



UTAH DEPARTMENT OF  
**HEALTH**

## **Utah 1115 Demonstration Waiver**

Project Number: 11-W-00145/8 & 21-W-0054/8

### **Quarterly Monitoring Report**

#### **Reporting Period**

Demonstration Year: 16 (07/01/2017-06/30/2018)

Demonstration Quarter: 2 (10/01/2017-12/31/2017)

## Executive Summary

Utah's 1115 Primary Care Network (PCN) Demonstration Waiver is a statewide demonstration to expand Medicaid coverage to certain adults who are not eligible for state plan services, and to offer these adults and children on the Children's Health Insurance Program (CHIP) an alternative to traditional direct coverage public programs. In addition, the demonstration allows the state to provide a reduced benefit package to state plan eligibles (referred to as Current Eligibles) and requires them to pay increased cost sharing.

In June 2017, the demonstration waiver was amended to provide dental benefits to individuals 18 and older, who are blind or have a disability.

On October 31, 2017, the state received approval to provide state plan benefits to a targeted group of adults without dependent children, age 19-64 who meet defined criteria. The approval also provides coverage for former foster care youth from another state.

On November 9, 2017 the demonstration waiver was amended to provide expenditure authority for Medicaid services provided for adult Medicaid beneficiaries residing in an Institution for Mental Disease (IMD) to help the state provide the full continuum of care for beneficiaries suffering from drug and/or alcohol dependence or abuse. The demonstration was approved for a 5-year period, from November 1, 2017 through June 30, 2022.

Over the 5-year period, Utah theorizes that the demonstration will:

- Improve the health of Utahns by increasing the number of low income individuals without access to primary care coverage, which will improve the overall well-being of the health status of Demonstration Population I enrollees (PCN enrollees).
- Not negatively impact the overall health of Current Eligibles who experience reduced benefits and increased cost sharing.
- Assist previously uninsured individuals in obtaining employer-sponsored health insurance without causing a decrease in employer's contributions to premiums that is greater than any decrease in contributions to the overall health insurance market.
- Reduce the number of uninsured Utahns by enrolling eligible adults in the Targeted Adult Medicaid program.
- Reduce the number of non-emergent Emergency Room visits for the Targeted Adult population.
- Improve access to primary care, while also improving the health status of the Targeted Adult Population.
- Provide care that is more extensive to individuals suffering from a substance use disorder, in turn making this population healthier and more likely to remain in recovery.

## Key Events

During the second quarter of the Demonstration, two key waiver amendments were approved and implemented. The state received approval to provide state plan benefits to targeted adults without dependent children, who are 19-64 years of age. The state implemented the Targeted Adult Medicaid program on November 1, 2017. This program targets specific groups of adults who are chronically homeless, involved in the justice system, and/or in need of substance use disorder or mental health treatment.

In addition, on November 9, 2017, the state received expenditure authority to allow Medicaid services to be provided for individuals residing in an IMD, which allows for the full continuum of care for beneficiaries suffering from a substance use disorder.

Both amendments are instrumental in allowing the state to support the Operation Rio Grande initiative in the State of Utah. The initiative's goals are to; restore order to the Rio Grande area; assess, treat and support individuals; and increase employment opportunities and training for these individuals.

Specifically, the amendments allow the state to provide Medicaid to these groups, which is critical for supporting the individuals impacted by Operation Rio Grande with mental health and drug addiction services.

## Operational Updates

The operational focus during this quarter has been the implementation of the Targeted Adult Medicaid program, as well as implementation of the Substance Use Disorder IMD amendment. The number of Targeted Adult members, as well the number of individuals using substance use disorder residential services, continue to increase. Currently, there are legislative bills being discussed during the 2018 Utah Legislative Session that may impact this program. Information on any impacts will be provided in the next monitoring report.

