

# MassHealth

## Section 1115 Waiver

### Demonstration Year: 20 (7/1/2016 – 6/30/2017)

### Quarter 2: October 1st – December 31st, 2016

#### **Introduction**

The Commonwealth of Massachusetts' current section 1115 Demonstration agreement (Project Number II-W-00030/I) was approved on October 30, 2014. It was amended on November 4, 2016 and is in effect until June 30, 2017. The goals of the Commonwealth under this demonstration period are:

- Maintain near-universal health care coverage for all citizens of the Commonwealth and reduce barriers to coverage;
- Continue the redirection of spending from uncompensated care to insurance coverage;
- Implement Delivery System reforms that promote care coordination, person-centered care planning, wellness, chronic disease management, successful care transitions, integration of services, and measureable outcome improvements; and
- Advance payment reforms that will give incentives to providers to focus on quality, rather than volume, by introducing and supporting alternative payment structures that create and share savings throughout the system while holding providers accountable for quality care.

In accordance with the Special Terms and Conditions (STCs) of the Demonstration and specifically STC 60, the Massachusetts Executive Office of Health and Human Services (EOHHS) hereby submits its quarterly operational report for Demonstration Year 20 for the quarter ending December 31, 2016.

#### **STC 62a – Financial/Budget Neutrality Development/Issues**

The attached budget neutrality (BN) statement includes actual expenditures and member months through Quarter 2 of state fiscal year (SFY) 2017 as reported through the quarter ending December 31, 2016 (QE 12/31/16). SFY 2017 expenditures and member months are projected by annualizing actual data from quarters 1 and 2. These data are combined with the MassHealth budget forecast as of December 31, 2016 for SFY 2017-2018 and Commonwealth Care and Health Safety Net (HSN) information provided by the state agencies that manage those programs.

This BN demonstration includes actual expenditure figures, updated according to the most recent complete data available for SFY 2015, SFY 2016, and SFY 2017. The enrollment data for

the years SFY 2015 through SFY 2017 were updated based on actual enrollment through January 2017.

#### Safety Net Care Pool (SNCP)

The three-year SNCP target is based on projected expenditures for SFY 2017-2019. The changes for SFY 2017 will continue to be updated as the fiscal year progresses.

#### Budget neutrality - summary

In sum, the total projected budget neutrality cushion is \$16.4 billion for the period SFY 2015 through SFY 2017 and \$33.3 billion for the period SFY 2009 through SFY 2022. We will continue to update CMS through quarterly reports as updated information is available.

#### **STC 62b - Enrollment in Premium Assistance and Small Business Employee Premium Assistance**

For reporting quarter Oct 1, 2016- December 31, 2016, MassHealth provided premium assistance to 17,272 health insurance policies (policyholders), resulting in premium assistance to 29,220 MassHealth eligible members and, by extension, providing the means for coverage for approximately 40,145 Massachusetts residents.

The Small Business Premium Assistance Program is still operating however the numbers continue to drop since the last reporting period. **As of December 2016 we had 70 active enrollments in the SBEPA program.** That is down 11 enrollments from last reporting period (we reported 81 active SBEPA enrollments as of June 2016). The drop in enrollments has been mainly due to either loss of MassHealth eligibility or private insurance, or the member was determined eligible for a richer benefit and has been transferred to a Premium Assistance benefit under another category of aid.

A new premium assistance project was implemented by MassHealth in fall of 2016 called Student Health Insurance Plan Premium Assistance (SHIP PA). This project allows current MassHealth members who are full-time college students and have access to SHIP through their college or university to enroll in their school's SHIP and receive MassHealth premium assistance. As of December 2016, 4,576 students elected to participate in the program. In November 2016, MassHealth received approval through the 1115 demonstration waiver to require that going forward, any full-time student enrolled on MassHealth must enroll in the SHIP plan if available. MassHealth eligible college students were previously able to waive out of electing SHIP however, moving forward it is mandatory that they enroll. Participation in the program is expected to grow significantly in fall 2017.

