

Health Law PA News

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Governor Approves Stopgap Budget for FY 2015-2016

Statewide Helpline: 800-274-3258

Website: www.phlp.org

On December 29th, nearly six months into the 2015-16 Fiscal Year, Governor Wolf released six months of emergency funding for schools, correctional institutions, and Medicaid capitations. The stopgap budget he signed allows the state treasury to make back payments to school districts, libraries, and human services organizations such as domestic violence programs and homeless shelters. In releasing the \$23.4 billion emergency funding plan, the Governor emphasized the need for the legislature to return to session and adequately fund school districts.

The Governor's expansion of Medicaid does not appear to be affected by the stopgap budget. Medicaid officials have reiterated that the continuing budget impasse should have no adverse effect on Medicaid recipients. The Medicaid program is required to continue reimbursements to doctors, pharmacies, and other health care providers as these are entitlement expenditures. The stopgap budget vetoed certain supplemental payments to hospitals, and Medicaid officials explained that they are exploring whether other funds, such hospital assessment revenues, are available to provide this support.

It is unclear when the legislature and executive branch will agree on a final Fiscal Year 2015-2016 budget and whether that final agreement will affect proposed Medicaid initiatives like expanding Patient-Centered Medical Homes and implementing Community HealthChoices.

In addition to the stopgap budget, Governor Wolf also signed <u>Act 92</u> <u>of 2015</u> into law. Among other things, Act 92 officially renames the Public Welfare Code as the "Human Services Code." It also codified changes to the statewide hospital assessment and a separate assessment on managed care plans. Act 92 authorized the Department of Human Services to continue imposing a <u>monetary assessment</u> (known as the hospital assessment) on the net inpatient revenue of all Pennsylvania licensed acute care hospitals (with some exclusions). The assessment, which began in 2010, raises a significant amount of revenue that has enabled the Commonwealth to increase Medical Assistance payments to hospitals for inpatient services.

The managed care organization assessment (known as Pennsylvania's Gross Receipts Tax) was also broadened and now applies to all entities that are a "managed care organization" as defined by Act 68 of 1998 rather than just Medicaid managed care organizations. These changes were made in response to <u>concerns</u> <u>raised by the federal government</u>, which provides federal matching funds to state-share Medicaid payments. The changes stabilize an important funding source for the Medicaid program.

We'll update readers about state budget developments and any impact on programs like Medicaid and CHIP in future newsletters.

Budget Address Scheduled for February 9th

Despite not having a final Fiscal Year 2015-2016 budget, Governor Wolf will deliver his proposed FY 2016-2017 budget address on February 9th as required by state law. Throughout February and March, House and Senate Appropriations Committees will hold hearings with every state agency about the Governor's proposed budget for FY 2016-17.

House Appropriations Committee Budget Hearings of note:

Department of Aging - February 24 at 11 AM

Department of Health and Department of Drug and Alcohol Programs - March 8 at 9:30 AM

Department of Human Services - March 9 at 9:30 AM

Senate Appropriations Committee Budget Hearings of note:

Department of Health - February 22 at 3 PM

Department of Drug and Alcohol Programs - February 24 at 3 PM

Department of Aging - February 29 at 3 PM

Department of Human Services - March 7 at 10 AM

More information about the budget hearings can be found at <u>www.legis.state.pa.us</u>. Upcoming PHLP newsletters will provide analyses of what the Governor's budget proposal means for health coverage for vulnerable Pennsylvanians.

Community HealthChoices Update

<u>Community HealthChoices</u> is the name of Pennsylvania's plan to require dual eligibles (those on Medicare and Medicaid), as well as all adults receiving Medicaid long term care services in a nursing home or through a Waiver program administered by the Office of Long Term Living (OLTL), to be enrolled in managed care plans for coverage of their Medicaid health care <u>and</u> long term care services. The state intends to implement Community HealthChoices in the 14 counties that make up Southwestern PA in January, 2017.

Where Do Things Stand Now?

The official comment period for Part II of the Community HealthChoices Program Requirements ended on January 8th. PHLP, and many others, submitted comments- click <u>here</u> to see PHLP's comments. Staff in the Department of Human Services are reviewing all the comments submitted and making revisions. The Department intends to issue an official Request for Proposal (RFP) in February. Any managed care plan interested in submitting a bid to be a Community HealthChoices MCO (CHC-MCO) in any region of the state will need to meet the requirements and timelines established in the RFP.

