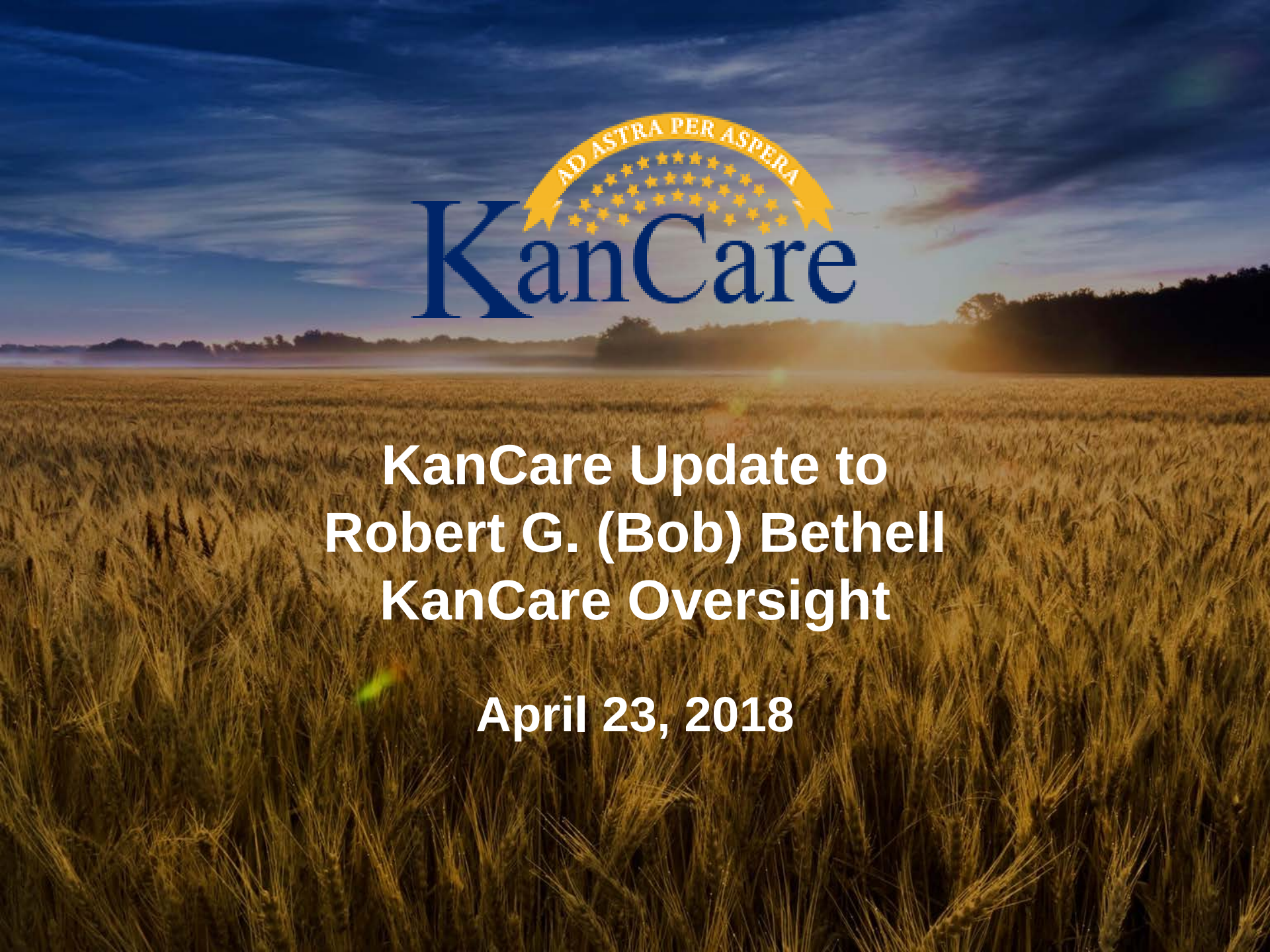


KanCare Update to Robert G. (Bob) Bethell KanCare Oversight

April 23, 2018

Agenda

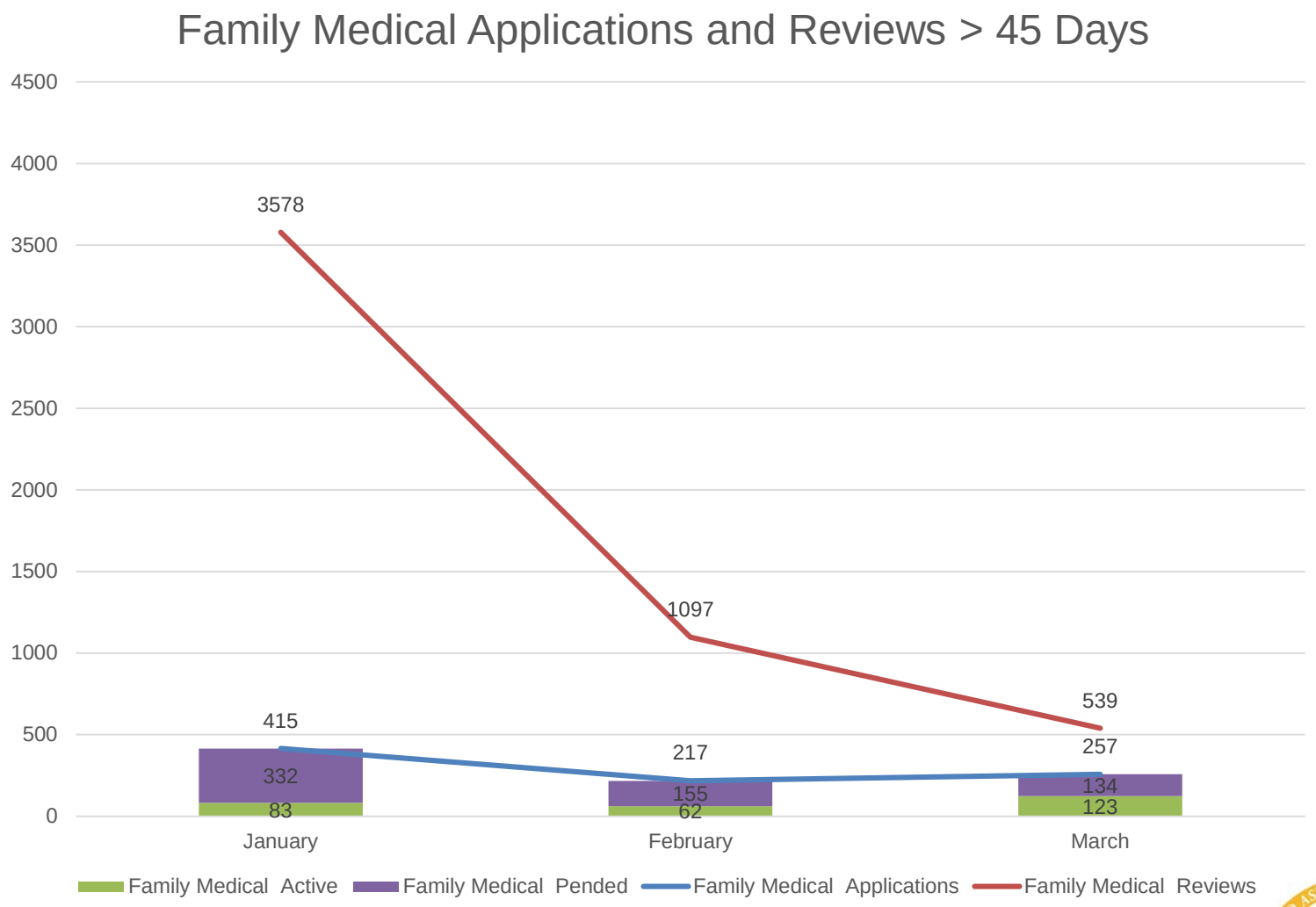
- Eligibility Update
- KanCare Program Updates
- KanCare Meaningful Measures Collaborative
- Dashboards and Analytics
- Opioid Epidemic and Antipsychotic Use in Nursing Homes