## Enrollment

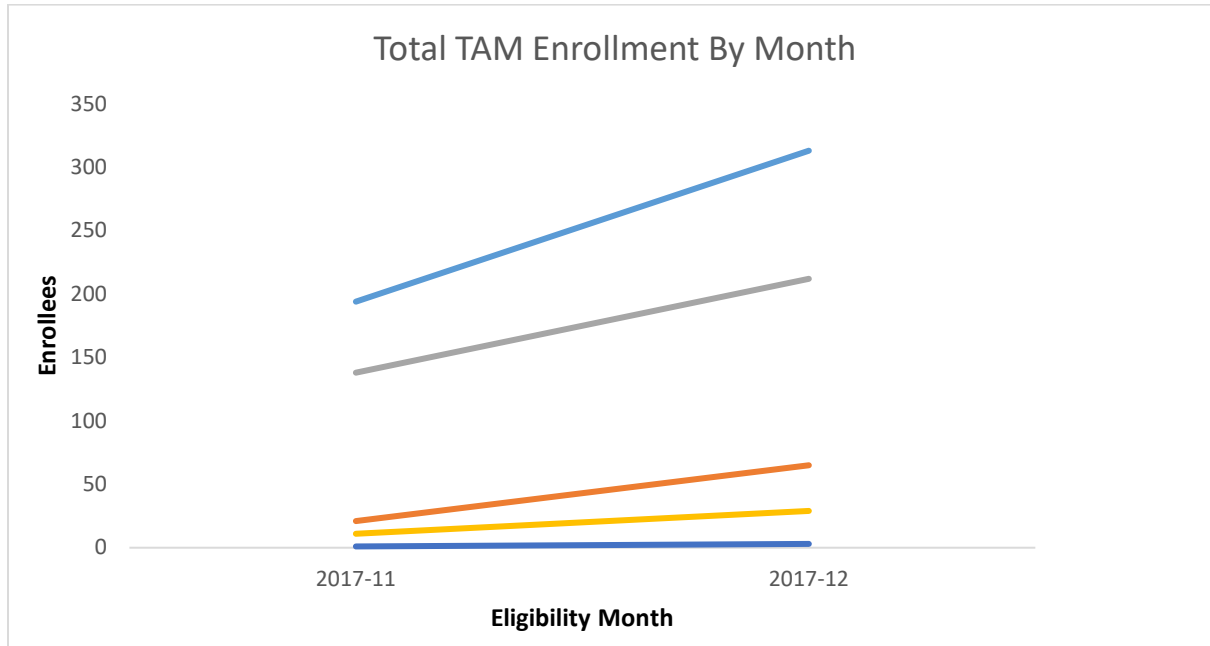
The table below details the enrollment numbers for this quarter for each demonstration group covered under the waiver.

<b>Demonstration Group</b>	<b>October 2017</b>	<b>November 2017</b>	<b>December 2017</b>
<b>Current Eligibles-PCR</b>	31,038	31,112	30,916
<b>Demonstration Population I-PCN</b>	14,022	13,539	12,978
<b>Demonstration Population III, V, VI- Premium Assistance</b>	491	480	470
<b>Dental- Blind/Disabled</b>	3,618	3,625	3,609
<b>Former Foster Care Youth</b>	0	10	10
<b>Targeted Adults</b>	0	284	503
<b>Substance Use Disorder Residential Treatment</b>	0	72	103

## Targeted Adult Medicaid and Substance Use Disorder Treatment

Due to the recent implementation of both Targeted Adult Medicaid and the Substance Use Disorder IMD provision, the state is providing detailed data on enrollment and expenditures for these groups. The information is presented below.

