SELLERS DORSEY COVERAGE

MA 1115 Waiver Amendment Summary

sellers dorsey
realize the opportunity.

Executive Summary

The latest MassHealth Medicaid and Children's Health Insurance Plan (CHIP) Section 1115 waiver demonstration is currently approved through December 31, 2027, and has been central to the Commonwealth's goals of achieving universal healthcare coverage. Although the 1115 demonstration was recently extended to the 2027 date, the Commonwealth submitted an amendment on October 16, 2023, to further the overall goals of the demonstration. CMS will accept public comment on the proposed amendment through November 29, 2023.

MassHealth's amendment request includes several key changes and expansions:

1. Preserve CommonHealth Members' ability to enroll in One Care Plans.

This change relates to the transition of the Commonwealth's Medicare-Medicaid Plan (MMP) program, known as One Care, from its current demonstration for dual eligibles structure to a Medicare Advantage Fully Integrated Dual Eligible Special Needs Plan (FIDE-SNP) structure. The proposal clarifies the eligibility of dual eligibles with MassHealth CommonHealth to enroll in One Care plans, ensuring a seamless transition to the new structure effective January 1, 2026.

2. Expand Marketplace (Health Connector) Subsidies to additional individuals.

MassHealth proposes increasing the income limit for individuals to receive assistance with ConnectorCare (the state's insurance marketplace for health and dental plans) premiums and cost-sharing from 300% FPL up to 500% FPL, effective January 1, 2024. This change aims to broaden access to these subsidies and mitigate disparities in health coverage programs.

3. Increase in income limit for Medicare Savings Program (MSP) Benefits for Members on MassHealth Standard and CommonHealth to the state statutory limit.

MassHealth proposes to raise the income limit for MSP benefits for MassHealth Standard and CommonHealth members to the state statutory limit, thus expanding access to benefits and reducing healthcare costs for older adults. CommonHealth offers benefits to disabled adults and children who do not qualify for MassHealth Standard. The change is in line with the FY2023 state budget, which disregarded 90% of the FPL from an applicant's gross income, effectively raising the income limits.

4. Remove the waiver of three months retroactive eligibility.

MassHealth requests to withdraw their waiver authority on retroactive eligibility and return to federal rules. This aligns with the objective of supporting enrollment continuity, improving health status, and reducing beneficiary medical debt.

5. Provide 12 months of continuous eligibility for adults and 24 months of continuous eligibility for members experiencing homelessness who are 65 and over.

MassHealth requests to provide continuous eligibility to maintain consistent coverage and care continuity, irrespective of changes in eligibility circumstances. This policy is intended to reduce coverage gaps and ensure access to program benefits, ultimately lowering the rate of uninsured and underinsured individuals.

6. Include short- term post-hospitalization housing and temporary housing assistance for pregnant members and their families as allowable health-related social needs (HRSN) services.

MassHealth requests authority to implement a program that offers up to six months of short-term post-hospitalization housing (STPHH) and supportive services for eligible members currently experiencing homelessness and being discharged from a hospital or emergency department after receiving inpatient care. The STPHH is set to be effective on January 1, 2025. The amendment also seeks authority to include short-term, temporary housing assistance and other HRSN supports for pregnant members and families. Other states such as California, Washington, and Oregon have previously received similar approvals for expanding short-term and tenancy support services to address HRSN for specific populations.

7. Increase the expenditure authority for the social service organization integration fund.

MassHealth is requesting approval to transition the delivery model of the Flexible Services Program (FSP) into managed care and unify the HRSN network. The Social Service Organization (SSO) Integration Fund is an existing program that allows these organizations to support infrastructure needs. The Commonwealth is requesting an additional $17 million in expenditure authority to support these efforts for a total of $25 million which includes $8 million in existing funds.

8. Provide pre-release MassHealth services to individuals in certain public institutions.

For the purposes of this request, the Commonwealth is referring to “individuals in certain public institutions” as eligible individuals in correctional facilities and certain youth in Department of Youth Services juvenile justice facilities. MassHealth is seeking authority to provide these individuals with certain covered services 90 days prior to their release from these settings.

This is similar to California's recent approval, which allows the state to provide a targeted set of Medicaid services but to a broader range of settings. Washington also sought approval for pre-release services.

Budget Neutrality

The Commonwealth has projected to have a budget neutrality cushion of approximately $28.2 billion, $6.2 billion attributable to the SFY2018-2022 waiver period as of the quarterly report for the period ending on June 30, 2022. The estimate provided by the Commonwealth includes projected expenditures and member months through SFY2022. This calculation reflects significant realized and potential savings. The amendment is expected to cost MassHealth $6.1 billion and increase the total populations and expenditures for the 2022-2027 waiver period. As a result, the budget neutrality cushion would decrease by approximately $237.6 million over the same waiver period.

Waiver Evaluation

The Commonwealth has five goals that they hope to accomplish as a result of the demonstration:

1. Continue the path of restructuring and reaffirm accountable, value-based care by increasing expectations for how ACOs improve care and trend management and continuing to refine the model.

2. Make reforms and investments in primary care, behavioral health, and pediatric care that expand access and move the delivery system away from segmented fee-for-service care.

