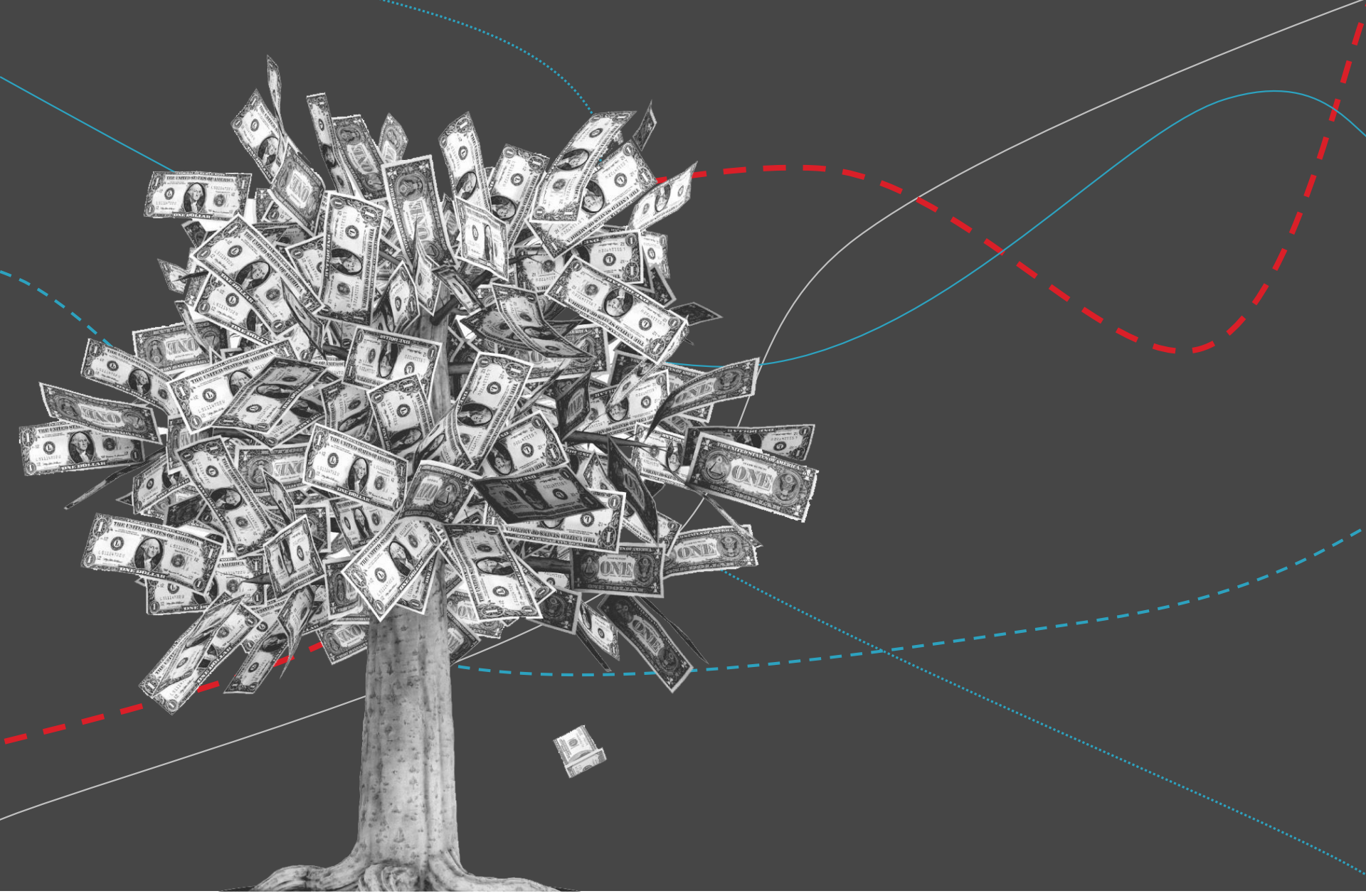


Reimbursement Landscape

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THE REIMBURSEMENT LANDSCAPE

Healthy Homes and Healthcare Reform: Healthcare Financing of Healthy Homes Services

- APHA/CDC funded project
 - ▣ What is the current reimbursement landscape?
 - Through lens of asthma and lead
 - ▣ What opportunities exist for state/local agencies or organizations interested in exploring healthcare financing of healthy homes services?

