



**KanCare Update: Robert G. (Bob) Bethell KanCare Oversight**  
April 29, 2019

## AGENDA

- Update from the Secretary – Dr. Lee Norman
- State of the KanCare Program – Christiane Swartz, Deputy Director of Medicaid
  - KanCare Program Update
  - 1115 Waiver Update
- Finance and Analytics Update – Adam Proffitt, Finance/Informatics Director
  - MCO Financial Review
  - Clearinghouse contract
- Eligibility Update – Kim Burnam, Eligibility Director
  - Application Status
  - KDHE Clearinghouse Staffing
  - Transition of Medicaid Application Eligibility Processing



## **UPDATE FROM THE SECRETARY**

Dr. Lee Norman



## STATE OF THE KANCARE PROGRAM

Christiane Swartz, Deputy Medicaid Director

- KanCare Program Update
  - New MCO contracts
  - Continuity of care
  - 1115 Waiver Update
  - One Care Kansas

## New MCO contracts:

- Completed 1<sup>st</sup> quarter of operations
- Open enrollment period for beneficiary ended 04/03/19
- Rapid response calls for providers, associations and beneficiaries continuing through end of April – about 900 calls handled since January

## Continuity of Care policy:

Policy was put in place to ensure a smooth transition for beneficiaries and providers. The policy establishes principles to be followed when transitions occur. Highlights:

- Plan of Care in place with the original MCO are honored for 90 days by the receiving MCO
- Prior Authorizations in place with the original MCO are honored for 90 days by the receiving MCO
- Non contracted providers are to be paid 100% of the Medicaid fee for service rates for 90 days
- Full policy can be found at <https://www.kancare.ks.gov/policies-and-reports/transition-of-care>
- Aetna has extended the continuity of care timeline beyond the required 90 days

## 1115 Waiver:

- Approved December 18, 2018- allowed us to move into the next demonstration period of the waiver
- Completed 1<sup>st</sup> quarter of operations
- Conducted training on the Standards Terms and Conditions to maintain compliance and avoid financial penalties
- Held monthly status calls with CMS as required by the STCs
- Preparing the first quarterly report due to CMS in May

## OneCare Kansas Update

### Important Upcoming Dates:

- June 1, 2019 deadline for Applications to become OneCare Partner
- January 1, 2020 implementation

### Noteworthy Accomplishments/Tasks:

- Planning Council established and operating – October, 2018- Present
- OneCare Kansas Implementation Newsletter – January, 2019- Present
- Potential OneCare Kansas Partner Forum – March 21, 2019
  - Nearly 100 attendees from 54 potential OneCare Partners.
- Work towards defining target population – Ongoing
  - Contract with KU nearing completion
  - Poised to give 197,000 records to KU to assist in identifying the population



