**Title: MassHealth Waiver Renewal – Accessible PowerPoint presentation – 18 slides described**

**Slide 1: MassHealth Agenda**

Introductory Remarks -John Polanowicz, Secretary of Health and Human Services

Overview of Waiver Renewal - Kristin Thorn, Acting Medicaid Director

Waiver Renewal Requests - Amanda Cassel Kraft, Director of ACA Program Development

Questions and comments - General public

**Slide 2: MassHealth 1115 Demonstration “Waiver” Renewal Request**

**Public Stakeholder Meeting #1**

Date: Tuesday, August 27, 2013

Time: 10 am – 12 pm

Location: Transportation Building 10 Park Plaza, Boston 02116

**Public Stakeholder Meeting #2**

Date: Thursday, August 29, 2013

Time: 10 am – 12 pm

Location: Worcester Public Library Salem Square, Worcester 01608

**Slide 3: Background**

**Slide 4: 1115 Demonstration “Waiver”**

What is an 1115 Demonstration (aka “Waiver”)?

* An agreement between a state’s Medicaid agency and the Centers for Medicare and Medicaid Services (“CMS”) that allows the state flexibility in the administration of its Medicaid program beyond what is allowed under a Medicaid State Plan.
* 1115 Waivers can be used to expand eligibility to individuals who are not otherwise Medicaid or CHIP eligible, offer services that are not typically covered by Medicaid, and use innovative service delivery systems that improve care, increase efficiency, and reduce costs.

**Slide 5: History of MassHealth’s 1115 Waiver**

* MassHealth’s 1115 Waiver was initially implemented in 1997 and has been renewed four times since (2002, 2005, 2008, 2011).
* The Waiver has allowed MA to expand coverage over time, including to higher-income kids and disabled individuals, long-term unemployed adults, employees of small businesses and individuals living with HIV.
* In 2005 - 2006, the Waiver was used as the vehicle to provide federal authorization for the reforms contained in Chapter 58 (Massachusetts’ 2006 health reform legislation):
  + - Creation of Commonwealth Care and the Safety Net Care Pool
    - Expanded eligibility for HIV and the Insurance Partnership
    - Provider payments under the Safety Net Care Pool
    - Federal matching funds for non-Medicaid state health care spending (Designated State Health Programs)

**Slide 6: Overview of the SFY12-14 Waiver Agreement**

* Current Waiver Renewal is a three-year agreement signed in 2011 that lasts through June 30, 2014
* Continues full support for health care reform and new authorities to promote alternative payment models & integrated care systems
  + Delivery System Transformation Initiatives: incentive funding for safety net hospitals to support improvements in care and payment reform
  + Pediatric Asthma Bundled Payment Pilot: to improve health outcomes for children with high-risk asthma
  + Intensive Early Intervention (EI) for Children With Autism: autism services for kids up to age three through the Department of Public Health
  + Express Lane Eligibility for Parents/Caretakers: first-of-its-kind program that streamlines eligibility Renewals for parents with kids enrolled in SNAP (food stamps).
* Includes a pathway to ACA implementation through a Transition Plan and Waiver Amendment, submitted to CMS June 4, 2013

**Slide 7: Waiver Renewal Request**

**Slide 8: Waiver Renewal Timeline**

The Waiver continues to play a critical role in supporting ongoing health care reform in Massachusetts. To continue the Waiver beyond June 30, 2014, the Commonwealth must submit a Renewal request to CMS.

June 30, 2013 - Letter submitted to CMS announcing intent to renew the Waiver

August 20, 2013 - Public comment period begins

August 27, 2013 - Public hearing in Boston

August 29, 2013 - Public hearing in Worcester

September 19, 2013 - Public comment period ends

September 30, 2013 - Final Waiver Renewal request submitted to CMS

July 1, 2014 - New Waiver period begins

**Slide 9: Waiver Renewal Goals**

The goals of the Waiver Renewal are to:

* Maintain near-universal health care coverage for all residents 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 comprehensive, person-centered health care focused on measureable health outcomes; and
* Advance payment reforms by introducing and supporting alternative payment structures that create and share savings throughout the system

**Slide 10: Waiver Renewal: The Future of Health Reform**

* The Waiver Renewal request focuses on gaining federal authority and support to pave the way for the next phase of health care reform in Massachusetts , with a focus on sustainability of the health care system, payment reform and cost containment
  + Shaped in the context of major changes resulting from the Affordable Care Act (ACA) and Chapter 224
  + MassHealth serves as a key player in health care reform in the Commonwealth and must continue to be a leader in advancing integrated care and accountable care models
  + Continued federal support is critical in order to sustain and build upon successes of the state’s health care reform and coverage expansion

**Slide 11: Requested Changes to the Waiver**

Highlights include requests for:

* A five-year Waiver renewal term
* Authority for shared savings/shared risk arrangements to enable alternative payment models
* Continuation and expansion of existing authorities for programs and provider payments

