

Medicaid: Uses To Fund Services And Implications Of Recent Proposed Changes In Regulations

CSAT/CMHS/SAMHSA
Treatment for Homeless Program
Technical Assistance Workshop
June 17, 2008

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Workshop Outline

- Medicaid Basics
- How To:
 - Create a new or expand Medicaid benefits
 - Increase access to Medicaid-funded services
 - Improve the fit between what is needed and what is included in the Medicaid definition
- Delivering services using Medicaid as a funding source
- Case Examples of improving utilization of Medicaid as a source of funding

Medicaid Basics

- Federally defined, State administered
- Federal Financial Participation conditional
- Requires approved State Plan
- Entitlement
- Statutory, Administrative, and Case Law
- Health Insurance for Covered Populations

Source of Law

- Social Security Act of 1965
- Titles XVIII, XIX
- Health Insurance Portability and Accountability Act of 1996
- Balanced Budget Act of 1997, Refinement Act of 1999
- Annual Omnibus Budget Acts

Administrative law

- Code of Federal Regulations
- Federal Appeals and Review Boards
- Office of Inspector General Advisory Opinions
- HCFA Program Manuals and Transmittals
- Fair Hearings for Recipients

Case Law

- State and federal courts hear
- Typically involve recipient rights
- Provider litigation typically involves reimbursement rates
- Whether State Plan as submitted is approvable, as administered is lawful

Federal Requirements

- Statewideness
- Freedom of Choice of Qualified Providers
- Amount, Duration, and Scope of Benefits
- Comparability
- Reasonable Promptness
- State Matching Funds
- Single State Agency Administrators

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Additional Requirements on Providers

- Anti-Kickback/Anti-Referral Laws
- Accept Medicaid reimbursement as payment in full, except where co-pay is included in the State Plan
- Document medical necessity/service provision
- Maintain some type of State certification
- Other State requirements

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How to Create or Expand Services

- Within Federal parameters (slide 7) each State has its own Medicaid Plan including what services are covered, for whom, and with what limits
- Process for expanding Medicaid is different from writing a grant: time, preparation, and approval processes
- Process has four phases:
 - Charting your Course
 - Making the Business Case
 - Making the Request
 - Implementing the Proposed Change

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Charting Your Course

- Step 1: Define the proposed population
- Step 2: Define the services inventory/continuum of services needed by the proposed population
- Step 3: Investigate your State's current coverage
- Step 4: Determine the cost for your strategies
- Step 5: Determine what financing and resources are available to support your strategies?

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Make the Business Case

- Determine who you need to make the business case to and what you need
- Be prepared to answer:
 - why you need Medicaid to buy it (or part of it)
 - why is this a good business decision
- Be sure to have:
 - the evidence to support your ask
 - allies for your case

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Increasing Access to Benefits

- Each Medicaid State Plan includes "eligible" populations
- For each eligible population there are three questions:
 - How do service recipients in your program match with Medicaid eligible populations?
 - If populations don't match up well, what is the business case for population expansion? And can service recipients qualify even with expansion?
 - What is the Medicaid penetration rate for service recipients?

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Increasing Access to Benefits

- If the Medicaid penetration is low, a key strategy is to increase access
- Increasing access includes one or more of the following:
 1. Increase outreach and enrollment
 2. Increase timeliness of enrollment
 3. Improve enrollment process

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Improving the Fit

- Requirements for Federal, State and local grant/programs vs. Medicaid often different
- Areas of key differences:
 - Eligibility
 - Professional qualifications for service providers
 - Funding Source: limitations and expectations
 - Reimbursement methodologies
- Strategies:
 - Narrow the differences
 - Redefine State and local programs to fill the gaps
 - Establish professional qualifications and practice standards that cut across fund sources

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Delivering Services

- Incorporate new business practices including:
 - entry point practices
 - establishing and verifying eligibility
 - internal audit practices
 - continuously updating service plans and meeting progress note requirements
- For Rehab Option services incorporate:
 - restorative/recovery oriented practice model (“with” vs. “for” shift)
 - strong consumer participation in treatment planning
 - individualized supports
 - emphasis on goal attainment

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Case Examples

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