

Overall section 1115 demonstration	
State	<i>Massachusetts</i>
Demonstration name	<i>11-W-00030/1 and 21-W-00071/1</i>
Approval period for section 1115 demonstration	<i>October 1, 2022 - December 31, 2027</i>
Reporting period	<i>October 1, 2022 - December 31, 2022</i>
Demonstration goals and objectives	<ul style="list-style-type: none"> • <i>Continue the path of restructuring and reaffirm accountable, value-based care – increasing expectations for how ACOs improve care and trend management, and refining the model;</i> • <i>Make reforms and investments in primary care, behavioral health, and pediatric care that expand access and move the delivery system away from siloed, fee-for-service health care;</i> • <i>Continue to improve access to and quality and equity of care, with a focus on initiatives addressing health-related social needs and specific improvement areas relating to health quality and equity, including maternal health and health care for justice-involved individuals who are in the community;</i> • <i>Support the Commonwealth's safety net, including ongoing, predictable funding for safety net providers, with a continued linkage to accountable care; and</i> • <i>Maintain near-universal coverage including updates to eligibility policies to support coverage and equity.</i>

Enrollment in Premium Assistance (STC 16.5.b.v.)

During this reporting quarter, MassHealth provided premium assistance for 12,389 health insurance policies resulting in premium assistance to 25,685 MassHealth eligible members. The value of the third-party payments made by MassHealth during this reporting quarter was \$18,276,610.

Premium Assistance Program: Employer Sponsored Insurance	Disabled Members	Non-Disabled Members	Total MassHealth Enrolled Members
<i>Standard</i>	1,894	13,021	14,915
<i>CommonHealth</i>	3,559	0	3,559
<i>Family Assistance</i>	15	6,407	6,422

<i>CarePlus</i>	0	789	789
Total for 10/1/22-12/31/22	5,468	20,217	25,685

Premium Assistance Disenrollment Rate

During this reporting quarter, MassHealth provided premium assistance for 12,389 health insurance policies. Of these, 2,261 policies disenrolled from Premium Assistance during this timeframe for a Premium Assistance disenrollment rate of 19.1%. Please note that losing Premium Assistance does not impact a member's MassHealth eligibility status. Members disenrolled from Premium Assistance can continue to receive care from within the MassHealth network, assuming they remain eligible for MassHealth.

Please also note that roughly 40% of the MassHealth Premium Assistance caseload have insurance policies with a plan year end date in December. Therefore, the reporting quarter that contains December will generally exhibit a significantly higher disenrollment rate as compared to other reporting quarters since so many policies require their policy information to be updated. Many of the policies who are disenrolled for failure to provide updated policy information have their Premium Assistance reinstated once they do provide that information.

Premium Assistance Program: Employer Sponsored Insurance	Total Premium Assistance Policies	Total Policies Disenrolled from Premium Assistance	Premium Assistance Disenrollment Rate
Total for 10/1/22-12/31/22	12,389	2,370	19.1%

Waiver Evaluation (STC 16.5.d)

2017-2022 Waiver Evaluation Activities Goals 1&2

Quantitative Activities

- Coordinated with MassHealth to facilitate the availability and transfer of data needed for the evaluation
- Concluded the ACO provider and CP staff surveys, started the data cleaning process and initiated the data analysis
- Continued analyses of MassHealth administrative claims and encounter data, hybrid quality measures, member experience surveys, flexible services data, KII data, MassHealth and other program data, ACO financial reconciliation data, and CP staff and ACO provider surveys

- Collected inputs for cost analyses from MassHealth Statewide Investment Vendors
- Continued preparation of manuscripts for submission to peer-reviewed journals

Qualitative Activities

- Continued analysis of ACO, MCO, CP wave two KII data
- Completed wave two member interviews and began analysis
- Completed wave two ACO case study interviews
- Completed wave two CP case study interviews
- Completed SSO case study interviews
- Continued integration and synthesis of data
- Continued preparation of manuscripts for submission to peer-reviewed journals

2017-2022 Waiver Evaluation Activities - Goals 3-7

- Continued communicating with data system teams about compiling and transferring MH data to UMass Chan for analyses
- Continued updating analysis results for Goals 3
- Continued research of policy developments relevant to each goal
- Continued reviewing and analyzing data for HEDIS based quality measures for Goal 4, particularly reviewing the results for fee-for-service population
- Continued regular monthly meetings with MassHealth
- Continued to update measures for 2020 for Goal 5
- Met with MassHealth SUD program contacts to ensure objectives of Goal 5 evaluation are being met
- Continued data analyses for Goal 7
- Solicited and received approval from MassHealth regarding peer-reviewed dissemination topics and continued developing manuscript

2022-2027 Waiver Evaluation Activities: October 1 – December 31, 2022

The primary objective for this quarter was to establish the foundation for developing the Evaluation Design Document (EDD) due to CMS in March 2023. Coordinating meetings were held in October and November 2022 between the Independent Evaluator (IE) and MassHealth staff to confirm a shared understanding of CMS expectations for the EDD, MassHealth goals and implementation plans for the Demonstration, and to establish a shared timeline and work plan for the development of the EDD.

