



**KanCare Update to  
Robert G. (Bob) Bethell  
KanCare Oversight**

**November 28-29, 2017**

# Agenda

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- KanCare 2.0 Overview
- KanCare Program Updates
- Nursing Facility Liaison Program
- Medicaid Eligibility Processing
- Kansas Eligibility Enforcement System (KEES)
- MCOs Financial Status
- Children's Health Insurance Program (CHIP)  
Reauthorization Status
- Opioid Crisis Response Plan for Medicaid Including  
Treatment of Addiction
- Corrective Action Plan (CAP) Update
- KanCare Request for Proposal (RFP)

# KanCare 2.0 Overview

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- A Medicaid Managed Care/**Services** program
- Managed Care Organizations (MCOs) operate statewide across the spectrum of health, healthcare and independence
- Goals:
  - To improve quality/outcomes and
  - To reduce the rate of cost growth
- **Through:**
  - **Integrated plan of service**
  - **Focusing on social determinants of health and independence**



**Technology-Enabled Service**

# Technology-Enabled Service

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- Create IT infrastructure to support 360 degree view of beneficiary
- Facilitate increased and improved coordination and integration of services
  - Break down silos of behavioral and physical health, agencies and organizations, data, funding
- Provide skinny data – targeted, actionable information

# KanCare 2.0 Plan of Service



# KanCare 2.0 Plan of Service

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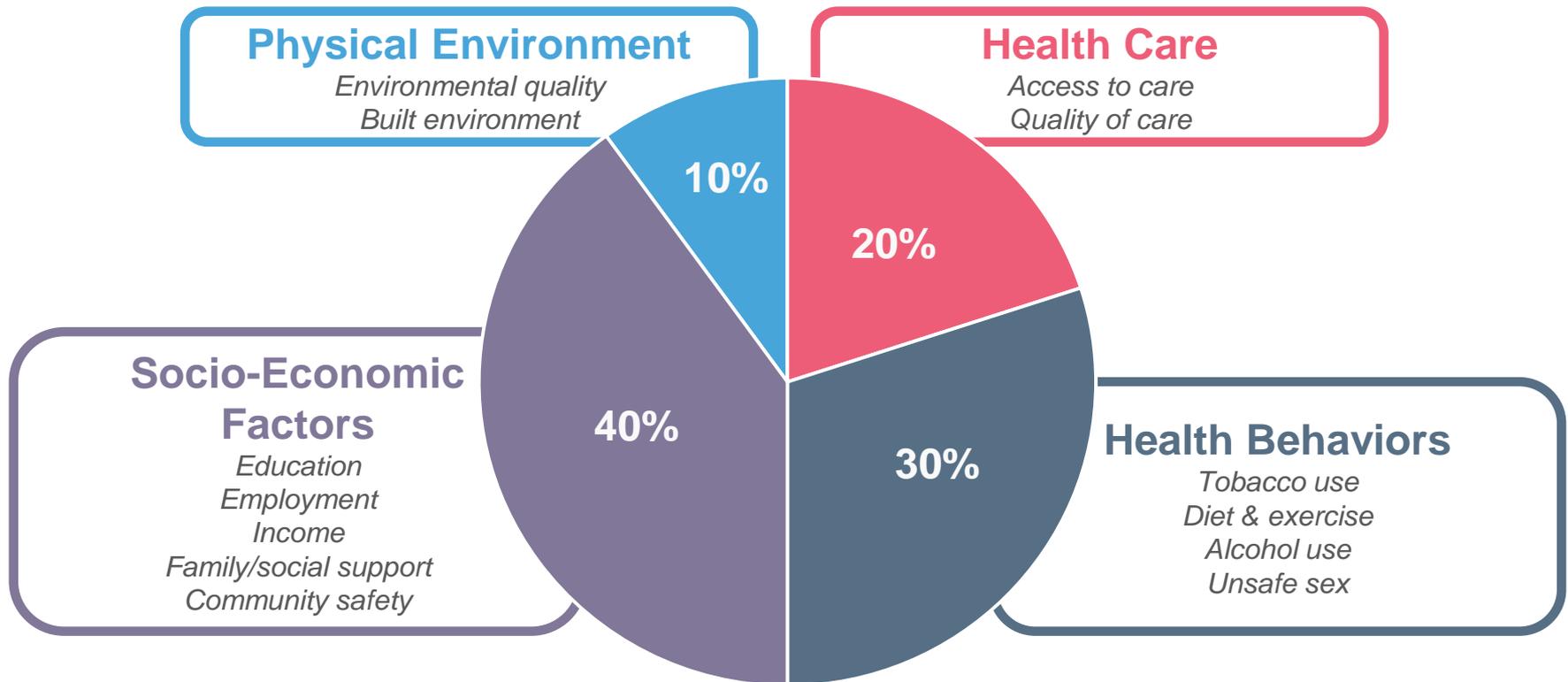
- Create/adopt a service planning assessment process that:
  - Begins with a person's vision for their good life
  - Ends with a tailored and comprehensive plan
- Assist members to connect with affordable housing, food security, employment, education, family stability and more through advanced services coordination
- Execute, monitor and refine Plan of Service