Eligibility Updates

Eligibility Activities

- Maximus informed of non-compliance by Department of Administration on 1/30/2018
- Daily calls with Maximus clearinghouse management
- Weekly meetings with Maximus leadership
- Reviewing of current policies and regulations (Federal, Legislative, and Agency)
- Future Planning – Options and Decision Process
- Requesting 25 eligibility positions – HCBS / Outreach

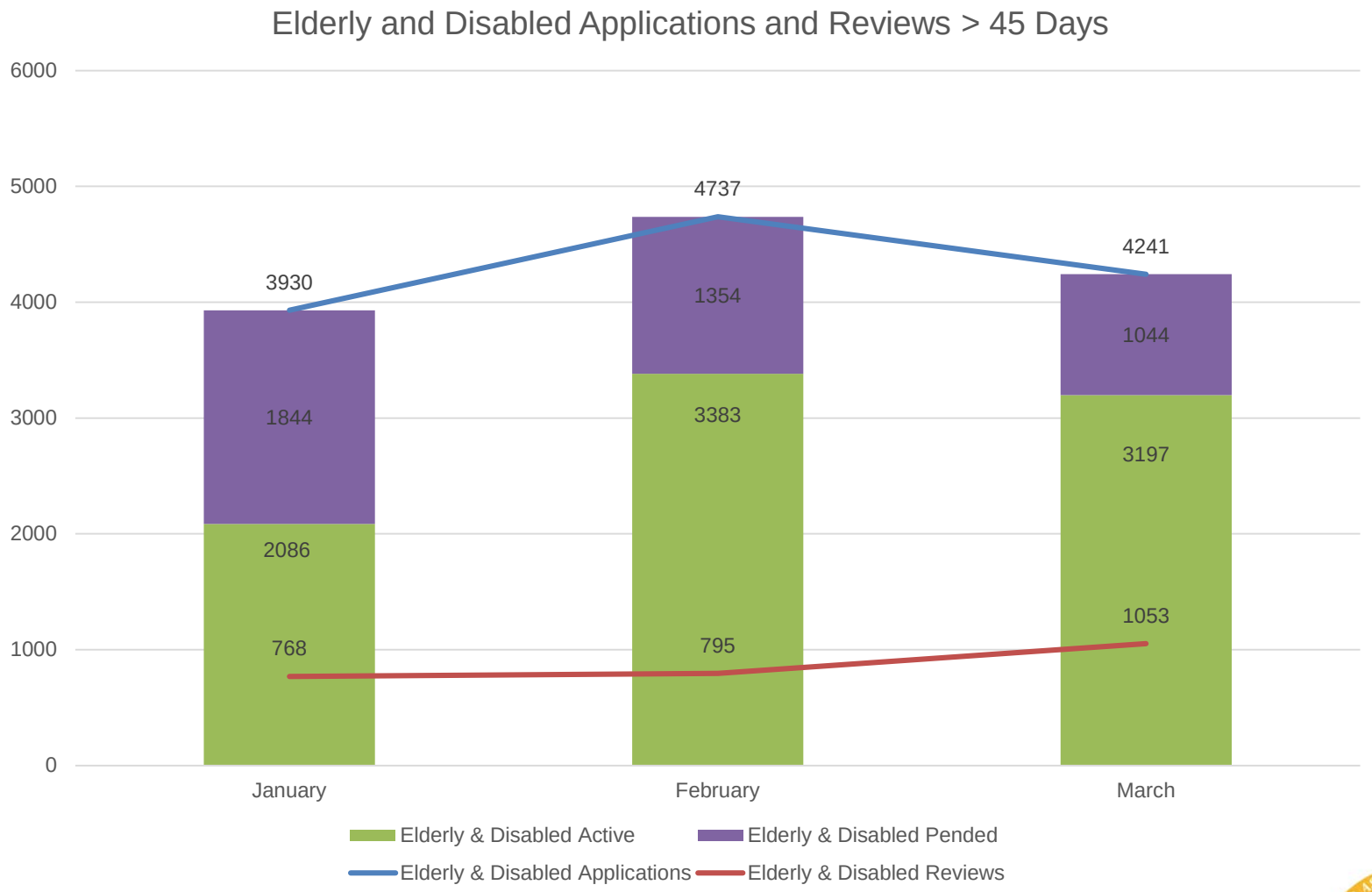
Family Medical Progress



Our Mission: To protect and improve the health and environment of all Kansans.

