KDHE Update

Overview

- Health Homes
- Behavioral Health Drugs
- Allotments
- Medicaid Cost Comparisons
- Utilization Comparison
- Program Changes, Pilots and Projects
- Review of Executive Summary

Health Homes

- Health Homes will ensure that:
  - Critical information is shared among providers and with Health Home members
  - Members have the tools they to manage their illness
  - Critical screenings and tests are performed regularly and on time
  - Unnecessary emergency room visits and hospital stays are avoided
  - Community and social supports are in place to help Health Home members stay healthy

Health Homes Update

- Health Homes for individuals with Serious Mental Illness (SMI) implemented July 1, 2014
- As of Jan. 1,
- 27,766 were enrolled in SMI Health Homes
  - I/DD members comprise 4.9 percent
  - 4,894 have opted out, 15 percent opt out rate
  - Projected opt out rate was 25 percent
- As of Jan. 7, there were 80 contracted Health Home Partners (HHPs)
  - While not all contract with an MCO, each MCO has at least 56 contracted HHPs

Behavioral Health Drugs

- Pursuant to KSA 39-7,121b, there are no restrictions on prescribing of medications used to treat mental illnesses.
- Kansas Medicaid is not allowed to manage behavioral health drugs (anti-psychotics, antidepressants, ADHD medications, etc.) like it does other drug classes
- Kansas Medicaid must work through the State's Drug Utilization Review (DUR) Board before instituting prior authorization (PA) requirements on any drugs
- DUR process is transparent
- DUR is comprised of Kansas Pharmacists and Physicians

Behavioral Health Drug Recommendations

- Recommendations for the legislature's consideration
  - Individuals with chronic, persistent mental illness should continue to receive behavioral health medications with no prior authorization (PA)
  - For other patients, safety edits should be permitted to ensure behavioral health drugs are being used appropriately
  - Ensure that anti-psychotics are not being used as default treatment for dementia patients
  - Encourage gradual dose reductions when appropriate