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Medicaid 101

- ❑ *Medicaid is the nation's main public health insurance program for low-income people of **all ages**.*
- ❑ *Medicaid is financed through a federal-state partnership, and **each state designs and operates its own program** within broad federal guidelines.*
- ❑ *States have traditionally provided benefits using a fee-for-service system, but Medicaid benefits have been **increasingly offered through a managed care delivery system**.*

Existing Medicaid Authority

- ❑ Medicaid Managed Care contracts or incentives
- ❑ Reimbursement for direct services
- ❑ Medicaid Administrative Claiming
- ❑ Other programs and emerging opportunities
 - ▣ EPSDT
 - ▣ Health homes
 - ▣ ACOs
 - ▣ Essential Health Benefits Rule change

Managed Care Contracts

- Many states contract with Managed Care Organizations (MCOs)
 - ▣ Opportunity to require community-based interventions in contractual agreements
 - ▣ Provide flexibility (and even encouragement!) for MCOs to design their own disease management strategies

EXAMPLE:

Managed Care Contract

- **The Monroe Plan for Medical Care**
 - ▣ As part of a state-led quality improvement project for Medicaid MCOs, developed a disease management program for children with asthma that included home environmental assessments and supplies



*Elizabeth Cotsworth, then Director, Office of Radiation and Indoor Air, U.S. EPA, and Beth Craig, then Deputy Assistant Administrator, Office of Air and Radiation, EPA, and Chris Draft, then NFL player, present the **EPA National Leadership Award in Asthma Management** to Dr. Joe Stankaitis and Deborah Peartree of the Monroe Plan for Medical Care*

Existing Medicaid Authority:

Examples from Lead Poisoning Services

- ❑ Medicaid Managed Care contracts or incentives
- ❑ Reimbursement for direct services
 - ▣ TxCLPPP reimbursed for environmental lead investigations
- ❑ Medicaid Administrative Claiming
 - ▣ TxCLPPP reimbursed for administrative activities
- ❑ Other programs
 - ▣ EPSDT
 - At least 11 states leverage EPSDT to require lead follow-up services
 - ▣ Health homes
 - ▣ Accountable Care Organizations
 - ▣ Essential Health Benefits Rule change

