



KanCare Update: Robert G. (Bob) Bethell KanCare Oversight  
February 15, 2019

## ► AGENDA

- Introduction to the Acting Secretary – Dr. Lee Norman
- State of the KanCare Program – Chris Swartz, Deputy Director
  - KanCare Program Overview
  - 1115 Waiver Update
  - Continuity of Care Policy
  - OneCare Kansas Update
- Eligibility Update – Kim Burnam, Eligibility Director
  - Eligibility Backlog
  - Clearinghouse Contract Update
- Finance and Analytics Update – Adam Proffitt, Finance/Analytics Director
  - Analytics Goals for Division
  - MCO Financial Review
  - Telemedicine Update

## ► State of the KanCare Program

Chris Swartz, Deputy Medicaid Director

- KanCare Program Updates
  - 1115 Waiver Update
  - Transition to a new MCO
  - Continuity of Care Policy
- OneCare Kansas Update

## ▶ 1115 WAIVER EXTENSION

- Approved December 18, 2018
  - Granting the State of Kansas the authority to operate the new KanCare program through December 31, 2023
  - Special Terms and Conditions (STCs) also received in December
  - Requires quarterly and annual Reporting to CMS

## ► Transition to a new MCO

- Successfully onboarded (Aetna) to begin serving our members 01/01/2019
- Conducted readiness reviews
- Held Statewide KanCare public education meetings to explain the changes that would occur in 2019
- Open Enrollment period for all beneficiaries
- Conducting post go-live support – weekly calls are scheduled on Thursday for providers, associations and beneficiaries

## ► Continuity of Care Policy

- Overview: Policy was put in place to ensure a smooth transition for beneficiaries and providers.
  - Plan of Care in place with the original MCO will be honored for 90 days by the receiving MCO
  - Non contracted providers to be paid 100% of Medicaid fee for service rates
  - Prior authorizations in place are to be honored for 90 days
  - Full policy can be found at <https://www.kancare.ks.gov/policies-and-reports/transition-of-care>

## ► OneCare Kansas (Health Homes)

- Proviso requires implementation in SFY 2019
- State team working with Planning Council (associations and advocates) and MCOs to develop program specifics
- Work still to be done includes:
  - Specifically defining the population narrowly to manage within funding and see positive outcomes
  - Developing the payment rate for OneCare providers
  - Consulting with Substance Abuse and Mental Health Services Administration (SAMHSA) – requirement
  - Developing and submitting a Medicaid State Plan Amendment

