


<b>ISSUE DATE</b> November 04, 2014	<b>EFFECTIVE DATE</b> January 1, 2015	<b>NUMBER</b> 99-14-09
<b>SUBJECT</b>  Implementation of <i>Healthy Pennsylvania</i>		<b>BY</b>   Vincent D. Gordon, Deputy Secretary Office of Medical Assistance Programs

## **PURPOSE:**

The purpose of this bulletin is to notify all providers that the Department of Public Welfare (Department) will implement the Section 1115 demonstration waiver, known as *Healthy Pennsylvania*, effective January 1, 2015. This bulletin includes an overview of *Healthy Pennsylvania* and select operational instructions for providers rendering services to beneficiaries enrolled in the Pennsylvania Medical Assistance (MA) Program (MA Program or Medicaid) and the Private Coverage Option (PCO).

## **SCOPE:**

This bulletin applies to all providers enrolled, or seeking to enroll, in the MA Program to provide services in the fee-for-service, managed care, and PCO delivery systems.

## **BACKGROUND:**

On September 16, 2013, Governor Corbett announced a new path toward health care transformation that would commence a series of system-wide improvements to the Pennsylvania health care system with a focus on improving access, ensuring quality and providing affordability. *Healthy Pennsylvania* is built upon common sense reforms and provides coverage options to Pennsylvania's most vulnerable citizens in a flexible and sustainable way that also protects taxpayers.

On December 7, 2013, the Department announced its intent via public notice in the *Pennsylvania Bulletin* (43 Pa.B. 7186) to implement Medicaid reforms and establish the PCO within the *Healthy Pennsylvania* plan. The Department received over 1000 comments regarding the proposal through seven statewide hearings, two webinars and other formally submitted comments. The Department modified the plan in response to the public comments and submitted the Section 1115 demonstration waiver application to the Centers for Medicare and Medicaid Services (CMS) on February 19, 2014.

**COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:**

The appropriate toll free number for your provider type

Visit the Office of Medical Assistance Programs Web site at  
<http://www.dpw.state.pa.us/provider/healthcaremedicalassistance/index.htm>

On August 28, 2014, CMS approved the *Healthy Pennsylvania* application for a five-year demonstration period from January 1, 2015, through December 31, 2019.

## **DISCUSSION:**

*Healthy Pennsylvania* provides for access to quality, affordable healthcare for over 600,000 Pennsylvanians through Medicaid reforms and the creation of a PCO that will promote healthy behaviors, improve health outcomes and increase personal responsibility. Individuals aged 19 through 64 years of age, with incomes up to 133% of the federal poverty level (FPL), may be determined newly eligible for coverage under *Healthy Pennsylvania*. Under *Healthy Pennsylvania*, these newly eligible adults are afforded access to benefits that match their health care needs.

As part of *Healthy Pennsylvania*, the Department is reforming the current Medicaid benefit structure by consolidating the existing 14 benefit packages into two adult benefit plans called *Healthy* and *Healthy Plus*. *Healthy*, also known as the Low Risk plan, provides coverage for adults, ages 21 through 64, who do not have complex medical or behavioral health care needs. *Healthy Plus*, known as the High Risk plan, provides coverage for adults who are determined to be “medically frail”, including individuals who have complex medical or behavioral health care needs, pregnant women, individuals on Social Security Income (SSI) and adults aged 65 and older. Both plans are consistent with national standards that include essential health benefits; mental health parity; and encouragement of preventive services. Beneficiaries will be assigned to either the *Healthy* or *Healthy Plus* appropriate plan based on claims data or health screening. Beneficiaries assigned to the *Healthy Plus* plan will have the opportunity to opt out of the *Healthy Plus* plan and into the *Healthy* plan. This reformed benefit plan design must be approved by the CMS.

**Under *Healthy Pennsylvania*, there are no changes to benefits currently provided for beneficiaries under 21 years of age, and they will continue to receive all medically necessary services.**

The Department will issue a separate bulletin informing providers of the scope of benefits provided under the *Healthy* and *Healthy Plus* plans.

### *Medically Frail*

An individual is determined medically frail if they have a condition based upon one or more of the following:

- A disabling mental disorder
- An active chronic substance abuse disorder
- A serious and complex medical condition
- A physical, intellectual or developmental disability that significantly impairs their functioning
- A determination of disability based on Social Security Administration criteria

Medical frailty is determined using a health screening that the individual completes as part of the application for benefits process. The health screening tool is a self-administered questionnaire that the individual, a family member or guardian completes and includes questions about an individual's health care needs and conditions. The responses allow the Department to match the applicant's health care needs to the benefit plan that best serves those needs.

### *Health Screening*

In November 2014, some adult Medicaid beneficiaries will have the opportunity to take the health screening online or by calling the Consumer Service Center. Current MA beneficiaries will receive notification of this in early November. The purpose of this health screening is to help identify the plan that best suits the medical needs of that individual.

For individuals applying for health care coverage after December 1, 2014, the health screening will be available at the time of application. The health screening will be included in the COMPASS application and can be completed and submitted by individuals and community partners. It is also available as an addendum to the paper application, which can be mailed, faxed, or hand delivered to a County Assistance Office (CAO) along with an individual's paper application.