Mechanisms for Change



- ☐ State Plan Amendments
- ☐ Waivers

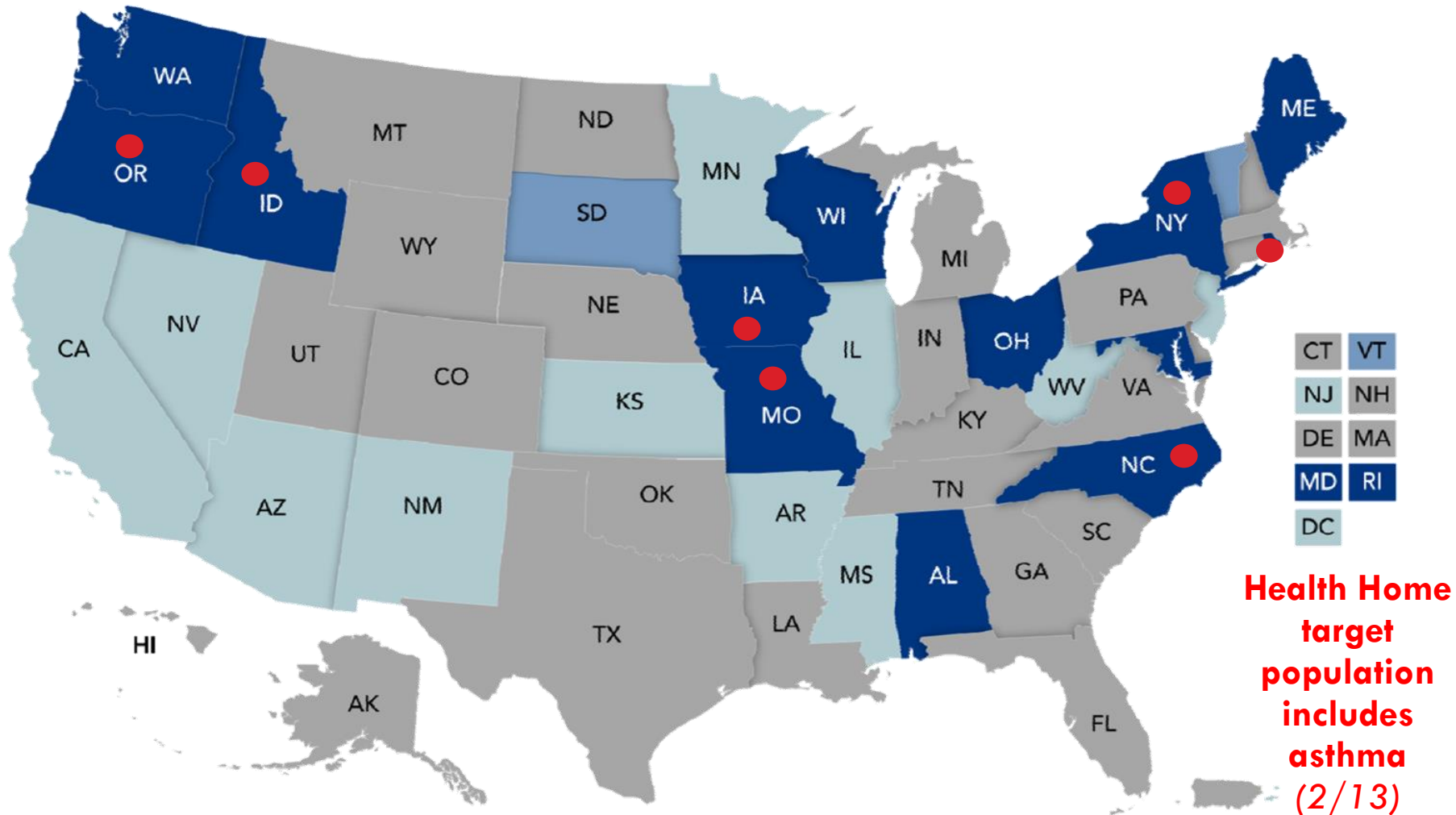
State Plan Amendments

- A state plan is a contract between a state and the Federal Government describing how the state will administer its Medicaid program
 - ▣ A State Plan Amendment (SPA) allows a state to amend its plan to request program changes
 - ▣ Submitted by the state and reviewed by the Centers for Medicare and Medicaid Services (CMS)

EXAMPLE:

State Plan Amendment

	Approved Health Home State Plan Amendment (SPA)
	Health Home SPA "On the Clock" (officially submitted to CMS)
	Approved Health Home Planning Request
	No Activity



Waivers

- Waivers allow states to try test new ways to deliver and/or pay for health care services.
- Four primary types of waivers:
 - Section 1115 Research and Demonstration Projects
 - Section 1915(b) Managed Care Waivers
 - Section 1915(c) Home and Community-Based Services
 - Concurrent Section 1915(b) and 1915(c) Waivers

EXAMPLE:

Waivers



Using Medicaid to Advance Community-Based Childhood Asthma Interventions

settings. However, recent efforts are underway in Massachusetts and other New England states to test community-based asthma service delivery models within traditional clinical service interventions that meet the needs of Medicaid-enrolled children and their families:

- **MassHealth Pediatric Asthma Bundled Payment Pilot Program.** In June 2010, Governor Deval Patrick approved legislation calling for a bundled payment system for high-risk pediatric asthma patients.⁵⁰ In December 2011, CMS approved a request from Massachusetts to extend its MassHealth Medicaid Section 1115 waiver¹ to develop a new pediatric asthma pilot program focused on improving health outcomes for children with asthma to reduce asthma-related emergency department utilization and hospitalizations, and to reduce associated Medicaid costs.⁵¹ Children, aged 2 through 18, will be eligible for enrollment in the pilot if they (1) have “high-risk” asthma, defined as an asthma-related hospitalization or emergency department visit, an oral corticosteroid prescription for asthma in the last 12 months, or another indicator of poor asthma control based on validated assessment tools; and (2) receive their care at one of the pilot primary care sites

SPAs and Waivers

SPAs AND WAIVERS AT A GLANCE⁴

State Plan Amendment		Waivers
When to use it	To propose a change to a state's Medicaid plan that falls within federal rules and requirements.	To submit a formal request to have specific federal rules or requirements "waived" to test a new service, delivery system change or policy that falls outside of federal rules or regulations.
Requirements	Must comply with federal rules and requirements and typically must meet criteria for statewideness, comparability and choice of providers. No budget or cost requirements.	Must meet cost requirements specific to the type of waiver (e.g., 1115 waivers must be budget neutral). No requirements for statewideness, comparability or choice of providers.
Approval process	CMS will review and respond within 90 days. If CMS requests additional information during the 90 day window, the "clock" is stopped until the information is received.	Depends on the type of waiver, but can involve a lot of discussion and negotiation between CMS and the state. 1115 waiver approval processes must be transparent and provide opportunity for public comment.
Duration	If approved, the change is permanent (unless modified by a subsequent SPA).	For 1115 waivers, the approval is typically for an initial five year period with an option to renew for an additional three years.