### Targeted Adult Medicaid (TAM) Enrollment by Subgroup



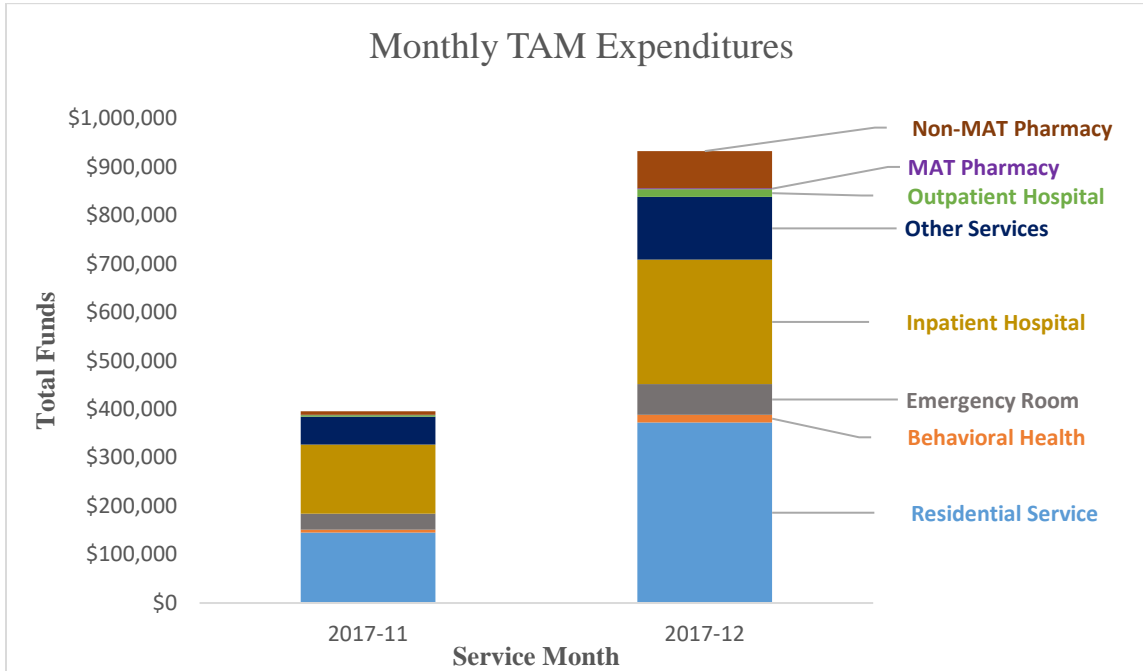
### TAM Enrollment by Month

TAM Category	2017-11	2017-12
12 Month Homeless	194	313
Supportive Housing	21	65
Drug/Mental Health Court	138	212
Jail or Prison	11	29
State Hospital/Civil Charge	1	3
<b>Total</b>	<b>365</b>	<b>622</b>

#### Notes:

Enrollment as of February 23, 2018. Enrollment includes retroactive applications processed up to the run date. Enrollment numbers reported here are subject to change with future applications that may include retroactive coverage.

## Targeted Adult Medicaid Reimbursements



Monthly Expenditures (in thousands)			
Service Type	2017-11	2017-12	Total
Behavioral Health	\$6	\$16	\$22
Emergency Room	\$33	\$63	\$96
Inpatient Hospital	\$143	\$257	\$399
MAT Pharmacy	\$0	\$2	\$3
Non-MAT Pharmacy	\$8	\$76	\$84
Other Services	\$58	\$129	\$187
Outpatient Hospital	\$3	\$16	\$19
Residential Service	\$145	\$373	\$518
<b>Grand Total</b>	<b>\$396</b>	<b>\$933</b>	<b>\$1,329</b>

Distinct Members Served		
Service Type	2017-11	2017-12
Behavioral Health	18	45
Emergency Room	46	87
Inpatient Hospital	12	20
MAT Pharmacy	2	10
Non-MAT Pharmacy	36	138
Other Services	212	459
Outpatient Hospital	8	26
Residential Service	71	113

<b>Distinct Recipients</b>	<b>249</b>	<b>498</b>
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### Notes:

Monthly expenditures represent total fund payments to providers. Monthly expenditures may not precisely sum up to total due to rounding.

These total fund amounts consist of federal funds, state restricted funds, and hospital share.

Pharmacy expenses shown here are subject to future reductions due to rebates.

The months shown here represent the month of service, which is not necessarily the month of payment. They are subject to change with future billings and adjustments. Providers may bill up to one year after the date of service.

Residential service is categorized separately from other behavioral health due to the large amount. The remaining services categorized as "Behavioral Health" are non-residential behavioral health services.

## Anticipated Changes to Enrollment

The state anticipates the number of individuals eligible for Targeted Adult Medicaid to continue to increase. The number of individuals accessing residential treatment in an IMD for a substance use disorder also is expected to increase as additional treatment beds become available, and more individuals are able to enter treatment.