# Structure Supports Holistic Health



# Social Determinants of Health

## Population Health



Source: Authors' analysis and adaptation from the University of Wisconsin Population Health Institute's *County Health Rankings* model © 2010. <http://www.countyhealthrankings.org/about-project/background>

# KanCare 2.0 Employment Pilot



# KanCare 2.0 Employment Pilot

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- In response to members' repeated requests, help these members obtain and maintain competitive, integrated employment
- For members with
  - Behavioral health needs
  - Intellectual/developmental disabilities
  - Physical disabilities or
  - Traumatic brain injuries
- Metrics to include quality of life and life satisfaction measures, key health outcomes and impact on healthcare costs

# KanCare 2.0 Foster Children Pilot



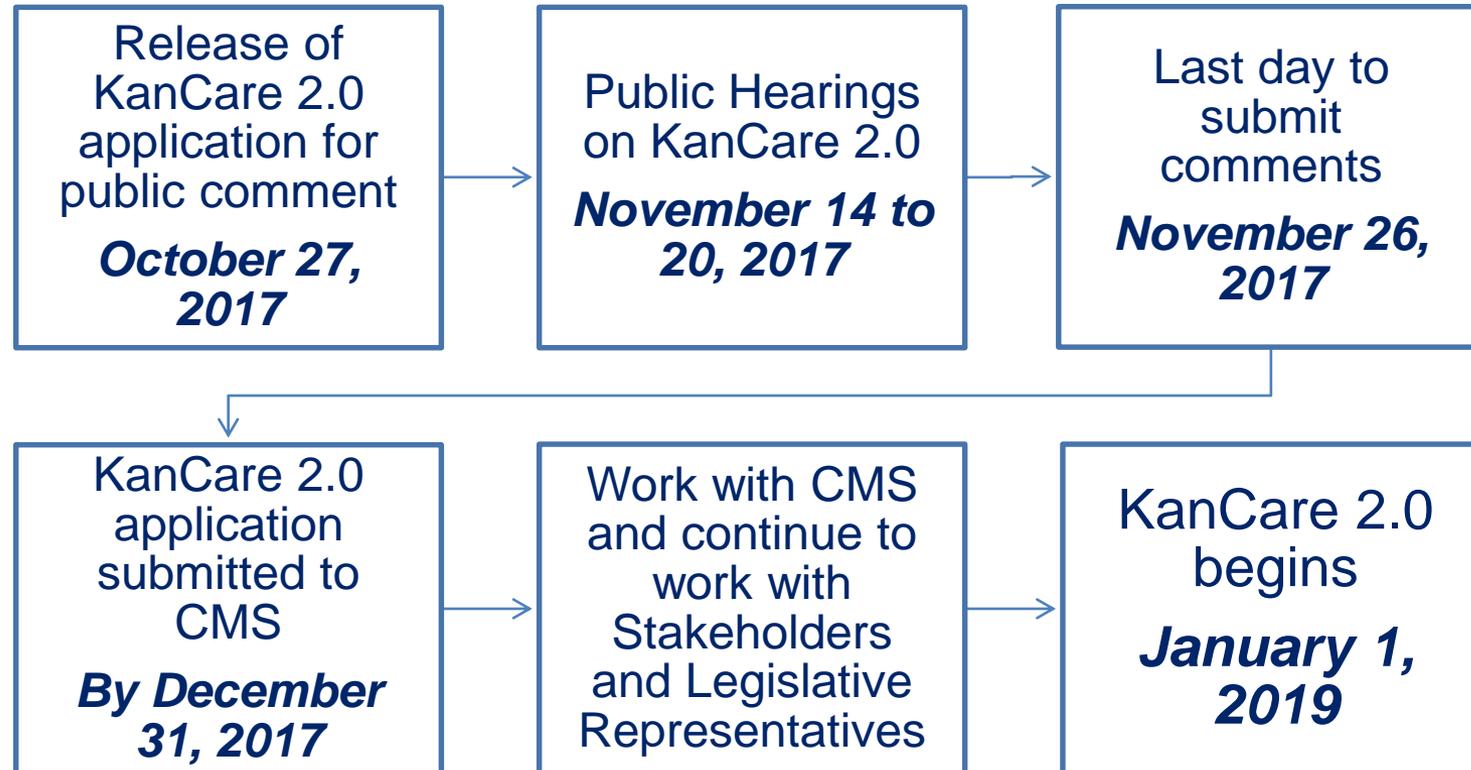
# KanCare 2.0 Foster Children Pilot

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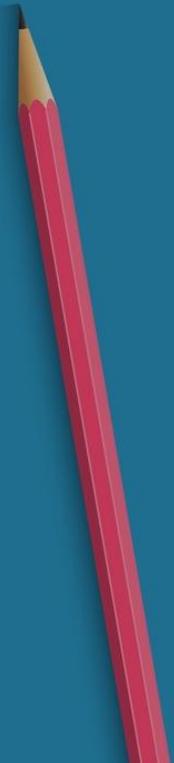
- Providing service identification, coordination and provision for youth in foster care to:
  - Increase stability at home and school
  - Support the child and foster family to reduce adverse childhood experiences occurrence and impact
  - Ease transitions
- Metrics to include:
  - Decreased number of placements
  - Reduced psychotropic medication use
  - Improved health outcomes for these youth

# 1115 Waiver Application Timeline

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# KanCare Successes



# KanCare Utilization

- Members have used their Primary Care Physician 19% more with KanCare.
- Members are more likely to attend their appointments; Transportation up 58%.
- Costly inpatient hospital stays have been reduced by 30%.
- Emergency Room use down by 6%.

KanCare Utilization	
KanCare vs. Pre-KanCare (2012)	
Type of Service	% Utilization Difference
Primary Care Physician	19%
Transportation	58%
Outpatient Non-ER	9%
Inpatient	-30%
Outpatient ER	-6%
Dental	30%
Pharmacy	2%
Vision	17%

As of October 2017.



# KanCare HCBS Waiver Utilization

- Waiver members have used their Primary Care Physician 19% more with KanCare.
- Members are more likely to attend their appointments; Non-Emergency transportation use up 52%.
- Costly inpatient hospital stays have been reduced by 16%.
- Emergency Room use up by 1%