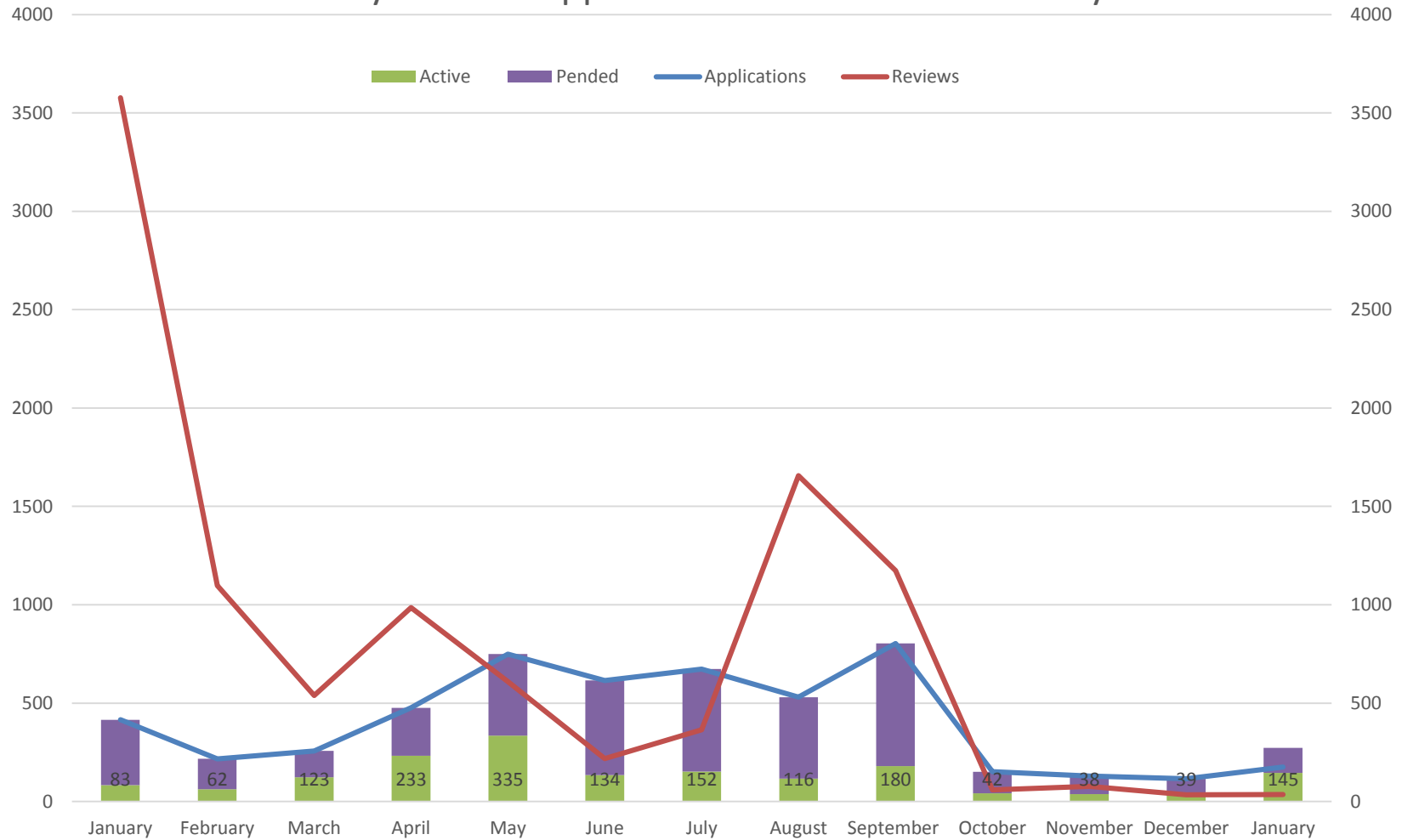
## ► Eligibility Update

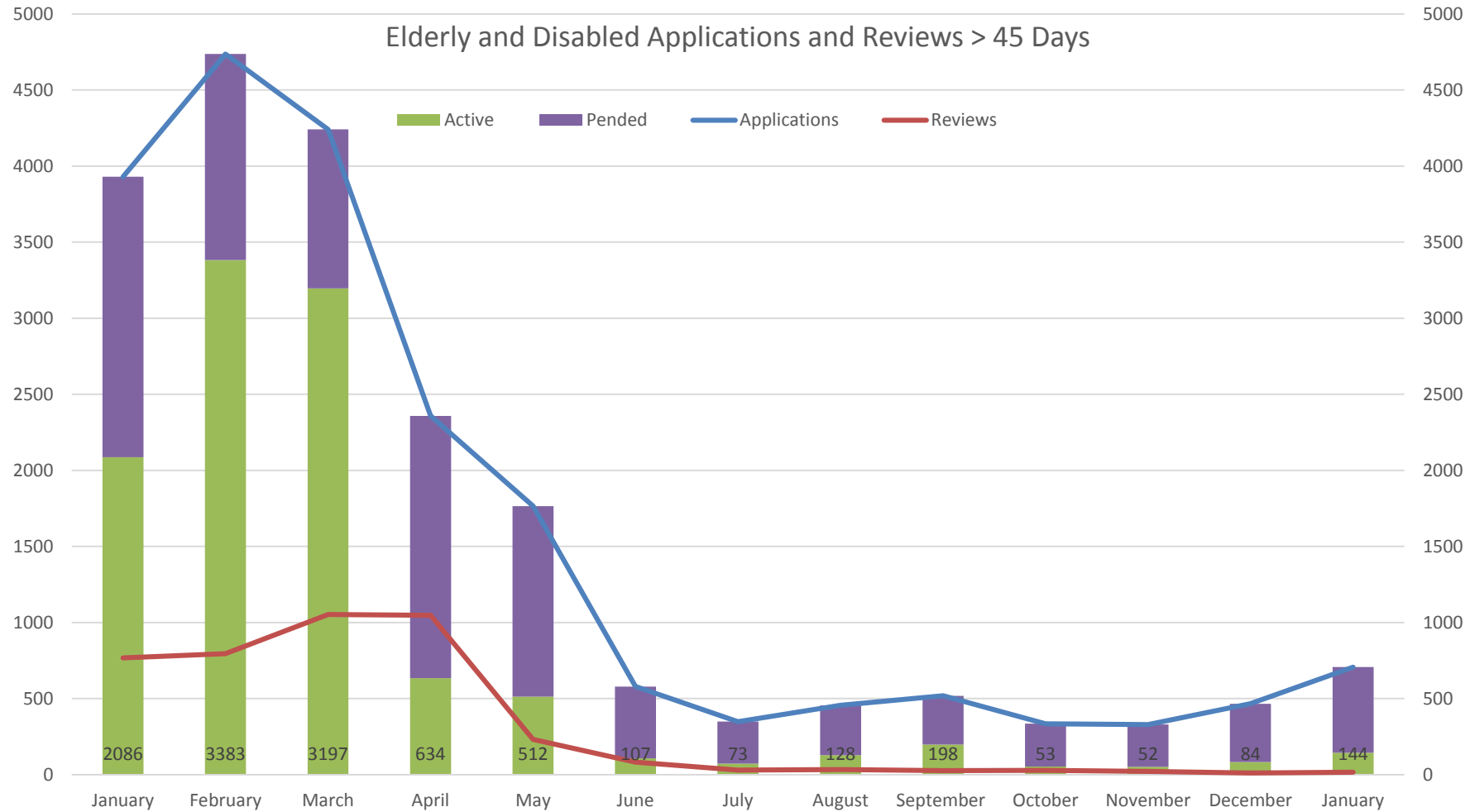