<b>Premium Assistance Program</b>	<b>Policies</b>	<b>MassHealth Eligible</b>	<b>Non-MassHealth Eligible</b>	<b>Total Covered by Policy</b>
<i>Standard and CommonHealth</i>	8,369	16,788	6,788	23,576
<i>Family Assistance</i>	3,813	6,902	4,098	11,000
<i>CarePlus</i>	407	823	31	854
<i>HIV</i>	37	61	0	61
<i>Small Business Employee Premium Assistance (SBEPA)</i>	70	70	8	78
<i>Student Health Insurance Premium Assistance (SHIP PA)</i>	4,576	4,576	0	4,576
<b>Total</b>	<b>17,272</b>	<b>29,220</b>	<b>10,925</b>	<b>40,145</b>

**STC 62b - Outreach/Innovative Activities**

***Certified Application Counselor Training and Communication***

MassHealth continues its extensive training and communication efforts to continually educate and inform the over 1,600 Certified Application Counselors (CACs) across 270 CAC hospitals, community health centers, and community service organizations. Collaboration with the Massachusetts Health Connector on these activities provides timely, uniform knowledge and messaging across all enrollment Assisters (CACs and the Health Connector Navigators, Broker Enrollment Assisters, Independent Enrollment Assisters).

CAC training and certification starts with successful completion of ten online, comprehensive certification training courses (over 850 pages) to prepare CACs to assist consumers in obtaining MassHealth/health insurance per ACA regulations, covering all aspects of MassHealth, subsidized and unsubsidized health coverage, as well as instruction on utilizing the paper and online applications in the most effective and efficient way. Learning for CACs continues throughout the year in the form of Assister emails, conference calls, webinars, meetings, and

other outreach activities. All CACs must take and pass a comprehensive assessment each fall to meet annual recertification requirements.

Frequent email communications are distributed to all enrollment Assisters on a wide variety of MassHealth eligibility and related topics, as well as refreshers, in order to help Assisters assist MassHealth applicants/members/consumers effectively. Thorough communications and trainings are provided for all application changes and Health Insurance Exchange (HIX) system releases. Regular one-hour conference call trainings are also provided for the Assisters, providing a more in-depth explanation and include detailed question and answer sessions with subject matter experts. Certain trainings are considered mandatory and CACs are required to complete the training within a specific time period in order to maintain CAC certification. Mandatory events cover key topics such as policy or process updates, certification course updates, and open enrollment activities.

#### October 1, 2016 – December 31, 2016

CAC outreach and educational activities intensified this quarter around the launch of the Assister Portal, annual CAC recertification, and Health Connector Open Enrollment activities. Over 90 emails and training reminders were sent, 23 conference calls held, and 5 in-person training sessions conducted to support these initiatives.

The rollout of the most significant initiative, the Assister Portal, started in November with five in-person training sessions across the Commonwealth for Phase I of the multi-phase rollout. The Assister Portal is an online tool that lets Massachusetts CACs and Navigators access the online application (HIX) with their own login. While logged in, CACs and Navigators can use the Assister Portal submit new applications, report changes, enroll in Health Connector plans, and more easily respond to member renewals and notices on behalf of the individual they are assisting. Other key Assister Portal features help Assisters as they plan for appointments, conduct outreach, and manage individuals they work with. A gradual, phased rollout approach has been successful in providing the right level of support for Assisters, customer service, training teams, and technical staff. It allowed time to assess training materials, call volume and types of questions being asked, and then make any necessary adjustments to ensure a proper use of the Portal and a successful rollout.

Access to the Assister Portal also requires an enhanced level of security safeguards due to the type of protected information Assisters are able to access as they help Individuals with their health insurance needs. For each phase of the rollout, we work closely with leads and IT contacts for each CAC organization to verify the identity of each CAC accessing the portal and to ensure that computers accessing the portal are authorized to do so. We support each phase with several pre-go live conference calls with CAC leads and CACs and a series of post-go live daily check-in calls to share tips and respond to questions as CACs set up accounts and start using this new, innovative tool.

MassHealth developed and launched a new, streamlined process for the federally-mandated, annual CAC recertification. The new process incorporates ongoing, mandated educational

activities occurring through the year with passing a comprehensive certification exam in December. Not only did this reduce the time CACs needed to recertify during what is typically a very busy time of year, but there were higher levels of participation and learning occurring for ongoing events.

Other activities conducted this quarter helped ensure Assisters were fully knowledgeable about Health Connector Open Enrollment activities including a training call, a series of check-in calls throughout Open Enrollment, new online shopping courses, and several Assister emails. Assister-specific email updates and conference calls also provided CACs with important details around MassHealth Mixed-Aged Household (Age 65 and Over/Under age 65) Renewals, Asset Verification, an update regarding MassHealth Student Health Insurance, and other MassHealth and Health Connector changes and improvements that support Assisters as they help consumers access and retain their health insurance coverage.

