



UTAH DEPARTMENT OF
HEALTH

Utah 1115 Demonstration Waiver

Project Number: 11-W-00145/8 & 21-W-0054/8

Quarterly Monitoring Report

Reporting Period

Demonstration Year: 19 (07/01/2020-06/30/21)

Demonstration Quarter: 2 (10/01/20-12/31/20)

Executive Summary

Utah's 1115 Primary Care Network (PCN) Demonstration Waiver is a statewide demonstration that gives the Utah Department of Health (UDOH) federal authorization to administer specific medical programs and benefits that are not otherwise allowable under federal rules. This demonstration waiver was originally approved in February 2002 for the PCN program and Current Eligibles population. The waiver was implemented July 1, 2002, and is now in demonstration year 19. Over the years, additional programs and benefits have been authorized under the waiver. The current waiver has approval through June 2022. This monitoring report will provide information for demonstration year 19 quarter two.

The demonstration waiver authorizes the following programs and benefits:

- PCN Program- Provides a limited package of preventive and primary care benefits to adults age 19-64 (PCN was suspended on March 31, 2019 with the implementation of Adult Expansion Medicaid on April 1, 2019).
- Current Eligibles/Non-Traditional Benefits- Provides a slightly reduced benefit package for adults receiving Parent/ Caretaker Relative (PCR) Medicaid.
- Utah's Premium Partnership for Health Insurance (UPP)-Provides premium assistance to help pay the individual's or family's share of monthly premium costs of employer sponsored insurance or COBRA.
- Targeted Adult Medicaid- Provides state plan Medicaid benefits to a targeted group of adults without dependent children.
- Former Foster Care Youth from Another State- Provides state plan Medicaid benefits to former foster care youth from another state up to age 26.
- Dental Benefits for Individuals who are Blind or Disabled- Provides state plan dental benefits to individuals age 18 and older, with blindness or disabilities.
- Substance Use Disorder (SUD) Residential Treatment- Provides coverage of SUD Residential Treatment in an Institution for Mental Disease (IMD) for all Medicaid eligible individuals.
- Targeted Adult Dental Benefits- Provides state plan dental benefits for Targeted Adult Medicaid eligible individuals who are receiving SUD treatment.
- Adult Expansion- Provides Medicaid benefits to adults age 19-64 who have household income up to 133 percent of the federal poverty level (FPL). Individuals in this demonstration group are required to participate in community engagement activities (if they do not meet an exemption or have good cause), and are required to enroll in employer sponsored insurance (ESI), if it is available to the eligible individual.
- Clinically Managed Residential Withdrawal Pilot- Provides expenditure authority to provide clinically managed residential withdrawal services to adult Medicaid beneficiaries, age 18 and older, who reside in Salt Lake County.
- Aged Dental-Provides state plan dental benefits to Medicaid beneficiaries age 65 and older.
- Utah Medicaid Integrated Care (UMIC)- Allows the State to operate an integrated managed care pilot combining the physical health and behavioral health services in five Utah counties for the Adult Expansion Population (not including the Targeted Adult Population)
- Intensive Stabilization Services (ISS) - Allows the State to provide intensive stabilization services to Medicaid eligible children/youth under age 21 in state custody, or at risk of state custody, experiencing significant emotional and/or behavioral challenges.

- Residential and Inpatient Treatment for Individuals with Serious Mental Illness (SMI)- Provides expenditure authority for services furnished to eligible individuals age 21 through 64 who receive treatment for a SMI, and who are short-term residents in facilities that meet the definition of an IMD.

Over the five-year approval period, Utah theorizes that the demonstration will:

- Improve the health of Utahns by increasing the number of low income individuals with access to primary care coverage, which will improve the overall well-being of the health status of Demonstration Population I enrollees (PCN enrollees).
- Not negatively impact the overall health of Current Eligibles who experience reduced benefits and increased cost sharing.
- Assist previously uninsured individuals in obtaining employer-sponsored health insurance without causing a decrease in employer’s contributions to premiums that is greater than any decrease in contributions to the overall health insurance market.
- Reduce the number of uninsured Utahns by enrolling eligible adults in the Targeted Adult Medicaid program.
- Reduce the number of non-emergent Emergency Room visits for the Targeted Adult population.
- Improve access to primary care, while also improving the health status of the Targeted Adult Population.
- Provide care that is more extensive to individuals suffering from a substance use disorder, in turn making this population healthier and more likely to remain in recovery.
- Lead to increased or sustained employment, improve beneficiaries’ socio-economic status and improve health outcomes through a community engagement requirement.