An essential first step in the work plan was the performance of a crosswalk between the Massachusetts Demonstration goals and the policy components identified by CMS requiring evaluation. The crosswalk resulted in the identification of seven policy Domains that addressed CMS expectations and Massachusetts goals. Seven policy Domain workgroups were established and worked during November

and December to clarify the policy Domain components and develop evaluation logic models for each Domain. The IE then developed logic model and research questions and hypotheses based on the logic models mapped to the CMS-required components. These research questions and related hypotheses will become the basis of the evaluation design.

The IE developed a draft EDD outline based on CMS guidance inclusive of the seven policy Domains. The draft EDD outline was shared with CMS for feedback in December 2022. The IE also developed a workplan/timeline that was iteratively reviewed and revised as needed with MassHealth.

SMI Maintenance of Effort (STC 7.4)

Massachusetts SFY2022 Expenditures on Community-Based Behavioral Health Services

Medicaid Population	Total Claim Dollars (M)	Federal Share (M)	State Share (M)
Managed Care	\$1,081,990,262	\$726,059,149	\$355,931,113
FFS Services	\$114,085,413	\$72,258,944	\$41,826,468
Total Community-Based Mental Health Spend	\$ 1,196,075,675	\$798,318,093	\$397,757,581

Beneficiary Support System (STC 8.10)

Call Center	Call Type	Calls		
		Oct-22	Nov-22	Dec-22
Total MassHealth Enrollment Center Calls		36,809	32,592	28,767
Automated Health Systems	Applications	9,145	7,875	8,728
	Assister	8	2	6
	Eligibility	22,153	28,631	43,489
	Health Plan	22,442	28,046	32,103
	Language	0	720	2,449
	OneCare/HSN	1,101	630	17
	Tax Form	1	3	8
Total Automated Health Systems Calls		54,850	65,907	86,800

Maximus	Eligibility	57,177	52,156	38,907
	Health Plan	13,521	8,255	1,914
	Specialty	12,125	10,885	7,834
Total Maximus Calls		82,823	71,296	48,655

Independent Assessor for DSRIP (STC 12.14)

During DY27, MassHealth continued to contract with Public Consulting Group (PCG) to serve as the DSRIP Independent Assessor. The Independent Assessor is a designated entity that reviews ACO and CP proposals, progress reports and other documents to ensure compliance with approved STCs and Protocols. The Independent Assessor makes recommendations to the state regarding those proposals, reports, and other documents and assists with the progress reports and continuous quality improvement activities. Please see the DSRIP Operations and Implementation section of this report for more details.

During DY27, MassHealth continued to contract with Commonwealth Medicine (renamed ForHealth Consulting in 2023), the public service consulting and operations division of UMass Chan Medical School, to be the overall waiver evaluator as well as the DSRIP evaluator. The Independent Evaluator determines the effectiveness of the DSRIP program in relationship to its goals. Please see the 2017-2022 Waiver Evaluation Activities section of this report for more details.

ACO and CP Delivery System Reform Incentive Payment (DSRIP) (STC 12.9)

Accountable Care Organizations (ACOs)

During DY27, MassHealth conducted performance management discussions with a set of individual ACOs to identify opportunities for improvement, analyze potential drivers of historical financial performance, and develop plan-driven interventions. MassHealth also worked on developing enhancements to performance management strategies for Rate Year 23 and onward.

In early November, MassHealth delivered the latest round of financial reporting to Primary Care ACOs. This round provides Primary Care ACOs with a preliminary view of their financial performance during RY22 (1/1/22 – 6/30/22). In December, MassHealth delivered to ACPPs/MCOs the latest bi-annual utilization report (time period included: 7/1/2020 to 6/30/2022). This report included updated Telehealth measure logic refined based on MassHealth and CMS bulletin guidelines. MassHealth continued to develop enhancements and updates to reports for RY23 and onwards, in particular to support the new ACO contracts launching in April 2023.