### **STC 62b - Consumer Issues**

#### **MassHealth In-Person Enrollment Events**

MassHealth began holding their own enrollment events in March and April, 2015, mainly for the purpose of continuing to help those in “Temporary” MassHealth coverage through the renewal/reapplication process. Members were assisted through the enrollment process from beginning to end, and provided the same services that MassHealth Enrollment Centers would provide, including assistance with applications for those age 65 and over.

In June 2015, MassHealth, working with each of the four MassHealth Enrollment Centers (MECs), as well as MassHealth’s Central Processing Unit (CPU), began to coordinate and hold renewal/enrollment events with community partners throughout the Commonwealth.

#### **October – December 2016**

In late October and throughout November, 2016, MassHealth held a special series of five enrollment events to aid MassHealth members in navigating some new policy changes that went into effect. Along with renewals related to these changes, MassHealth assisted those receiving the usual annual 2016 MassHealth renewal notices submit their renewals, and those who wished to apply for health coverage.

Each of these MassHealth events is located throughout the Commonwealth, with each MEC/CPU leading an event with assistance from Community Health Centers, enrollment Assisters, Navigators and others. MassHealth staff provides identity proofing support, account lookups/unlocks, and generally offers the same services that a member could find at a MassHealth Enrollment center, (including assistance with coverage for those ages 65 and over) as well as assisting them through the online application process.

Responsibility for publicizing events is split between MassHealth and the partnering Community Health Center. MassHealth develops individual event fliers and posters (in Spanish, English and other additional languages) containing all pertinent information for each event, as well as the logo of the partnering facility, and distributes them to the MEC/CPU offices. From there, they are distributed throughout as much of the event area as possible, including posting at the MEC/CPU offices. These documents are posted on the MassHealth website, as well as included as an informational flyer (in

Spanish and English), listing all event dates and locations, with the MassHealth renewal mailing packets that are mailed to members.

A link to our website is included in the Health Connector and University of Massachusetts Medical School websites, with UMass publicizing the events at the quarterly MassHealth Training Forums, held throughout the Commonwealth.

The social media communications plan, mentioned in the last quarterly report, drew a very good increase of tweeting activity statewide in response to these events, up 40+% since its inauguration. This included pre-event tweets, reminder tweets and tweet blogs during event series interims, as well live tweeting during the events. Though not yet implemented, it is still planned to prepare event press releases for distribution to local community newspapers, to be distributed in both hardcopy and digital media.

The community partner publicizes the events as well, mentioning the events to their walk-ins/patients, and through e-mails, local television and radio, as well as distributing flyers to homeless shelters, hospitals and any other applicable facility.

MassHealth enrollment events, both eligibly and MCO/ACO plan selection events will continue through calendar years 2017/18 and beyond, roughly every quarter, and as the need arises outside the quarterly series. In addition, we are also participating in various interim event activities throughout the state, in partnership with regional community health centers.

### **STC 62b - Member Education**

**Outreach/Innovative Activities - Member Education**The MassHealth Member Education representative continues to provide educational presentations and program updates to community advocate agencies, medical providers, internal and external state agency staff, program members, and any other interested parties per request.

In addition, the MassHealth Member Education representative attends scheduled meetings, collaborations, forums, and round tables to provide updated MassHealth program information and to offer Member Education presentations.

Updates include, but are not limited to, new policy and operational updates system navigation tools, troubleshooting assistance, and information about agency outreach efforts.

Member Education presentations are individually created to provide information per agency request. They are often targeted for specific populations that the agencies serve and provide program information that is appropriate to those populations.

The Member Education representative also plays an integral role on the Massachusetts Health Care Training Forum (MTF) "Convener" team. Members meet monthly to determine the MTF meeting format, agenda, and material presentation content. Member Education regularly presents MassHealth program information quarterly at each of the 4 regional MTF meetings.

**October 1, 2016 – December 31, 2016**

The Member Education Representative presented at 4 Massachusetts Health Care Training Forums and attended 23 community meetings providing program information and updates to participants, presented 4 tailored Power Point presentations to a numerous variety of stakeholders across the Commonwealth, for a total of 31 educational events.