Key Events and Operational Updates

Suspension of Medicaid Benefits

The State implemented suspension of benefits for all Medicaid programs on December 1, 2019. Since that time, the State has experienced a steady increase from quarter to quarter, in the number of Medicaid members whose benefits are suspended due to incarceration. This has allowed Medicaid members to more quickly access much needed Medicaid covered services as they are released from incarceration, and transition back into the community.

The table below details the number of individuals in each demonstration population whose Medicaid benefits were in suspension status due to incarceration for each month of the demonstration quarter. This includes individuals who may have had benefits suspended in a prior month, but remain suspended. Demonstration populations are only listed if an impacted individual was placed in suspense status

Number of Individuals with Medicaid Suspended

Demonstration Population	October 2020	November 2020	December 2020
Adult Expansion	469	482	487
Dental-Blind/Disabled	129	133	126
Targeted Adult Medicaid	463	468	467
Current Eligibles	40	48	52

Dental- Aged	19	30	45
Total	1,120	1,161	1,177

Adult Expansion- Employer Sponsored Insurance

The State implemented the employer-sponsored insurance (ESI) requirement for Adult Expansion members on January 1, 2020. The State has experienced a slow uptake of ESI. However, the number of individuals enrolling in ESI continues to increase each month, although not at the level the State anticipated. This could be a result of the COVID-19 pandemic, and the subsequent loss of employment (and therefore loss of ESI) of many individuals. Individuals who fail to enroll in ESI will not lose eligibility at this time due to the public health emergency. Below are the number of individuals who received an ESI reimbursement for each month of the quarter, as well as the total ESI expenditures.

	October 2020	November 2020	December 2020
ESI Enrollment	228	237	237
Total ESI Payments Issued	\$32,625.58	\$30,405.46	\$31,076.46

Utah Medicaid Integrated Care

The State received waiver approval on December 23, 2019 to implement Utah Medicaid Integrated Care (UMIC). This was implemented on January 1, 2020.

As of January 15th, 2021, UMIC managed care plans had 50,371 enrolled beneficiaries. Utah Medicaid has contracted with Steward Health Choice, SelectHealth Community Care, Healthy U and Molina to administer the UMIC plans. The UMIC plans operate in five of Utah's urban counties; Weber, Davis, Salt Lake, Utah, and Washington.

The integrated UMIC plans allow individuals to receive care coordination from one plan that has all of the member's information. This has helped individuals receive holistic care while simplifying the process for them at the same time.

During the first year, some providers encountered payment issues because UMIC plans had not fully modified their systems to reimburse providers in accordance with state Medicaid behavioral health policy. The payers, providers and the state have worked closely together to resolve these issues, in some cases meeting weekly until all issues were addressed.

Some notable achievements of the UMIC plans are:

- Plans have shared examples of beneficiaries receiving holistic care coordination allowing for improved outcomes for the member.
- Payers and providers have developed close relationships to address all payment issues. These relationships will be important for the long-term success of the demonstration.

Dental Benefits for Aged Medicaid Members and Porcelain Crowns

As mentioned previously, the State began providing state plan dental benefits for Medicaid eligible individuals, age 65 and older (referred to as Aged Medicaid beneficiaries) on March 1, 2020. Utilization of dental benefits continues to remain low, likely due to the COVID-19 pandemic. Shortly after implementation, the University of Utah School of Dentistry and its contracted providers, were only allowed to provide emergency only services, resulting in only 53 individuals receiving services in March. However, restrictions were lifted on May 18, 2020, and full dental services are

now being provided. As indicated in the “Enrollment” section below, the number of aged individuals receiving services is slowly increasing each month.