Medicaid Reimbursement Policies:

2014 Survey

- ❑ Online surveys
 - ▣ Home-based asthma services
 - ▣ Lead poisoning follow-up services
- ❑ Sent to program contacts and Medicaid Directors in Spring 2014
- ❑ Responses from 46 states for asthma and 49 states for lead

Reimbursement by the numbers:

Home-based asthma services



13

states have some
Medicaid
reimbursement for
home-based
asthma services in
place (may be on
very limited scale)

3

additional states
expect to have
some Medicaid
reimbursement for
home-based
asthma services in
place within a year

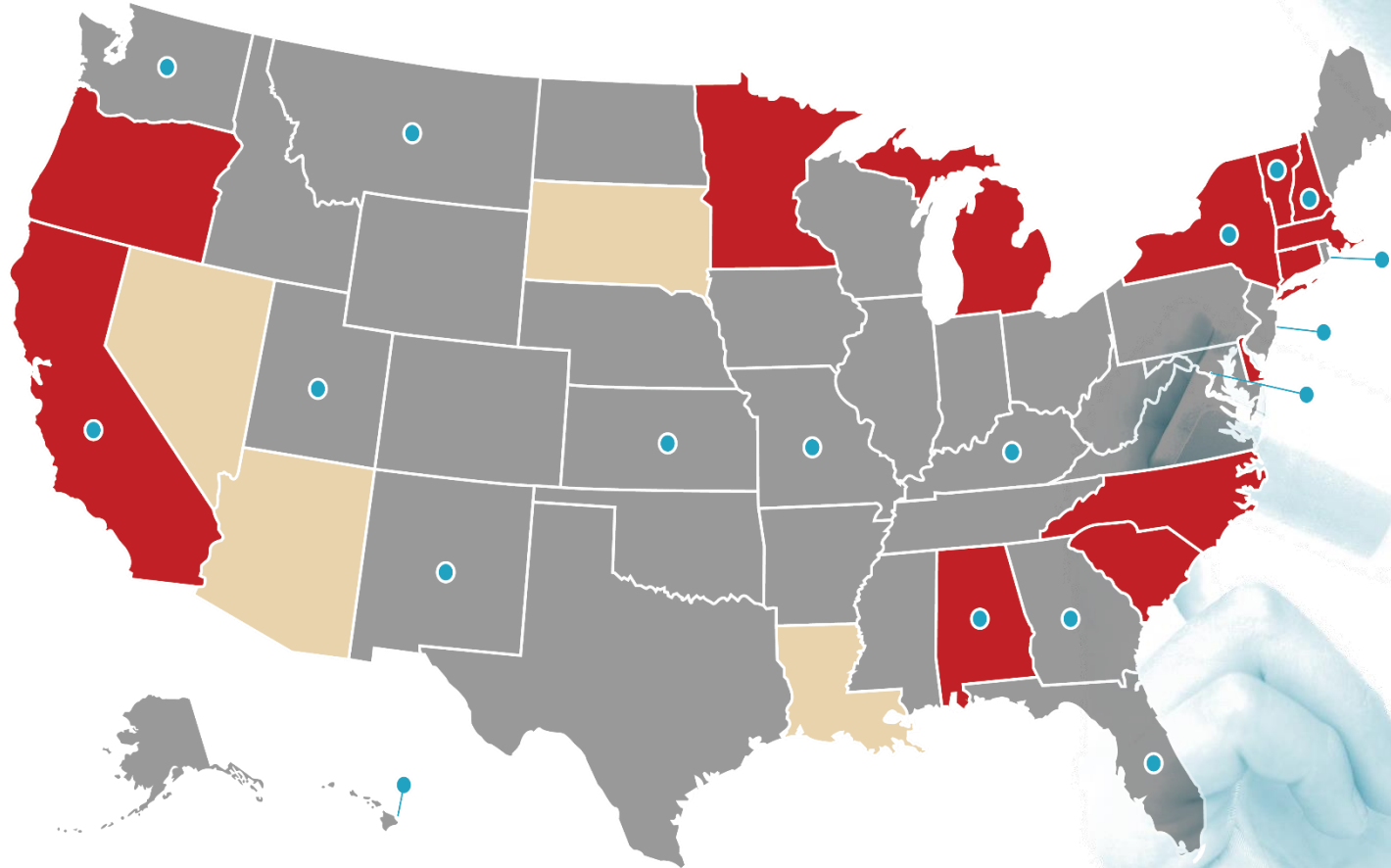
19

states are
exploring Medicaid
reimbursement for
home-based
asthma services
(or an expansion of
existing services)

37

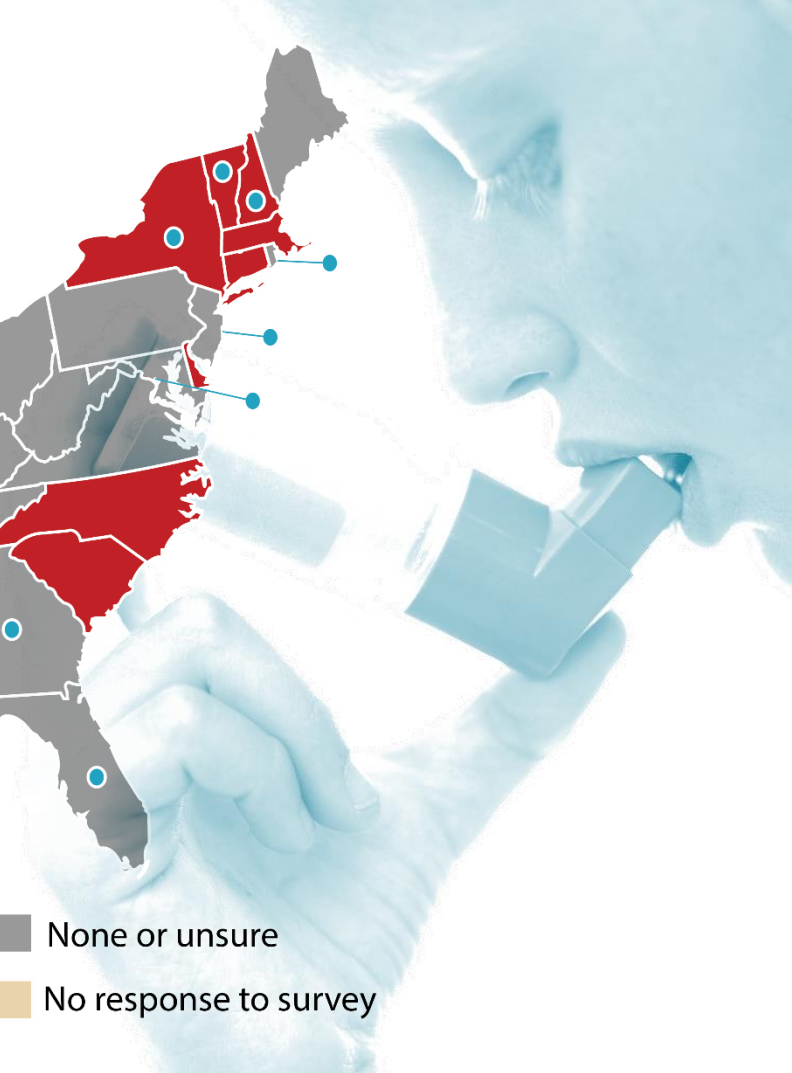
states reported that no services are in place or the
respondent was not sure whether services were in place or
the state did not respond to the survey

Current State of Play: ASTHMA



- Medicaid reimbursement in place (may be on limited scale)
- Exploring Medicaid reimbursement (or expansion of services)

- None or unsure
- No response to survey



Who is eligible for these services?

Among 13 states with home-based asthma services in place (select all that apply)



100%

provide services to children

69%

provide services to adults



OTHER REQUIREMENTS

- ☐ Recent hospitalization or ED visit (62%)
- ☐ Other healthcare utilization (38%)
- ☐ ACT score (15%)
- ☐ Location of patient's residence (15%)
- ☐ Allergen testing, screening questions about home environment, referral from school/daycare (8%)

What services are reimbursable?

