April 1, 2020

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

Dear Clerk of the Legislature and Legislative Fiscal Office:


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,

Jeremy Brunssen, Interim Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

Attachments: 2
The Department of Health and Human Services, 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 February 2020:

During this month MLTC continued to refine details surrounding services and benefits available to beneficiaries covered through Heritage Health Adult (HHA). For pregnant women covered through HHA, MLTC determined they will stay continuously eligible for Medicaid in the HHA group until their next eligibility review, even if their income changes. MLTC also determined Basic benefits will not include over-the-counter drugs that are on Nebraska Medicaid’s preferred drug list.

MLTC continues to hold weekly calls with our actuary regarding the development of rates for the new expansion populations. Specifically in February, MLTC accepted suggestions and feedback from the Heritage Health managed care organizations regarding risk mitigation strategies to consider as part of the rate development. Capitation rates for the new adult populations will be largely developed based on assumptions from other states’ experience. MLTC also continued drafting contract amendments to include the new adult population, associated rates, and operational and program requirements.

The section 1115 Heritage Health Adult demonstration waiver is currently under formal review by the Centers for Medicare and Medicaid Services (CMS). Discussions with CMS regarding specific provisions of the demonstration program are ongoing.

DHHS continues to hire social service workers. Work continues on developing the HHA training for staff, which is scheduled to start in May.

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.
### Heritage Health Adult Implementation Plan Timeline

#### Q1 2020
- CMS Final Review and Approval of State Plan
- 1115 Demonstration Waiver - CMS Negotiations
- 1915(b) Tribal Notice
- 1915(c) Waiver Internal Review
- SUD Waiver Internal Review
- Draft MCO and EB Contract Amendments
- Eligibility Staff Initial Training (Multiple Rounds)
- Central Office Recruiting Staff Hiring
- MCE Capitation Rate Development & Updates
- Legislative Session Monitoring
- SFY21 Appropriation
- CMS Waiver Metric Development

#### Q2 2020
- Draft 1115 Demonstration Waiver Evaluation Design
- CMS Review of 1115 Demonstration Waiver Evaluation Design
- CMS Review and Approval of 1915(b) Waiver
- 1915(c) Waiver Internal Review
- SUD Waiver Internal Review
- MCO KPI Development
- Operational Metric Development
- Phase I – Communication Development

#### Q3 2020
- CMS Review of Draft Evaluation Design
- Evaluation Design Revisions
- CMS Review and Approval of 1915(c) Waivers
- 1915(c) Public Comment
- SUD Tribal & Public Comment
- MCO KPI Reporting
- Operational Metric Reporting
- Phase II – Communication Engagement

#### Q4 2020
- CMS Review and Approval of SUD Waiver
- CMS Review and Approval of 1915(b) Waiver
- 1915(c) Public Comment
- SUD Tribal & Public Comment
- MCO, MCNA, and EB Operational Readiness
- Post Implementation Monitoring & Support
- Process HHA Applications

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**Disclaimer:** This document is a DRAFT and all information contained herein is subject to change and revision.