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# 1115 Medicaid Waiver Update

Legislative Update: House Healthcare Committee

September 21, 2022

Patrick Allen, OHA Director

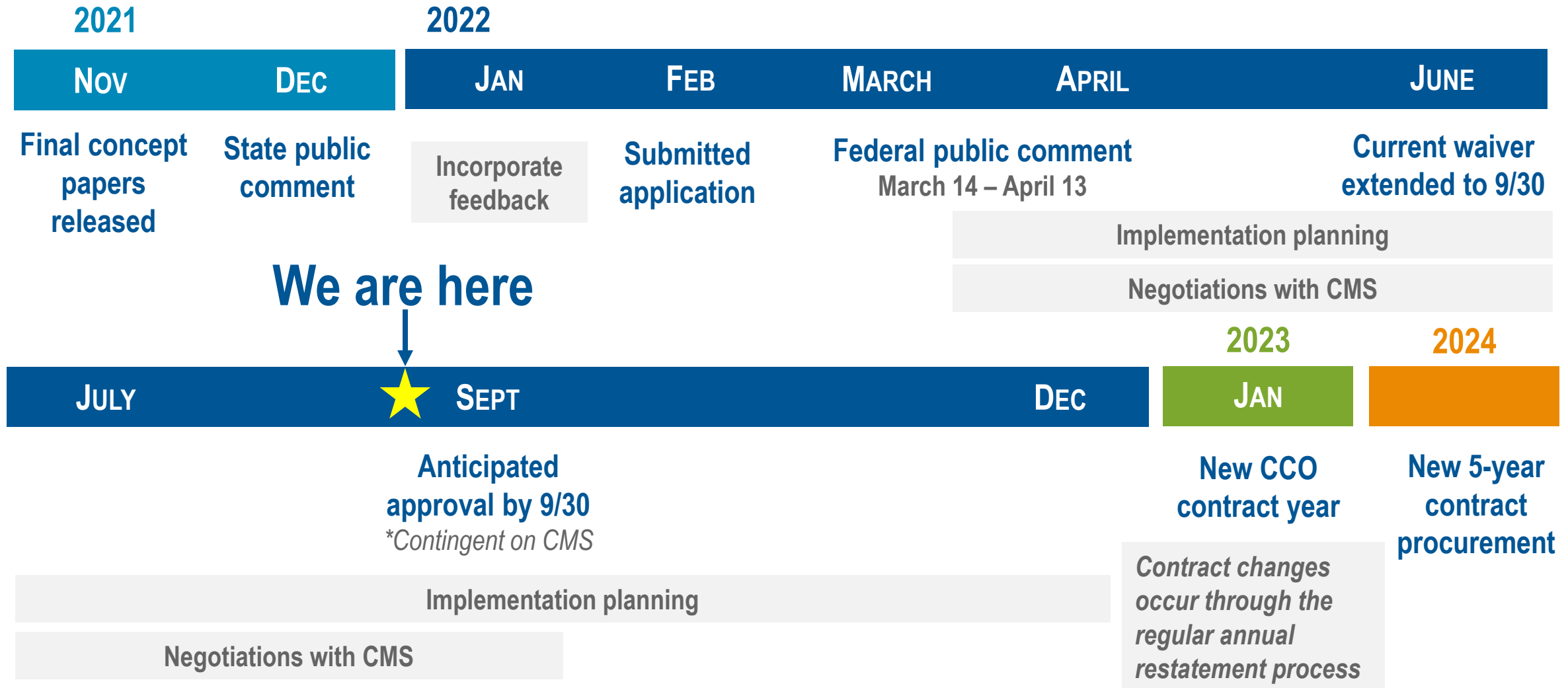
Lori Coyner, Senior Medicaid Policy Advisor



# Overview

- Waiver Timeline and CMS Negotiations
- DSHP and the Waiver Budget
- 2023 Legislative Concept
- Partner Engagement and Communications
- Implementation Timing and Next Steps

# 1115 Waiver Renewal Timeline



# Update: CMS Discussion Topics

## **Goal 1: Ensuring people can maintain their health coverage**

- Continuous enrollment and coverage expansion
- Justice-involved and institutional care requests

## **Goal 2: Addressing social issues that affect a person's health**

- Social determinants of health (SDOH) benefits packages
- Youth with Special Health Care Needs (YSHCN)

## **Goal 3: Understanding communities know best both about their needs and how to meet them and putting that into action**

- Community Investment Collaboratives

# Update: CMS Discussion Topics

## **Goal 4: Creating a more equitable, culturally- and linguistically-responsive health care system**

- Peer-delivered services and community health workers (moved to a State Plan Amendment (SPA))
- Early Periodic Screening, Diagnostic and Treatment (EPSDT)
- Tribal requests