Among 13 states with home-based asthma services in place (select all that apply)



Self-management education, 77%

Assessment of primary residence, 69%

In-home education about triggers, 54%

Low-cost supplies, 38%

Assessment of a second residence, daycare or school, 23%

Structural remediation, 15%

What type of staff provide services?

Among 13 states with home-based asthma services in place (select all that apply)

Nurses, 77%

Certified Asthma Educators, 54%

Respiratory Therapists, 38%

CHWs, 31%

Housing Professional, 15%

Sanitarian/Environmental Health Professional, 15%

Social Workers, 15%



Who is billing for these services?

Among 13 states with home-based asthma services in place (select all that apply)



Medicaid Managed Care Orgs, 54%

Visiting Nurse/Home Health Agencies, 46%

Hospitals/Clinics, 38%

Local Health Dept, 31%

Other Healthcare Providers, 15%

State Health Dept, 8%

Community-Based Orgs, 8%

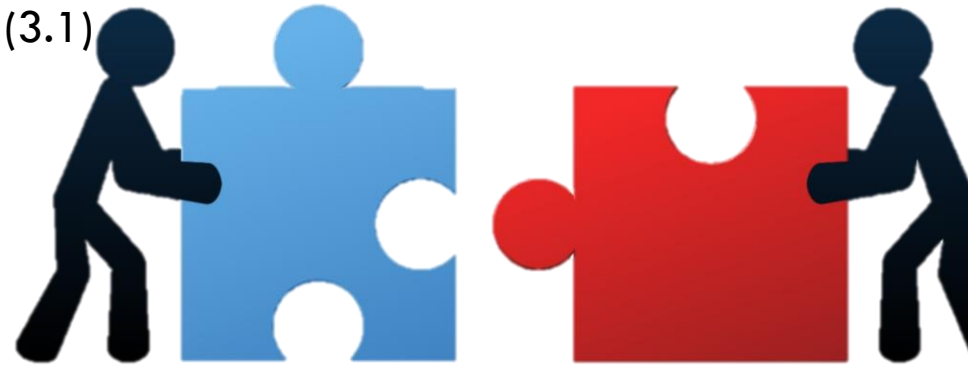
Other, 8%



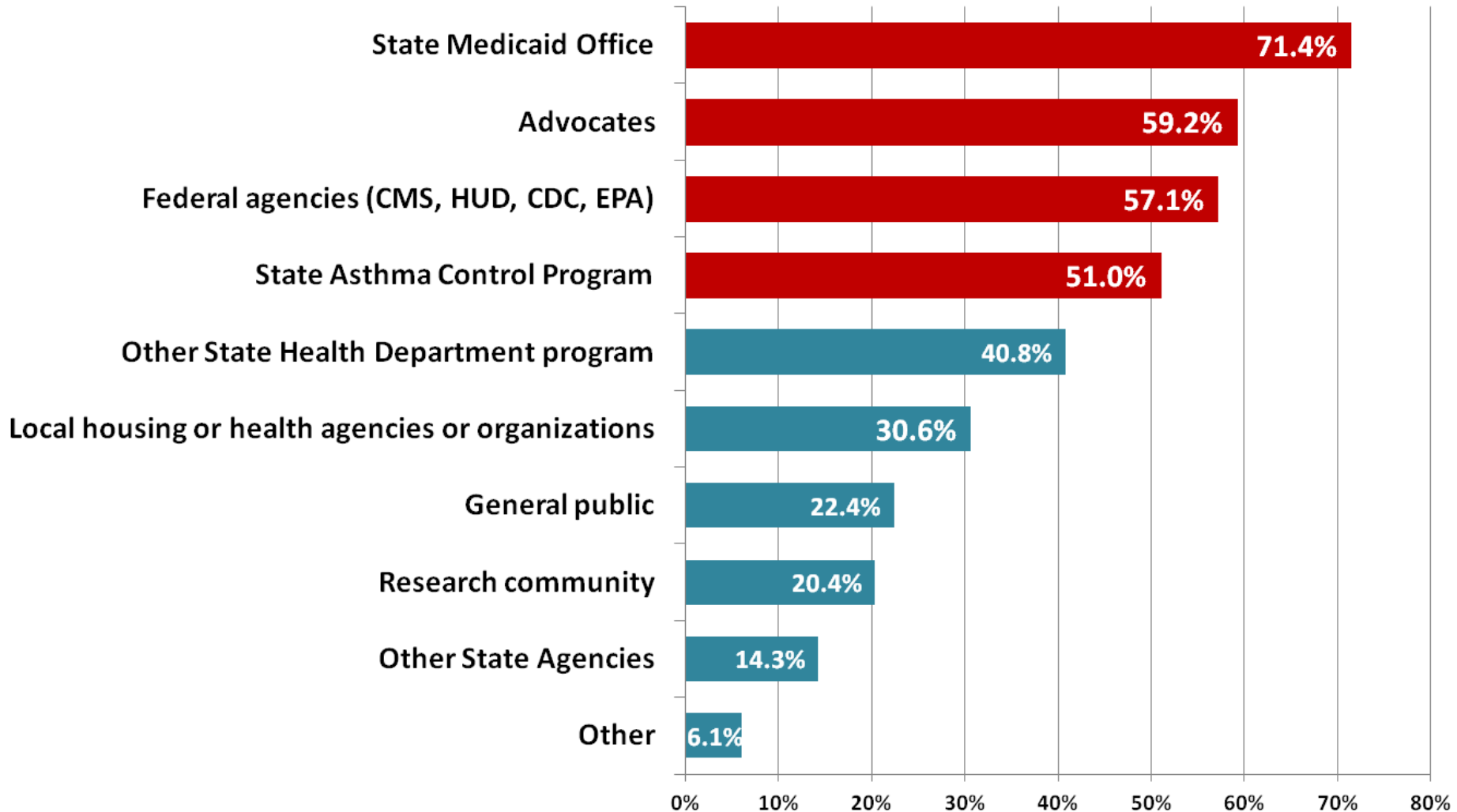
Most influential drivers (average ratings)