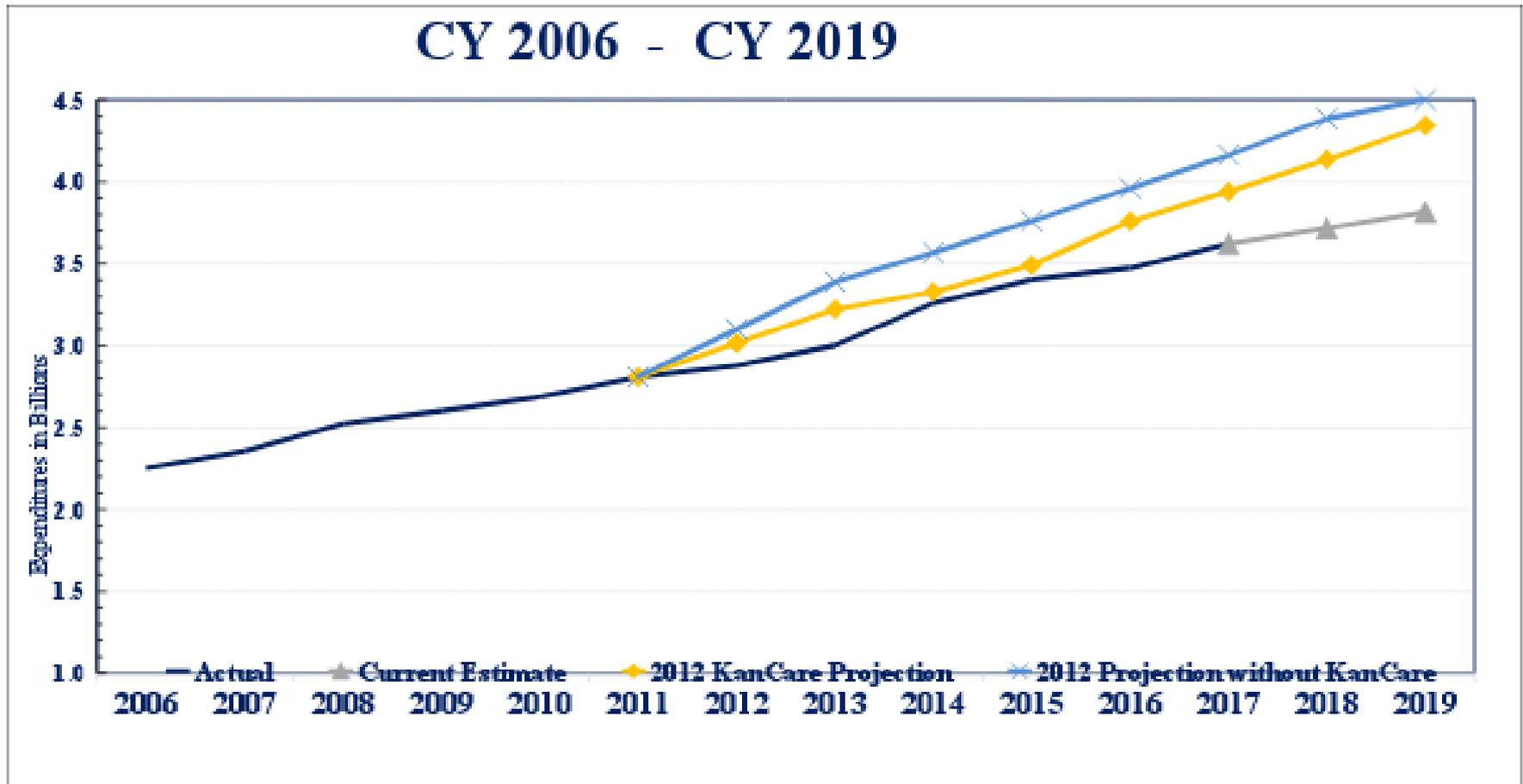
KanCare Utilization In Waiver Population KanCare vs. Pre-KanCare (2012)	
Type of Service	% Utilization Difference
Primary Care Physician	19%
Transporation NEMT	52%
Outpatient Non-ER	6%
Inpatient	-16%
Outpatient ER	1%
Dental	23%
Pharmacy	12%
Vision	27%
HCBS Services	31%

*SED, DD, PD, FE, Autism, TA, and TBI*

As of October 2017.



