Maryland HealthChoice Demonstration
Section 1115 Quarterly Report
Demonstration Year 18 (July 1, 2014 – June 30, 2015)
State Fiscal Fourth Quarter (April 1, 2015 – June 30, 2015)

Introduction

Following approval of the 1115 waiver by the Health Care Financing Administration (now the Centers for Medicare and Medicaid Services, CMS) in October 1996, Maryland implemented the HealthChoice program and moved its fee-for-service and health maintenance organization (HMO) enrollees into a managed care payment system beginning in July 1997. HealthChoice managed care organizations (MCOs) receive a monthly predetermined capitated payment in exchange for providing covered services to enrollees. July 2014 marked the beginning of the eighteenth waiver year providing oversight to the continuing standards of high quality coordination of care and controlling Medicaid costs, by:

- Providing a patient-focused system with a medical home for all beneficiaries;
- Building on the strengths of the established Maryland health care system;
- Providing comprehensive, prevention-oriented systems of care;
- Holding MCOs accountable for high quality care; and
- Achieving better value and predictable expenses.

Subsequent to the initial grant, Maryland requested and received several program extensions, in June 2002, June 2005, August 2008 and June 2011. Maryland submitted its most recent renewal request on June 28, 2013. It sought a continuation of HealthChoice and made allowance for Maryland to include Medicaid expansion adults to be part of HealthChoice. The renewal was approved for another three-year extension from November 1, 2013 through December 31, 2016. The Medicaid expansion resulted from the Affordable Care Act (ACA) and surpassed the expectation to increase HealthChoice enrollment by 190,000 in fiscal year 2014, instead enrolling over 200,000 new members by June 30, 2014. For additional information, please see www.marylandhealthconnection.gov.

Enrollment and Enrollment Broker Activities

In the fourth quarter of fiscal year (FY) 2015, HealthChoice (HC) enrollment reached 1,019,729 individuals, representing 82 percent of the state's Medicaid population, and a decrease of 85,734 individuals from the previous quarter.[1] This HC figure includes the new eligibility categories added under the ACA: newly-eligible parents, childless adults and former foster care children up to twenty-six years old. They are accounted for as ACA Expansion Adults in the following enrollment section.

[1] The State received a 1902(e)(14) waiver, which extended redeterminations at the start of Medicaid expansion. The redetermination process resumed during this quarter, resulting in the decrease in enrollment.

Table 1: Average Monthly Enrollees

Demonstration Populations	Enrollees (avg. for the quarter)
SSI/BD	105,486
Medically Needy	33,759
Pregnant Women	8,729
MCHP	107,209
MCHP Premium	23,203
Medicaid Children	445,013
Parent/Caretaker Adults	221.456
Family Planning	14,881
ACA Expansion Adults	223,268

There were nearly 18,000 newly-eligible recipients each month this quarter. The voluntary enrollment rate (VER) has been under the required 80 percent contract standard, due to the increased number of new enrollments each month. Call volume for the quarter is reported at over 30,000 calls received each month. The service level for the Call Center has been maintained at a 93 percent standard.

Table 2: Enrollment Broker Report

		April 2015	May 2015	June 2015
Voluntary Enrollment Data	Enrollments	10,275	12,414	12,946
	Transfers	4,103	3,244	3,405
	Providers Selected	7,330	9,543	9,611
	Valid PCPs Selected	6,666	8,644	8,761
	Complete HRAs	17,049	18,620	18,405
Call Center Data	Calls Received	33,690	31,081	31,494
	Abandon Rate	6.6%	6.2%	6.3%
	% Answered < 3 Min	88.9%	90.4%	90.7%
	Overall Service Level	93.5%	93.8%	93.8%
	Outbound Calls	37,456	30,070	28,176
Enrollment Source Data	Phone	8,902	10,691	10,879
	Mail	474	813	1,048
	Field	899	910	1,019
Outreach Data	Presentations	7	7	6
	Face-To-Face Requests	235	225	235

Maryland Children's Health Program (MCHP)

Effective June 1, 2008, Maryland moved its separate CHIP program, Maryland Children's Health Program (MCHP) Premium, into the Medicaid expansion CHIP waiver, so that Maryland's entire CHIP program is operated as a Medicaid expansion. As of June 30, 2015, the Premium program had 22,958 enrollees, with MCHP at 107,483 enrollees.