(4=Very important, 3=Important, 2=Somewhat Important, 1=Not important)

- ❑ **Credible information about potential costs and savings (3.7)**
- ❑ **Credible information about potential improvements in health outcomes (3.6)**
- ❑ **Political will/leadership (3.5)**
- ❑ Federal funding for State Asthma Control program (3.4)
- ❑ Relationships/partnerships to get issue on table (3.4)
- ❑ Promotion of service by State Asthma Control Program (3.3)
- ❑ Established workforce infrastructure to deliver services (3.3)
- ❑ Information/evidence from local/regional pilots (3.3)
- ❑ Credentialing infrastructure for eligible providers (3.3)
- ❑ Advocacy/interest from healthcare community (3.2)
- ❑ Change in EHB rule (3.2)
- ❑ Healthcare reform (e.g., ACA) (3.1)
- ❑ Individual champions within state agencies (3.1)
- ❑ Advocacy from external stakeholders (3.0)
- ❑ NAEPP clinical guidelines (3.0)
- ❑ CDC Community Guide (3.0)
- ❑ ...



Most influential groups



Other healthcare financing



- **7 states** reported at least one private/commercial payer in their state; an additional 7 are aware of pending efforts
- **6** Hospital Community Benefits
- **2** ACOs
- **1** Social Impact Bond
- **12** State-funded programs

OH
Lead

Coverage (including assessment of primary residence, secondary residence, and childcare facilities) is statewide and viewed as stable.

RI
Lead

Interviewees describe the program as stable but are looking for ways to expand covered services.

CA
Asthma

Several mechanisms in place, but services have limited availability and are adapting to a changing landscape.

DE
Asthma

Interviews still in progress.