Intensive Stabilization Services (ISS)

ISS is now operational for SMR Administrators contracted through the Utah Department of Human Services. There was a delay in operationalizing ISS billing due to two critical components: 1) DHS worked with SMR administrators to communicate and document a standardized approach to bill ISS in alignment with the model (policy and procedure manual) and what was agreed upon with Medicaid, and 2) Negotiate threshold/goals for billing by each administrator to ensure availability of state general fund to cover the match requirement for DHS. In efforts of number 2, DHS negotiated the following ISS projections/goals for each SMR administrator:

- Northern Region: (Davis Behavioral Health)
 - 100 ISS billing target by end of SFY21 (June 30 2021)
- Southwest Region: (Southwest Behavioral Health)
 - 50 ISS billing target by end of SFY21 (June 30 2021)
- Salt Lake Region: (Primary Children's): This administrator is funded by a two-year in-kind donation from Intermountain Healthcare and therefore the provider is not billing ISS until after the donation period to avoid conflicts with procurement.
 - NA -To bill in SFY23
- Eastern Region: (Four Corners Community Behavioral Health) Finalizing SMR Administrator and subcontracting approach to serving the region. Eastern Region SMR Administrator is projected to be operational by Spring 2021.
 - 25 ISS billing target by end of SFY21 (June 2021)
- Western Region: TBD - Legislative Bill in progress to allocate state funds and stand up SMR in this region.

Currently, SMR Administrators are working with their teams to identify past (starting July 2020) and present SMR episodes to bill ISS that meet the requirements pursuant to the 1115 waiver. DHS will use the insight gleaned from the SMR Administrator's work in documenting the volume of potential ISS billings during this first year to increase our ISS targets/thresholds in the years to come, and as SMR expands into more areas of the state.

Dental Benefits for Individuals with Blindness or Disabilities

The State received waiver approval on December 16, 2020 to change the benefit delivery system for dental benefits for individuals with blindness or disabilities. This change was implemented on January 1, 2021. As of this date, dental benefits are now provided through the University of Utah School of Dentistry and their associated network of providers, rather than the previous dental managed care plan delivery system. Approval was also received to allow these individuals to receive porcelain and porcelain-to-metal crowns. The progress of these changes will be reported in future monitoring reports.

Behavioral Health Services for Adults with Serious Mental Illness

The state also received approval on December 16, 2020 to claim federal financial participation (FFP) for payment of services to Medicaid beneficiaries, age 21 through 64, receiving inpatient psychiatric treatment or residential mental health treatment in an IMD. The State is in the process of implementing this benefit, and will report separately on the progress of this demonstration through the required monitoring reports.

Pending Amendment Requests

As mentioned in previous monitoring reports, the State submitted a waiver amendment to fulfill additional requirements of Senate Bill 96 “Medicaid Expansion Adjustments”. This waiver amendment included the following provisions, which are pending a decision from CMS:

- Lock-out from the Medicaid expansion for committing an intentional program violation
- Federal expenditure authority to provide housing related services and supports (HRSS) for groups within Medicaid Expansion
- Not allow hospitals to make presumptive eligibility determinations for the Medicaid Expansion
- Require premiums for Adult Expansion beneficiaries with income over 100 percent through 133 percent of the FPL
- Require a \$10 surcharge for each non-emergent use of the emergency department after having received a warning for inappropriate use of the emergency department for Adult Expansion beneficiaries with income over 100 percent FPL through 133 percent FPL
- Implement defined flexibilities and cost savings provisions for the Medicaid Expansion through the state administrative rulemaking process within the parameters defined by the waiver amendment
- Additional flexibility for providing services through managed care for all Medicaid members.

Enrollment

The table below details the monthly enrollment numbers for each month of the quarter, for each demonstration group covered under the waiver. Enrollment continues to increase each month for most of the demonstration populations, likely due to the COVID-19 pandemic, as the State continues coverage for Medicaid members during the public health emergency. In addition, the State has also experienced an increase in Medicaid applications. Medicaid claims for ISS have not been submitted as of the date of this report. Because of this, ISS enrollment is not included below. However, it will be included in future reports as claims are received.