3. Continue to improve access to and quality and equity of care, with a focus on addressing HRSN and specific improvement areas relating to health quality and equity. This goal has a specific focus on maternal health and healthcare for justice-involved individuals in the community.

4. Support the Commonwealth's safety net, including ongoing, predictable funding for safety net providers, with a continued linkage to accountable care.

5. Maintain near-universal coverage including updates to eligibility policies to support coverage and equity.

Currently, the evaluation design document is under review by CMS. However, the Commonwealth outlines how each amendment requested here is expected to impact the evaluation:

Amendment Request #1: seeks to advance Goal #2 by preserving access to health plans.

Amendment Request #2: seeks to advance Goal #5 to maintain near-universal coverage and cites the evidence to suggest that this coverage results in improved health outcomes.

Amendment Request #3: seeks to advance Goal #5 by maintaining near-universal coverage. They also note that this amendment regarding MSP would help to ensure the long-term financial stability of the state's health coverage programs.

Amendment Request #4: seeks to advance Goal #5 by maintaining near-universal coverage and aims to increase enrollment continuity, improve health status, and reduce beneficiary medical debt.

Amendment Request #5: seeks to advance Goal #5 by maintaining near-universal coverage and supports the hypothesis that suggests this can result in improved health outcomes.

Amendment Request #6: seeks to advance Goal #3 by addressing HRSN in maternal health and other populations. The evaluation of this amendment will include a cost analysis to assist in improvements in the quality, effectiveness, and utilization of outpatient services.

Amendment Request #7: seeks to advance Goal #3 by continuing to improve access to and quality and equity of care with a focus on addressing HRSN.

Amendment Request #8: seeks to advance Goal #3 by ensuring access to and equity of care with a focus on maternal health and the healthcare of justice-involved individuals in the community.

Evaluation metrics may include:

- Provision of physical and behavioral health services prior to release.
- Provision of medication-assisted treatment prior to release.
- Hospitalizations and use of emergency services post-release.
- All-cause deaths post-release, particularly opioid-related deaths.
- Provision of physical, behavioral, and HRSN services post-release.
- Completion of Hepatitis C treatment after release for those who initiated treatment while incarcerated.
- Individuals with substance use disorder maintaining medication-assisted treatment after incarceration.
- Community tenure after incarceration.

Policy	Waiver or Expenditure Authority	Statutory and Regulatory Citation
Preserve CommonHealth Members' ability to enroll in One Care.	Clarify delivery system enrollment options for CommonHealth Adults under existing expenditure authority #1 for expenditures for these adults	
Marketplace Subsidies	Additional expenditure authority to provide premium and cost share subsidies for those with incomes at or below 500% FPL who purchase health insurance though the Massachusetts Health Insurance Connector Authority and gap coverage for up to 100 days while they select, pay, and enroll into a QHP	
Provide MSP for individuals on Standard with income up to the state statutory limit for MSP, who are otherwise eligible under the State Plan (including 65+).	Additional expenditure authority to provide MSP and benefits to MassHealth members eligible for Medicare cost-sharing assistance through the Commonwealth's MSP income limit expansion without applying an asset test	Certain Title XIX and XXI requirements would not apply including Section 1902(a)(10)(C) 1902(a)(10)(E)(i) 1902(a)(10)(E)(iv) And certain implementing regulations of 1902(a)(10)
Provide MSP to CommonHealth Members up to the state statutory maximum. Or, alternatively, to pay Medicare Part B premiums to all CommonHealth members up to 225% FPL.	Additional expenditure authority to provide MSP benefits to CommonHealth members up to the Commonwealth's MSP income limit expansion Additional expenditure authority to pay Part B premiums as a benefit to CommonHealth members up to 225% FPL separate from MSP	1902(a)(10)(E) to the extend its reference to section 1905 incorporates sections 1818 and 1843

12 Month Continuous Eligibility for adults aged 19 and over and 24 Month Continuous Eligibility for members experiencing homelessness who are aged 65 and over.	Waiver redetermination of eligibility regardless of changes in circumstances for 12 months (or 24 months for qualifying individuals)	Section 1902(a) to the extent it incorporates CFR 435.916
Expanded Housing Authority (i.e., Short-Term Post-Hospitalization Housing (STPHH) and Temporary Housing Assistance for pregnant members and families and related services).	Expanded housing authorities for STPHH and temporary housing assistance for pregnant members and families and related services as HRSN services under existing expenditure authority 22 and STC 15, including all related waivers applicable to HRSN services in the current demonstration	
Social Service Organization (SSO) Integration Fund.	Increase expenditure authority in the amount of $17 million under existing expenditure authority 23 and STC 15, including all related waivers applicable to HRSN services in the current demonstration	
Provide Pre-Release MassHealth Services to Individuals in Certain Public Institutions.	Expenditure authority to provide certain MassHealth covered services to otherwise eligible individuals held in certain public institutions 90 days prior to their release from those settings and expenditure authority to support related capacity building	Certain XIX and XXI requirements would not apply, including: Sections 1902(a)(1) 1902(a)(10)(B) 1902(a)(17) 1902(a)(27) 1902(a)(78) 2107(e)(1)(D)