Outstanding Issues

There are <u>many</u> outstanding issues that have not yet been addressed in the draft documents issued to date.

Among these:

- Most of the people who will be enrolled in Community HealthChoices are dual eligibles whose care is primarily paid for by Medicare and who do not use any long term care services. The Department will be paying a monthly capitation to the CHC-MCO for all of these members but it is not clear what the Department expects the CHC-MCO to do in return for that capitation.
- One of the major reasons Pennsylvania has given for creating Community HealthChoices is that it will provide "coordinated care" to its members. Yet it is not at all clear what the Department will expect of CHC-MCOs in terms of how they will coordinate care with the member's primary Medicare coverage-whether the person is in Original Medicare or in a Medicare Advantage plan (including Special Needs Plans for dual eligibles).
- For members with behavioral health needs, it is not clear how the CHC-MCO will coordinate care with both the person's Medicare coverage and their Medicaid Behavioral Health-MCO. As a reminder, Medicaid's behavioral health coverage will continue to be carved out under Community Health Choices.
- The Department has not yet provided any details on the process for enrolling into a CHC-MCO, the information that will be given to consumers, or what resources will be available to consumers to help them understand their options and make the choice that will best meet their needs.
- The Department still plans to raise the minimum age of eligibility for Community HealthChoices from 18 to 21. The rationale the Department verbally provided at recent public meetings and hearings for the elimination of Waiver services for 18- to 21-year-olds is that Early and Periodic Screening, Diagnostic

and Treatment (EPSDT) covers all the services these young adults need. Many advocacy groups, including PHLP, strongly disagree. The majority of the people under 21 who are enrolled in Waivers administered by OLTL have physical disabilities—e.g., muscular dystrophy, cerebral palsy, spina bifida, and spinal cord injury; disabilities that significantly limit mobility. Some have respiratory or other medical conditions requiring 24 hour care. EPSDT does not currently cover all the important services these 18- to 21-year-olds need to avoid institutionalization such as respite, home modifications and residential habilitation. Raising the minimum age of eligibility for Community HealthChoices will create profound gaps in services and place 18- to 21-year-olds at serious risk of institutionalization.

Stay tuned to future Newsletters for up-to-date information on this important program.

A Reminder Regarding the MATP Escort Policy

The Medical Assistance Transportation Program (MATP) is available to anyone on Medicaid who needs help getting to and from their medical appointments or treatment. Once a person registers with the MATP in their county, she can: be reimbursed for using public transit; be given mileage reimbursement (if she has a vehicle available to her); or be transported to and from medical appointments via shared ride. The MATP program provides the least costly and most appropriate form of transportation to meet the individual's needs.

Those who need someone to travel with them when they go to medical appointments should notify their county MATP program of their need for an escort. Escorts may be needed when someone cannot travel independently, or when someone cannot obtain medical treatment on their own due to age, disability, or language barriers. The consumer is responsible for providing their own escort. However, the MATP must either transport the escort along with the consumer via shared ride at no cost, or reimburse the consumer for her own transportation costs as well as the escort's costs. This policy along with all the other policies and rules governing MATP can be found at <u>www.matp.pa.gov</u>.

Anyone having problems using an escort to get to and from medical care and treatment via MATP can contact PHLP's Helpline at 1-800-274-3258. Please visit our website to view a <u>fact sheet about MATP</u>.

Attention Parents of Children with Autism Spectrum Disorder Who Have PA Medicaid!

A recent lawsuit settlement should help children with Autism Spectrum Disorder who have Pennsylvania Medicaid receive needed Applied Behavioral Analysis (ABA) Services. The class-action lawsuit, <u>Sonny O. v.</u> <u>Dallas</u>, was filed by the Disability Rights Network alleging that the Department of Human Services, which administers the Medicaid program: failed to provide the full scope of ABA, used inappropriate medical necessity guidelines, failed to offer providers who had training in ABA, and failed to allow many qualify ABA providers to enroll in the Medicaid program thereby limiting access to these services. The settlement agreement, which needs Court approval before it is finalized, requires the Department to take certain actions including developing new medical necessity guidelines for ABA, allowing all qualified ABA providers to enroll in the Medicaid program, and developing a bulletin explaining that ABA can be used to address skill building for activities of daily living. More information about the settlement can be found <u>here</u>.