KanCare

Elderly and Disabled Progress



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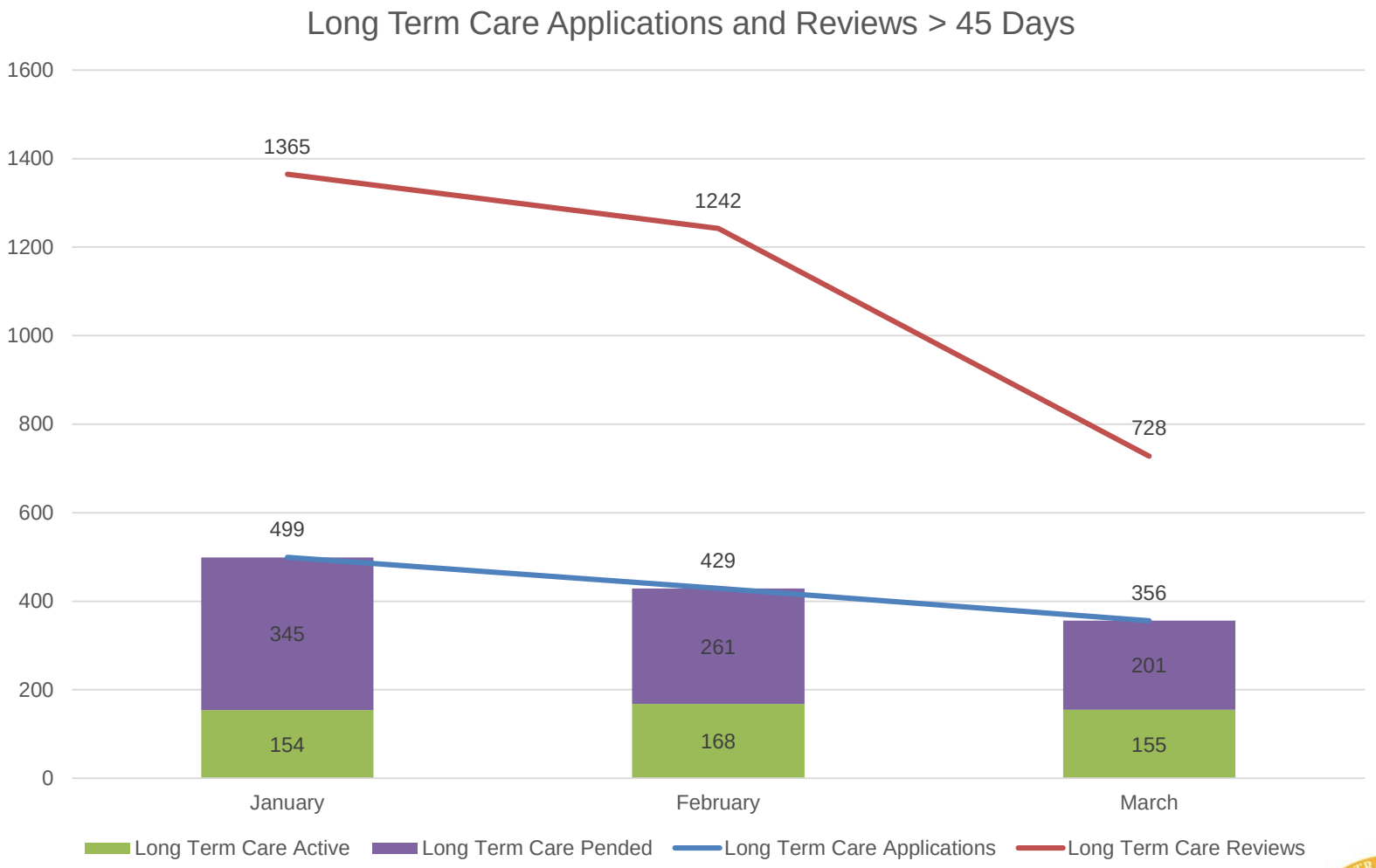
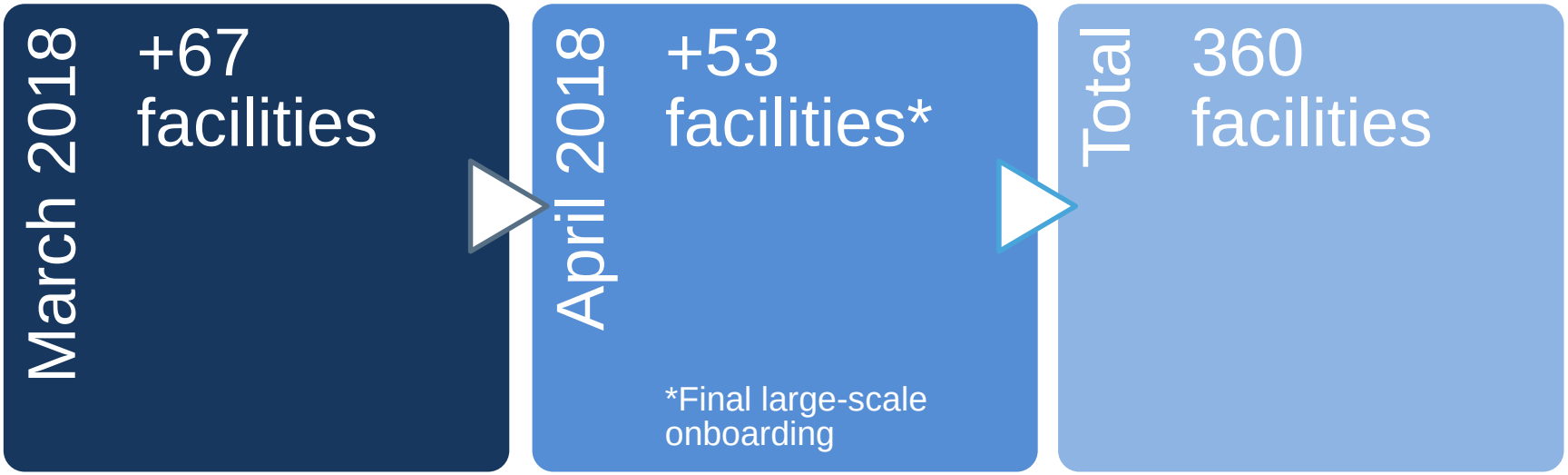
Long Term Care Progress



KanCare

Liaison Program Expansion

Status Update



Overview

- Each Nursing Facility (NF) is assigned a specific ‘pod’ of approximately 7 Eligibility Specialists. Each pod is dedicated to working with an average of 60 NFs to process those facilities’ cases and provide more personalized assistance.
- Pods are supported by Lead Eligibility Specialists, and Supervisors, and dedicated Quality, Training, and Administrative Staff.
- Total number of staff supporting Liaison is 46 workers.

Eligibility Innovations

- Artificial Intelligence / BOTS technology
- Objective Arts Meeting (4/24)
- Document Upload for Nursing Facilities
- Nursing Home Newsletter Modifications
- Testing ‘Pods’ in Elderly and Disabled processing
- Nursing Home Survey (January, April)

Nursing Home Survey Results

January Results

75% report work is completed quicker with the Liaison program

73% report increased satisfaction with the Clearinghouse as a result of being in the Liaison program