Beneficiaries are not required to complete the health screening tool to be eligible for MA services. The Department will use available data to determine the appropriate plan for individuals who do not complete the tool.

The following individuals are exempt from completing a health screening:

- Children under age 21
- Adults age 65 and older
- Individuals receiving Social Security Income (SSI) or Social Security Disability (SSD)
- Individuals receiving Medicare
- Individuals enrolled in the Home and Community-Based Services Waiver or Living Independence for the Elderly Program
- Individuals referred to the Disability Advocacy Program
- Individuals certified by the Medical Review Team
- Individuals enrolled in Long Term Care
- Individuals determined by the Social Security Administration to be permanently disabled
- Pregnant women

Newly eligible individuals determined to be medically frail will receive coverage through the existing MA managed care (HealthChoices) program. Newly eligible adults aged 21-64 who have incomes up to 133% FPL and who are not otherwise eligible under the Medicaid State Plan, will be enrolled in the PCO. Beneficiaries will be able to enroll in the PCO plans December 1 through December 31, 2014, for coverage beginning on January 1, 2015.

### *Cost Sharing*

During Demonstration Year One (January 1, 2015- December 31, 2015), the Department will assess copayments for individuals receiving services under the MA Program and through the PCO. These copayments will be assessed at the current levels established under the MA Program. Some beneficiaries, and some services, are excluded from copayment requirements as specified in MA regulations at 55 Pa.Code § 1101.63(b). Providers may not collect copayments from these excluded populations or for these excluded services.

Providers will collect copayments at point of service. With CMS' approval of *Healthy Pennsylvania* and in accordance with Federal law, providers may deny services to beneficiaries with income above 100% of the FPL who are unable to pay their copayment, unless otherwise required to provide the service under Federal or state law. Providers may only deny services for these beneficiaries if it is the standard policy for all patients within that provider's practice. Providers may not deny services to beneficiaries with income under 100% percent of the FPL; however, this does not change the MA beneficiary's liability for the copayment and does not prevent the provider from attempting to collect the copayment amount due. An income indicator/field has been added to the Eligibility Verification System (EVS) to designate whether an individual's income is above or below 100% FPL.

Information regarding copayment exclusions, copayment fixed and sliding scale amounts, and special billing instructions related to copayment exclusions is identified in MA bulletin 99-12-03, entitled, Updates to Medical Assistance Copayment Policy, which may be viewed online at:

<http://www.dpw.state.pa.us/publications/bulletinsearch/bulletinselected/index.htm?bn=99-12-03&o=N&po=OMAP&id=04/16/2012>.

### *Healthy Behaviors*

During the first year of *Healthy Pennsylvania*, beneficiaries are encouraged to receive an annual wellness visit and meet their cost sharing obligations timely. If these obligations are met in Year 1, beneficiaries will have the ability to reduce the cost sharing obligations in Year 2. In future years, beneficiaries may continue to reduce their cost sharing obligations by completing healthy behaviors.

### *Medical Assistance for Workers with Disabilities Program (MAWD)*

Medical Assistance for Workers with Disabilities will remain in the Medicaid program with the current cost sharing requirements.

### **PROCEDURE:**

The *Healthy Pennsylvania* Section 1115 Demonstration Waiver will be implemented on January 1, 2015. The Department will issue a separate MA Bulletin to providers discussing the scope of benefits that will be provided under the newly created *Healthy* and *Healthy Plus*

Health benefit plans and general information for providing and billing for services. Additionally, the Department will issue to providers, a separate MA Bulletin with further information on the scope of benefits available under the PCO, participating PCO plans, regional geographic coverage and PCO contact information for providers who wish to enroll as a PCO network provider.

Providers are reminded to access the EVS before rendering services to determine beneficiary eligibility and copayment responsibility. An income indicator/field has been added to EVS to designate whether an individual's income is above or below 100% FPL. The indicators are as follows:

Income Indicator	Description
1	Income is equal to or less than 100% FPL
2	Income is greater than 100% FPL

Providers participating in an MA managed care organization or PCO organization should contact their respective plans for any coverage and payment related questions.

#### *Transition Timeline*

In order to implement *Healthy Pennsylvania*, current adult beneficiaries will be transitioned to the new *Healthy Pennsylvania* benefit plans. Letters will be mailed to beneficiaries sometime in November 2014 detailing the changes to their benefits under *Healthy Pennsylvania*. These individuals will be automatically mapped to a new benefit plan based on existing case data and PROMISe™ claims data. Individuals identified to transition to the *Healthy* or PCO benefit plans will be invited to complete a health screening in COMPASS or by calling the Consumer Service Center. Individuals who do not complete a health screening, will continue to be mapped to the benefit plan identified in the letter. Individuals determined to be medically frail using existing case and claims data or through the health screening will be assigned to the *Healthy Plus* plan.

**Please note: Under *Healthy Pennsylvania*, there are no changes to benefits currently provided for beneficiaries under 21 years of age, and they will continue to receive all medically necessary services.**

Newly eligible beneficiaries may enroll in a PCO from December 1 through December 31, 2014.

#### *Provider Training*

To prepare for the program's implementation, several provider trainings will be available. Providers should frequently check the *Healthy Pennsylvania* website for updates and announcements. Providers may access the website at: <http://www.healthypa.com>.