

Medicaid in 2019

Bryan Amick, Deputy Director for Health Programs

1

FY 2020 Budget Request

- Preserves the same general principles as previous fiscal years:
 - Keep reserves above 3% through the planning horizon
 - Fund annualization
- Proposals for limited targeted rate and program changes
 - Pricing Project
 - Benefit Remediation
 - Additional RMMIS funding
 - Personnel increase to ramp up number of eligibility workers
- Entirely subject to the Governor’s decisions and legislative action

3

Pricing Project – Phase I

- Phase I – Professional services reimbursement
- Facilitate compliance with statutory and regulatory requirements
- Based on an external benchmark, when possible
 - Readily available
 - Frequently updated
 - Trusted and reliable
 - As complete as possible
- Consistent with provider cost structure
- Rely on “one off” rate setting as a last resort
- Minimize the need for manual pricing
- Inform RMMIS reference administration module

5

Medicaid in South Carolina

- FY 2018 Appropriation: **\$7.6 billion**
- Full benefit Membership: **1.04 million**

Children	663,000
Disabled Adults	127,000
Other Adults	180,000
Elderly	68,000
Limited Benefits	213,000

- **64%** of Medicaid members are age 0 to 18
- Roughly **65%** of all children in SC are on Medicaid
- Medicaid pays for **60%** of all births in SC
- **74%** of our Medicaid members are enrolled in Managed Care

2

Medicaid Pricing Models



4

Pricing Project – Current Deficiencies

- Aged benchmark (2009 Medicare)
- Code selection and incompleteness
 - Requires too much manual pricing
 - Codes not on Medicare fee schedule
- Too many levels and iterations
- Uncertainty for codes not on the Medicare fee schedule
- Medicare benchmark exceptions
 - DME-appropriateness of competitive bid basis
- System independence of fees across provider types

6

Pricing Project – Future Goals

- First round of changes anticipated in July 2019
- Additional phases address institutional reimbursement including inpatient and outpatient methodologies

7

Provider Manual Modernization

8

Current Structure



Hospital Services

- Almost 30 independent provider manuals
- Largely duplicative
- Mixture of coverage policy, billing procedures, and program history

9

Manual Modernization

Henry McMaster GOVERNOR
Juliana D. Baker DIRECTOR
P.O. Box 8206 - Columbia, SC 29202
www.scdhhs.gov
July 16, 2018

MEDICAID ALERT

TO: All Providers
SUBJECT: SCDHHS Stakeholder Survey

The South Carolina Department of Health and Human Services (SCDHHS), in partnership with Mercer Health and Benefits, LLC (Mercer), is revising and consolidating the Medicaid provider manuals to develop a more user-friendly guide for SCDHHS stakeholders.

Implementation of the project will rely on feedback from South Carolina Healthy Connections Medicaid providers. SCDHHS and Mercer have developed a survey that can be accessed by clicking on the link below.

Survey: <https://survey.mercer.com/South-Carolina-DHHS-Stakeholder-Survey.aspx>

10

Manual Modernization

- Survey responses:
 - 161 respondents
 - 24 percent identified as hospital providers (inpatient or outpatient)
 - 14 percent identified the hospital services manual as their primary resource
 - 66 percent access a Medicaid provider manual at least once a month (23 percent weekly)

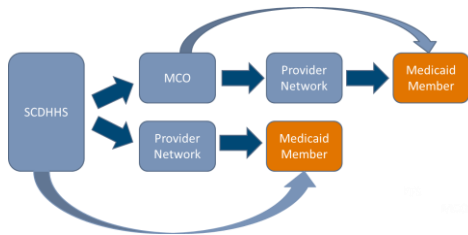
11

Manual Modernization

- Guiding principles:
 - Ease of use
 - Streamlined and transparent update process
 - Reference to external guidelines when possible
 - Leverage technology to present the requested information, on demand

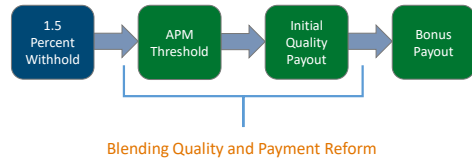
12

Care Delivery in Medicaid



13

Withhold Model



Blending Quality and Payment Reform

14

Quality Withholds

SC Medicaid MCO Quality Indices, Measurement Years 2016 and 2017

HEIDIS Measure	Weight	HEIDIS Abbreviation
Index 1: Diabetes		
Hemoglobin A1c (HbA1c) Testing	45%	CDC
HbA1c Poor Control (>9.0%)	15%	CDC
Eye Exam (Retinal) Performed	20%	CDC
Medical Attention for Nephropathy	20%	CDC
Index 2: Women's Health		
Prenatal Care, <i>Timeliness of Prenatal Care</i>	40%	PPC
Breast Cancer Screening	20%	BCS
Cervical Cancer Screening	20%	CCS
Chlamydia Screening in Women, <i>Total</i>	20%	CHL
Index 3: Pediatric Preventative Care		
Well-Child Visits in the First 15 Months of Life (w15), 6+ Visits	30%	W15
Well-Child Visits in the Third, Fourth, Fifth and Sixth Years of Life (w34)	30%	W34
Adolescent Well-Care Visits (AWC)	30%	AWC
Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents: <i>BMI Percentile, Total</i>	10%	WCC

15

Performance: Pediatrics

- Well-child visits for 3 to 6 year olds
 - Between 25th and 50th percentiles
 - Improved by 14.27 percent
- Well-child visits during the first 15 month of life
 - Between 50th and 75th percentiles
- Adolescent well-care visits
 - Between 50th and 75th percentiles
- Weight Counseling BMI
 - Between 50th and 75th percentiles

16

BH Index Measures

- Antidepressant medicalization management- *Continuation phase* (AMM)
- Follow-up care for children prescribed ADHD medication- *Initiation phase* (ADD)
- Follow-up after hospitalization for mental illness- *7 Day* (FUH)
- Use of First-Line Psychosocial Care for Children and Adolescents on Antipsychotics- *Total* (APP)
- Metabolic monitoring for children and adolescents on antipsychotics- *Total* (APM)
- Initiation and engagement of alcohol and other drug dependence treatment- *Initiation, Total* (IET)

17



18