Kim Burnam, Eligibility Director

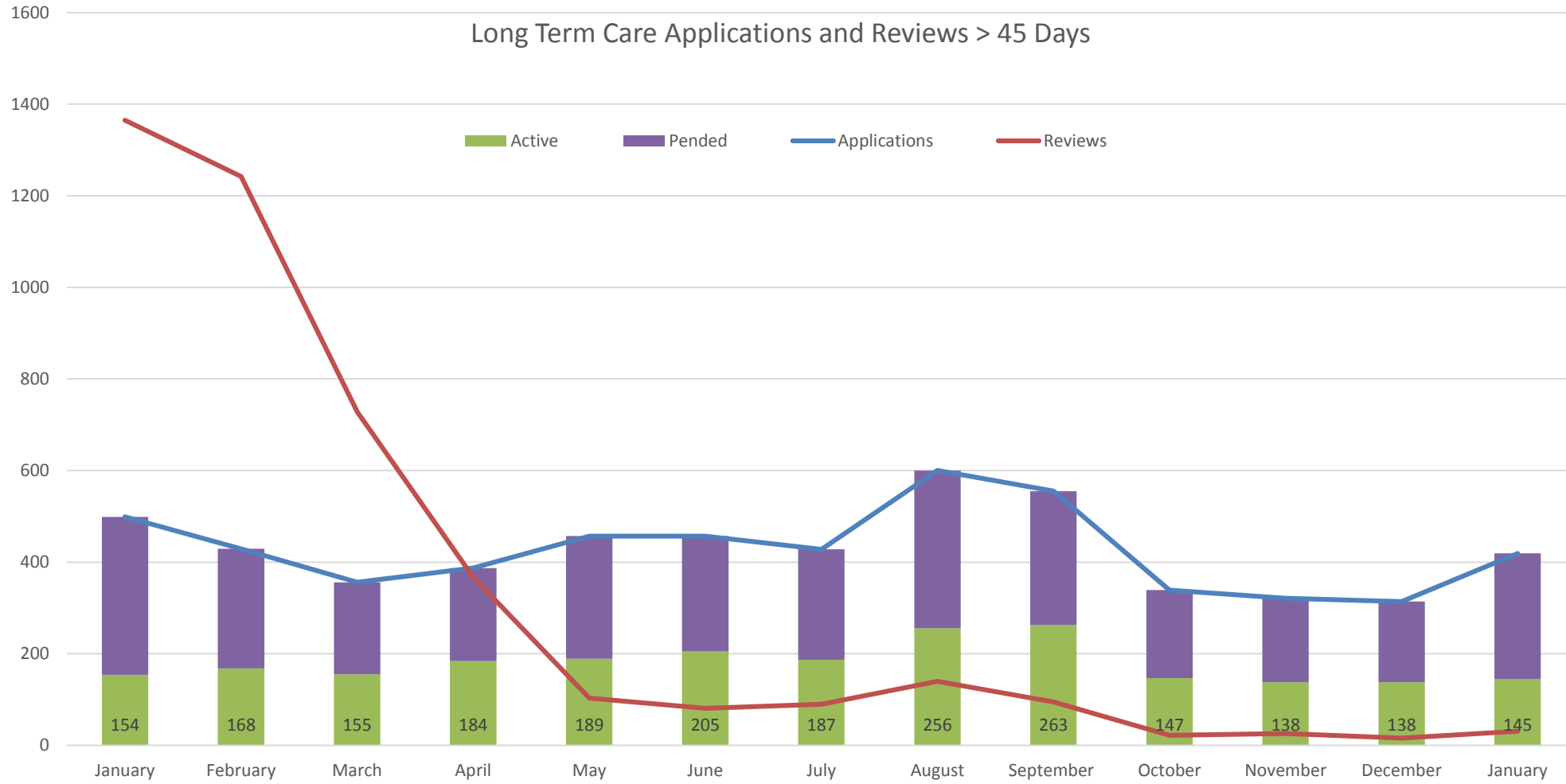
- Eligibility Backlog
- Clearinghouse Contract Update



