



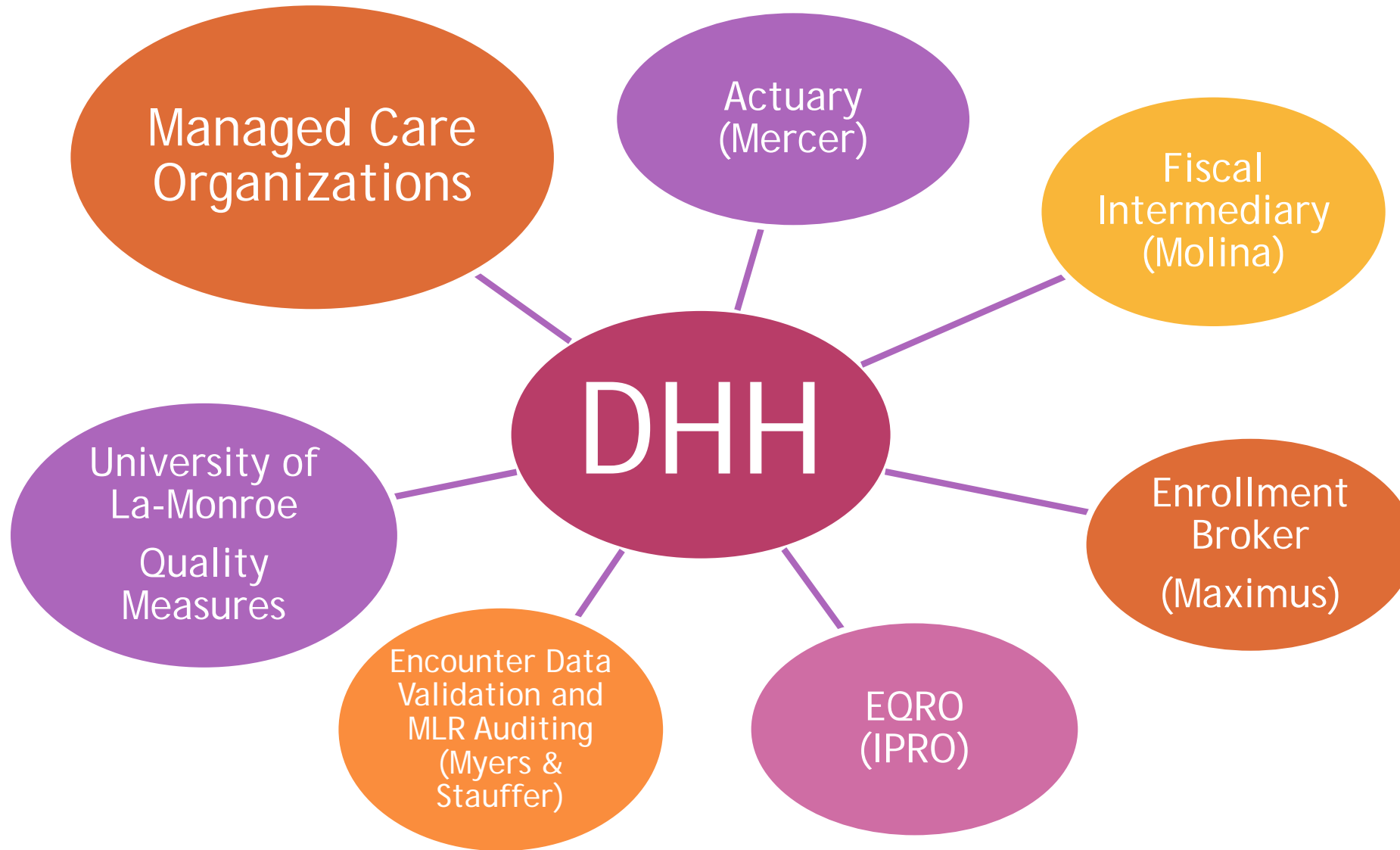
LOUISIANA MEDICAID BAYOU HEALTH PROGRAM

UPDATE ON BAYOU HEALTH PLAN BENEFIT
AND PLAN CHANGES EFFECTIVE 2/2015

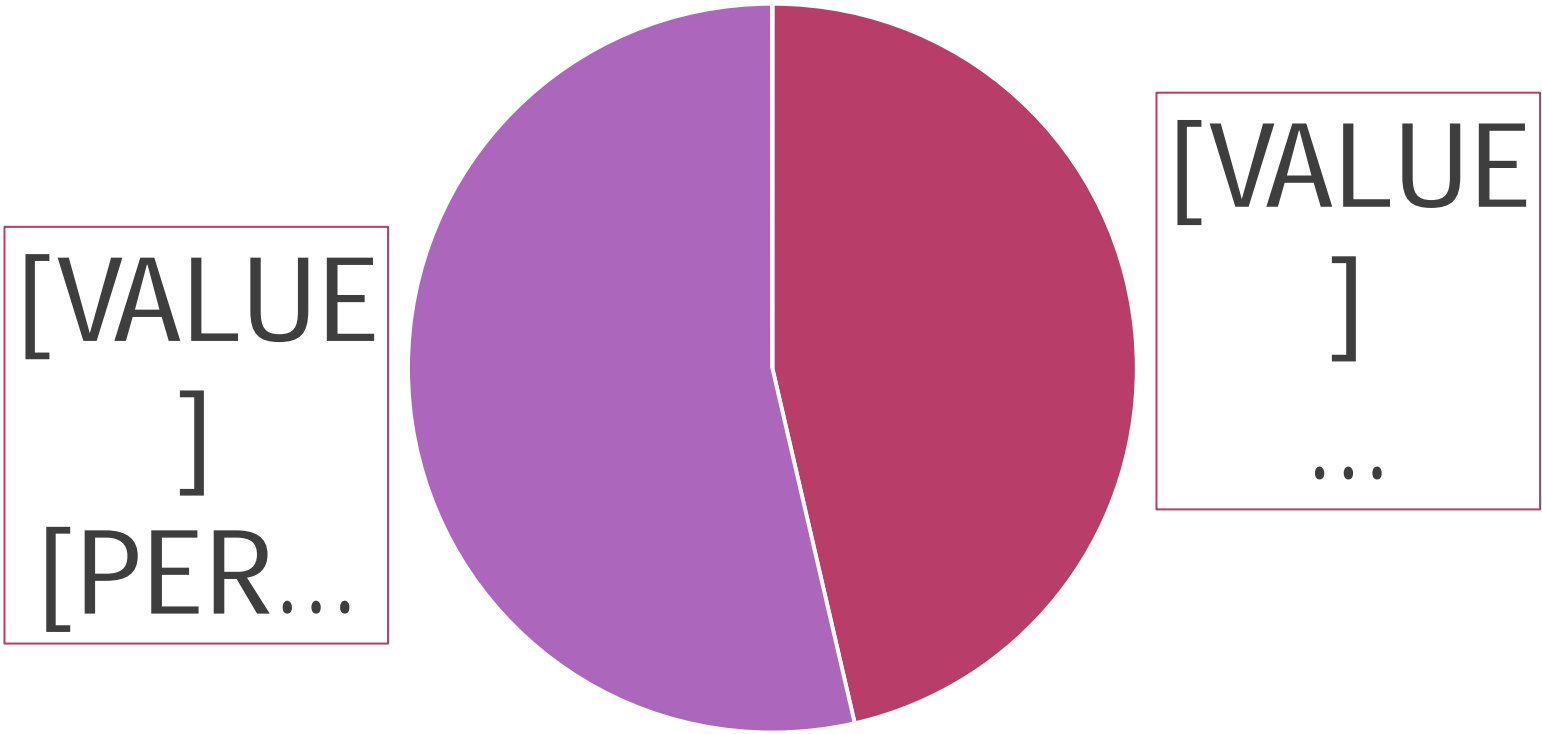
Louisiana Health Care Commission
August 22, 2014

J. Ruth Kennedy
Medicaid Director

CONTRACTED SUPPORT FOR BAYOU HEALTH PROGRAM



BAYOU HEALTH ENROLLMENT--JULY, 2014



■ Risk Bearing ■ Non Risk Bearing

NEXT PHASE OF BAYOU HEALTH ANNOUNCED BY DHH JULY 17, 2014

- We will continue the commitments of the past
 - Current provider rate floors
 - 85% Medical Loss Ratio requirements
 - Timely payment requirements
- We will preserve the best practices and successes of inaugural Bayou Health Program
- We will make key changes based on actual experience and early lessons learned
 - increase budget predictability and savings
 - enhance quality and continuity of care for members
 - improve administrative experience for providers

KEY IMPROVEMENTS IN BAYOU HEALTH PHASE 2

○ Full Risk Bearing Model

- Budget predictability
- Savings
- Flexibility to offer cost effective benefits not in Medicaid State Plan
- Incorporates best practice from Shared Savings model for engagement and gain sharing with providers to improve access to care

○ Common Formulary

- Health plans must develop a common Bayou Health formulary (with DHH approval) within six months of new contracts
- Recommendation from Medicaid Quality Committee

○ Improved Coordination of Physical and Behavioral Health including financial responsibility

- Drugs prescribed by behavioral health contractor's enrolled psychiatrists, medical psychologists will be their responsibility
- Discontinuance of primary diagnosis code 290.xx - 319.xx (behavioral health codes) to identify services that are financial responsibility of behavioral health contractor

NOTEWORTHY CHANGES IN ENROLLMENT & SERVICES

- New Medicaid members will be enrolled in Health Plan retroactive to eligibility start date
 - Application forms being revised to include selection of a Health Plan
 - If no Plan selected, member will be immediately auto-enrolled
 - Still 90 days to changes plans for any reason
- Additions to Bayou Health Core Benefits
 - Hospice
 - In-Home Personal Care Assistance (PCA) for children and youth < age 21
- Single point of contact for **all** non-emergency medical transportation (NEMT) needs
 - Still carved out benefits provided through other contractors(dental, behavioral health)
 - Health Plan's core benefits and services