### **STC 62b - Operational Issues**

During this quarter, MassHealth continued to work with the Massachusetts Health Connector and our systems integration vendor to enhance functionality in the HIX system. These enhancements included logic to implement Express Lane Renewals for MassHealth members who are also receiving SNAP benefits, and Administrative Renewals for MassHealth members with SSDI as their only source of income. These two streamlined renewal processes will automatically renew a member's eligibility based on information available from electronic data matches. In addition, MassHealth and the Health Connector implemented a new portal in the HIX for Certified Assistance Counselors (CAC) and Navigators (NAV). These certified assisters can use this portal to help members create profiles, applications, complete eligibility review forms, find health plan details, and complete health plan enrollment on behalf of the member.

Also during the quarter, MassHealth implemented the Asset Verification System to conduct checks of financial institutions for members subject to an asset test for eligibility. Otherwise, MassHealth operations for the Traditional Medicaid population (Aged, Blind, Disabled) continued as normal during this quarter.

### **STC 62b - Payment Reform Initiatives Related to Safety Net Care Pool, including DSTI, ICB grants and Payment Reform Efforts**

#### **DSTI**

STC 50(d) of the Demonstration authorizes the Commonwealth to extend the Delivery System Transformation Initiatives (DSTI) funded through the Safety Net Care Pool (SNCP). These initiatives are designed to provide incentive payments to support investments in eligible safety net health care delivery systems for projects that will advance the triple aims of improving the quality of care, improving the health of populations and enhancing access to health care, and reducing the per-capita costs of health care. In addition, DSTI payments will support initiatives that promote payment reform and the movement away from fee-for-service payments toward alternative payment arrangements that reward high-quality, efficient, and integrated systems of care.

During this quarter, MassHealth worked with the DSTI hospitals on their Community High-Utilizer (HU) Collaboratives. The goal of the collaborative is to review the overall care coordination and management process for the HU population and opportunities for further development, which may be highlighted through case reviews. The collaborative(s) will also

identify and address treatment and delivery system gaps within the community, with a focus on the HU population.

The collaboratives include medical, social, and/or behavioral health service providers, as applicable to the defined HU population or subpopulation. The collaborative(s) must include partners both within and outside of the hospital system. Community HU Collaboratives must be formally established, meet regularly, and include key local providers and relevant community partners that provide a significant portion of care for the hospital's HU population/ subpopulation.

Each DSTI hospital submitted a description of its structure to MassHealth for review over the summer. MassHealth reviewed and provided feedback on the structure and composition of the collaboratives to ensure that they addressed the needs of high utilizers. After incorporating this feedback, MassHealth approved all of the hospitals' Community HU Collaboratives.

### *Infrastructure and Capacity Building Grants (ICB)*

Pursuant to the MassHealth 1115 Demonstration 11-W-00030/1, the Commonwealth distributed \$20,000,000 in Infrastructure and Capacity Building (ICB) grants for Fiscal Year (FY) 2015 in accordance with Special Term and Condition (STC) 54(c), STC 55(c), Charts A and B of Attachment E, and Expenditure Authority Section 19.<sup>1</sup>

The purpose of this program is to help providers establish integrated delivery systems that provide more effective and cost-efficient care to patients in need. Through these projects, EOHHS continues the development and implementation of best practices, cost containment and quality improvement initiatives. The grants also encourage and support Mass HIway participation and health exchange information.

Seventy-eight ICB projects began in December 2015 with initial terms ending on June 30, 2016. EOHHS approved 45 extensions to ICB grantees who sought to extend the duration of their projects. As of December 31, 2016, EOHHS had received a total of 69 final reports. EOHHS is currently working with three grantees whose reports required further information, such as final data calculations and budget reports. EOHHS is working with grantees to finalize the nine outstanding reports. EOHHS began reviewing the final reports in Q2 SFY 2017 to ensure projects were completed and funding was spent appropriately.

The grantees' final report submissions illustrate the success of the projects. For instance, one grantee, whose primary population speaks Spanish, hired bilingual nurses, navigators, and a social worker with experience in behavioral health to provide culturally and linguistically appropriate care. Another adopted an analytics server to integrate with existing databases and provide a platform facilitating the maintenance and distribution of reports, offering interactive

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<sup>1</sup> Note the ultimate distribution was \$19,274,288, as two awardees elected not to perform projects and returned their payments.

features to medical care teams, and creating dashboards supported by real-time data to assist providers with care management. A third grantee utilized different educational tools to teach staff how to better care for patients with diabetes.