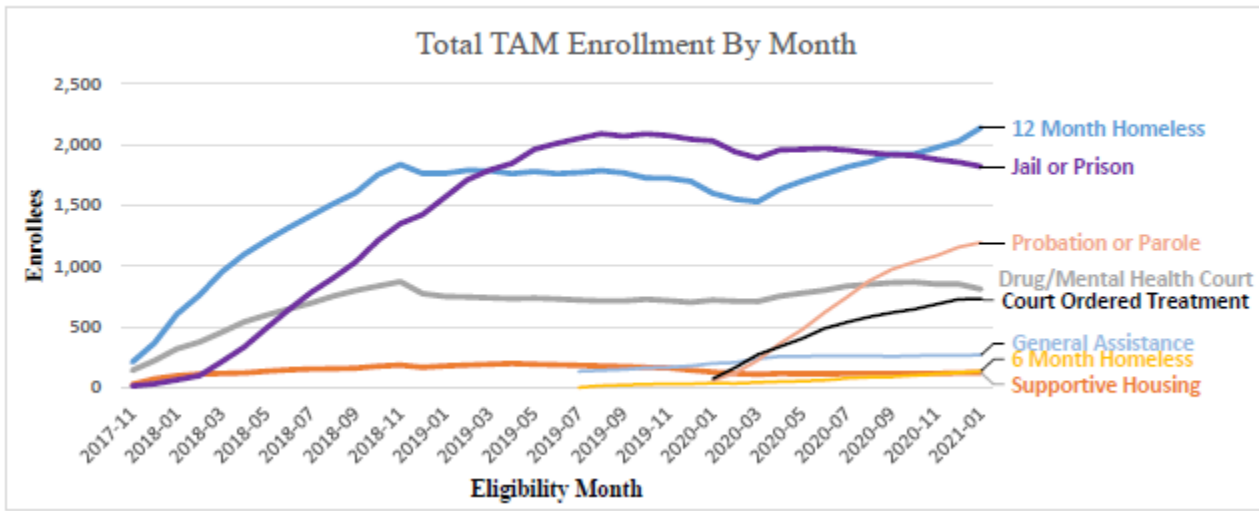
Enrollment numbers are shown as of 01/22/21. Numbers reflect all retroactive enrollment up to 01/22/21 and are subject to change with future retroactive enrollment.

Demonstration Population	October 2020	November 2020	December 2020
Adult Expansion	65,170	68,680	71,793
Current Eligibles-PCR	29,572	30,079	30,491
Demonstration Population III, V, VI- Premium Assistance	562	554	546
Dental- Blind/Disabled	39,776	40,319	40,599
Former Foster Care Youth	16	16	16
Targeted Adults	6,455	6,629	6,826
Substance Use Disorder Residential Treatment	441	383	320
Targeted Adult Dental	1,524	1,530	1,530
Withdrawal Management	195	207	228
Aged Dental	157	141	152
Utah Medicaid Integrated Care	43,432	45,637	47,795
Employer-Sponsored Insurance	228	237	237
Intensive Stabilization Services	0	0	0

Targeted Adult Medicaid and Substance Use Disorder Treatment

Enrollment for Targeted Adult Medicaid continues to increase. However, utilization of SUD residential treatment did indicate decrease this quarter. Below is detailed data on enrollment and expenditures for the TAM population. TAM members continue to utilize the majority of SUD residential treatment amongst Medicaid recipients.

