Application for

Section 1915(b) (4) Waiver
Fee-for-Service
Selective Contracting Program

June, 2012

v1.0

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Fee-for-Service (FFS) Selective Contracting Program

Facesheet

The **State** of Montana requests a waiver/amendment under the authority of section 1915(b) of the Act. The Medicaid agency will directly operate the waiver.

The **name of the waiver program** is Montana Big Sky Waiver.
(List each program name if the waiver authorizes more than one program.).

Type of request. This is:
___ an initial request for new waiver. All sections are filled.
___ a request to amend an existing waiver, which modifies Section/Part ____
_X_ a renewal request (MT3)

Section A is:
___ replaced in full
___ carried over with no changes
_X_ changes noted in **BOLD**.

Section B is:
___ replaced in full
_X_ changes noted in **BOLD**.

Effective Dates: This waiver/renewal/amendment is requested for a period of 5 years beginning **January 1, 2018 and ending December 31, 2022**.

State Contact: The State contact person for this waiver is **Jill Sark** and can be reached by telephone at **(406) 444-4544 or fax at (406) 444-7743**, or e-mail at **jsark@mt.gov**.

Section A – Waiver Program Description

Part I: Program Overview

Tribal Consultation:
Describe the efforts the State has made to ensure that Federally-recognized tribes in the State are aware of and have had the opportunity to comment on this waiver proposal.

- The State notifies in writing all federally-recognized Tribal Governments of the State's intent to submit a Medicaid waiver request to CMS at least 60 days before the submission date. The notification provides a summary of the waiver request and an opportunity to comment on the proposal. Tribal notifications were mailed **February 4, 2016**.

Program Description:
Provide a brief description of the proposed selective contracting program or, if this is a request to amend an existing selective contracting waiver, the history of and changes requested to the existing program. Please include the estimated number of enrollees served throughout the waiver.

- This waiver renewal request is limited to the provision of case management services in the 1915(c) waiver, Montana Big Sky Home and Community Based (HCBS) Waiver program. The initial waiver was approved and implemented statewide on July 1, 2011. The same methodologies will be continued through this waiver renewal period. **This waiver will annually serve approximately 2,580 members in year one through five.**

Waiver Services:
Please list all existing State Plan services the State will provide through this selective contracting waiver.

- Case Management Services

A. Statutory Authority

1. **Waiver Authority.** The State is seeking authority under the following subsection of 1915(b):

   _X_ **1915(b) (4) - FFS Selective Contracting program**

2. **Sections Waived.** The State requests a waiver of these sections of 1902 of the Social Security Act:

   a.___ **Section 1902(a) (1) - Statewideness**
   b.___ **Section 1902(a) (10) (B) - Comparability of Services**
   c._X_ **Section 1902(a) (23) - Freedom of Choice**
   d.___ **Other Sections of 1902** – (please specify)

B. Delivery Systems

1. **Reimbursement.** Payment for the selective contracting program is:

   _X_ the same as stipulated in the State Plan
   ___ is different than stipulated in the State Plan (please describe)

2. **Procurement**. The State will select the contractor in the following manner:

   _X_ **Competitive** procurement
   ___ **Open** cooperative procurement
   ___ **Sole source** procurement
   ___ **Other** (please describe)

C. Restriction of Freedom of Choice

1. **Provider Limitations**.

   ___ Beneficiaries will be limited to a single provider in their service area.
   _X_ Beneficiaries will be given a choice of providers in their service area.

   (NOTE: Please indicate the area(s) of the State where the waiver program will be implemented)

- The waiver will be implemented statewide. Service areas are made up of a specific grouping of counties. Depending on the service area, a beneficiary may or may not have a choice of providers.

2. **State Standards.**

   Detail any difference between the state standards that will be applied under this waiver and those detailed in the State Plan coverage or reimbursement documents.

D. Populations Affected by Waiver

(May be modified as needed to fit the State's specific circumstances)

1. **Included Populations**. The following populations are included in the waiver:

   ___ Section 1931 Children and Related Populations
   ___ Section 1931 Adults and Related Populations
   ___ Blind/Disabled Adults and Related Populations
   ___ Blind/Disabled Children and Related Populations
   ___ Aged and Related Populations
   ___ Foster Care Children
   ___ Title XXI CHIP Children
   _X_ Other

- The population affected by this waiver is limited to enrollees of the 1915(c) Montana Big Sky HCBS Waiver (MT0148). Members eligible for the 1915(c) waiver are those who are aged or physically disabled, meet Medicaid financial eligibility and nursing home level of care. This waiver will run concurrently with the 1915(c) waiver.

