

Connecticut
Medicaid
Managed
Care Council

March 30, 2004

HUSKY A adult coverage that had been under court injunction: On March 26, 2004 the Court of Appeals for the Second Circuit found in favor of the plaintiffs (parent/caregivers of HUSKY A children with earned income). What this means: these adults, who may have earned income > the new 100%FPL will continue to be enrolled in HUSKY A through transitional medical assistance (TMA) for the 24 months, beginning April 1, 2003, which is the current State statute. These adults were ineligible for Medicaid under 1931 & the Court agreed they should continue to be covered under the TMA coverage provisions in federal law.

Implementation of Legislative Changes in HUSKY/Medicaid: Updated March 10, 2004

The Department has described a phase-in implementation approach for the numerous legislative changes in the HUSKY programs, Medicaid and State Assistance (SAGA) at the Medicaid Council meetings. To summarize the current status of previous legislative changes:

Public Act Provisions	Implementation Date	Implementation Vehicle	Details
(Pa 03-3, sec 72) Medicaid pharmacy/ambulatory care service co pays : PA03-3, Sec 43 SAGA	November 1, 2003 For more information, see DSS 'provider bulletins' at http://www.ctmedicalprogram.com/	State Medicaid Plan amendment	Applies to non-exempt ADULTS in FFS, HUSKY A: <ul style="list-style-type: none"> • Prescriptions: increase from \$1 to \$1.50/script • Medical Services: \$2.00 per visit. SAGA: \$1.50/script. No co pays for medical services.
PA 03-3,Sec 69: consistent failure to pay Medicaid pharmacy co pays	Requires further discussion with CMS	Unclear at this date how this will be implemented.	Pharmacies would be allowed to deny filling scripts for Medicaid recipients who consistently fail to pay co pays over 6 months. Initially thought to require waiver authority

Public Act Provisions	Implementation Date	Implementation Vehicle	Details
			to deny care in Medicaid, CMS may allow this under the State Plan if DSS can identify recipient categories.
<p>PA 03-3. Sec. 55,56: HUSKY B benefit restructuring/cost share increases</p>	<p>Premium changes: 2/1/04</p> <p><i>*Due to the potential disenrollment of 2000 children b/c of failure to pay Feb. premiums, <u>there is a hold on disenrollments until May, 2004.</u> Families are expected to pay monthly Premiums owed and those going forward.</i></p> <p>-</p> <p>Benefit changes & >co payments:</p> <p>July 1, 2004</p>	<p>State SCHIP Plan Amendment</p>	<ul style="list-style-type: none"> • Benefit & cost sharing structure similar to largest CT HMO commercial plan • >Premiums for families with income 235-300% FPL (band 2). • Add per month premiums to families with income 185-235% FPL (band 1). <p>Aggregate cost sharing not to exceed 5% of family's gross annual income.</p>
<p>PA 03-3, Sec 72 HUSKY A benefit & cost sharing per month (PM)</p>	<p>When waiver application process, including public comment & GA approval, completed.</p> <p>Anticipated Date: July 2005</p> <p>(May include dual eligibles, under some form of managed care, in the HIFA waiver)</p>	<p>Requires CMS approval of waiver authority</p>	<ul style="list-style-type: none"> • Benefits similar to State Employee non-gate keeper POE plan. • Premium cost sharing: <p>*0-50%FPL: 0 \$</p> <p>*50-100%FPL - \$10 Individual PM, \$25 family PM max.</p> <p>*>100%FPL: \$20 individual PM, \$50 family PM max.</p>

Public Act Provisions	Implementation Date	Implementation Vehicle	Details
PA 03-1, sec 11; Sept Special Session Premiums for Medicaid FFS*	<i>Implementation date changed to</i> <i>July 1, 2004</i>	Medicaid State Plan Amendment	Initially applies to Medicaid FFS adult recipients, based on federal Medicaid rules, in the <u>medical spend down category</u> , (generally those > 65 years or disabled). Recipient will receive 30-day termination notice from DSS the third month if premium payments are <i>2 months</i> overdo. Medicaid eligibility could be reinstated upon DSS receipt of premium payments.