In addition, the state has not yet opened enrollment for Targeted Adult Group 3- Individuals needing substance abuse or mental health treatment. When enrollment for this group is open, enrollment numbers for Targeted Adult Medicaid will increase. The state does not have an anticipated date for open enrollment at this time.

During the month of February 2017, enrollment for the Primary Care Network (PCN) program is open to adults without dependent children. Due to this, the number of enrollees in the PCN program is expected to increase. Enrollment for other waiver groups is expected to remain about the same.

The state also has a pending waiver amendment that may impact future enrollment. The amendment includes a 60-month life time limit on the number of months an individual can receive PCN or Targeted Adult Medicaid. However, this will not impact enrollment for some time. Also pending is a Community Engagement/Work Requirement for individuals receiving PCN. This may impact enrollment if individuals fail to participate in the requirement and are terminated from PCN coverage.

## Benefits

Due to the implementation of the Targeted Adult Medicaid program and substance use disorder residential treatment in an IMD, the state experienced an increase in the utilization of benefits. As stated earlier, both were implemented during the month of November. As expected, utilization increased in December. The state anticipates utilization to continue to increase as more individuals enroll in Targeted Adult Medicaid and/or utilize substance use disorder treatment.

In regards to other programs authorized under the Demonstration Waiver, there are no anticipated changes to benefits or utilization at this time.

## Demonstration Related Appeals

There were no demonstration related appeals during this quarter.

## Quality

During the second quarter, the state Medicaid Quality Control (MEQC) unit conducted an audit of negative case closure actions taken by the Department of Workforce Services, to determine if an individual's medical coverage was denied or terminated correctly. The audit sample included both PCN and UPP-Premium Assistance individuals. The audit involved a thorough review of the application or case, and the factors related to the termination or denial. The table below reports the number of individual PCN or UPP cases reviewed, and the number of correct and incorrect denials or terminations. Please note, the universe for UPP terminations was only 26, so no UPP terminations were pulled in the sample.

Program Type	Total Reviewed	Total Correct Action	Total Incorrect Action
PCN Terminations	38	32	6
PCN Denials	226	178	48
UPP Denials	12	9	3
<b>Total UPP/PCN</b>	276	219	57

### Eligibility Determination and Processing

As another indicator of quality, the state tracks application processing timeframes to determine if medical assistance applications are processed in a timely manner. The table below indicates available data for four of the demonstration groups. Data for other demonstration groups is not available due to system issues.

#### *Application Processing Quarter 2 (October- December 2017)*

Program Type	Average Days to Approval **	Percentage approved in 14 days or less **
Current Eligibles-PCR	9.81	74.08 %
PCN	13.51	63.66%
Targeted Adults	5.89	97.65%
Premium Assistance-UPP	44.98	5.45%

\*\*Data Source: Dept. of Workforce Services Cognos Report- "104-Program Days to Approval"

### Financial/Budget Neutrality

For enrollment figures for the second quarter, please reference the "Enrollment" section above.

#### Financial- Anticipated Changes

As stated previously, due to the anticipated increase in enrollment of the Targeted Adult Medicaid group, the state anticipates an increase in expenditures for this group, and expenditures for substance use disorder residential treatment.

### Demonstration Evaluation Update

The state is in the process of procuring an independent evaluator to create an evaluation design plan and to conduct the required 1115 Demonstration Waiver evaluation. The state plans to have an evaluator in place in the near future.

## 1. Preface

### 1.1 Transmittal Title Page for the state’s SUD Demonstration or SUD Components of Broader Demonstration

<b>State</b>	<i>UTAH</i>
<b>Demonstration Name</b>	<i>Utah 1115 Primary Care Network Demonstration Waiver</i>
<b>Approval Date</b>	<i>November 9, 2017</i>
<b>Approval Period</b>	<i>November 9, 2017- June 30, 2022</i>
<b>SUD (or if broader demonstration, then SUD Related) Demonstration Goals and Objectives</b>	<i>The SUD component of the 1115 PCN Waiver will allow the state to include a SUD program that will ensure that a broad continuum of care is available to Utah’s Medicaid beneficiaries with a SUD, which will help improve the quality, care and health outcomes for all Utah Medicaid state plan beneficiaries and Targeted Adults in the demonstration. The SUD program will contribute to a comprehensive statewide strategy to combat prescription drug abuse and opioid use disorders and will expand the SUD benefits package to cover short-term residential services to all Medicaid enrollees.</i>

