Flexibilities Overview

• March 14, 2017 letter from HHS/CMS encouraged states to seek flexibilities in the administration of their Medicaid programs, including waivers to limit NEMT

• November 17, 2017 concept paper submitted to CMS
Prior Quarter Coverage Proposal

• Currently, Arizona covers enrollees three months prior to the month of application if the enrollee would have been eligible at any point during those months.

• Amendment submitted April 6 proposes limiting retroactive coverage to the month of application, consistent with AHCCCS policy prior to 2014.

• Waiver will encourage members to obtain and maintain health coverage, even when healthy, and to apply expeditiously.
Prior Quarter Coverage Costs

• In recent years, total amount paid to I.H.S./638s = approx. $2.5 million per year with approx. 1400 distinct members per year. Largest service category is outpatient.

• Community will need to assist those who may be eligible for Medicaid with applying without delay.
AHCCCS Works Waiver

• On December 19, 2017, AHCCCS submitted a request to CMS to implement AHCCCS Works

• To qualify for AHCCCS coverage, certain able-bodied adults 19-49 who do not qualify for an exemption must, for at least 80 hours per month:
  o Be employed or actively seek employment;
  o Attend school; or
  o Participate in employment support and development activities.
Proposed Exemptions, part 1

- Individuals who are not subject to mandatory managed care
- Individuals determined to have a Serious Mental Illness
- Individuals who are in active treatment with respect to a Substance Use Disorder
- Individuals determined to be medically frail
- Individuals receiving temporary or permanent long-term disability benefits (private or government), including workers compensation
Proposed Exemptions, part 2

- Designated caretaker of a child
- Caregiver who is responsible for the care of an individual with a disability
- Full time high school students
- Full time trade school, college or graduate students
- Individuals who are homeless
- Victims of domestic violence
- Beneficiaries receiving benefits under SNAP or a Cash Assistance Program
- Beneficiaries receiving Unemployment Insurance
AHCCCS will work with DES to leverage its existing workforce development programs

Examples of Employment Support & Development activities:
- disease management education
- health insurance competency courses
- healthy living classes
- parenting classes
- ESL courses
AHCCCS Works Population

- AHCCCS has 1.9 million members
- Approximately 400,000 are in the eligibility group that waiver pertains to
- Approx. 44,000 of that group are American Indian
- After applying known exemptions, approximately 200,000 could be subject to requirements
Current Landscape

• CMS issued guidance to states on community engagement waivers in January
• CMS has approved for Kentucky, Indiana and Arkansas
• KY going live in part of state as of July 1
• Litigation is pending in US District Court over the CMS guidance and the Kentucky waiver approval
• Approx. 10 other states have similar waivers in the queue
• Currently negotiating waiver approval with CMS and evaluating necessary AHCCCS operational changes
NEMT Waiver Framework

• Arizona’s NEMT waiver flexibility proposal would eliminate NEMT benefits for a very targeted population with income over 100% FPL living in urban areas.

• This waiver proposal will not affect people living in rural areas or American Indians.
NEMT Flexibility Waiver: Arizona Urban Area Map
NEMT Waiver Flexibility Framework

• Restrict NEMT for those who meet all the following criteria:
  ◦ Adults aged 19-49
  ◦ Income above 100% FPL
  ◦ Subject to mandatory managed care
  ◦ Do not have a disability or medical frailty
  ◦ Live in an urban area with adequate public transportation
NEMT Waiver Exemptions, Part 1

- NEMT benefits would remain unchanged for individuals who meet any of the following conditions:
  - Pregnant or post-partum up to 60 days
  - Individuals determined to have a serious mental illness (SMI)
  - Arizona Long Term Care System (ALTCS) enrollees
NEMT Waiver Exemptions, Part 2

- Acute care members residing in nursing homes or residential facilities when the member’s medical condition would otherwise require hospitalization
- Individuals eligible for Children’s Rehabilitative Services (CRS)
- Individuals eligible as Qualified Medicare Beneficiaries
NEMT Waiver Exemptions, Part 3

- Individuals receiving hospice care
- Individuals enrolled in the Breast and Cervical Cancer program
- Individuals receiving Adoption Subsidy or Foster Care Assistance under Title IV-E of the Social Security Act
- Individuals receiving Title IV-B Child Welfare Services
Urban Area Definition

• Urban areas in Maricopa and Pima counties that have adequate public transportation

• Specifically, the proposed restriction will be limited to zip codes in the Phoenix and Tucson metropolitan areas that have access to local bus services

Reaching across Arizona to provide comprehensive quality health care for those in need
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Prescription Drug Flexibilities

• Developing waiver proposal to obtain more leverage on prescription drugs
  o Exclude drugs until market prices are reasonable and cost effectiveness data exists
  o Establish formulary with at least 2 drugs per class/category (with exceptions)
Questions and Comments?

Thank you