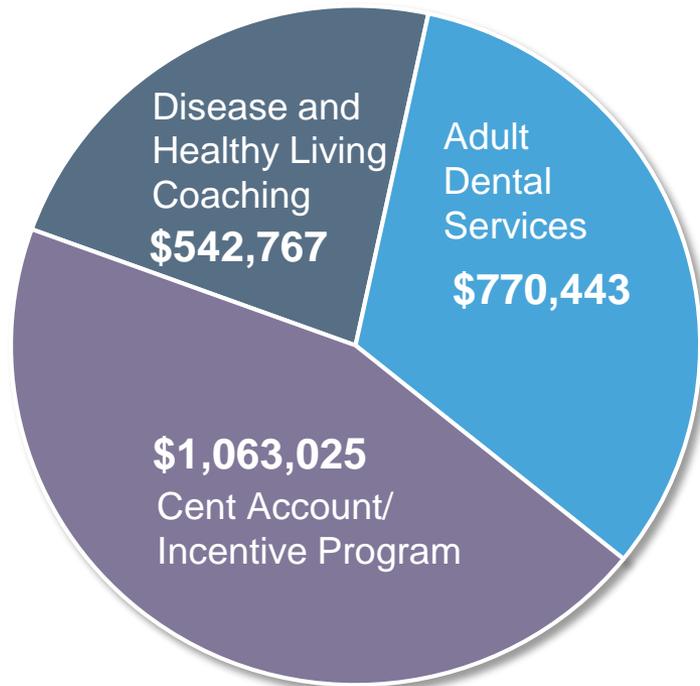
# KanCare Cost Comparison



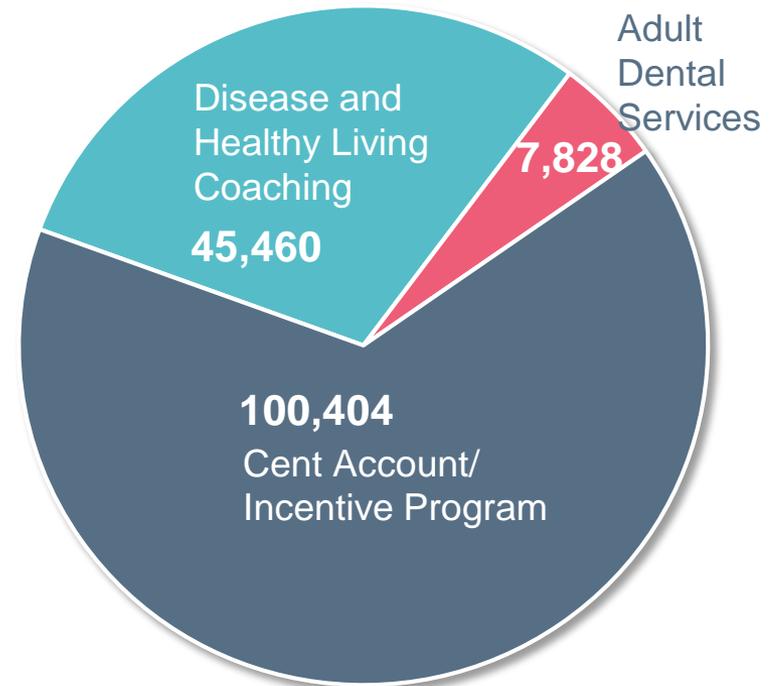
# KanCare New Services

at no cost to the State

Top 3 Services by Expenditure



Top 3 Services Accessed by Members



***Since the beginning of KanCare, members have been provided more than \$18 million dollars in total value of services they did not have access to under old Medicaid at no cost to the state.***