2. **Excluded Populations.** Indicate if any of the following populations are excluded from participating in the waiver:

___ Dual Eligibles
___ Poverty Level Pregnant Women
___ Individuals with other insurance
___ Individuals residing in a nursing facility or ICF/MR
___ Individuals enrolled in a managed care program
___ Individuals participating in a HCBS Waiver program
___ American Indians/Alaskan Natives
___ Special Needs Children (State Defined). Please provide this definition.
___ Individuals receiving retroactive eligibility
_X_ Other (Please define):

- Individuals not eligible for the 1915(c) Montana Big Sky HCBS Waiver (MT0148).

Part II: Access, Provider Capacity and Utilization Standards

A. Timely Access Standards

Describe the standard that the State will adopt (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has adopted) defining timely Medicaid beneficiary access to the contracted services, *i.e.*, what constitutes timely access to the service?

- Request for Proposals for case management services require commitment to standards of staffing ratios and timeframes regarding referral and assessment for waiver services. The Case Management Team (CMT) must respond to or follow up on general inquiries regarding waiver services within 10 working days. The CMT must initiate contact within five working days of receipt of a formal referral. Onsite visits by the CMT must be made within 60 days of the referral. Access to case management services is assured up to the capacity and funding approved by the Montana Legislature.

1. How does the State measure (or propose to measure) the timeliness of Medicaid beneficiary access to the services covered under the selective contracting program?

- The State conducts comprehensive evaluations of CMTs to assure the State and Federal quality assurance requirements are met. Quality assurance results are utilized to continuously improve services and to ensure that CMTs are meeting their contractual obligations with the State.

    2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiaries are unable to access the contracted service in a timely fashion.

- When the capacity and funding approved by the Montana Legislature has been fully allocated, a waiting list is established by the CST to select individuals most in need of services. Priority is established by considering the criteria on the Waiting List Tool. The CMT assists applicants in securing needed support or other available services until the individual can access waiver services.

B. Provider Capacity Standards

Describe how the State will ensure (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has ensured) that its selective contracting program provides a sufficient supply of contracted providers to meet Medicaid beneficiaries' needs.

- Montana has historically contracted with case management entities through a selective contracting program. The selection of providers through this process will not reduce capacity from current levels.

    1. Provide a detailed capacity analysis of the number of providers (e.g., by type, or number of beds for facility-based programs), or vehicles (by type, per contractor for non-emergency transportation programs), needed per location or region to assure sufficient capacity under the selective contracting program.

- Contracts for case management services are available statewide and provide for the selection of more than one case management entity in the majority of services areas. Case management capacity is assured up to the capacity and funding approved by the Montana Legislature.

    2. Describe how the State will evaluate and ensure on an ongoing basis that providers are appropriately distributed throughout the geographic regions covered by the selective contracting program so that Medicaid beneficiaries have sufficient and timely access throughout the regions affected by the program.

- Currently there are **11** case management entities throughout the State. Areas range from coverage of one county to coverage of a thirteen county area. Contracts with CMTs require the contractor to maintain State approved staff ratios of 50 (members) to 1 (team of a nurse and social worker).

C. Utilization Standards

Describe the State's utilization standards specific to the selective contracting program.

- The State verifies that services were authorized, developed and delivered in accordance with the members' service plans. The State's MMIS database contractor provides monthly reports that summarize internal monitoring including recipient subsystem, provider enrollment, claims processing, and verifies changes requested for codes were made appropriately.

    1. How will the State (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State) regularly monitor(s) the selective contracting program to determine appropriate Medicaid beneficiary utilization, as defined by the utilization standard described above?

- All CMTs are required to submit monthly utilization reports to the State. The State utilizes these reports to monitor CMTs to ensure they do not exceed their allocated budget and/or level of capacity to serve additional members. **The Montana central office provide real time wait lists that are reviewed to insure members are being served from wait lists when openings occur.**

    2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiary utilization falls below the utilization standards described above.

- CMTs are evaluated during the Quality Assurance Reviews that are completed on each CMT as least every three years. The State may impose corrective actions on the CMT when it is determined that the CMT is not in compliance with the terms of standards of performance as provided in the contract with the State.

Part III: Quality

A. Quality Standards and Contract Monitoring

1. Describe the State's quality measurement standards specific to the selective contracting program.

- The case management contractor will meet minimum standards outlined in the contract in order to participate as a provider.

    a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):

        i. Regularly monitor(s) the contracted providers to determine compliance with the State's quality standards for the selective contracting program.

- The State will perform announced Quality Assurance Reviews (QARs) not to exceed three state fiscal year intervals. Annual member satisfaction surveys are developed and implemented by each CMT. This survey allows members to report information about their case management services. Additionally, State staff conduct in-person interviews as a part of the QAR process to determine the member is receiving the appropriate care and services based on assessed needs and as specified in the service plan.

    ii. Take(s) corrective action if there is a failure to comply.