In a particularly noteworthy project, one grantee worked to provide safe care transitions for vulnerable patient populations and to avoid unnecessary readmissions. The grantee developed a multi-stakeholder Cross Continuum Transition Team and focused on targeted interventions such as medication reconciliation and outreach, post-acute care navigation services, and discharge education. The grantee took an innovative, multi-disciplinary approach to care transitions, enlisting resources in nutrition, medicine, financial coordination, occupational therapy, social services, mental health, and churches to support discharged patients in the community. As a result, the provider developed realistic and achievable plans for meeting the needs of patients at high-risk for readmission.

On November 16, 2016, EOHHS issued the procurement for the next round of ICB grants. EOHHS will make payments pursuant to the procurement to support two categories of ICB:

- Project A: Support for Pilot ACOs' Implementation of their Total Cost of Care and Quality Management Model
- Project B: Support for Primary Care Payment Reform (PCPR) Providers' Continued Integration of Care

As of February 21, 2017, EOHHS was finalizing contracts with nine awardees, six of which will complete Project A and three of which will complete Project B.

### *Payment Reform Activities*

During this quarter, MassHealth finalized contracts and began operations for the ACO Pilot program with 6 Pilot ACOs on December 1st, 2016. Approximately 150,000 members are now experiencing accountable care through the 320 practices participating in the ACO pilot program. MassHealth produced test claims and member roster reports in November, and created the first production versions of these reports in December. A monthly series of ACO implementation meetings was begun with the ACOs in November, where implementation concerns could be discussed with the Pilot ACOs. Based on ACO feedback from these meetings, changes were made to the format of claims reports and member rosters to make them easier for ACOs to use in their existing data systems. Changes to our MMIS claims processing system allowed a new claims edit to be applied that reflected when a claim that would have been otherwise denied due to a referral requirement was paid because the rendering provider was listed on an ACO specific list of referral circle providers, which in the first month of operation was used to pay more than 5,000 claims.

MassHealth also produced four amendments to our Full ACO program procurement totaling

over 150 pages, and four additional bidder's conferences for potential bidders on the Full ACO program. The ACO program team answered over 200 questions on the Full ACO program and the associated procurement in a Q and A document, and produced a 30+ page document on our pricing methodology used in determining ACO capitation rates and TCOC targets.

### **STC 62b - Quality Assurance/Monitoring Activity**

Quality activities for the quarter ending December 31, 2016 cover the following topics:

- Managed care quality monitoring activities
  - One Care Program quality monitoring activities
  - Managed Care Program quality monitoring activities
  - Senior Care Options (SCO) Program quality monitoring activities
  - External Quality Review Organization (EQRO) Activities
- Payment Reform Quality Activities
  - Primary Care Payment Reform quality monitoring activities
  - MassHealth Quality Committee
  - MassHealth ACO Quality Strategy Workgroup and Sub-Groups
  - External Accountable Care Organization (ACO) Quality Workgroup
- CMS Quality Grant activities
  - CMS Adult Medicaid Quality grant
  - Contraceptive Use grant

### **Managed Care Quality Activities**

#### ***Managed Care Program (under 65, non-disabled)***

Data from the MCO IDSS submissions were extracted, analyzed, and evaluated with regard to past performance and national Medicaid benchmarks. Performance information was used to identify areas for potential quality improvement efforts. A formalized report detailing MCO and overall MassHealth performance is being drafted and should be posted to the MassHealth website in Quarter 3.

In Quarter 2, the MassHealth Quality Office (MQO) conducted a formalized review of the MCO plans' QIP submissions required as part of the QI section of the current MCO contract. The MCO submissions present information about work that was conducted in calendar year 2015. Reports for each MCO regarding their performance have been drafted and are currently under review by MassHealth Leadership. It is anticipated that the MCOs will receive feedback on their submission in Quarter 3.

External Quality Review activities for 2016 wrapped up during Quarter 2. Scores for the performance improvement project and performance measure validation were finalized and drafts of the technical reports were developed. Technical reports for the MCOs are currently

being reviewed by MassHealth Leadership. It is anticipated that technical reports will be distributed to plans in Quarter 3.

### ***One Care Program (under 65, disabled)***

On an ongoing basis, quality and other performance measures continue to be addressed with plans on the bi-weekly contract management check-in calls. These phone calls allow MassHealth and CMS contract managers to touch frequently on quality related questions, and provide targeted guidance to the individual plan. Ongoing activities often discussed on the bi-weekly contract management phone calls include HEDIS submissions, CAHPS surveys, state specific measures, CORE measures, appeals, and grievance activities.