Targeted Adult Medicaid (TAM) Enrollment by Subgroup



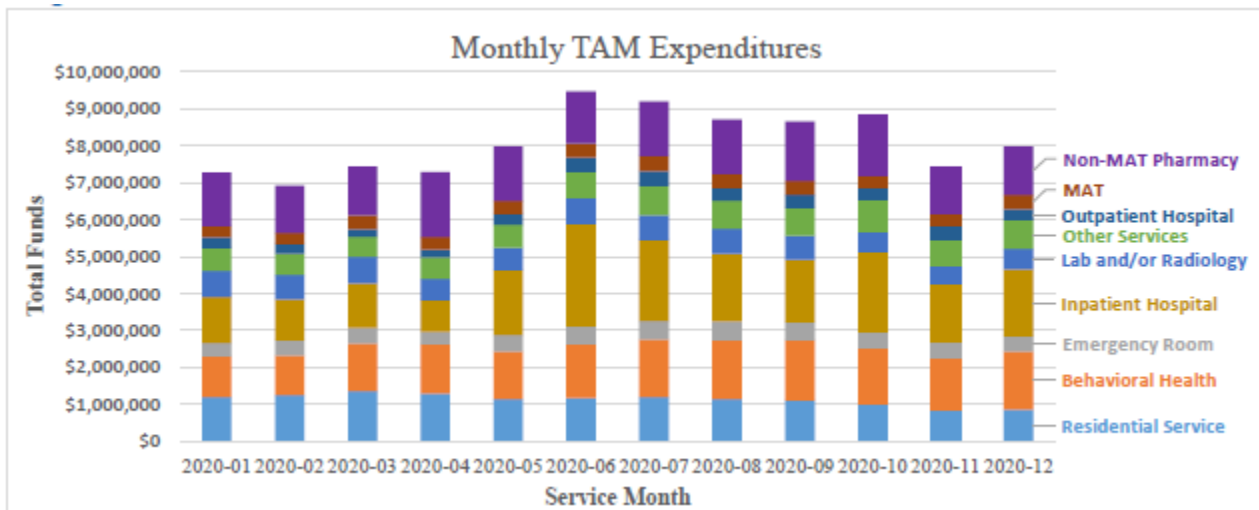
TAM Enrollment by Month

FY21 Category	2020-07	2020-08	2020-09	2020-10	2020-11	2020-12	2021-01
12 Month Homeless	1,816	1,858	1,923	1,923	1,976	2,028	2,141
6 Month Homeless	76	85	87	98	111	123	135
Supportive Housing	115	115	114	112	114	119	121
General Assistance	260	259	256	259	264	264	266
Court Ordered Treatmnt	538	582	615	644	684	727	731
Drug/Mental Health Crt	835	848	862	867	852	852	810
Jail or Prison	1,954	1,935	1,918	1,911	1,878	1,856	1,820
Probation or Parole	746	877	971	1,034	1,084	1,156	1,194
Total	6,340	6,559	6,745	6,848	6,963	7,125	7,218

Notes:

Enrollment as of 02/10/21. Enrollment includes retroactive applications processed up to the run date. Enrollment numbers reported here are subject to change with future applications that may include retroactive coverage.

