Update to the Maine State Legislature
Committee on Appropriations and Financial Affairs

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Michelle Probert, MaineCare Director
September 23, 2020
# MaineCare Response to COVID-19

## MaineCare Members

<table>
<thead>
<tr>
<th>Coverage</th>
<th>• COVID-19 testing, diagnostic, and treatment services for MaineCare and Emergency MaineCare; and testing and diagnostic services for uninsured.</th>
</tr>
</thead>
</table>
| Member Access | • Waiving copays and extending Prior Authorizations (PAs).  
• Ensuring safe utilization of Non-Emergency Transportation (NET).  
• Allowing early Rx refills and 90-day refill for appropriate medications.  
• Encouraging telehealth as a mode of service delivery, including a comprehensive telehealth member public awareness campaign  
• Conducted a comprehensive outreach campaign to reach individuals who may have become eligible for MaineCare as a result of changes in employment/insurance coverage status.  
• Allowing mid-level professionals (vs physicians) to certify home health and personal support services. |
## MainCare Providers

| Payment Supports & Incentives | • Temporary rate increases to congregate care facilities and waiver providers, March-May.  
| | • Enhanced rates for facilities experiencing outbreaks, June through PHE.  
| | • Increasing number of bed hold days for which NFs may be reimbursed.  
| | • One-time supplemental payment to hospitals.  
| | • Early implementation of rate increases for personal support services, medication management, and certain children’s behavioral health services.  
| | • Per Member Per Month (PMPM) payments to providers of targeted behavioral health services, including day treatment, community supports, and school-based services, July-August.  
| | • PMPM child health incentive payments to primary care and dental providers to encourage access to preventive services, September-December. |

| Service Delivery | • Robust stakeholder engagement and guidance across DHHS.  
| | • Addition of telehealth codes to support triage, screening and evaluation, for physician offices and dental care.  
| | • Created a temporary streamlined provider enrollment process.  
| | • Allowing services to be provided in alternative settings.  
| | • Allowing congregate care to have joint isolation units across facility types |
MaineCare COVID-19 Financial Response

In response to the pandemic, certain health care providers have received direct assistance from the state, as detailed below:

<table>
<thead>
<tr>
<th>Provider</th>
<th>All funds</th>
<th>State funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital supplemental payment</td>
<td>$10.0M</td>
<td>$3.0M</td>
</tr>
<tr>
<td>Waiver programs (App K) temporary increases</td>
<td>$12.8M</td>
<td>$3.8M</td>
</tr>
<tr>
<td>Nursing Facilities temporary increases</td>
<td>$8.8M</td>
<td>$3.0M</td>
</tr>
<tr>
<td>Non-NF congregate care (PNMI, ICF) temporary increases</td>
<td>$11.0M</td>
<td>$4.8M</td>
</tr>
<tr>
<td>COVID congregate care outbreak rates</td>
<td>$0.9M+</td>
<td>$0.3M+</td>
</tr>
<tr>
<td>Behavioral Health PMPM</td>
<td>$4.0M</td>
<td>$1.2M</td>
</tr>
<tr>
<td>Child Health Incentive PMPM</td>
<td>$3.6M</td>
<td>$1.0M</td>
</tr>
<tr>
<td>Early implementation of rate increases (Section 12, 19, 96, and Section 65)</td>
<td>$6.1M</td>
<td>$1.8M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$57.2M</strong></td>
<td><strong>$18.9M</strong></td>
</tr>
</tbody>
</table>