During this quarter, the One Care plans submitted all required data and wrapped up the onsite/telephonic review process for the 2016 External Quality Review (EQR). Preliminary scores for the performance improvement project and performance measure validation were calculated and plans were asked to submit more information when necessary. The EQR vendor will spend the early part of 2017 drafting the technical reports with the goal of having them finalized March 2017.

### ***SCO Program (65 and over)***

During the second quarter, review of the SCO HEDIS data was initiated. Analysis and evaluation of the SCO data will continue into Quarter 3 and will culminate in the development of SCO HEDIS report compare individual SCO plan performance against other MassHealth SCO Plans and national benchmarks.

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## **External Quality**

### ***Review Activities***

The EQRO completed performance measure validation activities for managed care entities and finalized performance improvement validation scores, which represented the remaining activities for this reporting cycle. The EQRO produced technical reports for the MCO and SCO programs, with OneCare technical report drafts slated for completion in Quarter 3. Planning continued for the 2017 review cycle, including triennial compliance activities and modifications to the performance improvement activities. The EQRO's revision of the performance improvement project template began in December and will be finalized in March.

### ***Primary Care Payment Reform (PCPR)***

Primary Care Payment Reform (PCPR) performance improvement activities for the reporting quarter comprise data aggregation and calculations to determine P4R/Q for YR 2 (2015) of the Program. The YR 2 Quality incentive plan is a combination of P4R (10 clinical measures) and P4Q (two measures). Performance in the 12 measures are calculated for each practice and then combined to determine organizational performance and finally at the risk pool level. Performance at the risk pool levels modifies the amount of incentive payment each organization receives for YR 2. The calculations and reports for YR 2 2015 performance scores were completed in Q4 2015. The reports were distributed to the practices in mid-January 2017. Payment is pending final approval of MassHealth leadership.

### ***MassHealth Quality Committee***

The goal of the MassHealth Quality Committee is to support and inform development and alignment of quality goals, strategies and activities across current and new programs. After a brief hiatus, the Quality Committee recommenced meeting in October 2016. The Committee, which meets monthly, includes representatives from each of the core MassHealth programs. Work of the Quality Committee in Quarter 2 has focused primarily on updating the MassHealth managed care quality strategy and aligning quality metrics across the various MassHealth program.

### ***MassHealth ACO Quality Strategy Workgroup and Sub-Groups***

The internal ACO Quality Strategy Workgroup finalized the preliminary quality measure slate and began developing and refining the specifications for each measure. Additionally, the workgroup initiated the process of soliciting input on potential patient experience tools (CAHPS) as well as any needed supplemental question sets required to accomplish program objectives. It is anticipated that this work will continue to into the next quarter.

### ***ACO External Quality Workgroup***

During this quarter, the ACO External Quality Workgroup continued the process of reviewing modifications to the ACO quality measure slate as well as continued to discuss benchmarking and payment methodologies. Additionally the external Workgroup began the process of exploring different options for reporting clinical quality data back to MassHealth, e.g. use of web based data portal or secure file transfer site.

## **CMS Grant Activities**

### ***CMS Adult Core Quality Grant***

All activities related to the CMS Adult Core Quality Grant were completed during the quarter 2, including those related to AIM 3 for which there was a no cost extension. A final grant report has been drafted and will be submitted to CMS in March 2017.

### ***Contraceptive Use Grant***

During this quarter, the Title X data set was received by MassHealth, and analysis of the data set was begun. The goal of the analysis is to examine the use of most/moderately effective methods of contraception, including LARCs, across all Title X providers, and support the creation of reports for providers of family planning services, as a foundation for provider-based improvement activities. The grant team plans to develop a test a draft of such a report with a defined group of Title X providers, and then support those providers in identifying and developing improvement activities. The project also plans to explore the possibility of using this data to calculate the contraceptive measure and its associated sub-measures and the comparing those rates to rates calculated using MassHealth claims data, to identify opportunities for improving the measure rate calculation.

Input from providers on the initial draft report will be sought through the grant's second round of provider interviews in the next quarter.

Work on calculating the contraceptive measure that is part of CMS' MIHI measure set was also undertaken this quarter, to prepare for the submission of the measure rate to CMS in January, as required under the terms and conditions of this grant.