Targeted Adult Medicaid Reimbursements



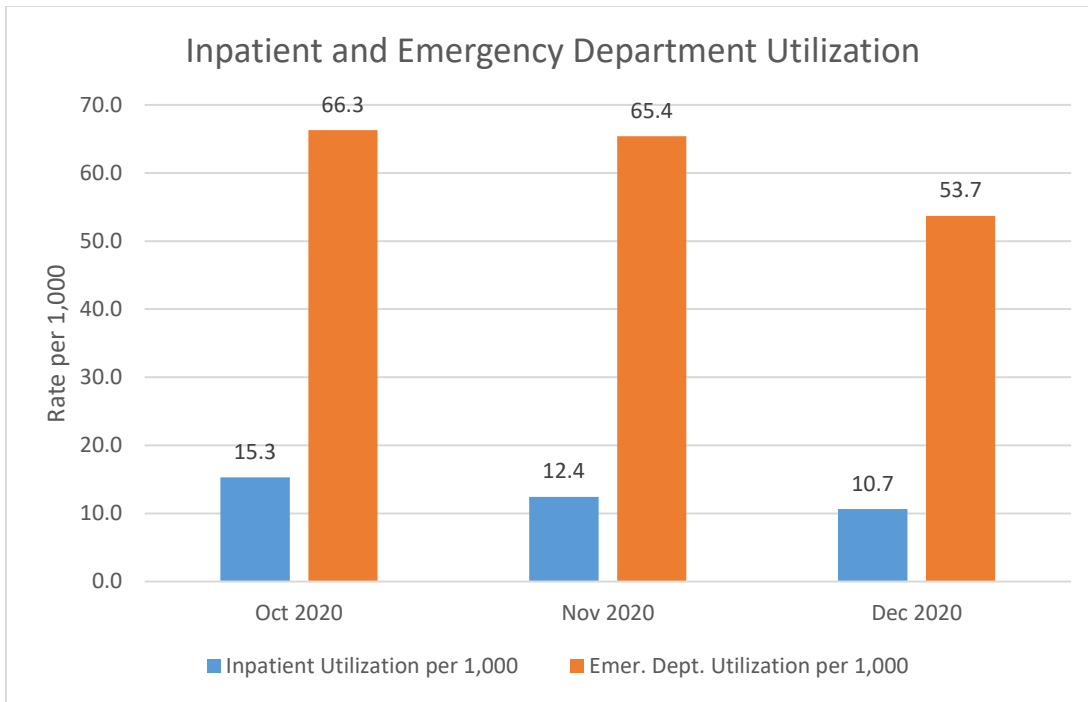
Monthly Expenditures (in 1,000's)		FY20						FY21						
Service Type	2020-01	2020-02	2020-03	2020-04	2020-05	2020-06	2020-07	2020-08	2020-09	2020-10	2020-11	2020-12	Total	
Residential Serv.	\$1,198	\$1,261	\$1,366	\$1,298	\$1,142	\$1,185	\$1,195	\$1,149	\$1,117	\$1,022	\$884	\$874	\$13,692	
Behavioral Health	\$1,097	\$1,075	\$1,294	\$1,335	\$1,298	\$1,448	\$1,574	\$1,579	\$1,616	\$1,493	\$1,388	\$1,565	\$16,762	
Emergency Room	\$376	\$398	\$415	\$330	\$444	\$482	\$491	\$513	\$487	\$449	\$409	\$408	\$5,201	
Inpatient Hospital	\$1,251	\$1,110	\$1,210	\$858	\$1,747	\$2,766	\$2,187	\$1,848	\$1,691	\$2,170	\$1,570	\$1,813	\$20,221	
Lab & Radiology	\$703	\$665	\$707	\$578	\$609	\$694	\$678	\$671	\$659	\$573	\$516	\$557	\$7,609	
Other Services	\$604	\$575	\$549	\$581	\$623	\$719	\$779	\$749	\$743	\$823	\$713	\$762	\$8,221	
Outpatient Hosp.	\$293	\$254	\$207	\$202	\$288	\$384	\$411	\$343	\$366	\$323	\$346	\$313	\$3,732	
MAT	\$305	\$308	\$367	\$351	\$365	\$388	\$411	\$385	\$380	\$365	\$365	\$385	\$4,376	
Non-MAT Pharm.	\$1,440	\$1,276	\$1,323	\$1,747	\$1,458	\$1,401	\$1,467	\$1,478	\$1,599	\$1,579	\$1,224	\$1,306	\$17,299	
Grand Total	\$7,268	\$6,923	\$7,439	\$7,280	\$7,974	\$9,468	\$9,193	\$8,715	\$8,658	\$8,798	\$7,417	\$7,982	\$97,114	

- Monthly expenditures represent total fund payments to providers. Expenditures may not precisely sum up to total due to rounding.
- These total fund amounts consist of federal funds, state restricted funds, and hospital share.
- Pharmacy expenses shown here are subject to future reductions due to rebates.
- The months shown here represent the month of service, which is not necessarily the month of payment. They are subject to change with future billings and adjustments. Providers may bill up to one year after the date of service.

Adult Expansion Utilization

With the implementation of Adult Expansion, the State will report specific metrics in the quarterly and annual reports. For this report, the State will report inpatient utilization and emergency department utilization. Despite an increase in enrollment, the State has experienced a decrease in both inpatient and emergency department utilization in the last few quarters.

In future reports, the State plans to include additional annual metrics, which may include; all cause hospital readmission, follow-up after hospitalization for mental health or SUD within 7 days, and initiation and engagement of alcohol or other drug abuse dependence treatment. Because these are annual metrics, the State plans to report these metrics in the annual monitoring report due in September.