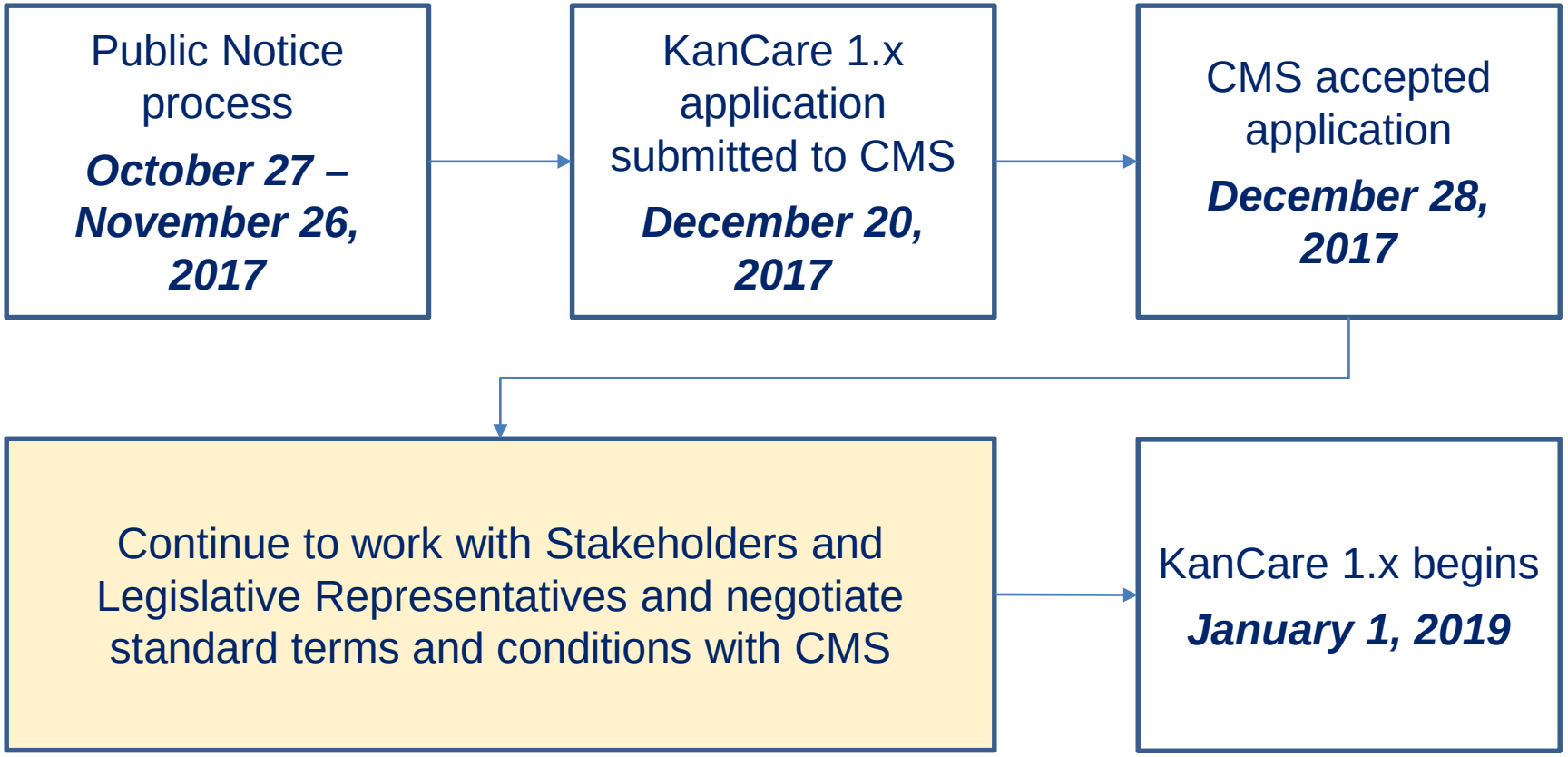
61% report speaking to Liaison 1 or more times each week

66% report emailing with Liaison program one or more times a week

72% report Liaison is either extremely responsive or very responsive to their concerns

KanCare Program Updates

1115 Waiver Application Timeline



KanCare 1115 Waiver Hypotheses

1. Value based reimbursement models will further integrate physical and behavioral health services

2. Increasing employment / independent living supports will help people become more independent

3. Use of telehealth will enhance access to care in rural, semi-rural and underserved areas

4. Removing payment barriers for services provided in IMDs will result in improved access to services and better health outcomes

KanCare 1.x RFP

- Technical Review Completed
- Cost Proposal Review Completed
- Meeting with Bidders

KanCare Utilization

- Members are more likely to attend their appointments; Transportation up 55%.
- Costly inpatient hospital stays have been reduced by 22%.
- Emergency Room use down by 9%.

KanCare Utilization KanCare vs. Pre-KanCare (2012)	
Type of Service	% Utilization Difference
Primary Care Physician	0%
Transporation NEMT	55%
Outpatient Non-ER	-13%
Inpatient	-22%
Outpatient ER	-9%
Dental	5%
Pharmacy	-2%
Long Term Care	3%
Vision	22%
HCBS Services	2%

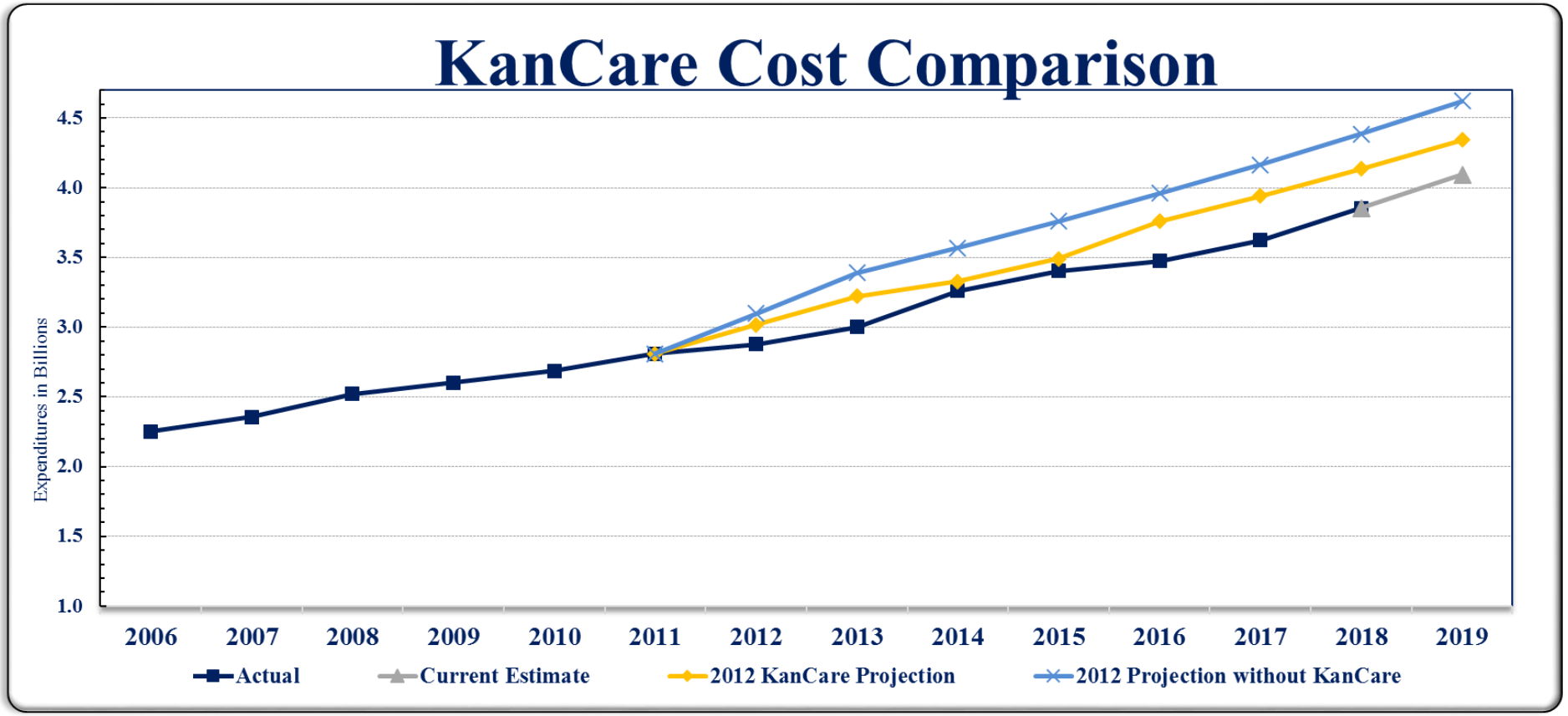
KanCare HCBS Waiver Utilization

- Primary Care utilization is up by 17%.
- Inpatient hospital stays have decreased by 14%
- ER Visits have decreased by 23%
- Dental services have increased by 42%