Affordable Care Act Expansion

On January 1, 2014, Medicaid eligibility income under the new household modified adjusted gross income (MAGI) rules became effective. The new annual income limit (138 percent of Federal Poverty Guidelines) increased the number of parents and caretaker relatives receiving comprehensive health care coverage, in addition to extending Medicaid coverage to childless adults under 138 percent FPL and former foster care youth up to age 26.

Family Planning Program

The HealthChoice waiver allows the state to provide a limited benefits package of family planning services to eligible women. The program covers medical services related to family planning, including office and clinic visits, physical examinations, certain laboratory services, treatments for sexually-transmitted infections, family planning supplies, permanent sterilization and reproductive health counseling, education and referrals. Average enrollment for the fourth quarter of FY 2015 was 14,881 women, an increase of 1,251 over the third quarter. While enrollment in the Family Planning Program was expected to decrease as a result of the Medicaid expansion, this quarter's increase can be explained by a phenomenon generated by the Maryland Health Connection's eligibility rules. The new Maryland Health Connection, which went live in November 2014, was designed to provide temporary eligibility for 90 days while applicants submitted pending verifications for full Medicaid coverage. Pregnant women applicants who fail to provide the necessary Medicaid verifications during this time period were automatically enrolled in the Family Planning Program. As of the end of the fiscal year, the Maryland Health Connection had successfully implemented an eligibility rule change to roll back the 90-day temporary eligibility period.

As of January 1, 2012, Maryland Medicaid's Family Planning Program expanded access to allow all women at less than 200 percent of the FPL to apply for and receive family planning services, as a result of the *"Family Planning Works Act"* passed in 2011. Women who receive pregnancy coverage under the Maryland Children's Health Program will continue to be automatically-enrolled, if eligible, following the end of their pregnancy-related eligibility.

Rare and Expensive Case Management (REM) Program

Table 3 displays the types and totals of referrals received and processed by the REM intake unit during the year.

Table 3: REM Referrals

FY 2015	Referrals Received	Referrals Approved	Referrals Denied	REM Disenrollments	Currently Enrolled in REM
Quarter 1	206	177	77	119	4,258
Quarter 2	206	140	67	130	4,266
Quarter 3	255	199	68	98	4,314
Quarter 4	233	184	94	121	4,337

REM intake and referral staff reviewed and processed an average of 78 referrals per month during this quarter.

The REM Quality Improvement (QI) clinical coordinator completed an on-site quality review during this quarter, which included assessment reports, interdisciplinary plans of care, case notes and case management plans for 20 recipients. All deficiencies found in the documentation were noted in the findings report, and a corrective action plan was received to address them. Additionally, a review of contract-required activities was completed, with the agency achieving 90.3 percent compliance with required QI indicators.

Expenditure Containment Initiatives

During this quarter, Myers & Stauffer (M&S) finalized all MCO financial reviews for 2013, and the MCOs reported incurred but not reported (IBNR) was independently evaluated. Consolidated reports were also prepared. Instructions and templates for 2014 data were provided to the MCOs in March. Due on May 15, 2015, these reports reflect the Service Year 2014 MCO experience as of March 31, 2015.