	October 2020	November 2020	December 2020	Quarter Total
Inpatient	1,006	863	776	2,645
Emergency Dept.	4,354	4,536	3,911	12,801
Members	65,688	69,383	72,855	207,926

Anticipated Changes to Enrollment

Adult Expansion Medicaid

The State anticipates a continued increase in Adult Expansion enrollment as additional individuals apply for the program. The State also expects the Marketplace open enrollment period through May 15, 2021, to affect Adult Expansion enrollment, as individuals who appear to be eligible for Medicaid are referred to the State agency. In addition, due to the Families First Coronavirus Response Act, the State will continue eligibility for individuals during the emergency period, in order to receive enhanced funding. This will affect Adult Expansion enrollment as the State continues eligibility for these individuals, regardless of household changes.

The ESI requirement requires Adult Expansion eligible individuals to enroll in, and maintain enrollment in their available ESI or they will lose eligibility. The State anticipates the majority of individuals will participate due to the State reimbursing individuals for the full amount of their monthly insurance premium. Although there has been a small increase in enrollment, the State does not anticipate this requirement will have much impact on enrollment.

Demonstration Population III-Premium Assistance (UPP)

With the increase to the Adult Expansion income limit to 133 percent FPL, the State expected to see a decrease in enrollment for Demonstration Population III. This is because individuals who previously would have been eligible for UPP will become eligible for Adult Expansion. The State continues to see a decrease in enrollment from month to month. In fact, enrollment has decreased from 653 in January 2020, to 546 in December 2020.

Benefits

As mentioned previously, the Department of Human Services has not yet submitted claims for ISS. The State will report on the progress in future monitoring reports, claims are received and data is provided.

With the implementation of porcelain and porcelain-to-metal crown for the blind or disabled population, the State anticipates an immediate uptake of this benefit. The State will report on this in future monitoring reports.

In regards to other programs authorized under the demonstration waiver, there are no anticipated changes to benefits or utilization at this time.

Demonstration Related Appeals and Grievances

Quarter Two Appeals

Below are the demonstration related appeal(s) for this quarter. Demonstration groups are only listed if there was an appeal for the quarter.

Demonstration Group	October 2020	November 2020	December 2020
Adult Expansion	1	0	0

There was one demonstration related appeal during quarter two. This appeal involved a denial of Adult Expansion Medicaid due to the individual exceeding the income limit for the program. The denial decision was affirmed

Grievances

Grievances are reported by the managed care plans twice per year in November and May. The November report includes grievances for January-June, and the May reports includes July-December. Due to this, the State intends to include this information in the annual monitoring report due in September.

Quality

Eligibility Determination and Processing

As an indicator of quality, the State tracks application processing timeframes to determine if medical assistance applications are processed in a timely manner. The table below indicates available data for four of the demonstration groups. Data for other demonstration groups is not available because they are related to specific benefits issued, rather than programs.

Application Processing-Average days to Approval

Program Type	October 2020	November 2020	December 2020
Current Eligibles-PCR	11	10	11
Adult Expansion	12	11	13
Targeted Adults	10	10	11
Premium Assistance-UPP	36	22	41

**Data Source: Dept. of Workforce Services Cognos Report- "104-Days to Approval"

Financial/Budget Neutrality

Refer to the “Enrollment” section above for enrollment figures for the demonstration quarter. The State is awaiting further clarification regarding the budget neutrality documents. The documents will be submitted to CMS at a later date, once clarification is received.

Financial- Anticipated Changes

The State will experience an increase in expenditures with the implementation of services for at-risk children and youth. In addition, the State will experience an increase in expenditures due to the expected increase in enrollment for Adult Expansion. The State also anticipates a continued increase in expenditures for most waiver populations due to the COVID-19 public health emergency, as the State continues Medicaid eligibility for these populations, regardless of household changes (with few exceptions).

Annual Public Forum

The annual public forum was held on January 21, 2021 during the Medical Care Advisory Committee (MCAC) meeting. An overview of the 1115 demonstration waiver populations was provided. No issues or concerns were raised. One commentator did state they appreciate the flexibility of CMS in approving the variety of programs and benefits included in the waiver, and that these benefits greatly benefit the State of Utah.

Demonstration Evaluation Update

The State’s third party evaluator, the University of Utah Social Research Institute (SRI), is currently conducting the required evaluation. The State will then work with the evaluator to finalize the waiver evaluation. The State plans to submit the evaluation report with the State’s renewal request to be submitted by June 30, 2021.