

May 31, 2000

Dear State Medicaid Director:

This letter transmits the guidelines for States to assist in the development and modification of Section 1115 Demonstration Proposals that target individuals with HIV/AIDS.

This guidance was developed by Health Care Financing Administration (HCFA) staff, with review and comment by a team of Health and Human Services (HHS) experts. The guidelines were designed as a tool to provide an outline of general information that HCFA would find helpful in the process of reviewing a proposal. States should use these guidelines in conjunction with other HIV/AIDS programmatic guidance previously issued by HCFA and HHS. HCFA staff is also happy to provide technical assistance to States in developing new proposals or modifying existing Section 1115 Demonstration programs.

The attached document will be posted on HCFA's website, where you will also find information about submitting a Section 1115 Demonstration Proposal, and further information about Medicaid and HIV programs.

Additionally, HCFA will soon release a solicitation inviting States' participation in the Demonstration to Maintain Independence and Employment created by the Ticket to Work and Work Incentives Improvement Act of 1999. This Demonstration will allow the States to provide Medicaid coverage to people who have a progressive physical or mental impairment prior to them becoming disabled and represents another avenue through which States can seek to expand coverage to people with HIV/AIDS.

Thank you for your interest in serving Medicaid beneficiaries living with HIV/AIDS. Any comments or questions regarding the document should be directed to Tammi Hessen on (410) 786-1025 or [THessen@hcfa.gov](mailto:THessen@hcfa.gov).

Sincerely,

/s/

Timothy M.  
Westmoreland  
Director

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Enclosure

cc: All HCFA Regional Administrators All HCFA Associate Regional Administrators for Medicaid and State Operations All Regional AIDS Coordinators Julie Scofield - Director, National Alliance of State and Territorial AIDS Directors Lee Partridge - Director, Health Policy Unit, American Public Human Services Association Joy Wilson - Director, Health Committee, National Conference

## **HIV/AIDS 1115 Demonstration Project Guidelines to States for Developing Proposals**

The following broad-based issues have been identified for consideration in the development of State demonstration project applications under Section 1115 which target individuals with Human Immunodeficiency Virus (HIV)/Acquired Immune Deficiency Syndrome (AIDS)

### **I. General**

A. Describe the State's project objective, design, and target population. Included in this is the requested demonstration authority and/or waivers that the State will need for the program.

B. Describe what is going to be innovative and unique to the proposed demonstration.

C. Describe the ongoing process through which consumers, advocacy groups, Ryan White Comprehensive AIDS Resources Emergency Act (CARE) grantees, and providers have an opportunity to participate in the development of the waiver program. Include letters of interest and/or support and other relevant information.

D. Describe how the proposed demonstration relates to any demonstration the State may be planning (or is doing), such as comprehensive statewide demonstrations and those under the demonstration authority of the Ticket and Work and Work Incentives Improvement Act (TWWIA).

E. Describe efforts of the State to ensure that the demonstration will not discriminate on the basis of race, color, national origin, disability, or age.

### **II. Benefit Package**

A. Describe the benefit package which will be offered to those individuals participating in the demonstration. If the benefit package offered is different from that under the Medicaid State Plan, then describe the services covered under the demonstration, including general service categories and the specific services included therein. Clearly distinguish among medical services, pharmaceuticals, and social support services. Each of these services should be explicitly accounted for in budget neutrality calculations.

B. The benefits package offered under the demonstration must be comprehensive. All covered services must be available to demonstration enrollees regardless of whether they are related to the treatment of HIV disease.

### **III. Cost Sharing**

A. If applicable, describe all relevant information about enrollee cost sharing (premiums,

copayments, deductibles, etc.), including the individuals who will be required to participate in cost sharing, and the cost sharing amounts and frequency. Also describe how cost sharing will factor into budget neutrality calculations. Higher than nominal cost sharing is not permitted for Medicaid eligibles who are not part of a demonstration expansion group.

B. Describe the safeguards in place to protect demonstration enrollees from being immediately disenrolled for failure to pay premiums.