In May, MCOs provided Service Year 2014 HealthChoice Financial Monitoring Reports (HFMRs)--including Financial Templates—as of March 31, 2015. These data were used by the University of Maryland, Baltimore County (UMBC) and Optumas to assist in the HealthChoice trend analysis and regional analysis, and for the validation process of CY 2016 HealthChoice rates. Unadjusted consolidated 2014 HFMRs by region were provided to all MCOs on June 19, 2015. MCOs will have an opportunity to update their Service Year 2014 experience in November. The 2014 submission in November will likely be the base period for the 2017 HealthChoice rate-setting period. In addition to the normal HFMR submission, MCOs were also required to provide a Substance Use Disorder report, per specifications developed by the Department.

Similar to the HealthChoice Program, an independent review of the Maryland Primary Adult Care (PAC) Program was performed by M&S for Calendar Year 2013. This completed the MCO financial reporting requirements for the PAC program, which ended December 31, 2013.

Table 4: Member Month Reporting

Eligibility Group	April 2015	May 2015	June 2015	Total for Quarter Ending June 2015
SSI/BD	105,410	105,555	105,492	316,457
Medically-Needy	34,450	33,871	32,955	101,276
Pregnant Women	8,985	8,701	8,501	26,187
MCHP	106,782	107,363	107,483	321,628
MCHP Premium	22,958	23,350	23,300	69,611
Medicaid Children	453,968	445,700	435,371	1,335,039
Parent/Caretaker Adults	227,168	221,690	215,511	664,369
Family Planning	14,662	15,047	14,935	44,644
ACA Expansion Adults	227,931	223,959	217,915	669,805

Consumer Issues

The following tables display an account of the complaints, grievances and appeals made to the Department on behalf of HealthChoice Recipients as reported to Recipient Hotline and Complaint Resolution Unit for the quarter.

Table 5: HealthChoice Recipient Complaints			
Appointment Availability	0	Quality of Care	0
Authorization/Referral PRTF Demonstration	224	Other	38
Billing	81	MCO Issue	35
Network Access	0	Member Issue	370
Office Access	0	Provider Issue	13
Provider Billing	44		
Total HealthChoice Recipient Complaints Received			**855**

Table 6: Children with Special Needs Complaints	
Cerebral Palsy	3
Attention Deficit Disorder/Hyperactivity	2
Developmental Delay	1
Congenital/Metabolic Disorders	9
Respiratory Conditions	6
Lead Poisoning	0
Other	1
PRTF Demonstration	0
Autism	1
Mental Health	5
Total	**28**

Table 7: Adults with Special Needs Complaints	
Individuals with a Physical Disability	13
Pregnant Women	141
Homeless	5
Developmental Disability	2
HIV/AIDS	4
Substance Abuse Treatment	3
Mental Health	12
Rare & Expensive Case Management	0
Hearing Impaired	0
Total	**180**

Table 8: Appeal Rights Issued	
Ten-Day	11
Denial	1
Compromise	0
Directive	0
Total	**12**

Table 9: Hearing Activity	
Hearings Requested	0
Hearings Held	0
Decision Upheld	0
Decision Overturned	0

Table 10: REM Complaints and Significant Events									
FY 2015 Q4	**Transportation**	**Dental**	**DMS/DME**	**EPSDT**	**Clinical**	**Pharmacy**	**Case Mgt.**	**REM Intake**	**Other**
REM CM	0	0	0	0	0	0	5	0	0
REM	0	0	0	0	0	0	1	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**6**	**0**	**0**

The following table displays the types and total of significant events reported by the case management agencies during this quarter. Agencies report this information on a monthly basis.

Table 11: Case Management and Significant Events								
FY 2015 Q4	**DMS/ DME**	**Legal**	**Media**	**Other**	**Protective Services**	**Appeals**	**Services**	**Total**
REM Enrollees	3	14	0	69	16	5	11	**118**

Quality Monitoring

The Division of HealthChoice Quality Assurance (DHQA) monitors HealthChoice Managed Care Organizations (MCOs) quality assurance activities in accordance to COMAR 10.09.65. All Quality Assurance activities reports are available online at: https://mmcp.dhmh.maryland.gov/healthchoice/SitePages/HealthChoice%20Quality%20Assurance%20Activities.aspx

Systems Performance Review (SPR)

In April, Delmarva and the Department held conference calls with the individual MCOs to discuss the CY 2014 SPR findings. Five MCOs had scores below the minimum threshold and were required to submit a corrective action plan (CAP) to Delmarva for review and approval. All submitted CAPs were found to adequately address the identified deficiencies. The individual MCO CY2014 SPR reports were posted to the MCOs' portals for review.