Community Partners (CPs)

During DY27, MassHealth successfully completed go-live for the transition to a 90 day filing policy and one year re-submission for denied claims beginning October 1, 2022. CPs have been aware of this upcoming change since July 2022. The change will be reflected in the updated contract language.

In October CP Office Hours, MassHealth shared best practices around preventative oral health care and MassHealth Dental coverage policies. MassHealth has continued performance management discussions with a set of individual CPs to identify opportunities for improvement, align on trend drivers, and develop plan-driven interventions. In December, MassHealth released the Community Partners (CP) enrollment, cost, and utilization reports.

Also during DY27, MassHealth executed contract extensions with all current CPs until 3/31/2023.

DSRIP Operations and Implementation

During DY27, MassHealth and the Independent Assessor reviewed and approved all the ACO Semiannual Progress Reports for the period of 1/1/2022-6/30/2022. MassHealth also released funding notification letters, guidance, and templates for various DSRIP Performance Year 5 Extension Period (1/1/2022 through 3/31/2023) deliverables. Later during DY27, MassHealth and the Independent Assessor reviewed and approved ACO budgets, budget narratives, and full participation plans updated to reflect the extension period, and started the review of CP extension period deliverables.

The Delivery System Reform Implementation Advisory Council (DSRIC) held a meeting in November to share an annual update on the ongoing Health Equity initiatives in MassHealth. The final DSRIC meeting was held in December: the topics included a three-year update of the Flexible Services program, a four-year update of the Community Partners program, as well as a summary of the Council work over the entire period since DSRIC inception. MassHealth continued to provide updated key statistics such as ACO and CP member enrollment.

MassHealth ACO/APM Adoption Rate

- **ACO members¹ as of 12/31/22:** 1,238,286
- **MCO enrollees covered by APMs that are not ACOs:** 4,602
- **ACO-eligible members² as of 12/31/22:** 1,518,068

¹ This number (i.e., ACO members) includes all ACO model types (A, B, and C) and serves, along with MCO enrollees covered by APMs that are not ACOs, as the numerator in the calculation of “Percent of ACO-eligible members enrolled in ACOs” metric displayed below.

² This number (i.e., ACO-eligible members) includes all ACO enrollees and attributed members (Model A, B, C) as well as members enrolled in the PCC Plan, our traditional MCO program, and a subset of FFS members who are managed care-eligible but not enrolled in an ACO, MCO, or the PCC Plan. This includes members not subject to mandatory managed care enrollment and members who were between plans at the time of the snapshot. This number serves as the denominator in the calculation of “Percent of ACO-eligible members enrolled in ACOs” metric displayed below.

- **Percent of ACO-eligible members enrolled in ACOs: 81.9%**

Managed Care Plan	Members	Membership percentage	HCP-LAN Category
Model A	728,548	48.00	Category 4C
Model B	493,930	32.54	Category 3B
Fee For Service (not managed care)	49,705	3.27	Category 1
Traditional MCOs (including 15.8K Model C members)	112,393	7.40	Traditional MCO: Category 4N ³ (between State and MCO) Model C: Category 3B (between MCO and Model C)
Primary Care Clinician (PCC) Plan	128,849	8.49	Category 1
MCO non-ACO APM contracts	4,602	0.30	Category 3A

Flexible Services Program

October: MassHealth developed and released guidance to ACOs for PY5 Q5 (Calendar Year 2023, January – March). Guidance included extension period funding notification letters, and updated budget templates.

November: ACOs submitted their PY5 extension period budget modifications. As needed, MassHealth provided additional feedback. Additionally, MassHealth provided feedback to ACOs on their PY5 Semi-Annual Progress Reports and Q2 Quarterly Tracking Reports. MassHealth, in partnership with the Department of Public Health via the SSO Prep Fund, hosted two learning communities for ACOs and SSOs. The first learning community focused on best practices providing nutrition supports to children and the second focused on providing home modifications to members with asthma.

December: MassHealth reviewed and approved ACO extension period budgets and began preparing the process to issue payments. ACOs submitted updated Semi-Annual Progress Reports and Q2 Quarterly Tracking Reports for approval. Additionally, ACOs submitted Calendar PY5 Q3 Quarterly Tracking Reports.

³ The traditional MCO program has a quality measure slate and an option to implement a performance incentive withhold on capitation rates. As of present day, MassHealth has not implemented the performance incentive withhold.

Enrollment Information

The enrollment activity below reflects enrollment counts for DY 27, as of December 31, 2022.