KanCare Utilization In Waiver Population KanCare vs. Pre-KanCare (2012)	
Type of Service	% Utilization Difference
Primary Care Physician	17%
Transporation NEMT	112%
Outpatient Non-ER	-13%
Inpatient	-14%
Outpatient ER	-23%
Dental	42%
Pharmacy	4%
Vision	20%
HCBS Services	2%

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

KanCare Cost Comparison



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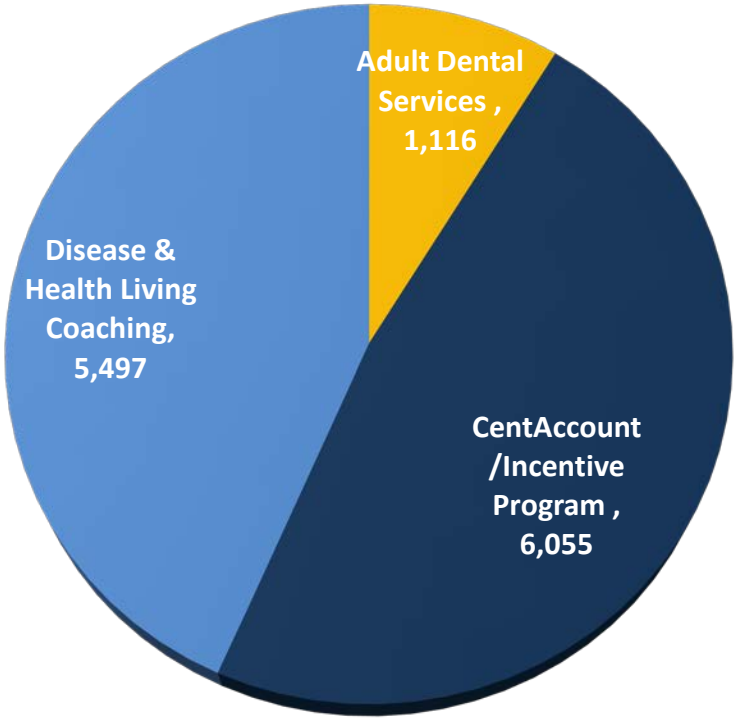
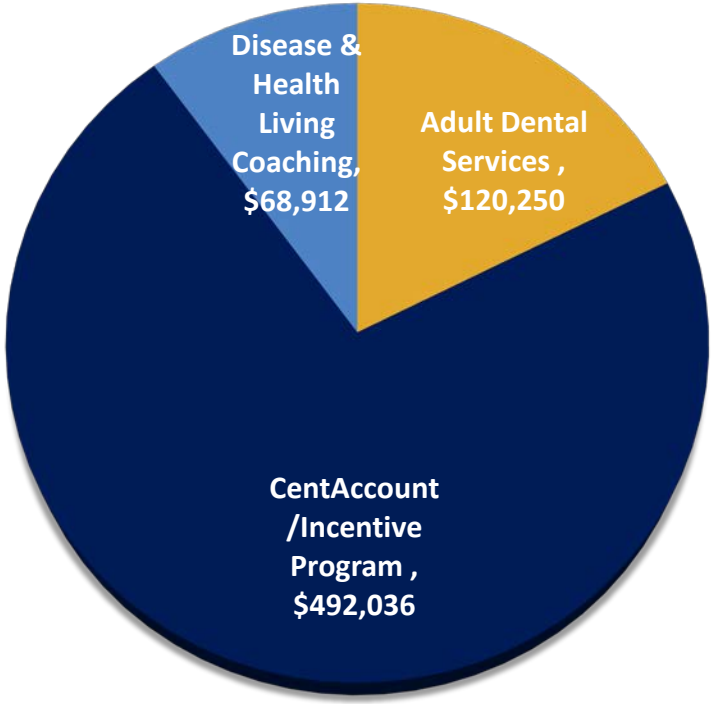
KanCare New Services

Top 3 Services Accessed by Members
Calendar Year 2018 YTD



Top 3 Services by Expenditures
Calendar Year 2018 YTD



Since the beginning of KanCare, members have been provided more than $18.2 million dollars in total value of services they did not have access to under old Medicaid at no cost to the state.

MCO Financial Status Update

KanCare

MCO Profit and Loss per NAIC Filings

December 31, 2017 Compared to December 31, 2016

	Amerigroup	Sunflower	United	Total
Total Revenues	$986,482,547	$1,114,050,380	$962,742,500	$3,063,275,427
Total hospital and medical	$898,032,893	$963,202,588	$837,748,100	$2,698,983,581
Claims adjustments, General Admin., Increase in reserves	$100,859,442	$134,086,175	$111,544,300	$346,489,917
Net underwriting gain or (loss)	($12,409,788)	$16,761,617	$13,450,100	$17,801,929
Net income or (loss) after capital gains tax and before all other federal income taxes	($9,371,643)	$18,456,539	$13,450,100	$22,534,996
Federal and foreign income tax/(benefit)	($2,914,706)	$6,347,759		$3,433,053
Add Back Change to Reserves	$0	$0		$0
Adjusted Net income (loss) - Through December 31, 2017	($6,456,937)	$12,108,780	$13,450,100	$19,101,943
Add Back Change to Reserves	$0	$0	$0	$0
Net income (loss) - December 31, 2016	$8,916,966	$9,677,302	$46,798,525	$65,392,793
Adjusted Net income (loss) - Through December 31, 2016	$8,916,966	$9,677,302	$46,798,525	$65,392,793
Difference from Q4 2016 to Q4 2017	($15,373,903)	$2,431,478	($33,348,425)	($46,290,850)
Profit Margin (%)	**-0.65%**	**1.09%**	**1.40%**	**0.62%**

KanCare Corrective Action Plan (CAP) Update

CAP Progress by Task Area	
Task Area	**% of Tasks Completed**
Administrative Authority	98%
Person-Centered Planning	100%
Provider Access and Network Adequacy	100%
Participant Protections	83%
Support for Beneficiaries	100%
Stakeholder Engagement Process Development	100%
Overall % of CAP Tasks Complete	**96%**

KanCare

Other Updates

Medicaid Innovation Accelerator Program (Opioids)

