FEDERAL DIRECTION AND VISION – 2017-18

2017

- Transition has been long and rocky
- Congressional debate ruled in 2017
  - Repeal and replace, Work requirements, Block grants and per capita caps

2018:

- More clarity in regulation and guidance
  - Recent work requirements policy
  - Defining state flexibility
- More and quicker waiver approvals
STATE FLEXIBILITY AND ACCOUNTABILITY

- Regulatory flexibility
  - Managed care regulations
- Waiver ideas
  - Personal responsibility guidance
  - 1332 waivers or other ACA-related changes
- Report cards and program integrity
- No new money
FEDERAL VISION

- CMS wants to revamp adult Medicaid coverage
  - Guidance
  - Recent waivers granted
- Other ideas (beyond adults)
  - Looking to narrow Medicaid’s scope
  - Interested in “risk sharing” with states (e.g., global waivers)
  - Maybe—eventually—block grants
Fundamental shift in defining able-bodied adult Medicaid

Work/Community engagement guidance allows states to:

- Set expectations/requirements around work and CE activities
- Define what constitutes work and CE, including service, care giving, education, training and SUD treatment
- Determine who it will apply to, and exclusions
- Define what happens when individuals don’t meet requirements

States must:

- Evaluate what happens to individuals who don’t meet requirements
- Have an effective appeals process
- Not ask for new money
OTHER IDEAS FOR STATE FLEXIBILITY BEING FLOATED

- **Lifetime Medicaid limits** (similar to insurance maximums)
- **Changes to the adult income eligibility levels** (+100% FPL off of Medicaid)
- **Cost sharing with enforcement**
  - Premiums, co-pays and surcharges
- **Benefit changes** (reducing or limiting medical transportation, retro-active eligibility)
- **Others?**
  - Drug testing
Several states are exploring work and community engagement and other flexibilities – requests may include a combination of proposals (e.g. community engagement, lock-out, etc.)

Waiver requests are not limited to expansion states – but also include non-expansion states

First approvals are in... (Kentucky, Indiana, Arkansas)

...while other, precedent-setting requests are pending (e.g. Wisconsin, Massachusetts)

...or are in development or discussion (e.g. Alabama, Idaho, Louisiana, Ohio, Utah)
STATE SPOTLIGHTS – KEY APPROVALS AND REQUESTS

+ Kentucky HEALTH waiver
  + First approved waiver with community engagement component (approved January 2018)

+ Indiana HIP 2.0 waiver
  + Tobacco cessation surcharge
  + Eligibility lock-out periods

+ Arkansas Works:
  + Likely first to implement work requirements – phased-in implementation starts in June
  + Request to limit expansion to 100% still pending

+ Wisconsin BadgerCare
  + Eligibility conditioned on drug screening / testing is pending CMS review and approval

+ Arizona AHCCS Works
  + Request to implement a 5-year lifetime limit for certain Medicaid populations
WHAT DOES THIS MEAN FOR MONTANA?

+ Near Term Decisions
  + Changes to adult coverage
  + Other items to include (quid pro quo with CMS)
  + Rethinking Medicaid and Individual coverage (1332 waivers)

+ Preparing for the Long Game
  + Possibility of major federal reforms
  + Getting new flexibility in the meantime