<u>Eligibility Group</u>	<u>Current Enrollees (to date)</u>
Base Families	1,034,305
Base Disabled	225,155
1902(r)(2) Children	35,062
1902(r)(2) Disabled	21,232
Base Childless Adults (19- 20)	23,567
Base Childless Adults (ABP1)	52,035
Base Childless Adults (CarePlus)	411,822
BCCTP	1,398

<u>Eligibility Group</u>	<u>Current Enrollees (to date)</u>
CommonHealth	32,159
e-Family Assistance	5,469
e-HIV/FA	862
SBE	0
Basic	N/A
DSHP- Health Connector Subsidies	N/A
Base Fam XXI RO	0
1902(r)(2) XXI RO	0
CommonHealth XXI	0
Fam Assist XXI	0
Asthma	N/A
TANF/EAEDC*	N/A
End of Month Coverage	N/A

Total Demonstration	1,843,066
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* TANF is reported under Base Families

Annual Summary

The enrollment activity below reflects enrollment counts for the entirety of DY26 and DY 27. The full DY information was included to meet the requirement of the annual report.

- DY26 and DY 27 represent the average monthly enrollment for the entirety of the demonstration years. Since DY27 is comprised of only QE December 2022, the current quarter enrollee counts in the section above is the same as the DY 27 enrollee counts in the table below.

<u>Eligibility Group</u>	<u>DY 26</u>	<u>DY 27</u>
Base Families	1,024,017	1,034,305
Base Disabled	226,414	225,155
1902(r)(2) Children	31,778	35,062
1902(r)(2) Disabled	19,680	21,232
Base Childless Adults (19- 20)	24,044	23,567
Base Childless Adults (ABP1)	48,417	52,035
Base Childless Adults (CarePlus)	404,103	411,822
BCCTP	1,353	1,398

<u>Eligibility Group</u>	<u>DY 26</u>	<u>DY 26</u>
CommonHealth	31,777	32,159
e-Family Assistance	6,318	5,469
e-HIV/FA	873	862

SBE	0	0
Basic	N/A	N/A
DSHP- Health Connector Subsidies	N/A	N/A
Base Fam XXI RO	0	0
1902(r)(2) XXI RO	0	0
CommonHealth XXI	0	0
Fam Assist XXI	0	0
Asthma	N/A	N/A
TANF/EAEDC*	N/A	N/A
End of Month Coverage	N/A	N/A
Total Demonstration	1,818,774	1,843,066

*TANF is reported under Base Families

Enrollment in Managed Care Organizations and Primary Care Clinician Plan

The enrollment activity below reflects the average monthly enrollment counts for DY 26 quarter ending September 30, 2022 and DY 27 quarter ending December 31, 2022.

Plan Type	QE 9/22	QE 12/22	Difference
MCO	229,129	233,368	4,239
PCC	125,340	128,375	3,035
MBHP*	672,961	685,120	12,159
FFS/PA**	737,518	755,908	18,390
ACO	1,195,510	1,218,238	22,728

*MBHP enrollment does not represent members unique to the plan, as there is overlap with PCC and ACO Model B enrollment.

**PA included in FFS and MBHP enrollment counts

Member Month Reporting

Enter the member months for each of the EGs for the quarter.

A. For Use in Budget Neutrality Calculations

Expenditure and Eligibility Group (EG) Reporting	October 2022	November 2022	December 2022	Total for QE Dec 2022 DY 27
Base Families	1,030,883	1,030,701	1,037,839	3,099,423
Base Disabled	225,583	224,891	225,104	675,578
1902(r)(2) Children	33,607	34,831	35,472	103,910
1902(r)(2) Disabled	20,619	21,151	21,424	63,194
New Adult Group	483,034	485,746	488,429	1,457,209
BCCDP	31,940	32,110	32,156	96,206
CommonHealth	1,030,883	1,030,701	1,037,839	3,099,423
TANF/EAEDC*	433	439	419	1,291

*EAEDC

*EAEDC member months only. TANF is reported under Base Families

- **For Informational Purposes Only**

Expenditure and Eligibility Group (EG) Reporting	October 2022	November 2022	December 2022	Total for QE Dec 2022 DY 27
e-HIV/FA	871	867	858	2,596
Small Business Employee Premium Assistance	0	0	0	0
DSHP- Health Connector Subsidies	N/A	N/A	N/A	N/A
Base Fam XXI RO	0	0	0	0
1902(r)(2) RO	0	0	0	0
CommonHealth XXI	0	0	0	0
Fam Assist XXI	0	0	0	0