### **STC 62c - Policy Development/Issues**

During this quarter, considerable policy development efforts took place. Most importantly, CMS approved Massachusetts' new 1115 Waiver. The approval was for both an Amendment to the current Waiver, which will be effective until June 30, 2017, as well as a five-year Extension. The Extension will begin on July 1, 2017 and is authorized through June 30, 2022.

The new Waiver provides the opportunity for Massachusetts to move from its current fee-based model to a system of Accountable Care Organization models (ACO) who will work in close partnership with community-based organizations to better integrate care for behavioral health, long-term services and supports and health-related social needs.

The Extension also authorizes the new Delivery System Reform Incentive Program (DSRIP) funding to support the move to ACOs, invests in Community Partners for behavioral health and long term services and supports, and allows for innovative ways of addressing the social determinants of health. It also authorizes safety net care payments over five years to hospitals and the health safety net for the uninsured and underinsured, and for subsidies to assist

consumers in obtaining coverage on the Massachusetts Health Connector. In addition, the Waiver allows for an expansion of the services provided for substance use disorder treatment.

The Extension to the Waiver has five broad goals:

1. Enact payment and delivery system reforms that promote integrated, coordinated care; and hold providers accountable for the quality and total cost of care
2. Improve integration of physical health, behavioral health, LTSS, and health-related social needs
3. Maintain near-universal coverage
4. Address the opioid addiction crisis by expanding access to a broad spectrum of recovery-oriented substance use disorder (SUD) services

**STC 62d - Enrollment Information**

<b>Eligibility Group</b>	<b>Enrollees as of December 31, 2016</b>
<i>MassHealth Demonstration</i>	
Base Families	818,395
Base Disabled	226,833
1902 (r) (2) Children	31,399
1902 (r) (2) Disabled	18,403
Base Childless Adults (19-20)	27,128
Base Childless Adults (ABP1)	25,012
Base Childless Adults (CarePlus)	307,841
BCCTP	1,182
CommonHealth	21,818
e - Family Assistance	8,714
e - HIV/FA	646
SBE/IRP	76
Safety Net Care Pool	
Base Fam XXI RO*	
1902 (r) (2) XXI RO*	
CommonHealth XXI*	
Fam Assist XXI*	
Asthma	
Autism	
TANF/EAEDC	61,800
End of the Month Coverage	
<i>Total Demonstration</i>	<b>1,549,247</b>

### **Delivery System for MassHealth-Administered Demonstration Populations**

	<b>SFY2016 Q4</b>	<b>SFY2017 Q1</b>	
<b>MassHealth Enrollment (Members)</b>	<b>Average</b>	<b>Average</b>	<b>Difference</b>
MCO	393,762	387,960	-5,802
PCC	886,305	886,617	312
FFS / PA	601,310	611,455	10,145
Total	1,881,376	1,886,032	4,655
MBHP (Includes PCC and TPL)	461,632	460,481	-1,151
PA Only (included in FFS above)	20,056	20,441	385

### **STC 62f - Safety Net Care Pool**

MassHealth continued to work on a number of Safety Net Care Pool (SNCP) Initiatives. In particular, Massachusetts worked with CMS to gain approval of its 1115 Waiver Extension, which restructured many portions of the SNCP, effective July 1, 2017.

The SNCP authorized under the Extension has evolved to support health system transformation and infrastructure expenditures, both aimed at improving health care delivery and thereby improving access to effective, quality care. The new agreement renews the federal and state commitment to the safety net by authorizing nearly \$8 billion of SNCP payments over the next five years. It includes funding for the Delivery System Reform Incentive Program (DSRIP), subsidies to assist consumers in obtaining affordable coverage on the Massachusetts Health Connector, and funding for uncompensated care by safety net providers, including through the Health Safety Net, and for non-state, public hospital incentive programs. Under the new Waiver, the number of safety net providers expands from seven to fifteen in the SNCP.

### **STC 62h - Evaluation Activities and Issues**

MassHealth received approval for its new 1115 Waiver Extension during this quarter. As a result, we are beginning to work on the evaluation design for the Extension. The overall evaluation will encompass the DSRIP evaluation. This will require evaluation of the success of delivery system reform based on many factors, including patient satisfaction, cost and quality of care, shared savings and losses, and the overall success of the Community Partners program. MassHealth will also work with the evaluator on designing metrics for determining maintenance of universal coverage and support to safety net providers, as well as the expansion of substance use disorder treatment.

