

State of Kansas
Kansas Department of Health and Environment
Division of Health Care Finance
Public Notice

The Kansas Department of Health and Environment (KDHE), Division of Health Care Finance (DHCF), requests approval from the Centers for Medicare and Medicaid Services (CMS) to amend the 1115 Demonstration waiver, KanCare, in order to adopt twelve-month continuous eligibility for parents and other caretaker adults. Since this amendment would allow parents and other caretaker adults to remain eligible for a longer period, KDHE believes that there will be a favorable impact on beneficiaries.

The proposed effective date of the amendment is January 1, 2022.

Comment Process

The full public notice statement and complete version of the proposed amendment for review, can be found at <https://www.kancare.ks.gov/home>

Draft copies of the proposed amendment may also be found at a Local Health Department (LHD) or at front desk of the Kansas Department of Health and Environment, Division of Health Care Finance, at the address below. Locate the nearest LHD by visiting this website https://www.kdheks.gov/olrh/local_health.html

Question or comments may be addressed to Kurt Weiter, KDHE/Division of Health Care Finance, 900 S.W. Jackson Street, Room 900-N, Topeka, Kansas 66612-1220, or email kurt.weiter@ks.gov.

Those needing accessibility assistance to review or respond to the proposed amendment may also contact Kurt Weiter by phone (785)-296-8623 or at the e-mail above.

Public comments may be submitted from July 8, 2021 until midnight on August 9, 2021.

Sarah Fertig
State Medicaid Director
Division of Health Care Finance
Kansas Department of Health and Environment



**SECTION 1115 DEMONSTRATION
AMENDMENT REQUEST**

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IMPLEMENTING 12-MONTH CONTINUOUS ELIGIBILITY FOR PARENTS AND OTHER CARETAKER RELATIVES

PROGRAM DESCRIPTION

KanCare is a Medicaid managed care program which serves the State through a coordinated approach. The State determined that contracting with managed care organizations (MCOs) will result in more efficient and effective provision of health care services to the populations covered by the Medicaid and Children’s Health Insurance Program (CHIP) in Kansas and will ensure coordination of care and integration of physical and behavioral health services with each other and with the home and community-based services (HCBS).

On August 6, 2012, the State submitted a Medicaid Section 1115 demonstration proposal, entitled KanCare. CMS approved the proposal on December 27, 2012, effective from January 1, 2013 through December 31, 2017. The State submitted a one-year temporary extension request of this demonstration to CMS on July 31, 2017, and the temporary extension was approved on October 13, 2017. On December 20, 2017, the State submitted an extension request for its Medicaid Section 1115 demonstration. On December 18, 2018, CMS approved a renewal of this demonstration proposal. The demonstration is effective from January 1, 2019 through December 31, 2023.

KanCare is operating concurrently with the State’s Section 1915(c) HCBS waivers, which together provide the authority necessary for the State to require enrollment of almost all Medicaid beneficiaries across the State into a managed care delivery system to receive State Plan and waiver services.

PROPOSED AMENDMENT

Kansas requests approval from the Centers for Medicare and Medicaid Services (CMS) for an amendment to its KanCare 1115 Demonstration pursuant to the opportunity outlined in State Health Official Letter #13-003. Option five of this letter provides a strategy to implement twelve-month continuous eligibility coverage for parents and other caretaker relatives using Modified Adjusted Gross Income (MAGI).

Since 1998, Kansas has successfully provided twelve-months of continuous eligibility to children through Medicaid and the Children’s Health Insurance Program (CHIP). The State requests authority to apply this policy to the Medicaid Eligibility Group of “Parents and Other Caretaker Relatives.”

BENEFICIARY IMPACT

Expanding continuous eligibility to parents and other caretaker relatives in Kansas will provide vulnerable families the stability in health care coverage by allowing them to access preventative services and improving continuity of care. The Centers for Medicare and Medicaid Services (CMS) confirms that this process has been successful for children: “Continuous eligibility is a valuable tool that helps states ensure that children stay enrolled in the health coverage for which they are eligible and have consistent access to needed health care services.”¹ Covering parents and other caretaker relatives under continuous eligibility will provide this eligibility group the same benefits as the children in their care.

The Families First Coronavirus Response Act allows states to be eligible for a temporary increase in the federal matching rate as long as the state meets certain criteria, which includes providing continuous eligibility for beneficiaries through the end of the public health emergency (unless an individual asks to be disenrolled or moves out of state).² Continuous eligibility has been crucial during the coronavirus pandemic to prevent gaps in coverage. As studies have shown, Kansas can minimize insurance gaps and guarantee better access to care for an extended period with the twelve-month continuous eligibility policy for parents and other caretakers.³

Continuous eligibility also assists in the reduction of “churning” in Medicaid coverage, which is where beneficiaries lose coverage due to changes in circumstances or a fluctuation in income and subsequently reenroll within a short period of time. The constant disenrollment and reenrollment of beneficiaries from Medicaid is administratively burdensome. As CMS states, “eliminating the cycling on and off of coverage during the year reduces state time and money wasted on unnecessary paperwork and preventable care needs.”⁴ This policy implementation will decrease Medicaid administrative costs by allowing Kansas to enroll beneficiaries for twelve months, regardless of changes in income that occur during that period.

¹ Centers for Medicare & Medicaid Services, “Continuous Eligibility for Medicaid and CHIP Coverage”, <https://www.medicare.gov/medicaid/enrollment-strategies/continuous-eligibility-medicare-and-chip-coverage/index.html>.

² Pub. L. 116-127, Section 6008.

³ Leighton Ku and Erin Brantley, “Continuous Medicaid Eligibility for Children and Their Health,” Milken Institute School of Public Health, May 2020, <https://www.communityplans.net/wp-content/uploads/2020/06/GW-continuous-eligibility-paper.pdf>.

⁴ Centers for Medicare & Medicaid Services, op. cit.

TRIBAL NOTICES AND RESPONSES

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PUBLIC NOTICES AND RESPONSES

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BUDGET NEUTRALITY CALCULATIONS

During the Public Health Emergency, Kansas has maintained enrollment and coverage for all validly enrolled Medicaid beneficiaries, including the Medicaid Eligibility Group of “Parents and Other Caretaker Adults.” This proposal does not grant any additional benefits to that population but allows these individuals to continue the same level of coverage when the Public Health Emergency ends. Given this factor, the State does not anticipate any impact on the Budget Neutrality of the demonstration resulting from the adoption of this amendment.

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