ABA is an evidence based treatment that helps children with Autism Spectrum Disorder develop the basic skills (social, behavioral, communicative, self-help and daily living) that they need to function effectively at home and in the community.

Marketplace Open Enrollment Ends January 31, 2016

Individuals who wish to purchase health insurance through the Marketplace for 2016 must do so before **January 31st.** This is the last day of the 2016 Open Enrollment Period. Those enrolling by this date will have coverage beginning March 1st. Coverage would start earlier if someone enrolled prior to January 15th.

After January 31st, consumers will only be able to enroll in a Marketplace plan for 2016 if they qualify for a Special Enrollment Period based on certain circumstances, including, <u>but not limited to</u>:

- Losing health insurance including Medicaid, CHIP, or health coverage through an employer
- Having a baby or adopting a child
- Getting married
- Moving out of their plan's service area
- Leaving incarceration

Those who experience any of these life changing events must act quickly (generally within 60 days of the event) to enroll in a Marketplace Plan. Individuals can find out more about what circumstances allow someone to enroll in a Marketplace plan outside of Open Enrollment by going to <u>www.healthcare.gov</u> or by contacting the Marketplace at 1-800-318-2596. Anyone who needs help joining a Marketplace plan or applying for premium tax credits and subsidies can find local help by visiting <u>https://localhelp.healthcare.gov</u>/.

With some exceptions, those without qualifying health insurance in 2016 will pay a penalty known as the Individual Shared Responsibility Payment. The penalty for this year is 2.5% of household income, or \$695 per adult, whichever is higher.

If your 2016 income is less than 138% of the Federal Poverty Level (\$16,248/year for a single person and \$21,984/year for a household of two), you are likely eligible for Medicaid. For help determining if you are Medicaid eligible, contact PHLP's Helpline at 1-800-274-3258.

Medicare Advantage Disenrollment Period Ends February 14th!

People on Medicare generally cannot join, leave, or change Medicare health or drug plans during the year unless there is an enrollment period available to them or they qualify for a Special Enrollment Period. We are currently in the Medicare Advantage Disenrollment Period that started January 1st and ends February 14th. This enrollment period only allows people who are enrolled in a Medicare Advantage Plan to disenroll from that plan and go back to Original Medicare. Individuals making this change will also get a Special Enrollment Period to join a stand-alone prescription drug plan – even if they were enrolled in a Medicare Advantage plan that did not include drug coverage. Those wishing to make changes during the Medicare Advantage Disenrollment Period are encouraged to call APPRISE at 1-800-783-7067 for help or for further guidance about how to make changes.

As a reminder, there are numerous <u>Special Enrollment Periods</u> available that allow those on Medicare to enroll into, leave or change their plan depending on their circumstances or experiencing changes such as moving or losing coverage. The Special Enrollment Periods most relevant to PHLP clients include:

- people with Medicare and Medicaid, called dual eligibles, can change their Medicare health and drug plans at **any** time;
- people who qualify for any level of Extra Help can enroll in and change their Medicare health and drug plans at **any** time; and
- people enrolled in a State Pharmaceutical Assistance Program, like PACE and PACENET, have a one- time opportunity they can use anytime during the year to join a Medicare drug plan or to change their plan; also, people who lose eligibility for these programs have a certain period of time to change their Medicare drug plan.

Individuals who are interested in joining a Medicare health or drug plan or in changing plans are encouraged to call APPRISE (1-800-783-7067) for help determining whether a Special Enrollment Period applies to their situation and for help with enrollments.

Medicare Sanctions Cigna-Health Spring Plans

On January 21st, the federal agency that administers the Medicare program imposed immediate sanctions on Cigna-HealthSpring (and its subsidiaries, including Bravo Health Pennsylvania, Inc.) after determining the insurer's conduct posed a serious threat to the health and safety of Medicare beneficiaries. As a result, Cigna-HealthSpring was required to immediately suspend all marketing and enrollment activities for its Medicare plans. Affected plans include two stand-alone prescription drug plans that are available across Pennsylvania and eight Medicare Advantage plans (including three Special Needs Plans) that are available in South Central and Eastern Pennsylvania (see below).