## Family Medical Applications and Reviews > 45 Days







## Maximus Eligibility Contractor

- Maximus started processing applications and reviews for all Medicaid programs in 2016
  - Prior to January 2016, the scope of work was limited to processing Family Medical programs
- Maximus responsibilities
  - Training and Quality
  - Processing eligibility for Family Medical programs (CHIP- Children's Health Insurance Program and Medicaid)
  - Processing eligibility for Elderly, Disabled and Long Term Care medical programs

## Challenges

- Delays in processing resulting in backlog of applications
- Complaints from beneficiaries
- CMS scrutiny

## KDHE Response

- Bring Training and Quality back in house effective 01/01/2019 – COMPLETED
- Bring processing of Elderly, Disabled and Long Term Care medical back in house 01/01/2020 – IN PROGRESS

## Maximus Contract

- Current Contract
  - Three year base 01/01/2016 to 12/31/2018
  - Two optional extension years
    - KDHE is in negotiations with Maximus to exercise its options to further extend the contract
- Status
  - KDHE plans on exercising the following options
    - 07/01/2019 to 12/31/2019 – Extend Maximus contract to process applications and reviews for all programs
    - 01/01/2020 to 06/30/2020 – Extend Maximus contract to process applications and reviews for Family Medical programs only
    - 01/01/2020 – State takes over processing of applications and reviews for Elderly, Disabled and Long Term Care Medical programs

## ► Analytics and Finance Update

Adam Proffitt, Finance and Analytics Director

- Analytic Goals for Division
- MCO Financial Update
- Telemedicine Update

## ► Data and Analytics Update

- Three key pillars of strategic vision for data within the Division
  - Analytical – Reviewed at last Bethell
  - Operational
    - Operational Efficiency
      - Measuring the effectiveness of programs and the impacts of policy changes
    - Automated reporting
      - Standardizing operational reports, and creating actionable dashboards
    - MCO Interaction
      - Exchange of data, with ability to analyze information differently, as opposed to canned reports
  - Public Health – Will review at future meeting
- Contribution to KMMC





# MCO Financial Update

## KanCare

### MCO Profit and Loss per NAIC Filings

September 30, 2018 Compared to September 30, 2017

MCOs owe HIPF in 2018

- Fee is based on 2017 revenues, payable in 2018
- Statutory reporting expenses the entire annual fee in Q1 of 2018
- GP rates have been restated by the State by allocating HIPF proportionately

	<u>Amerigroup</u>	<u>Sunflower</u>	<u>United</u>	<u>Total</u>
Total Revenues	\$812,656,911	\$1,011,642,769	\$830,206,183	\$2,654,505,863
Total hospital and medical	\$704,817,606	\$832,054,274	\$687,960,644	\$2,224,832,524
Claims adjustments, General Admin., Increase in reserves	<u>\$115,765,736</u>	<u>\$167,607,435</u>	<u>\$127,703,962</u>	<u>\$411,077,133</u>
<b>Net underwriting gain or (loss)</b>	(\$7,926,431)	\$11,981,060	\$14,541,577	18,596,206
<b>Net income or (loss) after capital gains tax and before all other federal income taxes</b>	(\$5,089,845)	\$14,028,508	\$14,541,577	23,480,240
Federal and foreign income tax/(benefit)	\$2,290,442	\$5,715,322	\$8,749,164	\$16,754,928
Add Back Change to Reserves	\$0	\$0	\$0	\$0
<b>Adjusted Net income (loss) - Through September 30, 2018</b>	<u>(\$7,380,287)</u>	<u>\$8,313,186</u>	<u>\$5,792,413</u>	<u>\$6,725,312</u>
<b>GP before income tax</b>	<b>-0.6%</b>	<b>1.4%</b>	<b>1.8%</b>	<b>0.9%</b>
HIPF (Q4 booked in Q1)	<u>3,678,000</u>	<u>269,174</u>	<u>2,459,348</u>	<u>6,406,522</u>
<b>Adj'd net income before income tax</b>	<u>(1,411,845)</u>	<u>14,297,682</u>	<u>17,000,925</u>	<u>29,886,762</u>
<b>GP before income tax and wo extra HIPF</b>	<b>-0.17%</b>	<b>1.41%</b>	<b>2.05%</b>	<b>1.13%</b>

## ► Telemedicine Update

- The Kansas Telemedicine Act was implemented in accordance with modified Medicare guidelines, including provider types and services that Medicare deems appropriate for the provision of telemedicine
- A policy was implemented on January 1, 2019, allowing providers specified in the Kansas Telemedicine law to furnish services via telemedicine
- A policy was implemented January 1, 2019, allowing speech-language pathologist and audiologist to provide services via telemedicine
- Analyzing program to identify codes outside of CMS approved list to identify potential gaps in coverage

▶ **THANK YOU/QUESTIONS**