Value Based Purchasing (VBP)

In May, Delmarva completed validation of the CY2014 Ambulatory Care and Lead measure VBP Preliminary Results, which had been produced by Hilltop. There were no issues with either measure. Delmarva also shared its findings to the Department.

Performance Improvement Projects (PIP)

The annual submissions for the current Adolescent Well Care and Controlling High Blood Pressure PIPs are due September 30, 2015. Riverside Health of Maryland is required to participate in the September PIPs submission, which will be the first submission for this MCO.

Annual Technical Report (ATR)

The Department reviewed and approved the CY 2014 ATR, which Delmarva submitted to CMS by the April 30 deadline.

Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Medical Record Reviews

The CY 2014 EPSDT onsite Medical Record Review is currently being performed by Delmarva's Nurse Review team. The Department anticipates the CY2014 EPSDT reviews to be completed by the end of July.

HealthChoice Consumer Report Card

In late June, Delmarva provided the Department with the draft Information Reporting Strategy & Analytic Methodology for the 2016 Maryland HealthChoice Consumer Report Card, which was prepared by the National Committee for Quality Assurance (NCQA). This draft is under review by the Department for comments and final approval.

HEDIS® Performance Review

In May, HealthCareData Company, LLC (HDC) completed the medical record review validation on schedule without finding issues with any of the MCOs. NCQA released a new MCO audit requirement on June 25, 2015 that requires health plans to produce a Patient Level Detail File. Auditors completed review and validation of all Interactive Data Submission System submissions from the MCOs by the June deadline. HDC has initiated a data use agreement with NCQA that will allow HDC to benchmark each HEDIS measure reported by the HealthChoice plans against NCQA national benchmarks. HDC attended the June Quality Assurance Liaison Committee (QALC) meeting and provided information on the remaining key dates for the 2015 HEDIS® audit, proposed 2016 HEDIS® specification changes, supplemental data guidelines and the required full HEDIS® compliance audit report for 2016.

HealthChoice Enrollee Satisfaction Survey

WBA Research (WBA) completed all data collection from the mail phase of the survey in April, and the telephone follow-up phase of the survey was completed in May. WBA attended the June QALC meeting and provided an update that included estimated response rates for the 2015 survey. WBA processed member-level data files in May and submitted this information to NCQA and the National Consumer Assessment of Healthcare Providers and Systems (CAHPS) Benchmarking Database in June.

Provider Satisfaction Survey

Similar to the HealthChoice Enrollee Satisfaction survey, WBA completed all data collection from the mail phase of the provider survey in April, and the telephone follow-up phase of the survey was completed in May. Additional data collection activities involved online surveys, as providers were again given the option of completing the surveys online. WBA attended the June QALC meeting and provided an update that included estimated response rates for the 2015 survey. Final analysis of the survey data is underway by WBA.

Public Behavioral Health System (PBHS)

The Mental Hygiene Administration (MHA) merged with the Alcohol and Drug Abuse Administration (ADAA), effective July 1, 2014. The Behavioral Health Administration (BHA), in conjunction with the Core Service Agencies (CSAs), Local Addiction Authorities (LAAs) and the Administrative Service Organization (ASO), continues to review and address programmatic and budgetary issues in the management of the Public Behavioral Health System (PBHS). The PBHS has seen an increase of almost 68 percent in Medicaid consumers served in FY 2014 as compared to FY 2008, and an increase of about eight percent between FY 2013 and FY 2014.