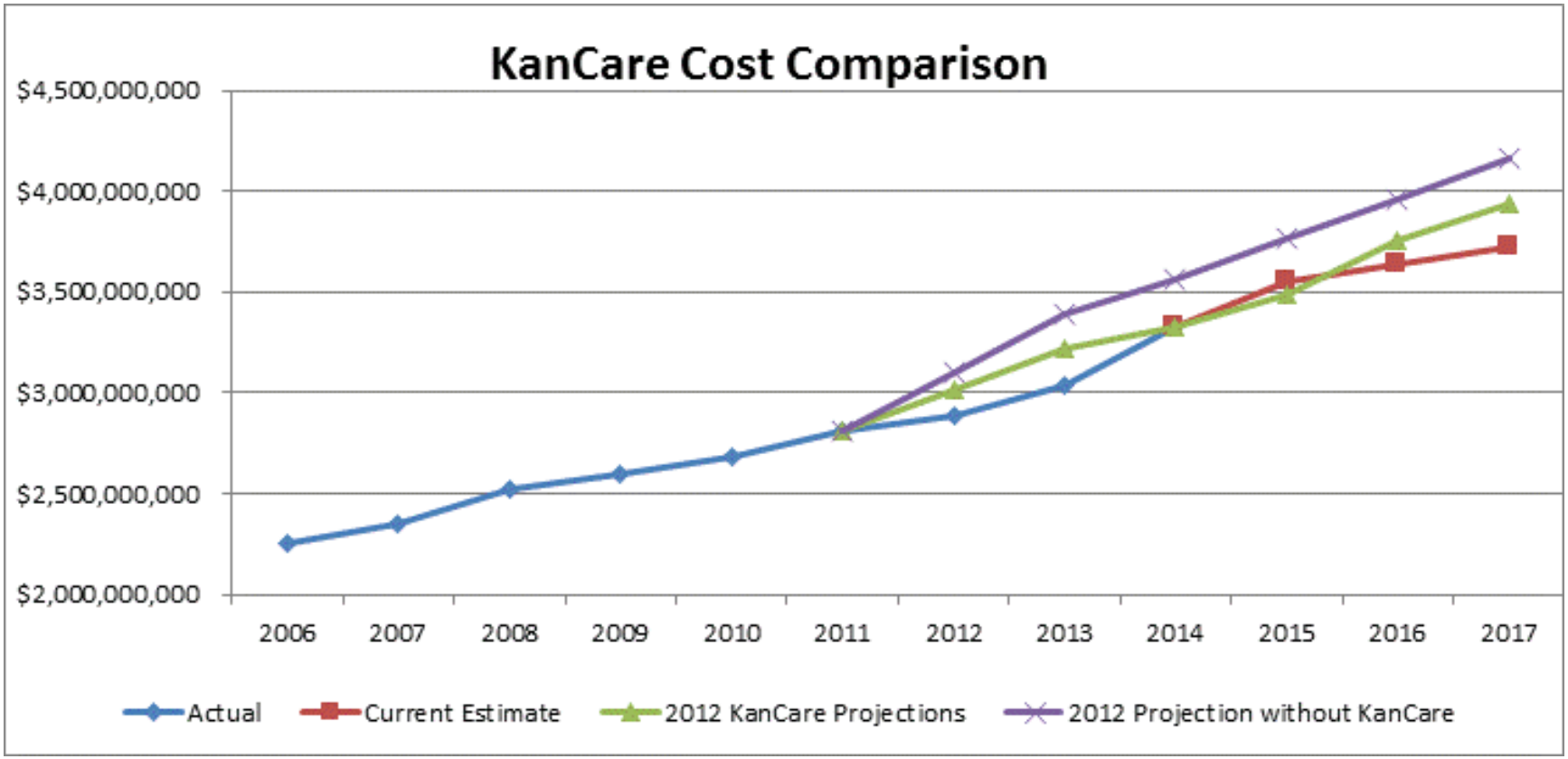
Allotments

- Division of Health Care Finance received a $240,466 reduction
  - Caseloads were held harmless
  - Absorbed in the Administration Program