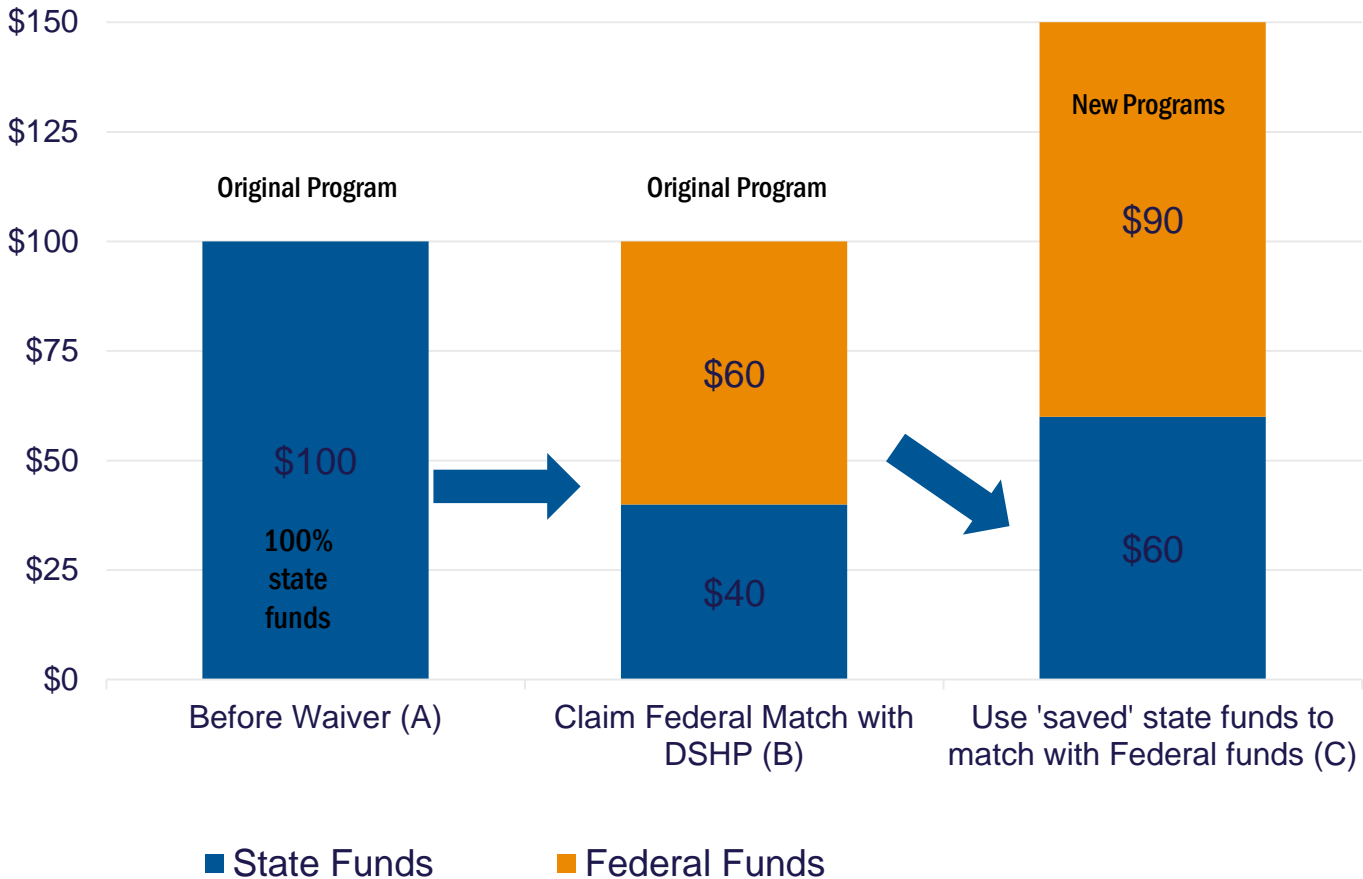
## **Additional waiver topics discussed with CMS**

- Managed care rates
- The Prioritized List (moving to SPA)
- Designated State Health Programs (DSHP)

# Designated State Health Programs (DHSP)- Overview & Example

Waiver goal to maximize federal funding – DSHP is a CMS program used to accomplish this goal

DSHP allows for states to ask for federal funding for “Medicaid like” services that are not usually Medicaid eligible



\$100 program example:

COLUMN A: Original program is funded by 100% state funds.

COLUMN B: Claim match on current state-only funded programs. The original program remains the same level of total funds. New federal match results in state fund savings.

COLUMN C: Invest state fund savings in Targeted Investments with Federal match.