- As a part of the QAR process, Quality Assurance Communications (QACs) are submitted to the CMTs identifying any patterns of deficiency, requiring a written remediation plan describing initiated safeguards to ensure performance standards are met.

2. Describe the State's contract monitoring process specific to the selective contracting program.

- The Quality Assurance Management System (QAMS) database collects information on serious incidents, Quality Assurance Communications (QACs) and QARs. This data is used by the State to monitor the members' experience with the program and case management services.

    a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):

        i. Regularly monitor(s) the contracted providers to determine compliance with the contractual requirements of the selective contracting program.

- Providers will submit quarterly self-report information to the State via a State approved process. Information reported will be used to monitor quality, utilization of services and performance measures.

    ii. Take(s) corrective action if there is a failure to comply.

- QACs are submitted to the CMTs identifying any patterns of deficiency, requiring a written remediation plan describing initiated safeguards to ensure performance standards are met.

B. Coordination and Continuity of Care Standards

Describe how the State assures that coordination and continuity of care is not negatively impacted by the selective contracting program.

- The CMTs will provide both transitional and ongoing case management to the applicants and participants in their coverage areas. Waiver enrollees will benefit from the continuity

of one provider providing all aspects of case management from application through enrollment. This will ensure continuity of high quality services for the member which will be seamless from application through enrollment. Montana is a largely a rural state, therefore, contracts for case management will ensure that applicants and participants in rural areas will have access to a case management provider to assist with coordination of care.

Part IV: Program Operations

A. Beneficiary Information

Describe how beneficiaries will get information about the selective contracting program.

- Mountain Pacific Quality Health (MPQH) receives the initial referral for waiver services. MPQH will initiate a telephone screen to determine level of care and a Level I Screen within three working days of the referral. MPQH will notify the applicant of the results of the screening within 10 days of the screening. MPQH will also provide the Office of Public Assistance in the county where the applicant is applying for Medicaid benefits and the CMT that serves the county in which the applicant resides the results of these screens. CMTs must initiate contact within five working days of receipt of a referral. Onsite visits must be made within 60 days of the referral.

B. Individuals with Special Needs.

___ The State has special processes in place for persons with special needs (Please provide detail).

- The State will make reasonable accommodations upon request. Individuals are notified of the opportunity for reasonable accommodations during the screening determination process. Accommodations for foreign translators are arranged through the local college and university system. Accommodations for members who are deaf or hard of hearing are made through the Montana Deaf and Hard of Hearing Services.

Section B – Waiver Cost-Effectiveness & Efficiency

Efficient and economic provision of covered care and services:

1. Provide a description of the State's efficient and economic provision of covered care and services.

- Case management services are paid on a per member, per day basis with utilization calculated per member, per month for all enrollees of the 1915(c) Montana Big Sky Waiver (MT0148). **Increases in member months are based on turnover of waiver slots, waiver capacity expansion through Money Follows the Person (MFP) and waiver capacity expansion approved the Legislature. The Legislature has approved**

an approximate 2% provider rate increase for Fiscal Year 2017, no increase is predicted for Fiscal Years 2018 – 2021.

2. Project the waiver expenditures for the upcoming waiver period.

Year 1 from: 01/01/2018 to 12/31/2018

Trend rate from current expenditures (or historical figures): 5.1-___%

Projected pre-waiver cost	$8,498,755
Projected Waiver cost	7,854,757
Difference:	634,998

Year 2 from: 1/01/2019 to 12/31/2019

Trend rate from current expenditures (or historical figures): ___5.1__%

Projected pre-waiver cost	$ 8,900,701
Projected Waiver cost	7,741,021
Difference:	1,159,680

Year 3 (if applicable) from: 01/01/2020 to 12/31/2020
(*For renewals, use trend rate from previous year and claims data from the CMS-64*)

Projected pre-waiver cost	$ 9,291,656
Projected Waiver cost	7,790,058
Difference:	1,150,599

Year 4 (if applicable) from: 01/01/2021 to 12/31/2021
(*For renewals, use trend rate from previous year and claims data from the CMS-64*)

Projected pre-waiver cost	$ 9,639,570
Projected Waiver cost	7,888,131
Difference:	1,751,440

Year 5 (if applicable) from: 01/01/2022to 12/31/2022
(*For renewals, use trend rate from previous year and claims data from the CMS-64*)

Projected pre-waiver cost	$ 9,879,267
Projected Waiver cost	8,084,276
Difference:	1,794,991