# LTC Application Status

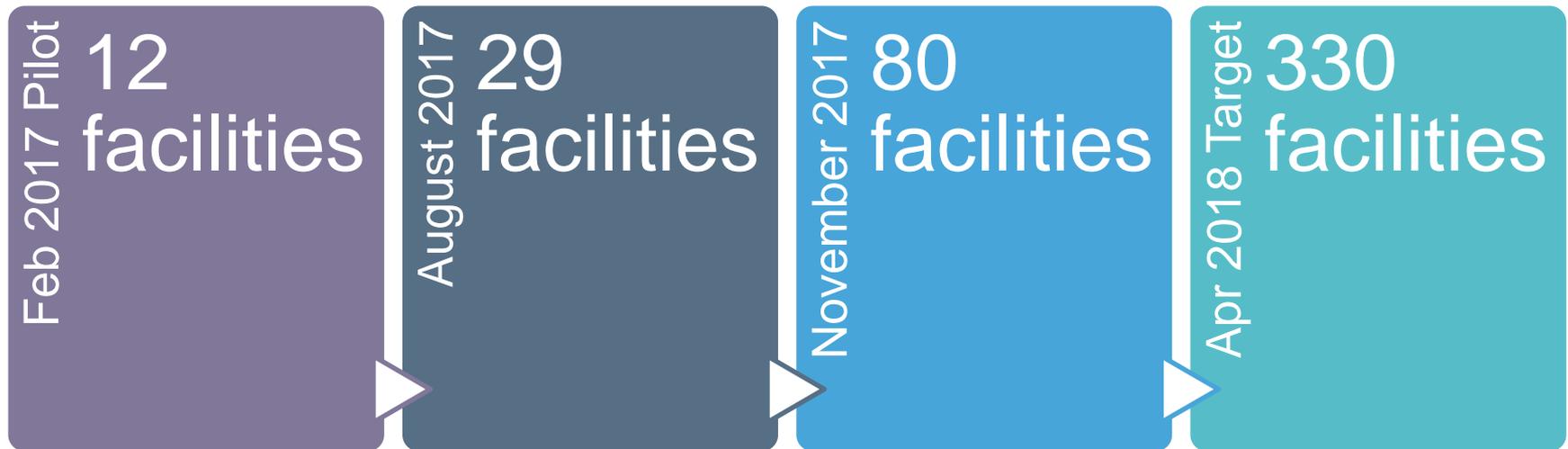
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- Implemented 90% advance payment for any Long Term Care (LTC) eligibility application undetermined for more than 45 days
- Developed and posted a checklist/manual for LTC facility staff explaining the process step by step to complete an application  
<https://www.youtube.com/watch?v=X5nM1-UWUrs>
- Created a webinar for LTC staff working on eligibility- Youtube video available at  
<https://www.youtube.com/watch?v=X5nM1-UWUrs&feature=youtu.be>
- Created a tutorial on the 2126 form for Nursing Homes – Youtube video available at  
<https://www.youtube.com/watch?v=9h0ATNwW56w>

# Liaison Program Expansion

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## Status Update



Will add 50 facilities every month until all facilities are in the Liaison program  
Opened a new facilities in Topeka for NF Liaison staff in October

# Medicaid Eligibility Processing

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- Steady State for applications processing reached as of March 24, 2017
- All Applications over 45 Days Have Been Touched
- CMS discontinued reporting requirement in May 2017

# Eligibility Processing Initiatives

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KDHE has implemented a number of eligibility processing initiatives to account for KEES Phase 3 implementation:

- Process Improvements
  - Redesigned data entry process
  - Made system improvements
  - Added supplemental training and training tools
  - Redesigned escalation process
- Accountability
  - Strengthened activity tracking
  - Added productivity incentives
- Analytics and Staffing
  - Developed new work reports
  - Increased organizational support
- Overtime
  - Implemented mandatory overtime
  - Extended hours of operation
  - Redeployed experienced resources



# Application Status Update

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- Unprocessed Applications are approximately 308 as of last report

Total number of other applications and redeterminations	
	> 45 days
Unprocessed Applications - Total	2,547
- Unprocessed Applications -Pended	1,874
= Unprocessed Applications - Approx	673