## Finance and Analytics Update

Adam Proffitt, Director of Finance and Informatics

- MCO Financial Review
- Clearinghouse Contract



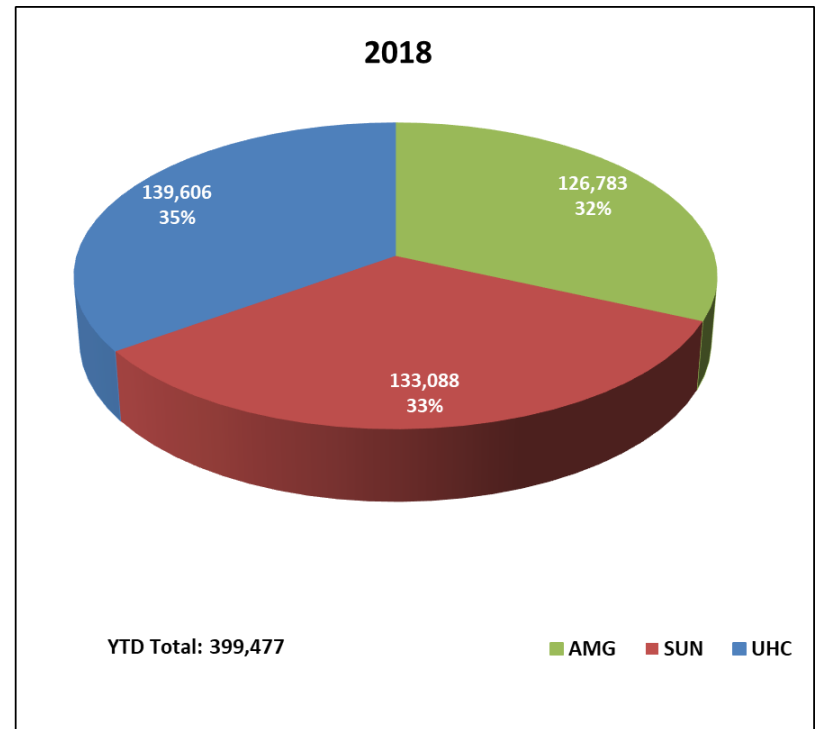
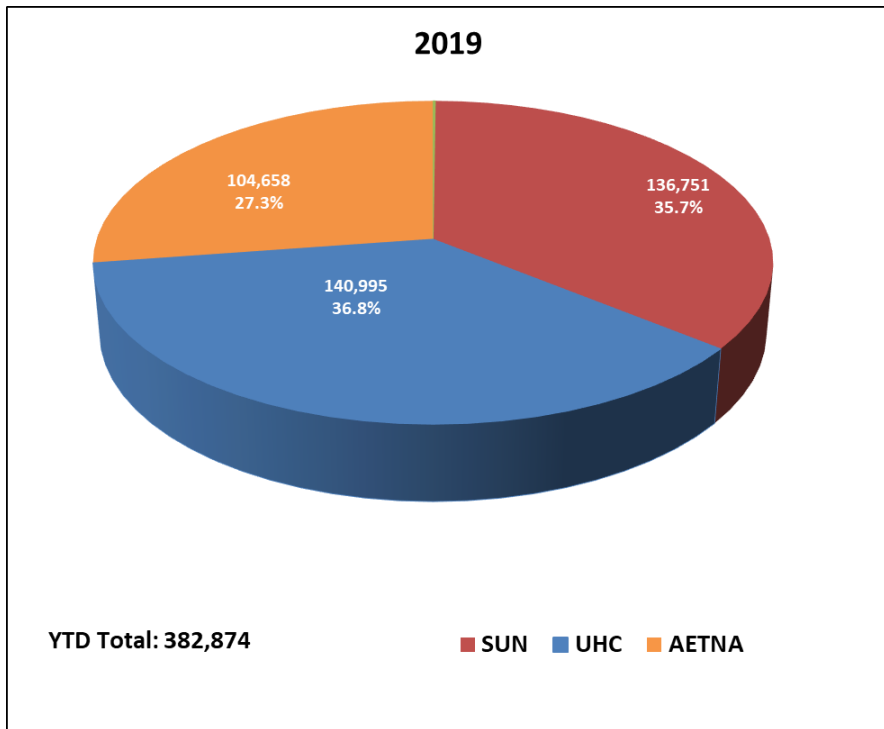
# KanCare Update April 2019

**KanCare**  
MCO Profit and Loss per NAIC Filings  
For the Calendar Year Ended December 31, 2018

	<u>Amerigroup</u>	<u>Sunflower</u>	<u>United</u>	<u>Total</u>
Total Revenues	\$1,078,908,575	\$1,355,465,683	\$1,118,770,798	\$3,553,145,056
Total hospital and medical	\$938,651,400	\$1,120,596,946	\$926,496,521	\$2,985,744,867
Claims adjustments, General Admin., Increase in reserves	<u>\$145,034,732</u>	<u>\$220,830,045</u>	<u>\$165,834,169</u>	<u>\$531,698,946</u>
<b>Net underwriting gain or (loss)</b>	(\$4,777,558)	\$14,038,692	\$26,440,108	35,701,242
<b>Net income or (loss) after capital gains tax and before all other federal income taxes</b>	(\$870,724)	\$16,754,361	\$26,440,108	42,323,745
Federal and foreign income tax/(benefit)	<u>\$3,436,185</u>	<u>\$6,931,455</u>	<u>\$10,944,612</u>	<u>\$21,312,252</u>
<b>Adjusted Net income (loss) - Through December 31, 2018</b>	<u>(\$4,306,909)</u>	<u>\$9,822,906</u>	<u>\$15,495,496</u>	<u>\$21,011,493</u>
<b>GP before income tax</b>	<b>-0.1%</b>	<b>1.2%</b>	<b>2.4%</b>	<b>1.2%</b>
Add Back Change to Reserves	\$0	\$0	\$0	\$0
Net income (loss) - December 31, 2017	<u>(\$6,456,937)</u>	<u>\$12,108,780</u>	<u>\$13,450,100</u>	<u>\$19,101,943</u>
<b>Adjusted Net income (loss) - Through December 31, 2017</b>	<u>(\$6,456,937)</u>	<u>\$12,108,780</u>	<u>\$13,450,100</u>	<u>\$19,101,943</u>
<b>Difference from Q4 2017 to Q4 2018</b>	\$2,150,028	(\$2,285,874)	\$2,045,396	\$1,909,550