#### **IV. Delivery Systems**

A. Describe the type of delivery system that will be organized to provide care to individuals with HIV/ AIDS (including the numbers, specialty areas, and types of providers) and the State's process for selecting these providers to participate in the program.

B. State Medicaid agencies are to coordinate activities with the programs of the CARE Act, including the AIDS Drug Assistance Program. Describe how the State will ensure cooperation between programs in all appropriate areas including eligibility determinations, program data exchange, provision of services, and that the CARE Act program is the payor of last resort.

C. Describe how the State will ensure that participating providers are aware of and adhere to current United States Department of Health and Human Services (HHS) HIV treatment guidelines and standards of care, and the extent to which HIV expert/consultation services will be made available to providers. Specify any other guidelines or protocols to which providers in the demonstration will adhere.

#### **V. Program Infrastructure**

##### **A. Target Population**

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Describe the methodology for determining which individuals with HIV/AIDS would be eligible for the demonstration, including specific eligibility criteria and projections of how many eligible individuals will enroll.

##### **B. Outreach**

1 Describe the State's outreach principles and strategy for both potential enrollees and providers in the demonstration program.

2 Describe the State's methodology for ensuring that services are provided and outreach activities are done in a linguistically and culturally competent manner. Also describe how State outreach activities and services will be designed to reach individuals with disabilities, including sensory and physically impaired individuals. C. Describe how beneficiary choice of providers will be maintained.

D. Describe the process through which demonstration applicants will enroll in the demonstration, including how individuals will then connect with providers.

E. Describe the process through which the State will ensure that individuals who are applying for the demonstration are screened for Medicaid eligibility, and if found eligible for Medicaid, enrolled in the Medicaid program.

F. The State should provide a definition of case management/care coordination and describe any case management programs or care coordination programs which will be used to coordinate beneficiary care under the program.

G. Describe the process for sharing or transferring patient information regarding beneficiary care, while protecting confidentiality.

## **VI. Budget Neutrality**

A. Fully describe the development of the proposed budget neutrality calculation. Be specific regarding the process to calculate with and without waiver costs, data sources for each calculation/estimate, and the type of budget neutrality cap limitation proposed (aggregate or per capita cost limit). Include the following data: 1. Historical per person costs for all HIV-positive persons enrolled in Medicaid. Submit these data for all years (e.g., 1996 and beyond) in which highly active antiretroviral therapy (HAART) was provided to Medicaid enrollees. In addition, separately report these costs for HIV-positive individuals who are asymptomatic, symptomatic or have AIDS. Include the algorithm that is used to identify HIV-positive Medicaid enrollees and claims paid on their behalf.

2. Historical per person costs broken out by each individual service or by a reasonable aggregation of services. If demonstration enrollees will not be offered a full Medicaid benefit package, clearly

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distinguish between the cost of covered services and the cost of non-covered services for HIV-positive Medicaid enrollees. Separately report these costs for HIV-positive individuals who are asymptomatic, symptomatic, or have AIDS.

1 The percentage of people in the State living with AIDS who are currently on the State's Medicaid program and, if the State conducts HIV surveillance, the percentage of people living with HIV (not AIDS) who are currently on the State's Medicaid program.

2 An historical breakdown of HIV-positive Medicaid enrollees by eligibility category. Submit these data for all years in which HAART therapy was provided to Medicaid enrollees.

3 Any data progression of disease for those HIV-positive individuals on the State's Medicaid program, if available. B. Describe the State's ability to monitor and report cost information relevant for determining budget neutrality.

## **VII. Quality and Evaluation**

A. Indicate how the State will manage quality assessment and performance improvement activities, especially those measures specified in the Balanced Budget Act of 1997.

B. Describe the data the State will collect in order to systematically assess the quality of care provided to demonstration participants. Include specific details regarding participant surveys that will be conducted or other types of satisfaction data that will be collected.

C. Describe how the State will monitor the complaints, grievances and appeals process, including the content, organization, and frequency of any reports that the State collects, and how the State utilizes information provided by the reports.

D. Describe the demonstration evaluation design, including items such as: specific hypotheses that are being tested, the outcome measures that will be used in evaluating the impact of the demonstration, and data sources for assessing these outcomes.