*Pended claims are awaiting additional information from the applicant.*

# Application Status Detail

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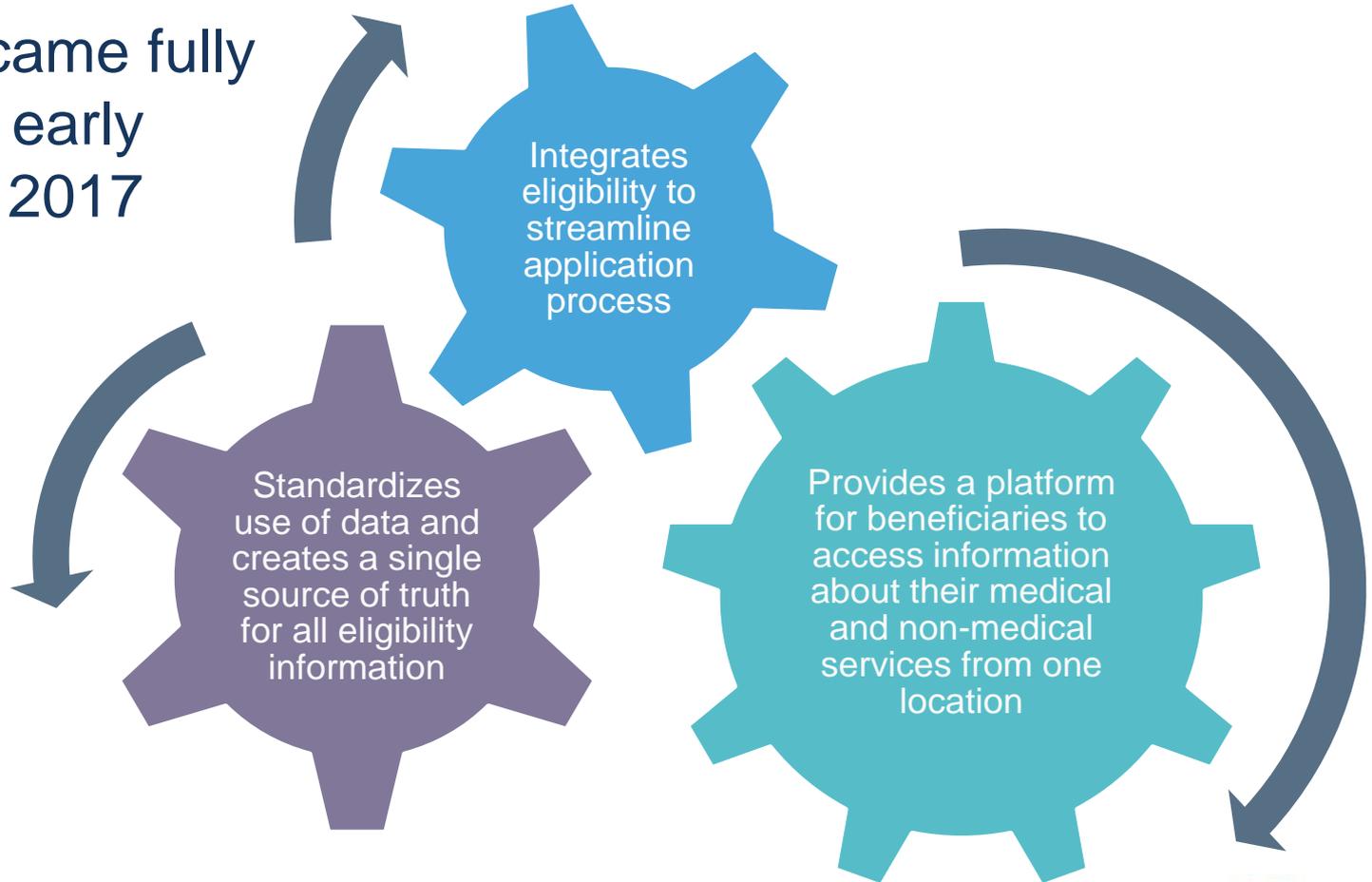
- The report reflects 2,547 applications over 45 days old.
- 1,874 of these are pended and awaiting additional information from applicants.
- Remainder of 673 represents applications in process.
- Since March 24, 2017, there are no applications over 45 days old that are untouched.

# KEES Phase 3 Implementation

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System became fully operational early September 2017

## Benefits



# MCO Financial Status Update

KanCare				
MCO Profit and Loss per NAIC Filings				
June 30, 2017 Compared to June 30, 2016				
	Amerigroup	Sunflower	United	Total
Total Revenues	\$476,597,825	\$540,191,022	\$465,758,000	\$1,482,546,847
Total hospital and medical	\$443,727,882	\$473,499,398	\$410,881,800	\$1,328,109,080
Claims adjustments, General Admin., Increase in reserves	\$50,775,343	\$63,591,390	\$53,849,400	\$168,216,133
<b>Net underwriting gain or (loss)</b>	(\$17,905,400)	\$3,100,234	\$1,026,800	(\$13,778,366)
<b>Net income or (loss) after capital gains tax and before all other federal income taxes</b>	(\$16,952,987)	\$3,863,894	\$1,026,800	(\$12,062,293)
Federal and foreign income tax/(benefit)	(\$5,860,368)	\$1,371,639		(\$4,488,729)
Add Back Change to Reserves	\$0	\$0		\$0
<b>Adjusted Net income (loss) - Through June 30, 2017</b>	<b>(\$11,092,619)</b>	<b>\$2,492,255</b>	<b>\$1,026,800</b>	<b>(\$7,573,564)</b>
Add Back Change to Reserves	\$0	\$0		\$0
Net income (loss) - June 30, 2016	(\$1,428,212)	(\$4,017,725)	\$19,802,901	\$14,356,964
<b>Adjusted Net income (loss) - Through June 30, 2016</b>	<b>(\$1,428,212)</b>	<b>(\$4,017,725)</b>	<b>\$19,802,901</b>	<b>\$14,356,964</b>
Difference from Q2 2016 to Q2 2017	(\$9,664,407)	\$6,509,980	(\$18,776,101)	(\$21,930,528)