The above table does not include the $200M Maine Economic Recovery Grant Program funding.
In response to the pandemic, certain health care providers have received direct assistance from the federal government or assistance as part of broader Maine programs:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>National Total (Maine)</th>
<th>Methodology / Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Provider Relief Fund</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• General distribution – Phase 1</td>
<td>$175B</td>
<td>Medicare FFS</td>
</tr>
<tr>
<td>• General distribution – Phase 2</td>
<td>$18B (TBD)</td>
<td>Medicaid FFS</td>
</tr>
<tr>
<td>• Targeted distributions</td>
<td>$55B ($251M)</td>
<td>Hospitals/NFs</td>
</tr>
<tr>
<td>• Remaining unallocated</td>
<td>$50B+ (TBD)</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Paycheck Protection Program</strong></td>
<td>$659B ($2.3B)</td>
<td>Generally, any business with fewer than 500 employees</td>
</tr>
<tr>
<td><strong>FEMA reimbursement</strong></td>
<td>N/A</td>
<td>COVID-related costs for private non-profits</td>
</tr>
<tr>
<td><strong>Coronavirus Relief Fund</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Economic Recovery Grant Program</td>
<td>(up to $200M)</td>
<td>Relief based on revenue losses or COVID expenses</td>
</tr>
</tbody>
</table>
Expansion

- Continued growth expected through end of the calendar year:
  - Anticipated growth associated with expansion, intensified by unemployment and coverage needs due to COVID-19

Maintenance of effort

- Required to retain coverage for MaineCare members for duration of declared Public Health Emergency

Economic/pandemic considerations

- MaineCare application volume on average is higher than before the pandemic, indicating increased demand
- Nationally, each percentage-point increase in the unemployment rate is expected to increase the share of people eligible for Medicaid by 0.77 percentage point
FY21 Initiatives

Initiatives involving rate changes or new services

• Implement rate changes for Sections 18 & 20 necessary for waiver renewals and corresponding services in 21 and 29

• Nursing Facilities and RCFs receive COLA, Supplemental Wage Allowance, and rebasing

• Personal Support Services rate increases & adoption of rates for evidence-based services in children’s behavioral health
Hospital Utilization Trends
Using HealthInfoNet Electronic Health Record Data

Acute Inpatient Hospitalizations

- Expected Volume at Completion
- Observed
Telehealth Utilization Trend
Using MaineCare Claims w/ Telehealth Modifiers

Telehealth Claims

- **Observed**
- **Expected Volume at Completion**
Behavioral Health Utilization Trend Examples
Using MaineCare Claims and Telehealth Modifiers

[Graphs showing trends in Medication Management - Adult and Section 28 utilizations with data for different time periods and categories like Total without Telehealth, Total with Telehealth, and Expected Additional Volume at Completion]
**MaineCare Costs and Forecast**

**FY 2020**
- End of year balance comprised of 6.2% FMAP increase, FY 2019 carrying balance, reduced utilization due to COVID-19
- Using $100M of existing balance to help manage state budget shortfall

**FY 2021**
- Planning for considerable uncertainty and volatility in FY21
- Federally required maintenance of effort enrollment gains and worsening economy driving up enrollment and costs
- Continuation of FY21 FMAP increase (currently scheduled to expire end of Q2 FY21)
- Curtailed $74M from current year FMAP increase to help manage state budget shortfall
- Continue to examine MaineCare rates (see following slide)
Comprehensive Rate System Evaluation

• Comparison of MaineCare’s current payment rates and methods to those for other state Medicaid programs, Medicare, and private insurance
• Opportunities to introduce additional Alternative Payment Models to incent high-quality and efficient services
• Prioritization of services in need of rate assessment
• Recommendations, workplan, and cost estimate to rationalize and streamline system

TIMELINE

- Evaluation Start Date: July 1, 2020
- Preliminary Report to DHHS: 12/31/20
- Final Report / Project Completion: 2/28/21
COVID-19 Online Resources

  - Daily data reports, testing guidelines, COVID-19 FAQs, translated materials

Maine DHHS Services:  https://www.maine.gov/dhhs/coronavirus-resources
  - Includes translated materials about accessing DHHS programs

Daily Press Briefing livestream:  https://www.maine.gov/covid19/cdc-livestream


  - Child Welfare, Foster Parents, Children’s Behavioral Health, and Child Care

Meeting Basic Needs:  https://www.maine.gov/dhhs/ofi
  - Food Supplement/SNAP, MaineCare, TANF, Pandemic EBT, General Assistance