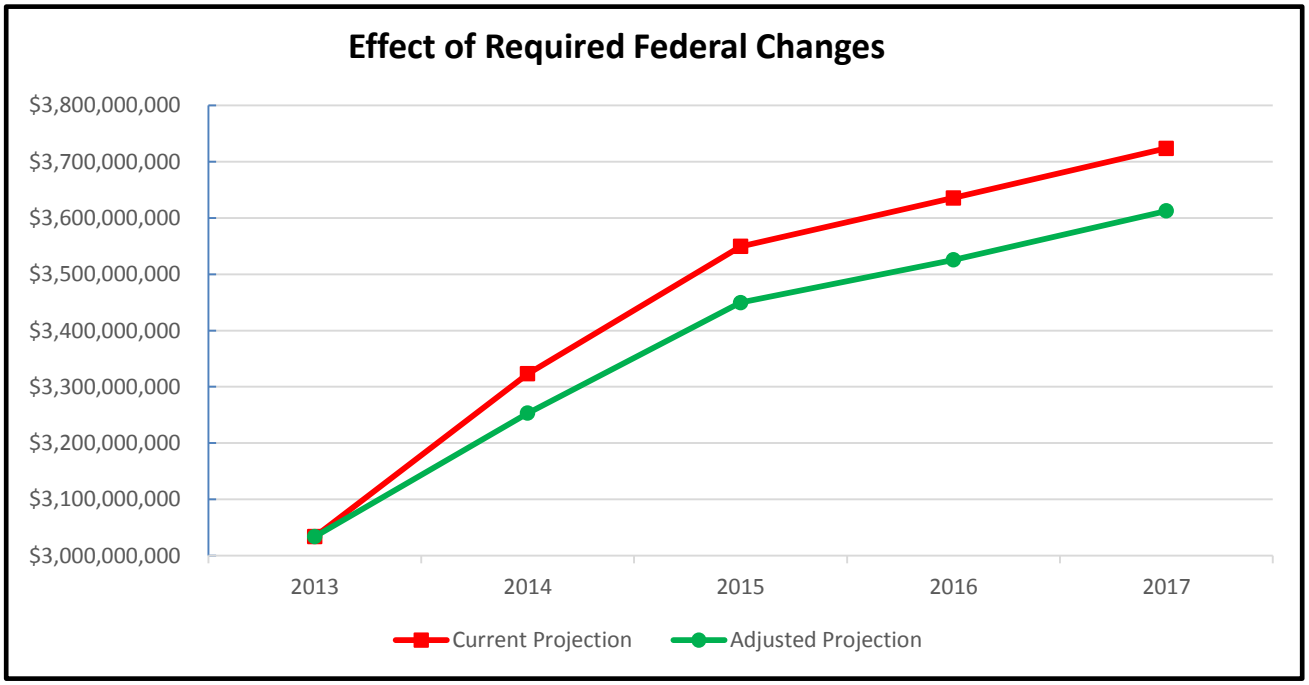
Allotments

- $55 million transferred to SGF from the Medicaid Fee Fund
  - Higher than anticipated pharmaceutical rebates in FY14 and FY15
  - Fee fund finances SGF offsets related to clawbacks
    - Between $56 and $68 million per year
  - Fee fund also finances Medicaid Management Information System and Kansas Eligibility Enforcement operations

KanCare Cost Comparison



Federal Effect Cost Comparison



Adjusted Projection is net of woodwork effect associated with ACA, Health Insurance Providers Fee pass through, and Hepatitis C case rate addition.

Cost Comparison Components

	SGF		
	SFY 2015	SFY 2016	SFY 2017
ACA HIPF	$ 14,202,400	$ 14,822,054	$ 15,784,573
ACA Woodwork	$ 17,320,000	$ 17,549,200	$ 17,616,000
Hep C	$ 7,361,000	$ 15,738,669	$ 15,798,578
FMAP Changes	$ 3,826,218	$ 24,572,528	$ 30,913,208
Total SGF Effect	$ 42,709,618	$ 72,682,451	$ 80,112,358

- ACA HIPF: nationally $8 billion in 2014, $14.3 billion in 2015
- ACA Woodwork: individuals previously eligible who now apply
- FMAP: Federal Medical Assistance Percentage
- Hepatitis C: Federal requirement to cover new treatment drugs

Utilization Comparison

Utilization Report			
Comparing CY 2013 to CY 2012			
Type of Service	**Units Reported**	Utilization Per/1000	% Difference
Behavioral Health	Claims	269	5%
Dental	Claims	2,842	318%
HCBS	Unit	443,848	9%
Inpatient	Days	-202	-17%
Nursing Facility	Days	25,313	7%
Outpatient ER	Claims	-7	-1%
Outpatient Non-ER	Claims	-61	-3%
Pharmacy	Prescriptions	2,025	20%
Transportation	Claims	155	25%
Vision	Claims	66	20%
Primary Care Physician	Claims	1,642	43%
FQHC/RHC	Claims	175	20%

Program Changes

- Ways to optimize and streamline administrative costs that will not affect the services of those enrolled in KanCare include:
  - Medicaid pharmacy administration reforms
  - Transition eligibility functions from the Department of Children and Families to the Department of Health and Environment
  - MCOs to implement payment reforms, e.g. shared savings, to financially incentivize providers to improve health outcomes

Innovation in Service Delivery

- Project ECHO
- Oral Health Initiative
- Collaborative Improvement & Innovation Network (CoIIN)
- Million Hearts

Executive Summary

www.kancare.ks.gov