*What the premiums mean to those in the “medically needy” category:

Medically needy income limit:

	Region A-Fairfield	Region B Hartford	Region C– New Haven
Individual income limit add \$187 disregard for MNIL	\$476/mo	\$473	\$473
Two adults add \$187 disregard for MNIL	\$730/mo	\$629/mo	\$629/mo

Premiums will range from \$11-19/mo. For example if the client’s income is \$473/mo plus \$187 disregard, he/she fall into the federal income range of \$651-700/mo and the co-pay for the family would be \$12/mo.

If the client is in the spend down category, they would have to pay \$3000 over 6 months in out-of-pocket medical expenses before qualifying for Medicaid MNIL at which time the premiums payments would apply. If the client’s income is at the MNIL range, there would be no ‘spend down’.

Failure to pay premiums for 2 months will result in a DSS warning letter and loss of Medicaid eligibility at the end of the 3rd month if the past premiums are not paid. The individual/family would be eligible for Medicaid (no lock-out period planned as there is in HUSKY B – 3 months) upon payment of premiums.

The individuals that qualify for these categories are generally over age 65 years or disabled. Some of these individuals live in group homes; the DSS has not been advised as to whether any individuals in group homes would be required to pay monthly premiums

Update on State Plan Amendments (SPA) provided by DSS to the Medicaid Council **March 12, 2004**

SPA	Proposed Effective Date	Projected federal revenue (millions)		Status
		SFY04	SFY05	
Public Hospital DSH (03-009)	7/1/03	\$0	\$1.2	approved
SAGA DSH – Outpatient (03-013)	6/6/03	\$6.6	N/A	approved
GABHP DSH (03-014)	7/1/03	\$4.6	\$5.3	approved
SAGA DSH – New Medical (03-022)	1/1/04	\$11.75	\$23.5	approved
Urban DSH expansion (03-018)	10/1/03	\$1.25	\$1.25	approved
Adult Rehab option (03-021)	10/1/03	\$0	\$2.4	pending

The SPA for technical changes to non-emergency medical transportation and the HUSKY B benefit changes were to be submitted to DMS at the end of February 2004.

Medicaid & HUSKY Service Carve out Status

Dental: The Governor’s FY05 budget proposal includes the elimination of adult Medicaid preventive, non-emergent dental services. The Appropriations committee budget approved by the Committee March 25, 2004, restored non-emergent dental services for Adult Medicaid clients. The DSS plans to proceed with the carve-out of Medicaid FFS dental services **July 1, 2004** and the HUSKY A & B carve-out in **October 1, 2004**. A DSS review team of internal and external members has scored the ASO bidder responses. The ASO decision will be made public upon the DSS Commissioner’s approval.

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HUSKY BH carve-out: Still planned for **October 1, 2004**; however legislative authority to place Behavioral Health Partnership (BHP) funds into special accounts in DSS & DCF was not approved in 2003 and the Appropriations Committee budget (3/25/04) did not include the BHP re-allocation of funds within DSS, DCF & DMHAS. There have been ongoing legislative meetings with OPM related to the structuring and funding of the BHP. Discussions will continue.

Pharmacy carve-out: The Governor proposed to carve-out pharmacy benefits in HUSKY A & B, to be managed by a single Pharmacy Benefit Manager (PBM) or managed care organization. The effective date in the proposed legislation is October 1, 2004. At the March 12 Medicaid Council meeting, the Department cited the Program Review & Investigation legislative committee pharmacy recommendation that the State consider pooled purchasing to enhance supplemental rebates in Medicaid. The Department is considering pooled purchasing for pharmaceuticals for about 500,000 covered lives in Medicaid FFS, HUSKY A & B programs, ConnPace, CADA program, placing all the Medicaid pharmacy programs in the redesigned Medicaid FFS pharmaceutical program. The DSS Pharmacy & Therapeutics Committee is meeting to guide the implementation of the Medicaid FFS Preferred Drug List (PDL).

Any service carve-outs in HUSKY A will require approval from the Centers for Medicare & Medicaid Services (CMS) of an amendment to the HUSKY A 1915(b) waiver. The waiver amendments are subject to review and approval, denial or recommendations for changes by the legislative Committees of Cognizance that relate to human services and budgetary issues. Changes to the SCHIP program, HUSKY B, will require CMS approval of the State Plan Amendment as well as the legislative Committees review and approval.

File: MMC prog changes sched 3-04