- 1 of 10 states selected
- Team: DHCF, KDADS, Public Health, and IBM

NAMD-NACHC Workgroup Award

- 1 of 5 states selected
- DHCF and KAMU

Foster Care Working Group

- KDHE, KDADS, and DCF working teams

Liquidated Damages In Process for Q1/Q2

- 2 MCOs for reporting inaccuracies

Legislative Consideration

KanCare Advisory Council Recommendations

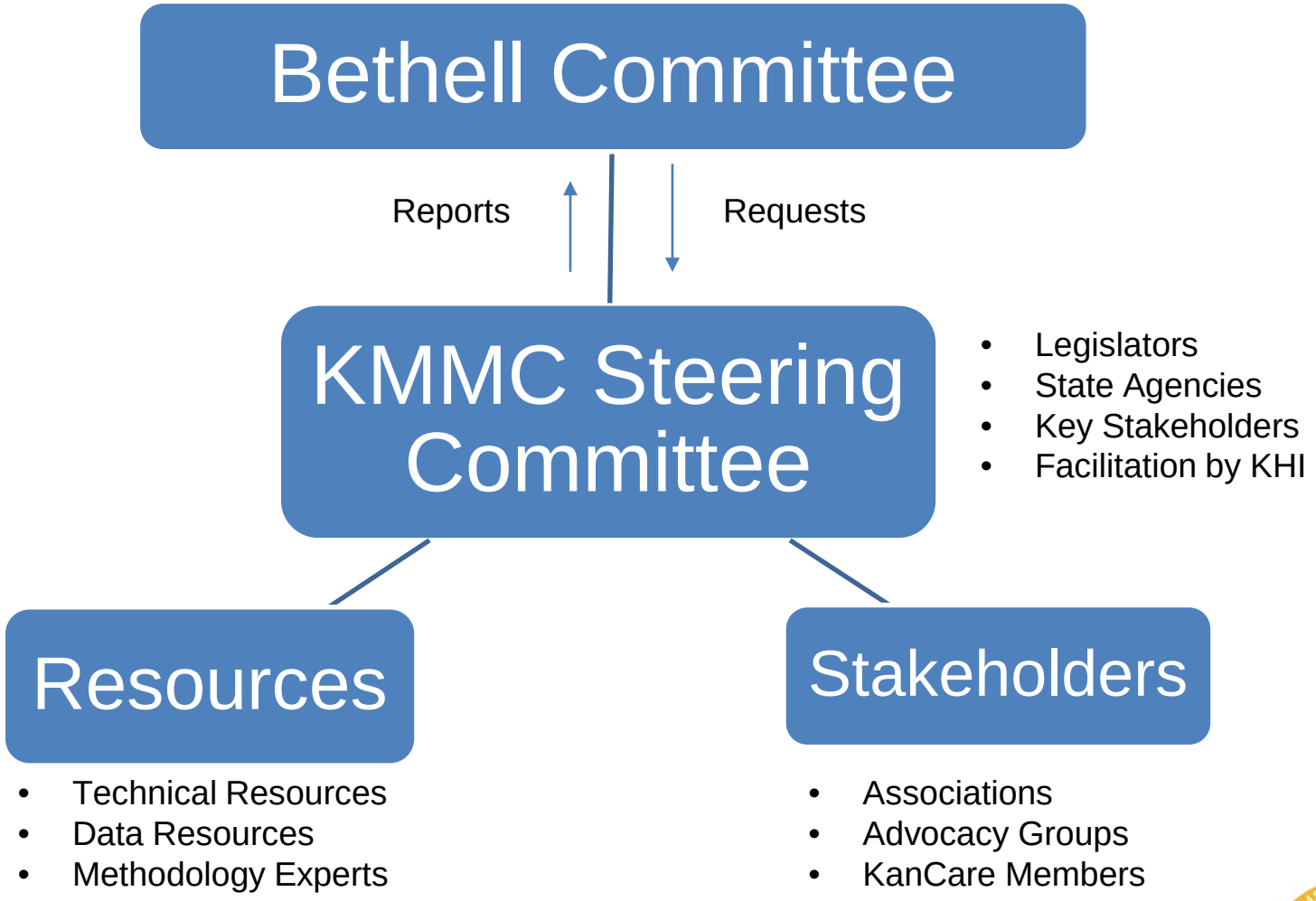
- Office of the KanCare Ombudsman
- Governor's Task Force for LTSS Provider Stability

Protected Income Limits

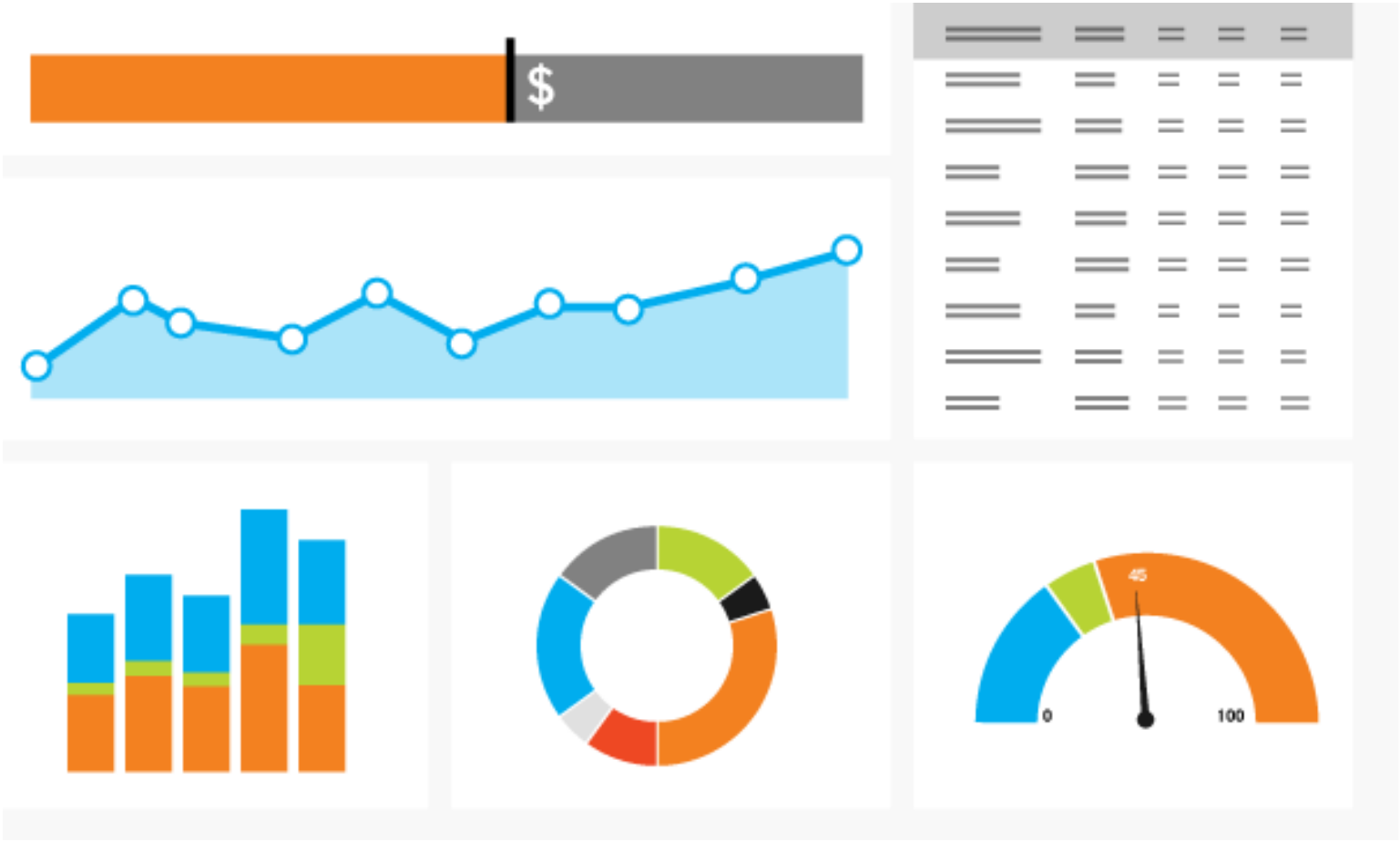
- $727 - $475 - $62
- Last changed 2008: from $716 to $727
- Numerous requests for increases – Legislators and Members
- In statute

