September 30, 2019

Clerk of the Legislature
Legislative Fiscal Office
P.O. Box 94604
Lincoln, NE 68509

Dear Clerk of the Legislature and Legislative Fiscal Office:

In accordance with LB 294 (2019), please find the attached report on Medicaid Expansion Administrative and Aid policy decisions for the calendar month of August 2019.

If you have any questions, please contact Nate Watson, JD and Cert Legis Prac, Deputy Director for Policy and Regulations, at nate.watson@nebraska.gov.

Sincerely,

Matthew A. Van Patton, DHA, Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

MVP/dp

Attachments
The Department of Health and Human Services (DHHS), Division of Medicaid and Long-Term Care (MLTC), provides the following update regarding Medicaid Expansion Administrative and Aid policy decisions for the calendar month of August 2019:

DHHS has hired the lead workers and supervisors to manage eligibility teams. DHHS has also started to hire staff for these eligibility teams and is on target to have all field positions filled by the end of 2019.

DHHS signed contracts with the winning vendor for three aspects of the 1115 demonstration waiver application:

- Assistance with certain drafting elements of the waiver;
- Creation of a definition of “medical frailty;” and
- Recommendations regarding the existing Health Insurance Premium Payment (HIPP) program.

The MLTC policy unit completed underlying research and finished a draft of the 1115 waiver application. Staff continued work on additional aspects of adult expansion and related innovations. The vendor is providing professional assistance with these ongoing tasks.

MLTC has determined that 19- and 20-year-olds in the adult expansion group will be eligible for early and periodic screening, diagnostic and treatment (EPSDT). MLTC has also determined that several groups will remain eligible for retroactive eligibility if the individual meets existing requirements. These groups include children (0-18 years), pregnant women, individuals residing in a nursing home, and those who are receiving Medicare and Medicaid (dual eligibles).

DHHS entered into a new contract with the current state Medicaid actuary to perform key functions that will determine budget neutrality for the 1115 waiver application, as well as additional actuarial work regarding the expansion population. Medicaid held weekly meetings to work on the budget neutrality scope of work that will precede the core rate setting for capitation rates that will be effective upon expansion’s launch in October 2020.

Most of the work for rate setting will occur much later in the process, after the waiver application and budget neutrality study is completed and all program design and benefit determinations are finalized.

Discussions continue and are ongoing with our federal and Nebraska partners. Implementation remains on track for October 1, 2020.

For the latest project schedule, please refer to the attached timeline.