INCREASED FOCUS ON PROGRAM INTEGRITY

- Retrospective Capitation Payments
 - Health plans will receive payment the month after for their prior month's members
 - Reduces amount of reconciliation necessary
- Rooting out fraud, abuse, and waste
 - New requirement for health plan to hire one full-time investigator per 100,000 enrollees (and portion thereof)
 - Increased collaboration with each other and DHH to identify risks and detect fraud waste, medically unnecessary spending, inefficiencies
- Incorporation of Affordable Care Act's (ACA) new "higher bar" for Medicaid provider enrollment



TRANSPARENCY & ACCOUNTABILITY IN BAYOU HEALTH

- ◎ Submission of timely complete and accurate encounter data
 - Requirement in contracts; stiff penalties for non-compliance
 - Validation by accounting firm Myers & Stauffer
- ◎ Information publicly available on Bayou Health website www.MakingMedicaidBetter.com , including
 - Monthly enrollment reports
 - Plan specific quality reports by External Quality Review Organization
 - Required monthly and quarterly administrative reports from Plans
 - Act 212 Report
- ◎ Formal quarterly Business Reviews between Health Plan and DHH provide for in depth review, assessment, & corrections

NOTEWORTHY CHANGES RELATED TO QUALITY IMPROVEMENT

- ◉ **Birth Outcomes** Provisions that do not allow prior authorization for key medications to prevent prematurity and care coordination post-partum for high risk pregnant women
- ◉ **Patient Engagement** Requirement for new tools (i.e. mobile apps) to engage with patients
- ◉ **Coordinated Quality Improvement** Requirement of common performance improvement projects (PIPs) with other health plans with both required data reporting and sharing of best practices
- ◉ **Innovation** Innovative care coordination models that go beyond telephonic case management
- ◉ **Member Materials** Enhanced monitoring of notices containing explanation of reason or service denials and partial denials

NEW QUALITY AND PERFORMANCE METRICS

- Over twenty new performance measures will be tracked and reported by Health Plans
- Quality metrics with financial implications for Health Plans increased from 5 to 8 including new measures--
 - Access to therapies that prevent repeat preterm births for eligible women (17P)
 - Access to post-partum care for pregnant women
 - Cesarean rate for low-risk first time moms
 - Follow-up care for children prescribed ADHD medication
 - Management and outcomes for members with
 - HIV
 - Diabetes

ANTICIPATED BAYOU HEALTH ENROLLMENT TREND

- **Monthly increases in enrollment through 1/31/15**
 - Children and Families and CHIP as a result of approved CMS waiver to defer annual renewals due in CY 2014
 - Monthly increases in SSI enrollees as a result of implementation of Provisional Medicaid Program beginning late June 2014
 - Nominal increases as a result of option for HCBS waiver participants to pro-actively opt in to Bayou Health beginning July 2014
- **Monthly decreases in enrollment or flattening beginning 2/1/15**
 - Additional information will be required to renew eligibility to capture ACA required information; non-compliance=closure
 - Closures at renewal unlikely to be offset by continued growth of Provisional Medicaid, HCBS opt-ins and new *Chisholm* class member opt-ins

VALUE-ADDED BENEFITS FOR MEMBERS

- ◉ 10% of score for contract award recommendation
- ◉ Additional benefits outside scope of core benefits and services to individual members
 - Not an option we had in Medicaid program
 - Case-by-case basis
 - Based on medical necessity, cost-effectiveness, wishes of member, potential for improved health status, and functional necessity
- ◉ If aggregated annual proposed expenditure is not expended, DHH will require Health Plan to
 - Provide alternate benefit of equal value, or
 - Will deduct unspent funds from capitation payment

VALUE-ADDED BENEFITS FOR PROVIDERS

- ◉ 10% of score for contract award recommendation
- ◉ Shared Savings model demonstrated the “value added” (improved quality) by sharing savings with contracted providers
- ◉ Strongly recommending proposers align gainsharing with DHH priorities and Bayou Health performance measures
- ◉ Proposed monetary value of these incentives and/or enhanced payments will be considered a binding contract deliverable
- ◉ All incentives require DHH approval
- ◉ Scoring of value added for providers
 - Will consider both actuarial value and description/reasonableness
 - DHH actuary Mercer will review this Section of proposals and advise us

VALUE-ADDED BENEFIT FOR LA EMPLOYEES

- ◉ 2.5% of score for contract award recommendation
- ◉ Workplace wellness is a major focus of DHH and BHSF
- ◉ Clear link between health and wellness of employees and productivity
- ◉ Proposed Louisiana workplace wellness program and employee incentives to be in effect not later than three months from the effective date of the contract (and for duration)
- ◉ Proposed minimum annual monetary expenditure for wellness program will be considered a binding contract deliverable



Comments?? Questions??

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<http://www.MakingMedicaidetter.com/>