## 2. Executive Summary

During this reporting period the state has had several key achievements due to implementation of the SUD component of the 1115 waiver. There has been an increase in the number of Medicaid beneficiaries getting residential treatment for their substance use disorder. In fact, at least 104 additional beneficiaries have received residential treatment for a substance use disorder due to this waiver. There has also been an increase in the number of residential treatment beds available, as community providers have opened more facilities. This has reduced wait times for residential treatment, reduced the number of beneficiaries referred to an inappropriate level of care due to lack of appropriate beds, and reduced the number of beneficiaries needing an inpatient or hospital stay.

There have been some challenges in implementing parts of the SUD Implementation plan. The state is revisiting our utilization review and prior authorization process to ensure beneficiaries are at the appropriate level of treatment for their needs. As a result, some treatment providers have not been able to bill for services as quickly as they would like. The state is in the process of resolving this issue.

Finally, enrollment in the Targeted Adult Medicaid group has been slower than expected.

## 3. Assessment of Need and Qualification for SUD Services



- (Required) The state has attached the required assessment of need and qualification for SUD services metrics in Appendix A.
- (If applicable) The state does not have any issues to report related to assessment of need and qualification for SUD services metrics in Appendix A and has not included any narrative on this topic in the section that follows.

The state has seen a slight decline in Medicaid beneficiaries with a SUD diagnosis over the past quarter, from 6,931 in October to 6,280 in December. This metric will continue to be tracked to see what trends emerge over the course of the full year. This number will also be compared to the number of Medicaid beneficiaries that are receiving any level of SUD treatment. The state can then determine if beneficiaries with SUD diagnoses are entering into treatment and at what ASAM level of care.

**3.1 Assessment of Need and Qualification for SUD Services Issues/Trends: New and Continued**

Summary of Issue	Date and Report in which Issue was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (If applicable)/Status Update if Issue Previously Reported*
None				

*\*Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**3.2 Anticipated Changes to Assessment of Need and Qualification for SUD Services**

The state is expecting an increase in the number of services delivered to beneficiaries with a substance use disorder diagnosis in residential SUD treatment programs. This is due to implementation of a new eligibility group, Targeted Adult Medicaid. This targeted group is typically at a high need of SUD residential services. The state is also expecting an increase in community provider bed space in response to the ability to provide treatment in a facility with 17+ beds.

- The state does not anticipate changes to assessment of need and qualifications for SUD services at this time.

**4. SUD Treatment Initiation and Treatment at Each Level of Care**

- (Required) The state has attached the treatment-related metrics in Appendix A.
- (If applicable) The state does not have any issues to report related to the treatment-related metrics in Appendix A and has not included any narrative.

A treatment-related trend that the data shows is an increase in the number of Medicaid beneficiaries receiving treatment in a residential treatment level of care, ASAM level 3. The number for October was 160, which increased to 240 by December. This was an expected trend due to opening a new eligibility group targeting people at a high need for this level of care, and also the ability to treat more beneficiaries in facilities with 17 or more beds.

**4.1 SUD Treatment-related Issues: New and Continued**

Summary of Issue	Date and Report in which Issue Was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Issue Previously Reported*
<i>None</i>				

*\*Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**4.2 Anticipated Changes to SUD Treatment Initiation and Treatment at Each Level of Care**

- The state does not anticipate changes to treatment initiation and treatment at each level of care at this time.

**5. SUD Demonstration-related Grievances and Appeals**

- (Required) The state has attached the SUD only grievances and appeals metrics in Appendix A.

- (If applicable) The state does not have any issues to report related to the SUD only grievances and appeals metrics in Appendix A and has not included any narrative.

**5.1 SUD Specific Grievances and Appeals Issues: New and Continued**

There were seven grievances and zero appeals related to SUD services from October through December. This is not an alarming number. Grievance and appeals will continue to be tracked and monitored.

