain nursing facility licensing, certification, and contracting responsibilities
  - Maintain the Minimum Data Set (MDS) function
  - Continue trust fund monitoring
- Nursing facilities will:
  - Complete and submit the MDS form and LTCMI forms
  - Complete and timely transmit the 3618s and 3619s
- MCOs will:
  - Contract directly with nursing facilities
  - Ensure appropriate utilization of services

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# Nursing Facility Service Coordination

- All nursing facility residents will have a named MCO service coordinator
- Service coordinator will work as part of the team to support care planning
- Service coordinators will have the responsibility to authorize and ensure the delivery of add-on services, such as therapies
- Service coordinators will work with the resident, families, and other service coordinators to ensure smooth transitions to the community

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# Nursing Facility Payment

- HHSC will set the minimum reimbursement rate paid to nursing facilities under STAR+PLUS, including the staff rate enhancement
- HHSC will establish a portal through which nursing facilities may submit claims to participating MCOs
  - Providers may choose to utilize the MCOs' claims portals as well

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# Nursing Facility Payment

- Unlike the standard MCO 95-day filing deadline, nursing facilities will continue to have a one year claims filing deadline
- HHSC will ensure:
  - MCOs' clean claim criteria meets the criteria used by DADS
  - MCOs pay claims no later than 10 calendar days after the submission of a clean claim

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# Nursing Facility Services in STAR+PLUS

- Nursing facility covered services include federally-mandated services accounted for in the daily rate
- Hospice services will continue to be paid out of traditional Medicaid fee-for-service
- Preadmission Screening and Resident Review (PASRR) services will be excluded from the capitation

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# Significant Traditional Providers (STP)

- Providers who have been serving Medicaid clients
- MCOs are obligated to offer STP contractors the opportunity to be a part of the contracted MCO network
- MCOs will reach out to STPs
  - STPs may initiate the contact
- STPs must accept MCO conditions for contracting and credentialing

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# Impact on DADS Providers

- CBA contracts in STAR+PLUS service areas will be canceled
  - All 1915(c) CBA services in STAR+PLUS service areas will be delivered through STAR+PLUS MCOs
- PHC and DAHS for STAR+PLUS members must be authorized and paid by the MCO
  - This does not include DADS IDD waiver clients
- Nursing facilities will retain contracts with DADS and will also have contracts with the MCOs

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# Enrollment Activities

- May 2014
  - Clients will be sent introduction letter, including MCO comparison chart, and links to provider directories
- June 2014
  - Clients will be sent enrollment packets with provider directory, MCO comparison chart, enrollment form, and frequently asked questions
- August 15, 2014
  - Mandatory managed care clients must choose an MCO or the State will auto-assign the client to an MCO
  - Clients may choose an MCO by phone or mail, and may change at any time
- September 1, 2014
  - MCO enrollment takes effect

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# Appeals and Fair Hearings

- Members may appeal to the MCO and/or file a fair hearing request with the State if services are denied, reduced, or terminated
- Services may continue during the review if the appeal or fair hearing is requested within the adverse action period and the member requests continued services pending the appeal

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# Provider Complaints

- Providers initially contact the MCO to file a complaint and must exhaust the MCO resolution process before filing a complaint with HHSC
- Appeals, grievances, or dispute resolution is the responsibility of the MCO
- Providers may file complaints with HHSC if they did not receive full due process from the MCO

# Complaints Contacts

HHSC

HPM Complaints

P.O. Box 85200, MC H-320

Austin, TX 78758

HPM_Complaints@hhsc.state.tx.us

*Remember to follow HIPAA guidelines and always send patient information securely.*

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# Next Steps

- Become familiar with STAR and STAR+PLUS MCOs operating in counties where you currently deliver services
- Begin contracting and credentialing process with MCO as quickly as possible
- Prepare to negotiate with the MCO to become a member of the MCO provider network

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# Questions?

Email

Managed_Care_Initiatives@hhsc.state.tx.us

Managed Care Initiatives Webpage

http://www.hhsc.state.tx.us/medicaid/MMC.shtml