Additional expenditure authority for state supported health programs

**Slide 12: Five Year Waiver Term**

* Historically, only three year Waiver Renewal terms have been allowed under federal rules. However, the ACA established a new opportunity that allows for a five-year Waiver Renewal term if a state provides medical services for individuals who are eligible for both Medicare and Medicaid (“dual-eligibles”) through its Waiver
* MassHealth’s 1115 Waiver and Duals Demonstration overlap and provide complementary authorities that underpin the One Care integrated care model
* The five year timeframe will allow the Commonwealth to fully implement the One Care program, learn and refine the model
* MassHealth will also explore expanding the One Care model to the “pre-duals” population of disabled adults who are eligible for Medicaid but not yet eligible for Medicare

**Slide 13: Advancing Alternative Payment Models**

* The Commonwealth requests authority for shared savings/shared risk arrangements to support Primary Care Payment Reform (PCPR) and lay the foundation for future alternative payment models.
* MassHealth is in the early stages of developing a new accountable care payment model that would build on PCPR that would likely entail:
  + contracting directly with Accountable Care Organizations (ACOs)
  + encouraging providers to take on higher levels of shared savings and risk
  + modifying quality metrics and clinical delivery model requirements
* MassHealth aims to launch new model in state fiscal year 2015

**Slide 14: Continuation of Current Authorities**

The Pediatric Asthma Pilot Program

* Provides more flexibility to selected primary care practices to improve care and health outcomes for children with high risk or poorly controlled asthma
* This pilot was authorized in the previous Renewal, and the Commonwealth is seeking authority to continue this program, as it is still in its early stages

Express Lane Renewal

* This process streamlines the annual eligibility renewal for families with MassHealth and Supplemental Nutrition Assistance Program (SNAP) benefits
* Contributes to goal of universal coverage by reducing churn
* Requesting to expand program to include new adults under ACA expansion

Intensive Early Intervention Program for Children with Autism

* Department of Public Health provides intensive early intervention services for MassHealth-eligible children up to age 3 with autism spectrum disorders

**Slide 15: Safety Net Care Pool**

* The Safety Net Care Pool (SNCP) was created as part of 2006 health care reform to fund coverage expansion, provider payments (such as the Health Safety Net), and (more recently) delivery system reforms
* The Commonwealth requests:

Elimination of the Provider Sub-Cap

* + Certain SNCP provider payments are currently subject to a “Provider Sub-Cap,” tied to the amount of the state’s Disproportionate Share Hospital (DSH) allocation
  + Sub-cap would be redundant with new provider-specific cost limit, and federal DSH reductions would adversely affect safety net providers

Federal Matching Funds for Designated State Health Programs

* DSHP authority historically has provided federal support for state health programs would otherwise be entirely state-funded
* The Commonwealth requests to extend and expand DSHP authority, including for:
  + Existing DSHP programs
  + State-supported subsidies for Health Connector enrollees earning up to 300% FPL (partially authorized through pending Waiver amendment)
  + New state programs that advance health reform and cost containment, such as programs created by Ch. 224

**Slide 16: Supporting Safety Net Providers**

Delivery System Transformation Initiatives

* Requests to continue and build upon the initial progress achieved by 7 safety hospitals participating in program that provides incentive funding to implement delivery system and payment reform transformations that would otherwise be unachievable
* Hospitals will take on more ambitious projects and outcome-focused metrics

Infrastructure and Capacity Building Grants

* Requests 50% increase in authority for grants for hospitals and community health centers to develop and implement projects that improve care and advance new payment and delivery models
* Additional funds would target hospitals that serve high Medicaid/low commercial mix of patients

Support for Cambridge Health Alliance

* Requests to continue support for state’s only public acute hospital system and essential partner in serving the Medicaid and uninsured populations
* An increasing proportion of CHA’s funds will be shifted each year to incentive payments

**Slide 17: Conclusion**

* The MassHealth 1115 Waiver has been a key component of health care reform in the state
* Continued federal support through the Waiver will position MassHealth to help lead the next phase of reform
* MassHealth will continue existing initiatives and introduce new ones to support the Waiver’s goals
* The Renewal will support and reinforce the federal-state partnership by promoting many of the aims of the Affordable Care Act and Chapter 224

The Commonwealth welcomes input from the public through the hearing process or through written comments

**Slide 18: Public Notice and Comment Process**

* The Waiver Renewal or “Request to Extend the 1115 Demonstration” and appendices can be found at this link or obtained in hard copy at the EOHHS office (address below): http://www.mass.gov/eohhs/gov/departments/masshealth/masshealth-and-health-care-reform.html
* Comments on the Renewal Request will be accepted until 5 pm on September 19th
* Comments can be sent to:
  + [Laxmi.Tierney@state.ma.us](mailto:Laxmi.Tierney@state.ma.us), Subject Line: Comments for Demonstration Extension Request
  + Laxmi Tierney, EOHHS Office of Medicaid, One Ashburton Place, 11th Floor, Boston MA 02108