Case Studies in Progress
Healthcare Financing of Healthy Homes Services

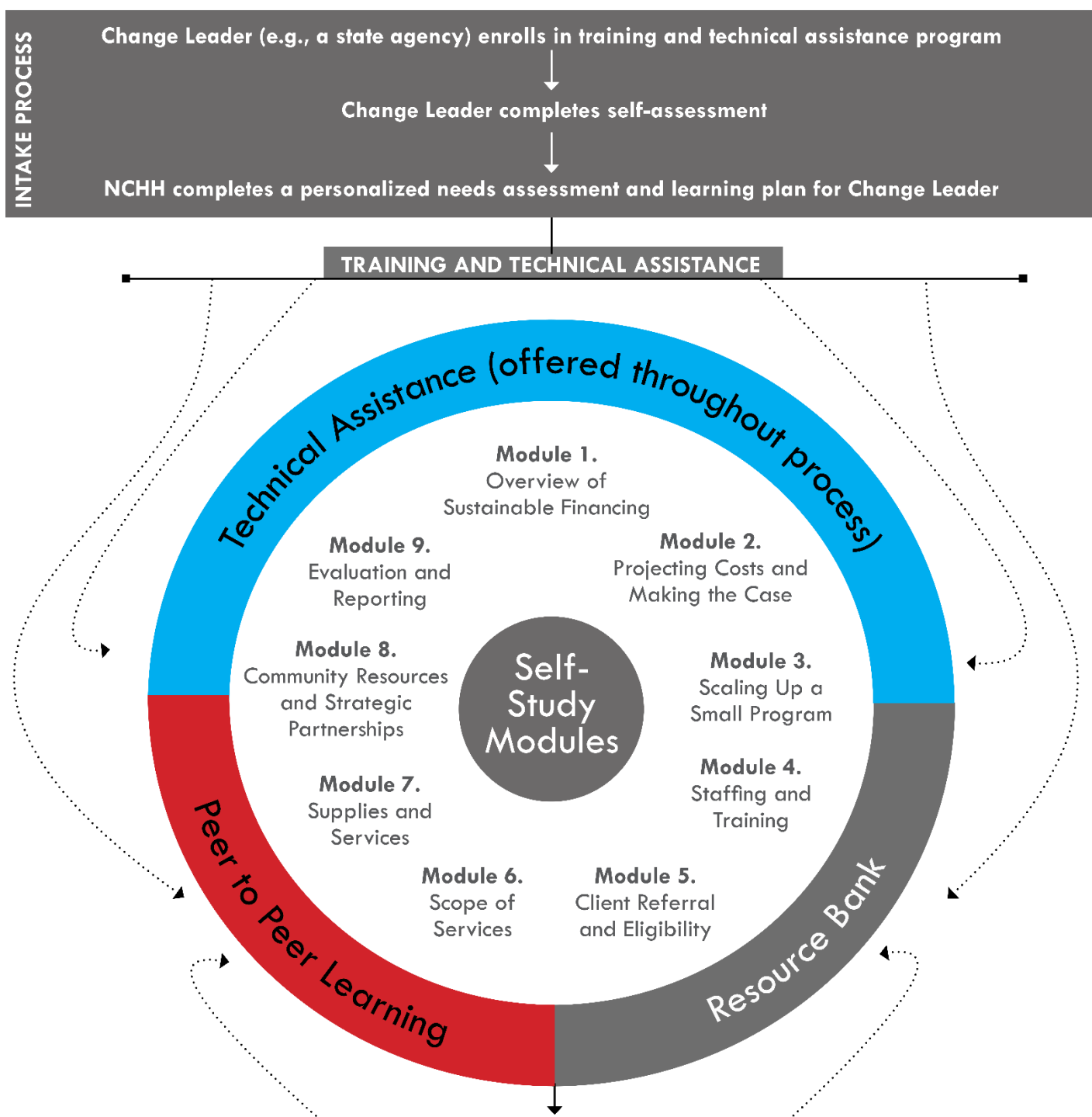
Six more asthma case studies to be developed

**If you're
interested in
learning more:**

Read about the
project:

www.nchh.org/Program/EquippingStatesforReimbursement.aspx

Keep your
relevant
agencies in the
loop (e.g., CDC
project officer,
EPA Regional
Office)



Next Steps for You?

- **Start (or advance) a conversation in your community**
 - ▣ What are some unique features about the administrative or regulatory landscape in your state?
 - ▣ Who is working on or might be interested in this issue in your state?
 - ▣ What would an ideal program look like for your state?
 - ▣ What needs to happen to make this a reality?
 - ▣ What is the first step? **What can you do within the next month?**

Some Useful Tools

- NCHH Healthcare Financing Resource Library
- CDC Community Guide to Preventive Services
- CDC Approaches to Reimbursement Report
- ARC Business Case
- EPA Award Winners Hall of Fame
- EPA's Value Proposition Toolkit
- AHRQ's Asthma ROI Calculator

Expert reports +
real-world examples +
these tools +
your own program's information/experience =
A compelling (and fundable) story

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www.nchh.org/resources/healthcarefinancing.aspx

www.nchh.org/Resources/HealthcareFinancing/Snapshot.aspx



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