KanCare Meaningful Measures Collaborative

KanCare MM Collaborative



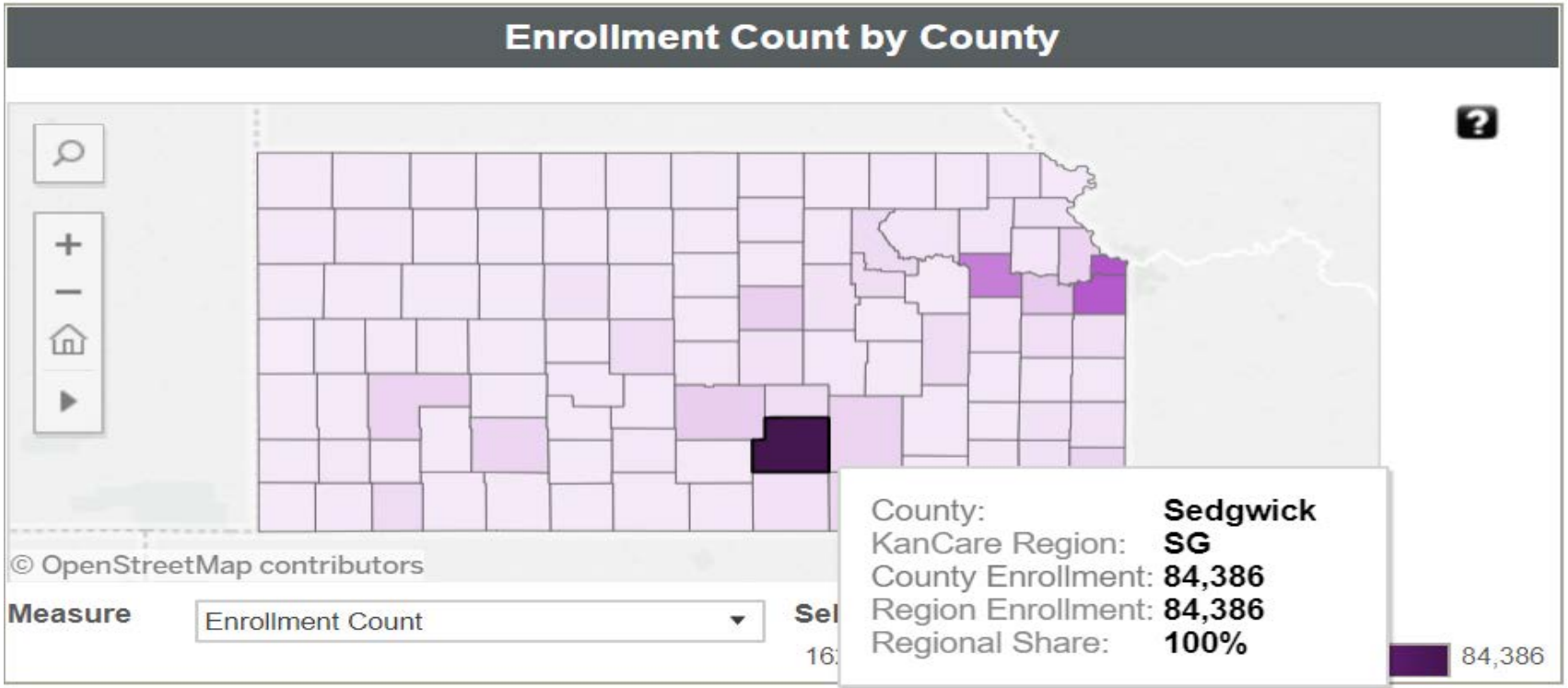
Staffing and Data and Analytics Update



Staffing

- Medicaid/Public Health Integration
- Health Care Finance Performance Improvement
- Operations/Policy

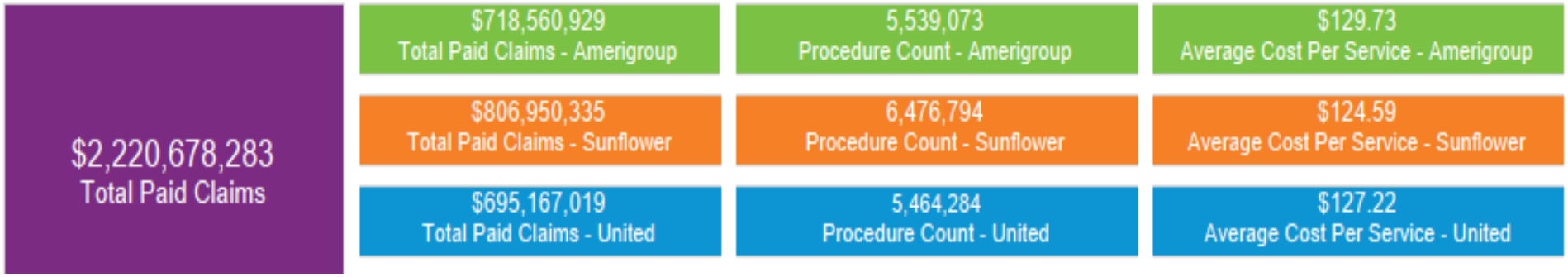
Data and Analytics Update



- Geographic view of enrollment by county and region
- Darker colors represent higher enrollment
- Real-time access to current and historical data