- Full Year 2018, per NAIC filings
- Gross Profit of 1.2%, in line with program target
- Plans increased net profit by \$1.9mil vs. 2017, driven by \$500mil increase in revenues

- With Amerigroup exiting the market, there has been a shift in MCO proportions
  - Aetna accounts for 27% of total membership, vs. a 32% average share for Amerigroup in 2018
  - United and Sunflower have seen an increase in the percent of total members



## Clearinghouse Contract Update

- KDHE has reached an agreement with MAXIMUS to extend their contract
  - Terms will allow KDHE to stay on target for transition plan, and will allow both entities to focus on key priorities moving forward
- Total extension is for 18 months, but will reduce the scope of work for MAXIMUS over the next 6 months
  - MAXIMUS to continue processing all types of applications for the remainder of CY19
  - KDHE to assume responsibility for Elderly & Disabled and Long Term Care applications beginning 01/01/20
  - MAXIMUS to continue processing Family Medical applications for all of CY20
- KDHE will release an RFP later this year for new contract to begin at end of MAXIMUS contract; scope of new contract limited to Family Medical only

## Eligibility Update

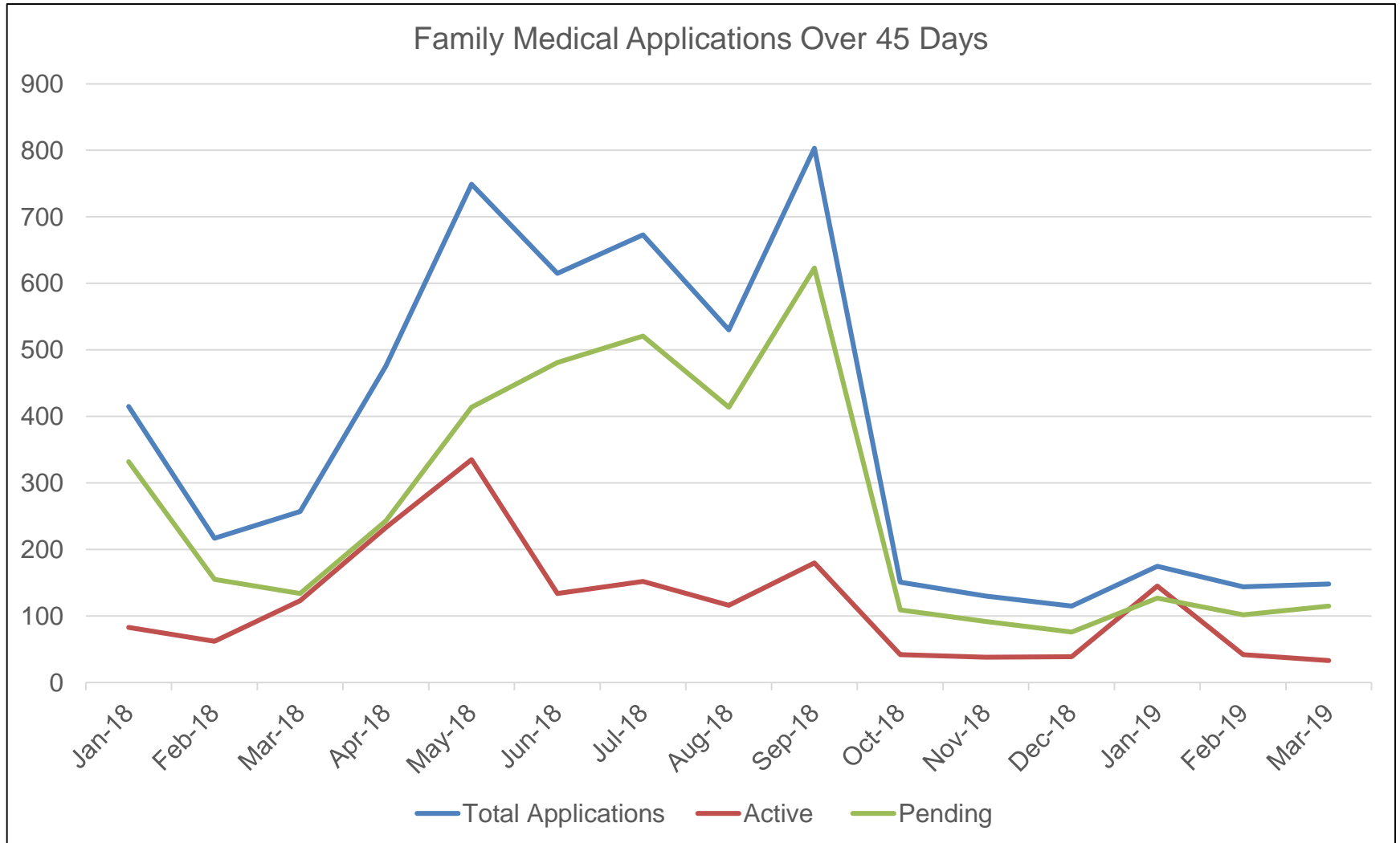
Kim Burnam, Director of Eligibility

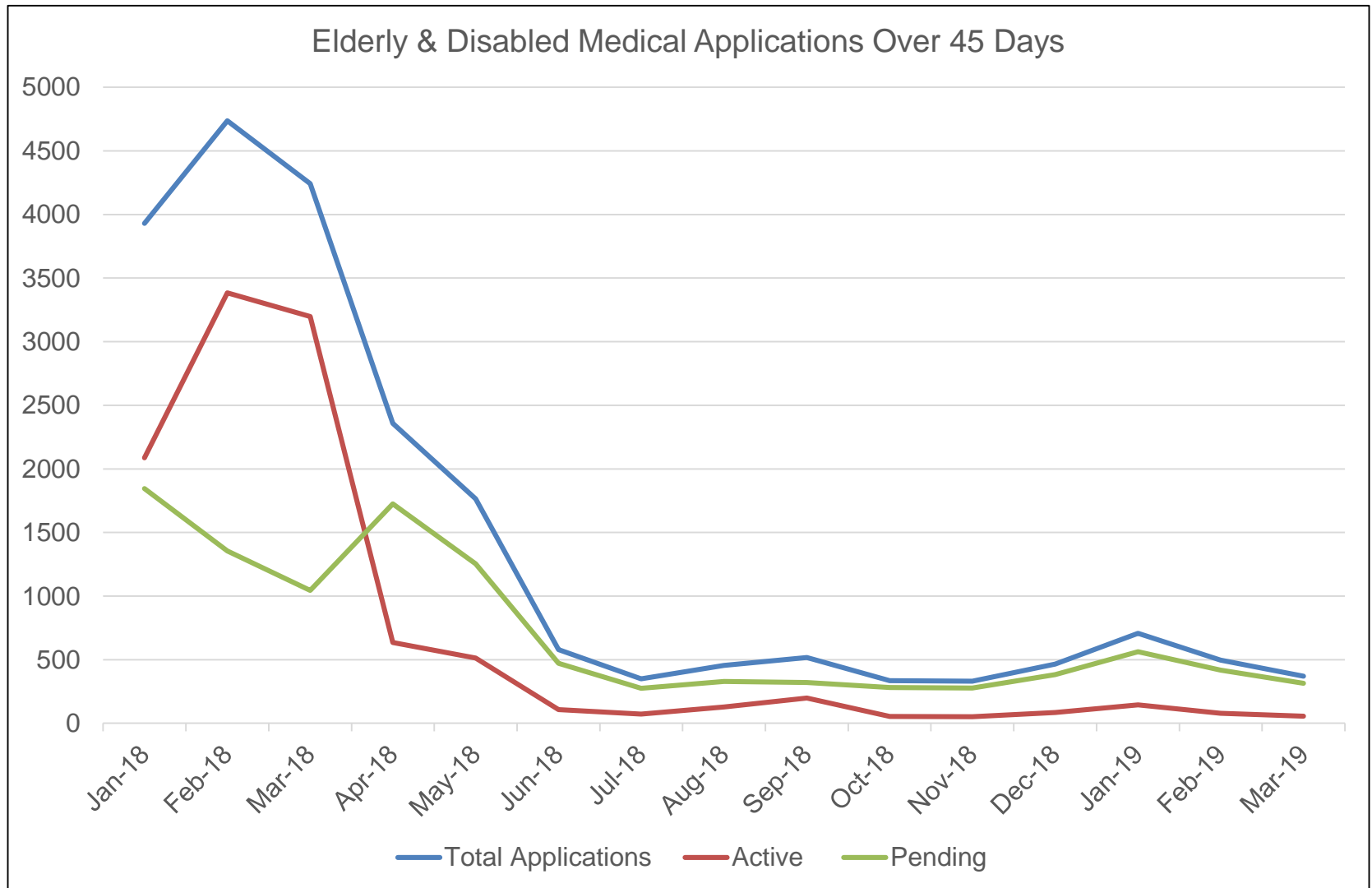
- Application Status
- KDHE Clearinghouse Staffing
- Transition of Medicaid Application Eligibility Processing

