



State of Utah

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Governor

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Utah Department of Health

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Members of the Social Services Appropriations Subcommittee
State Capitol
Salt Lake City, Utah 84114

Dear Subcommittee Member:

The Centers for Medicare and Medicaid Services (CMS) requires the Utah Department of Health to update its State Plan and existing waivers for Medicaid when the State makes changes to the program. In accordance with these changes and reporting requirements of Subsection 26-18-3(3), the following is a summary of recent changes:

State Plan Amendments

Emergency Dialysis Services for Non-Citizens

The Department submitted an amendment to the State Plan to allow individuals enrolled in the Emergency Services Program for Non-Citizens, and diagnosed with end-stage renal disease (ESRD), to receive dialysis service coverage in outpatient dialysis centers rather than in hospital emergency departments. The SPA also updates reimbursement for the initial emergency department visit to be the same as the reimbursement for outpatient dialysis services.

The Department expects annual expenditures to decrease by \$245,000 as a result of this change.

This amendment does not shift costs to more expensive services for Medicaid members and their families.



Hemophilia Disease Management Services

The Department submitted an amendment to the State Plan to move hemophilia disease management into the Accountable Care Organizations (ACO) for their enrollees, and to the Department for several fee for service Medicaid members. In the past, the Department contracted with the University of Utah to provide these services. This contract expired December 31, 2019.

The Department expects annual expenditures to be budget neutral as current state and federal dollars will be shifted to managed care or stay within the Medicaid program.

This amendment does not affect future appropriations and there is no cost shift to more expensive services for Medicaid members and their families.

Support for Patients and Communities Act

The Department submitted an amendment that implements the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act, passed by the United States Congress.

This amendment includes opioid safety edits, which include quantity limitations for the use of morphine milligram equivalents (MME). The Department utilizes these safety edits when a patient uses opioids in combination with other higher risk medications that include benzodiazepines and antipsychotics.

This amendment does not affect future appropriations and there is no cost shift to more expensive services for Medicaid members and their families.

WAIVERS

1115 Waiver Amendment Submission

On November 1, 2019, the state submitted a waiver amendment to its 1115 Demonstration waiver in accordance with “phase 3” outlined in Senate Bill 96 “Medicaid Expansion Adjustments”, which passed during the 2019 General Session of the Utah State Legislature

This waiver request, known as the “Fallback Plan”, included the following proposals for Utah’s Medicaid Expansion:

- Increase the income limit for the Adult Expansion demonstration group from 95 percent of the federal poverty level (FPL) to 133 percent FPL, in order to receive the full Federal Medical Assistance Percentage (FMAP) allowable under 42 U.S.C. Section 1396d(y) for the Medicaid Expansion including Adult Expansion and Targeted Adult Populations

- Lock-out from the Medicaid Expansion for committing an Intentional Program Violation
- Federal expenditure authority to provide housing related services and supports for groups within Medicaid Expansion
- Not allowing hospitals to make presumptive eligibility determinations for the Medicaid Expansion
- Additional flexibility for providing services through managed care for all Medicaid members
- Require premiums for Adult Expansion beneficiaries with income over 100 percent through 133 percent of the FPL
- Require a \$10.00 premium surcharge (with a maximum of three surcharges per quarter) for non-emergent use of the emergency department for Adult Expansion beneficiaries with income over 100 percent FPL through 133 percent FPL
- Expand the subgroup definitions for the Targeted Adult demonstration group to include additional groups of individuals that may receive Targeted Adult Medicaid.
- Implement defined flexibilities and cost savings provisions for the Medicaid Expansion through the state administrative rulemaking process within the parameters defined by this waiver amendment
- Change the income range for Utah's Premium Partnership for Health Insurance (UPP).

The State also requested to continue the following components for the Adult Expansion demonstration group, which are currently authorized under the State's 1115 Demonstration Waiver:

- Implementing a community engagement requirement for the Adult Expansion demonstration group
- Authorizing the ability for the State to impose an enrollment cap for the Medicaid Expansion
- Waiving Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) for 19- and 20-year-old adults for the Medicaid Expansion
- Requiring Adult Expansion Medicaid beneficiaries with access to employer-sponsored insurance to enroll in the available insurance, with the flexibility to exempt certain income groups from disenrollment if they fail to enroll

1115 Waiver Amendment Approvals

On **November 25, 2019**, CMS approved the **Intensive Stabilization Services (ISS)** amendment to Utah's 1115 Demonstration Waiver. This amendment authorizes the state to provide ISS for Medicaid eligible children and youth, under age 21, who are either in state custody or at risk of being placed in state custody and who are experiencing significant emotional and/or behavioral challenges. Services within the ISS program includes both state plan behavioral health services, as well as home and community-based services (HCBS) not currently authorized under the state plan and which the state will pay using a daily bundled rate. The ISS program will allow the state to provide key crisis stabilization intervention and services while keeping families together and reducing the need for, and cost of higher-level services. This program is operated by the

Department of Human Services.

On **December 23, 2019**, CMS approved the following amendments to Utah's 1115 PCN Demonstration Waiver:

- Authorization for the state to expand the Adult Expansion Population under the PCN demonstration to include adults, ages 19-64, with incomes up to and including 133 percent FPL, effective January 1, 2020.
- Application of community engagement requirements and mandatory participation in employer sponsored insurance for the enlarged Adult Expansion Population created through the waiver at the enhanced match rate.
- Authority for the state to provide dental benefits to Medicaid eligible individuals who are age 65 and older, as well as porcelain or porcelain-to-metal crowns to that population and Targeted Adults who are receiving treatment for a substance use disorder
- Expanded definition for the Targeted Adults Medicaid group to include homeless individuals that are victims of domestic violence, individuals receiving court-ordered behavioral health treatment, and individuals on parole receiving behavioral health treatment.
- Approval for the state to enroll demonstration populations in managed care plans; create and operate an integrated managed care model, called Utah Medicaid Integrated Care (UMIC), to combine the delivery of physical health and behavioral health services in five Utah counties for the Adult Expansion Population; enroll Adult Expansion Population beneficiaries from eight counties in which beneficiaries are not enrolled in UMIC in ACOs for their physical health service delivery system and in Prepaid Mental Health Plans (PMHP) for their behavioral health services delivery system; and provide additional behavioral health services for members of the Adult Expansion Population and Current Eligibles who are enrolled in managed care.

RATES

Managed Care Rates- Rates Submitted to or Approved by CMS-October-December 2019

Type of Plan	Rate Period	Date Submitted to CMS	Date Approved by CMS	COMMENTS
ACO	SFY 2020/2021 01/01/20- 06/30/21	10/09/2019	Pending Approval	Rates for Medicaid Expansion groups
PMHP	SFY 2020/2021 01/01/20- 06/30/21	10/17/2019	Pending Approval	Rates for Medicaid Expansion groups

Sincerely,



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Director, Medicaid and Health Financing