The PBHS continued to work with Medicaid on:

- The Section 1915(i) state plan amendment entitled *"Intensive Behavioral Health Services for Children, Youth and Families"* was approved by CMS effective October 1, 2014. Activities during the past quarter have included a series of monitoring site visits of Care Coordination Organizations which play a central role in this program. In addition, the 1915(i) implementation team has finalized protocols for both participant and provider enrollment into the program.

- *Implementation of telemental health services in designated jurisdictions.* The BHA submitted a state plan amendment submitted to CMS to reimburse psychiatrists and originating sites in designated rural counties for certain telemental health services. CMS has reviewed and approved Maryland's state plan amendment. In the 2014 Maryland legislative session, the legislature passed legislation to permit telehealth services state-wide, including mental health services. Addiction services are not yet included. The Department will be drafting regulations on this issue.

- In collaboration with the Office of Long Term Care and Waiver Services, *the identification of non-institutional long-term support services which may be eligible for enhanced matching payments under the Balancing Incentives Program (BIP).* The BHA is continuing to review its assessment instruments to see which meet the BIP criteria.

- *Participation in a statewide multi-agency process to improve the integration of care across the behavioral and somatic domains.* The process reforms the way the State finances operate, in an effort to support reimbursement based on prevention and value while strengthening clinical outcomes for Maryland consumers and their families. The Department selected ValueOptions as the ASO to administer mental health and substance use disorder services—ValueOptions also held the previous ASO contract, for specialty mental health services. The new integrated system began January 1, 2015.

The BHA continues to collaborate with Maryland Medicaid on the implementation of a Health Home SPA to serve those with serious and persistent mental illness, serious emotional disturbances, and/or an opioid substance use disorder. The state began enrolling Health Home providers in August 2013 and initiated service delivery during the last quarter of 2013. As of June 2015, DHMH had approved 75 Health Home site applications. The Health Home sites include 60 psychiatric rehabilitation programs, ten mobile treatment providers and five opioid treatment programs. Current enrollment in the program exceeds 5,000 people. Ongoing analysis of the program has identified possible positive trends in inpatient admissions and Emergency Department visits among Health Homes participants. After six quarters of operation, rates for both types of hospital encounters were lower among participants that had been in the Health Homes continuously compared to those who had joined more recently. While the data remain preliminary at this point, these findings suggest the program may be beginning to produce the desired positive outcomes.

In mid-September 2008, the MHA launched the initial phase of its Outcomes Measurement System (OMS) Datamart. The OMS was developed to collect information on individuals, ages 6

– 64, who are receiving outpatient mental health services from Maryland's Public Mental Health System. The Mental Hygiene Administration worked with ValueOptions, representatives from the provider community and the University of Maryland, Systems Evaluation Center (SEC) to implement an enhanced OMS Datamart, which became available in June 2012. The enhanced Datamart includes outcome information at the provider, county and statewide levels. The data that are currently available through the publically-accessible Datamart are aggregated responses from consumers' most recent OMS interviews, as well as change-over-time outcomes information. In addition, an interface to allow provider access to OMS data for their own programs is accessible to providers through a secure log-in process. Starting in January 2015, several revisions were made to the OMS questionnaires, and Level 1 outpatient services for Substance Related Disorders were included in the OMS workflow.

The BHA's Office of Managed Care Operations and Compliance continues to review provider billings and refers providers of concern to Maryland Medicaid Fraud Control Unit and Maryland Office of the Inspector General.

The BHA continues to monitor the admission of consumers aged 21 – 64 with emergency psychiatric conditions for inclusion in the Medicaid Emergency Psychiatric Demonstration (MEPD). Maryland was one of 11 states selected to participate in the MEPD, which provides reimbursement for certain services delivered by private psychiatric hospitals, for which Medicaid reimbursement has historically been unavailable. During this quarter (October – December 2014), there were 562 admissions to Maryland private psychiatric hospitals for treatment of an emergency psychiatric condition.

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