Summary of Issue	Date and Report in Which Issue Was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Previously Reported*

*\*Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**5.2 Anticipated Changes to SUD Specific Grievances and Appeals**

- The state does not anticipate changes to SUD grievances or appeals at this time.

**6. SUD-Related Quality**

- (Required) The state has attached the SUD-related quality measures in Appendix A.
- (If applicable) The state does not have any issues to report related to the SUD-related quality measures in Appendix A and has not included any narrative.

**6.1 SUD-Related Quality Issues: New and Continued**

From October to December the state saw an overall decrease in emergency department utilization from 158 to 137. We also had a decrease in inpatient admissions related to SUD from 42 to 27. This is encouraging as it potentially means beneficiaries are receiving treatment at a different level of care and therefore not needing a higher level of care.

Summary of Issue	Date and Report in which Issue Was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Issue Previously Reported*
None				

\* Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.

### 6.2 Anticipated Changes to SUD-Related Quality

- The state does not anticipate changes related to quality at this time.

### 7. Other SUD-Related Demo Specific Metrics

N/A

- (If applicable) The state has attached completed the other metrics in Appendix A.
- (If applicable) The state does not have any issues to report related to the other metrics in Appendix A and has not included any narrative.

### 7.1 Other SUD-Related Metric Issues: New and Continued

Summary of Issue	Date and Report in which Issue Was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Issue Previously Reported*
<i>None</i>				


*\* Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**7.2 Anticipated Changes to Other SUD-Related Metrics**

- The state does not anticipate future changes to other metrics at this time.

**8. Financial/Budget Neutrality**

Per CMS Guidance, the state is not including the budget neutrality workbook.

- (Required) The state has attached completed the budget neutrality workbook in Appendix B.

**8.1 Financial/Budget Neutrality Issues: New and Continued**

Summary of Issue, Including Fiscal Impact and Impacted MEG(s)	Date and Report in which Issue Was First Reported	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Issue Previously Reported
None			

**8.2 Anticipated Changes to Financial/Budget Neutrality**

- The state does not anticipate future changes to budget neutrality at this time.

**9. SUD (or if Broader Demonstration, then SUD Related) Demonstration Operations and Policy**

The states does not have any known operations or policy considerations that would impact beneficiaries to report at this time.

## 10. SUD Implementation Update

Item	Date and Report in Which Item Was First Reported	Implementation Status
<b>1. Access to critical levels of care for OUD and other SUDs</b>		
Develop rate methodology for residential treatment		Completed
MMIS system modifications (including finalizing coding)		Completed
Provider notification and training		Ongoing as of Nov 2 <sup>nd</sup> , 2017
Coverage and Reimbursement for ASAM levels of care 3.7 on a per diem basis will be available immediately upon approval the Utah's SUD Implementation Plan.		Completed on Nov 9 <sup>th</sup> 2017
Update the Utah provider manual, "Rehabilitative Mental Health and Substance Abuse Disorder Services" to reflect coverage based on ASAM Levels of care for 3.1, 3.3, 3.5 and 3.7 by March 31, 2018.		Manual has been updated and is in the approval process for publishing to the website
<b>2. Widespread use of evidence-based, SUD-specific patient placement criteria</b>		
Provider education will continue to be provided on ASAM Criteria by the Division of Substance Abuse and Mental Health throughout 2017 and 2018		Ongoing through DSAMH
Medicaid policy will be clarified by July, 1, 2018		Under Review
PMHP contracts clarified no later than July 1, 2018.		In Progress
Utah Medicaid will establish and implement procedures to review placements for appropriate ASAM level of care for fee for service beneficiaries by July 1, 2018		In Progress
<b>3. Use of nationally recognized, evidence-based, SUD program standards to set residential treatment provider qualifications</b>		
Utah Medicaid will establish and implement a process to certify private residential		Completed