# Designated State Health Programs (DSHP)

Overview Estimate– in millions

Original Program + DSHP Match	SFY23	SFY24	SFY25	SFY26	SFY27	Total
Currently state funded programs potentially available for DSHP* (Column A, in example) *Next slide shows detail	\$207	\$214	\$221	\$229	\$236	\$1,107
New Federal match estimate, becomes state fund savings (Column B in orange, in example)	\$125	\$129	\$132	\$136	\$141	\$662

New Programs Reinvest Savings	SFY23	SFY24	SFY25	SFY26	SFY27	Total
Saved state funds due to DSHP (Column C in blue, in example)	\$125	\$129	\$132	\$136	\$141	\$662
Federal Match (Column C in orange, in example)	\$358	\$367	\$371	\$381	\$393	\$1,870
<b>Total Available for Targeted Health Equity Investments</b>	<b>\$483</b>	<b>\$496</b>	<b>\$503</b>	<b>\$517</b>	<b>\$534</b>	<b>\$2,533</b>

\*Numbers reflect waiver renewal application. It is expected that CMS will not approve all state fund programs in the request. It is also likely they will reduce the federal investment in later years of the Waiver.

# Designated State Health Programs (DSHP)

Detail on the current state funded programs potentially available for DSHP\* (in millions)

(Column A, in example)

Agency*	SFY23	SFY24	SFY25	SFY26	SFY27	Total
Oregon Department of Human Services	\$27	\$28	\$29	\$30	\$31	\$144
Oregon Health Authority	\$219	\$226	\$234	\$242	\$250	\$1,172
Oregon Housing & Community Services	\$65	\$67	\$69	\$72	\$74	\$348
Oregon Youth Authority	\$1	\$1	\$1	\$1	\$1	\$5
Subtotal	\$312	\$323	\$334	\$345	\$357	\$1,670
Reduction for Undocumented & Maintenance of Effort	(\$105)	(\$109)	(\$112)	(\$116)	(\$120)	(\$563)
<b>Current Programs Total Funds (100% state funds)</b>	<b>\$207</b>	<b>\$214</b>	<b>\$221</b>	<b>\$229</b>	<b>\$236</b>	<b>\$1,107</b>

\*Would require additional Federal Limitation for each Agency to implement DSHP



# 2023 Legislative Concept

OHA submitted a placeholder legislative concept. Known changes needed for alignment with the proposed waiver include:

## Implementing DSHP:

- **Goal:** Use funds freed up through DSHP to fund bundles of services addressing social determinants of health (SDOH) for populations undergoing a transition. Funds for SDOH service packages would flow through CCOs via a non-risk contract in the first three years of implementation and will be incorporated into CCO capitation in later years.
- **Statute Change:** OHA requires statutory authority for OHA to issue non-risk payments.

## CCO Quality Incentive Program Committee:

- **Goal:** Revamp the committee overseeing the CCO Quality Incentive Program to equitably redistribute power.
- **Statute Change:** Change committee structure so those most affected by health inequities lead the CCO Quality Incentive Program. More seats for Oregon Health Plan (OHP) members, community members from diverse communities, individuals with lived experience of health inequities, health equity professionals and researchers.

# Public and partner engagement to date



# Current and upcoming engagement

Waiver Phase	Timeframe	Engagement Type
<b>Negotiations with CMS</b>	Current	<ul style="list-style-type: none"><li>• Updates on CMS negotiations to workgroups, with partners and at public meetings</li></ul>
<b>Post-approval</b>	After Sept 30 (anticipated date of approval)	<ul style="list-style-type: none"><li>• Public meeting(s) to describe and discuss approved proposals and any changes from submitted application</li></ul>
<b>Implementation planning</b>	Within 6 months of approval	<ul style="list-style-type: none"><li>• Public forum on implementation (<i>federal requirement</i>)</li></ul>
<b>Implementation planning</b>	Ongoing after approval	<ul style="list-style-type: none"><li>• Workgroups and meetings with impacted partners to inform implementation</li></ul>
<b>Implementation</b>	Annually	<ul style="list-style-type: none"><li>• Public forums on implementation of demonstration waiver (<i>federal requirement</i>)</li></ul>

# Implementation Timing

## Changes to OHP beginning in 2023:

- Early Periodic Screening, Diagnostic and Treatment (EPSDT): Oregon did not seek a renewal of the longstanding waiver around Early Preventive Screening, Diagnosis, and Treatment (EPSDT) for children. The decision comes as a result of clear feedback from the community, advocates, children's service organizations, and other interested parties. EPSDT benefits will begin January 1, 2023.

## Changes to OHP beginning in 2024:

- All other programs and services approved in the 2022-2027 Medicaid 1115 Demonstration Waiver

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# Thank you!

Updates and information:

[oregon.gov/1115waiverrenewal](https://oregon.gov/1115waiverrenewal)

Reach out to us anytime:

[1115waiver.renewal@odhsoha.oregon.gov](mailto:1115waiver.renewal@odhsoha.oregon.gov)