The <u>sanction notice</u> issued by the federal government specifically focuses on serious and longstanding problems in both authorization of medical services and prescription drugs as well as in handling of appeals. It cited 19 specific areas where Cigna-HealthSpring did not comply with federal rules including its failure to:

- conduct required outreach to providers or beneficiaries to get information necessary to make appropriate clinical decisions,
- have procedures for tracking and maintaining record about the receipt and disposition of grievances;
- properly effectuate prior authorization or exception requests for prescription drugs, and
- provide enrollees transition supplies of medication.

The sanctions will continue until the federal government determines that Cigna-HealthSpring has made the necessary changes to correct the identified problems and to prevent the problems from occurring in the future.

Current members of Cigna-HealthSpring plans may qualify for a Special Enrollment Period to change their Medicare health or drug plan if they have been impacted by a problem that led to the sanction. This is determined on a case by case basis and must be approved by Medicare. Individuals can contact 1-800-MEDICARE (1-800-633-4227) to request the Special Enrollment Period. Anyone needing additional help can contact APPRISE at 1-800-783-7067.

Sanctioned Cigna-HealthSpring Plans in Pennsylvania:	
 Stand-alone Prescription Drug Plans: Cigna-HealthSpring Rx Secure (a zero-premium plan for people with the full Extra Help) Cigna-HealthSpring Rx Secure-Extra 	
Medicare Advantage Plans: • Cigna-HealthSpring Advantage • Cigna-HealthSpring Preferred • Cigna-HealthSpring Preferred Plus • Cigna-HealthSpring Premier • Cigna-HealthSpring Preventive Care	 Medicare Advantage/Special Needs Plans: Cigna-HealthSpring Achieve (for people with diabetes) Cigna-HealthSpring TotalCare (for people with both Medicare and Medicaid) Cigna-HealthSpring Traditions (for people who live in an institution or require nursing care at home)

Two Opportunities for Comments Related to HCBS Waiver Programs

Statewide Transition Plan for Home and Community-Based Settings

The Department of Human Services recently released Pennsylvania's revised <u>proposed Statewide Transition Plan</u> for Home and Community-Based Settings for public review and comment. Comments are due **February 16, 2016**. Information received during the public comment period will be used to develop Pennsylvania's Final Plan that will be submitted to the federal government in March 2016.

The transition plan applies to all nine of Pennsylvania's Home and Community Based Services (HCBS) Waiver programs: Adult Autism; Aging; Attendant Care; COMMCARE; Consolidated; Independence; Infant, Toddlers and Families; OBRA; and, Person/Family-Directed Support.

The plan describes how Pennsylvania will comply with federal rules that require services be provided in settings integrated into the community. It also provides information about Pennsylvania's progress toward meeting the requirements and addresses questions and recommendations made by the federal government after an initial draft plan was submitted last year.

Written comments can be addressed to Caitlin Palmer, Department of Human Services, Office of the Secretary, P. O. Box 2675, Harrisburg, PA 17105-2675 or <u>ra-pwhcbsfinalrulepl@pa.gov</u>. Commenters are instructed to use subject header "Statewide Transition Plan".

Proposed Changes to Consolidated and P/FDS Waivers

The Office of Developmental Programs, which administers the Consolidated and Person/Family Directed Support Waiver programs for people with Intellectual Disabilities, has issued proposed amendments to these two programs. Comments are due **February 9, 2016**.

Information about the proposed amendments as well as how to provide comments can be found <u>here</u>. The changes are expected to start May 1, 2016 and include a number of substantive changes such as allowing qualified relatives/legal guardians to provide companion and nursing services and limiting the number of hours that relatives/legal guardians can provide companion and home and community habilitation services.

PHLP: Helping People in Need Get the Health Care They Deserve

Our Mission

Founded in the mid-1980s and incorporated in 1993, PHLP protects and advances the health rights of lowincome and underserved individuals. Our talented staff is passionate about eliminating barriers to health care that stand in the way of those most in need.

We seek policies and practices that maximize health coverage and access to care, hold insurers and providers accountable to consumers, and achieve better outcomes and reduce health disparities.

PHLP advances its mission through individual representation, systemic litigation, education, training, and collaboration.

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For the Capital Region, go to <u>uwcr.org</u> and pledge a donation to PHLP.

For the Pittsburgh Region, go to <u>unitedwaypittsburgh.org</u> and select agency code number 11089521.