Additionally, MassHealth will be working to procure an independent DSRIP assessor. The assessor will review ACO and CP proposals, progress reports, and other related documents to ensure compliance with approved STCs and Protocols. The assessor will also assist with the

progress reports and mid-point assessment and any other ongoing reviews of the DSRIP project plan; and assist with continuous quality improvement activities.

**State Contact**

For any questions or comments regarding this quarterly report, please contact:

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**Date Submitted to CMS**

02/28/2017

**Federal Budget Neutrality Summary** SUBJECT TO PUBLIC COMMENT PROCESS

**Room Under the Budget Neutrality Cap** \$ **33,292,119,233**

State Fiscal Year	Total				
	Date of Service Budget Neutrality Ceiling*	CMS 64 Waiver Date of Service Expenditures	BN Savings Phase-Down	SNCP Expenditures	Variance
<b>Third Waiver Extension Period</b>					
SFY09 Actual	\$ 6,777,034,966	\$ 4,811,977,227			\$ 1,965,057,740
SFY10 Actual	\$ 7,753,610,499	\$ 5,322,714,724			\$ 2,430,895,775
SFY11 Actual	\$ 8,752,471,380	\$ 6,024,863,090			\$ 2,727,608,291
SFY09-11 SNCP				\$ 4,750,359,454	\$ (4,750,359,454)
	<b>\$ 23,283,116,845</b>	<b>\$ 16,159,555,040</b>		<b>\$ 4,750,359,454</b>	<b>\$ 2,373,202,351</b>
<b>Fourth Waiver Extension Period</b>					
SFY12 Actual	\$ 9,367,766,216	\$ 6,149,878,281			\$ 3,217,887,934
SFY13 Actual	\$ 10,066,274,983	\$ 6,157,848,070			\$ 3,908,426,914
SFY14 Actual	\$ 11,274,142,310	\$ 6,806,222,911			\$ 4,467,919,399
SFY12-14 SNCP				\$ 2,894,075,555	\$ (2,894,075,555)
	<b>\$ 30,708,183,509</b>	<b>\$ 19,113,949,262</b>		<b>\$ 2,894,075,555</b>	<b>\$ 8,700,158,692</b>
<b>Fifth Waiver Extension Period</b>					
SFY15 Actual	\$ 13,362,212,526	\$ 7,059,833,953		\$ 2,066,705,200	\$ 4,235,673,373
SFY16 Actual	\$ 14,748,290,047	\$ 7,705,168,815		\$ 1,267,299,033	\$ 5,775,822,199
SFY17 Projected	\$ 15,639,356,037	\$ 8,002,365,535		\$ 1,251,499,033	\$ 6,385,491,469
SFY15-17 SNCP					\$ -
	<b>\$ 43,749,858,610</b>	<b>\$ 22,767,368,302</b>		<b>\$ 4,585,503,266</b>	<b>\$ 16,396,987,042</b>
<b>Sixth Waiver Extension Period</b>					
SFY18 Projected	\$ 17,376,509,368	\$ 8,346,440,119	\$ 6,666,330,187	\$ 1,871,000,000	\$ 492,739,063
SFY19 Projected	\$ 18,514,565,709	\$ 8,740,842,838	\$ 7,301,623,251	\$ 1,693,000,000	\$ 779,099,620
SFY20 Projected	\$ 19,778,920,806	\$ 9,070,410,117	\$ 7,999,648,235	\$ 1,525,000,000	\$ 1,183,862,453
SFY21 Projected	\$ 21,164,359,534	\$ 9,455,019,862	\$ 8,765,264,607	\$ 1,450,000,000	\$ 1,494,075,065
SFY22 Projected	\$ 22,686,496,367	\$ 9,858,516,543	\$ 9,605,984,877	\$ 1,350,000,000	\$ 1,871,994,947
SFY18-22 SNCP					\$ -
	<b>\$ 99,520,851,784</b>	<b>\$ 45,471,229,479</b>	<b>\$ 40,338,851,157</b>	<b>\$ 7,889,000,000</b>	<b>\$ 5,821,771,148</b>
<b>Total</b>	<b>\$ 173,978,893,903</b>	<b>\$ 87,352,547,043</b>	<b>\$ 40,338,851,157</b>	<b>\$ 15,368,578,821</b>	<b>\$ 33,292,119,233</b>

\* Calculation will vary based on annual Federal DSH Allotment