# CHIP Reauthorization

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Current Funds Expire in March 2018

CHIP Reauthorization legislation currently discussed in House and Senate bills

Kansas Medicaid has developed contingency plans if CHIP is reauthorized or if it is not. This plan includes:

- New eligibility category to align with CHIP eligibility
- System changes to support new eligibility determination
- Notification plan for individuals enrolled in CHIP
- Transition from CHIP to Medicaid

# CHIP Reauthorization

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Additional State Expenditures from CHIP not being reauthorized:

SFY 2018 Forecasted budget impact:

**SGF: \$37,719,937**

SFY 2019 Forecasted budget impact:

**SGF: \$53,355,911**

# Addressing the Opioid Epidemic



# Opioid Strategy

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## 5 Key Domains:

### 1. Opioid Supply Policy

Reduce number of opioids prescribed and in medicine cabinets in Kansas.

### 2. Opioid Demand Policy

Introduce alternative pain strategies and develop step-down protocols to reduce the number of people needing intensive opioid-based pain management regimens.

### 3. Opioid Treatment Policy

Expand access to proven treatments for opioid use disorder and dependence.

# Opioid Strategy

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## 5 Key Domains:

### 4. Opioid Prevention Policy

Implement programs to educate on dangers of opioids and on preventive measures to reduce the number of conditions that require intensive pain management.

### 5. Opioid Enforcement Policy

Work with law enforcement and the Attorney General's office to identify and prosecute illegal sales and trafficking of synthetic and diversion opioids.

# Current KanCare Opioid Activities

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## 1. KanCare Prescribing Guidelines

Update KanCare Opioid prescribing guidelines to be reviewed by KDHE leadership and ultimately presented to the Drug Utilization Review (DUR) board in January 2018.

- Led by KDHE Leadership and DHCF,
- Supply-side policy to reduce opioid prescriptions.

## 2. Kansas Prescription Drug Prevention Workgroup

Grant funded workgroup targeting treatment and recovery activities, with the remainder going to prevention, early intervention and public education.

- Led by Bureau of Health Promotion, and KDADS,
- Treatment and prevention policy directive.

# Current KanCare Opioid Activities

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(Continued)

## 3. KanCare 2.0 – 1115 Waiver

Institutions for Mental Diseases (IMD) Exclusion as part of 1115 waiver

## 4. Other Meetings with key stakeholders

Attorney general (enforcement initiatives), University of Kansas Heart and Stroke Collaborative (PCORI opioid grant proposal), Board of Pharmacy (K-TRACS roadmap),

# KanCare Corrective Action Plan (CAP) Update

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- Kansas Medicaid Enterprise (KME) is on schedule to complete all tasks by December 2017 as required in the CAP
- KME has met with CMS bi-weekly throughout CY 2017 to obtain CMS support and approval for completing CAP tasks
- Where CMS identified deficiencies, KME is developing operating procedures to better guide staff monitoring tasks
- KME is finalizing system components for real-time reporting of long-term services and supports (LTSS) critical incidents
- KDADS is revising policies for its person-centered planning process to be more member-centric for members receiving home and community-based services (HCBS)

# KanCare Corrective Action Plan (CAP) Update (Continued)

<b>CAP Progress by Task Area</b>	
<b>Task Area</b>	<b>% of Tasks Completed</b>
Administrative Authority	77%
Person-Centered Planning	82%
Provider Access and Network Adequacy	85%
Participant Protections	79%
Support for Beneficiaries	92%
Stakeholder Engagement Process Development	100%
<b>Overall % of CAP Tasks Complete</b>	<b>83%</b>

# KanCare 2.0 RFP

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Department of Administration to respond to questions on RFP