treatment facilities based on ASAM criteria who provide services to Medicaid fee for service beneficiaries no later than July 1, 2018.		
The Utah Division of Substance Abuse and Mental Health and the Office of Licensing will implement a process to certify public and private non-profit residential treatment facilities based on ASAM criteria who provide services to Medicaid fee for service beneficiaries no later than December 31, 2018.		In Progress
PMHP contracts language regarding this requirement will be reviewed and modified if appropriate by July 1, 2018.		In Progress
Administrative rule making will be promulgated to support this milestone with an effective date of July 1, 2018.		In Progress
An addendum to the Utah Medicaid Provider Agreement will be implemented to gather information on ASAM levels of care provided by private residential treatment providers by March 31, 2018		Completed
<b>4. Sufficient provider capacity at each level of care, including MAT</b>		
DSAMH will update their provider inventory referred to above to include information on the providers at each ASAM level of care and whether or not the provider is accepting new patients by September 2018.		In Progress
DMHF and DSAMH will meet on an annual basis to evaluate the adequacy of access to SUD providers for the entire continuum of care on an annual basis beginning May 2018.		In Progress
<b>5. Implementation of comprehensive treatment and prevention strategies to address opioid abuse and OUD</b>		
Draft policy and rule by March 1, 2018 for dental policy		In Progress
Notify providers and pharmacies in June and July		Waiting for policy and/or rule

2018 Medicaid Information Bulletin		
Implement coverage policy that limits opioid prescriptions for dental procedures to three (3) days by July 1, 2018.		Waiting for policy
<b>6. Improved care coordination and transitions between levels of care</b>		
Utah will amend provider manuals and the PMHP contracts by July 1, 2018		In Progress
Providers will be notified of this change in the May, June and July 2018 Medicaid information Bulletin.		Completed
<b>7. Progress on substance use disorder health information technology plan</b>		
The state is in the process of working on the health IT plan		In Progress

### 11. SUD Demonstration Evaluation Update

The state is in the process of procuring a third party evaluator to draft the evaluation design and conduct the evaluation. The state will submit the required draft evaluation design once it has been completed.

Type of Evaluation Deliverable	Due Date	State Notes or Comments	Description of Any Anticipated Issues
Evaluation Plan Design		In the process of procuring a third party evaluator	



## **12. Other Demonstration Reporting**

N/A

### **12.1 Post Award Public Forum**

- The state has provided the summary of the post-award forum (due for the period during reporting during which the forum was held and in the annual report).
- There was not a post-award public forum held during this reporting period and this is not an annual report.

## **13. Notable State Achievements and/or Innovations**

While the Targeted Adult Medicaid program and SUD component of the 1115 PCN waiver were recently implemented in November 2017, the state is encouraged by the number of individuals seeking SUD treatment. The state believes approval and implementation of these components of the waiver are key in addressing the SUD crisis in the State of Utah. The state anticipates the number of individuals accessing SUD treatment to continue to increase as additional individuals become eligible for the Targeted Adult Medicaid program.

Appendix A: State Measurement Table for SUD Metrics

Question #	Measure #	Measure Name	CY2017		
			Oct	Nov	Dec
3	6	Medicaid beneficiaries with SUD diagnosis (monthly)	6,931	6,796	6,280
4	9	Medicaid beneficiaries with a SUD diagnosis receiving any treatment during the reporting month	2,972	2,989	2,760
4	10	Number of beneficiaries receiving early intervention (ASAM level 0.5)	2	0	2
4	11	Number of beneficiaries receiving SUD outpatient services (ASAM level 1)	1,073	1,062	1,022
4	12	Number of beneficiaries receiving SUD intensive outpatient and partial hospitalization services (ASAM level 2)	296	297	270
4	13	Number of beneficiaries receiving SUD residential and inpatient services (ASAM level 3)	160	219	240
4	14	Number of beneficiaries receiving SUD medically managed intensive inpatient services (ASAM level 4)	33	35	27
4	15	Number of beneficiaries receiving medication assisted treatment (MAT)	1,518	1,503	1,319
4	16	Number of beneficiaries receiving withdrawal management without extended on-site monitoring (ASAM level 1-WM through level 4-WM)	33	35	27
6	30	Number of beneficiaries for emergency department utilization for SUD	158	173	137
6	31	Number of beneficiaries receiving inpatient admissions for SUD	42	38	27
5	40	Grievances related to SUD treatment services	4	2	1
5	41	Appeals related to SUD treatment services	0	0	0
5	42	Critical incidents related to SUD treatment services	0	0	0