Data and Analytics Update

Total Paid Claims, Procedure and Average Cost per Service by MCO

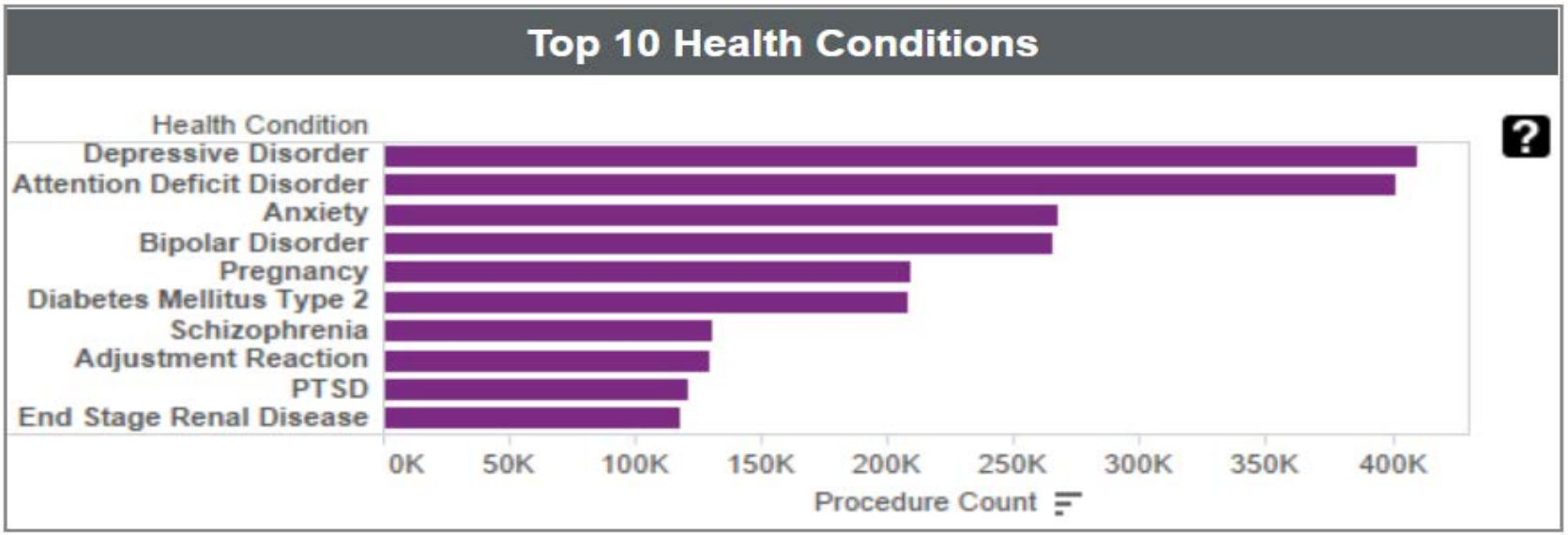


- Summary view of services and payments across MCOs
- Average cost per service = Total paid claims / services

Note: Pharmacy is excluded from this report

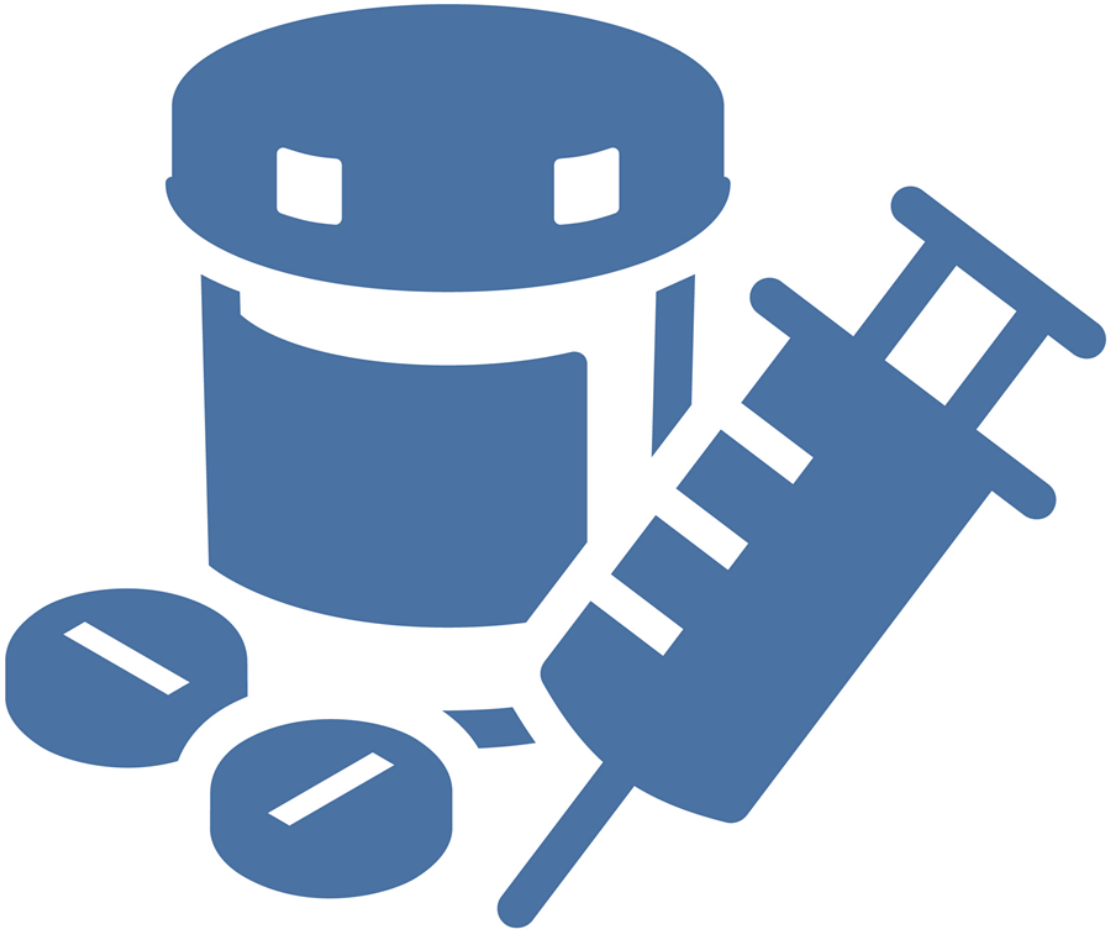
Data and Analytics Update

Top Health Conditions by Procedure



- Profiles the number of services across population
- Views can be adjusted to represent population categories, age groups or geography

Opioid Epidemic and Nursing Home Antipsychotic Use



Opioid Updates

- The Kansas Medicaid Opioid Products Indicated for Pain Management prior authorization criteria will apply to all patients covered under Kansas Medicaid.

- **Short-Term/Acute Pain Opioid User** (patients who have received opioid prescription(s) for
  (< 90 days in a look back period of 4 months):

- Limit of 7 day supply of short acting opioid (immediate release formulation). A cumulative 14-day supply is allowed within a 60 day lookback period (must be no more than 7 day supply per prescription)

- Daily dosing limits cannot exceed the lesser of 90 morphine milligram equivalent (MME) or the Food & Drug Administration (FDA) maximum approved dose.

Opioid Updates

- **Chronic Opioid User** (patients who have received opioid prescription(s) for

(≥ 90 day in a look back period of 4 months):

- Prior authorization will be required for all long-acting opioid prescriptions (extended release formulations) and any short-acting opioid prescriptions exceeding the above Short-Term/Acute Pain opioid use criteria.

- Patients with cancer, sickle cell, or palliative care diagnosis will be EXEMPT from the 7-day supply and MME dosing limits.

Opioid Updates

What is morphine equivalent dosing?

Morphine equivalent dosing is a way to translate the dosages of different opioids to have a common standard. This gives the ability to determine how much opioid a patient is taking when taking multiple pain medications. Calculating the total daily dose of opioids helps identify patients who may benefit from closer monitoring, reduction or tapering of opioids, prescribing of naloxone, or other measures to reduce risk of overdose.

Medicaid Goals for Reduction of Anti-Psychotic Drug Use in Patients with Dementia

1. Reduction of Antipsychotic Use in the Medicaid LTC population for Non-Dual Eligible Group Ages ≥ 65 yrs.
2. A draft of proposed prior authorization (PA) criteria was presented to the Mental Health Medicaid Advisory Committee (MHMAC) on February 13, 2018.
3. There was general discussion of the concern presented and of needed changes to ensure patient safety.
4. The draft will be reviewed again at the May 8, 2018 meeting followed by more discussion and possible amendments to the criteria, and eventual motions and voting, as standard meeting procedure.
5. Once MHMAC approved, the PA will be proposed to the DUR Board for final approval.
6. Once DUR Board approved, implementation of the PA will require an approved diagnosis for a patient in this LTC population to receive an antipsychotic.
7. Provider Education will take place prior to implementation of the PA.