## Application Status

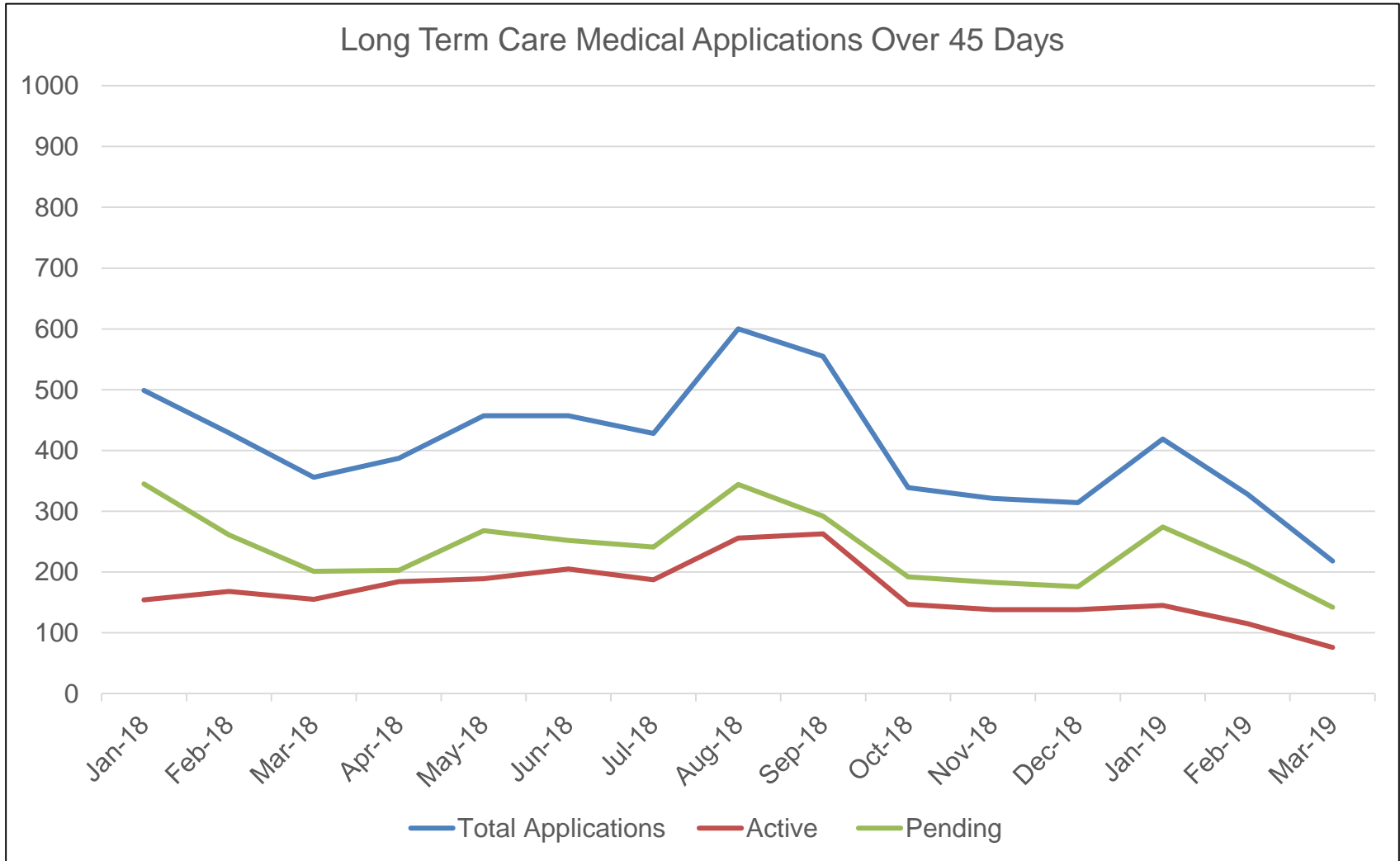
### Over 45 days

- Active Status- applications ready to be processed
  - Family Medical – 36 (less than 1%)
  - Elderly & Disabled Medical – 86 (3%)
  - Long Term Care Medical – 93 (9%)
- Pending Status – applications waiting for information from applicant/provider/financial institution
  - Family Medical – 150 (3%)
  - Elderly & Disabled Medical – 314 (12%)
  - Long Term Care Medical – 153 (14%)









## KDHE Staffing Update

	Maximus	State
Training & Quality	44	27
Eligibility Staff (Elderly & Disabled, Long Term Care Medical Programs)	217	256
Operations	58	30
Total	319	313

## Transition Update

- Facility lease signed
- Transition planning with Maximus
  - Communication
  - Transition of Work
  - Hiring of Staff

## THANK YOU/QUESTIONS

