# Lessons from the Field: Effective Identification and Enrollment of Medically Frail Individuals

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# Community Catalyst

Community Catalyst is a national non-profit advocacy organization that works with national, state and local consumer organizations, policymakers and foundations to build consumer and community leadership to improve the health care system.

Our substance use disorders project works to prevent addiction and expand access to quality treatment. We bring together consumer advocates with addiction services providers, people in recovery, those not yet in recovery and other allies as a force for change.

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# Medically Frail Overview – Identifying Medically Frail in Indiana

Seema Verma, MPH
President, SVC Inc.

# Origins of Medically Frail

- The terminology medically frail pre-dates the Affordable Care Act (ACA)
- The 'medically frail' were defined as an exempt population in the CMS rule on benchmark and benchmark equivalent plans finalized in April 2010
  - Being exempt means they cannot be mandatorily enrolled into a benchmark or benchmark equivalent plan
- The ACA used the existing benchmark and benchmark equivalent benefits as the required coverage for the new adult group
  - The medically frail exemption was incorporated with this this required coverage
- The definition of medically frail was updated to include additional populations during the ACA rulemaking process

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# Alternative Benefit Plans

- The benefit plans for the new adult group using the benchmark or benchmark equivalent process are called Alternative Benefit Plans (ABPs)
- States develop ABPs by first deciding on benchmark or benchmark equivalent plans
- For benchmark plans, states may choose to offer benefits that at a minimum align with:
  - Federal Employees Health Plan
  - State Employee Health Plan
  - Largest HMO sold in the state
  - Secretary approved coverage
    - Medicaid State Plan benefits
    - Largest 3 small group plans by enrollment sold in the state
    - Other coverage
- For benchmark equivalent coverage, states may develop their own benefit package but it must offer comprehensive benefits and provide at least an actuarial value equivalent to one of the benchmark options listed above

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# Context of Medically Frail

- When expanding Medicaid, states can choose to align their Alternative Benefit Plan (ABP) with their State Plan benefits
  - States that align are not required to develop processes around the medically frail, since there is not a difference between the ABP and State Plan benefits
- States that do not align their ABP with their State Plan benefits must develop processes to:
  - Identify the medically frail and
  - Provide the frail with benefits counseling and the option to enroll in the State Plan benefits instead of the ABP

# Who are the Medically Frail?

- By federal rule* the medically frail must include:
  - Individuals with disabling mental disorders (including children with serious emotional disturbances and adults with serious mental illness),
  - Individuals with chronic substance use disorders,
  - individuals with serious and complex medical conditions,
  - individuals with a physical, intellectual or developmental disability that significantly impairs their ability to perform 1 or more activities of daily living, and
  - Individuals with a disability determination based on Social Security criteria or the State plan criteria.
- Within this broad definition, the states have the ability to determine what conditions or criteria will meet these standards

*42 CFR 440.315(f)

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# State Responsibilities

- States that expand Medicaid and use an Alternative Benefit Plan that is not aligned to their State Plan must:
  - Define how definition of medically frail will be applied
    - May be based on prior hospital admissions, specific conditions, claims data, etc.
  - Develop a process to identify the medically frail
    - Decide if self-report will be accepted or if verification will be required
  - Develop a process to allow the medically frail to enroll in the State Plan benefits instead of the ABP benefits
    - Counsel members on choice of ABP vs. State Plan benefits

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# Medically Frail in Indiana's HIP 2.0 Program

# Healthy Indiana Plan

- Indiana expanded Medicaid through the Healthy Indiana Plan (HIP) 2.0 1115 Demonstration program that began 2/1/2015.
- This program built upon Indiana's unique HIP program that had served a capped number of childless adults since 2008.
- The original HIP included a component called the Enhanced Services Plan (ESP).
  - ESP identified a limited number of individuals with high risk and high cost conditions and moved them to Indiana's High Risk Pool where they could receive extra help managing their conditions
- To identify the medically frail in HIP 2.0, Indiana leveraged previous experience with ESP

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# Enhanced Services Plan

- When applying for the original HIP, applicants could identify that they had a condition that would qualify them for ESP by completing a health condition questionnaire included with the HIP application
  - Applicants that self-identified were automatically directed to ESP
  - Applicants would sign a release authorizing medical records to be obtained
    - Applicants and their providers were interviewed about their condition and the medical records were analyzed
    - The Milliman Underwriting Guidelines were used to help identify if an individual qualified for ESP
    - If the condition could not be confirmed by medical records or claims applicants were moved back to standard HIP
- At least annually based on claims data, individuals enrolled in HIP could be identified as eligible for ESP by their managed care plans
- Individuals in ESP could be transferred back to HIP if their condition improved

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# The Medically Frail in HIP 2.0

- The original HIP used the **Milliman Underwriting Guidelines (MUGs)** to identify individuals eligible for the Enhanced Services Plan (ESP)
- The MUGs take inputs of identified conditions and claims or medical records and assign points based on severity to each condition and treatment regimen
- Individuals are determined to be medically frail when their conditions and treatment hit a point threshold based on the criteria in the MUGs
- For HIP 2.0, the point thresholds and conditions used in the ESP program were modified to meet the federal medically frail criteria
  - 150 MUG points are needed for physical health or a combination of physical and mental health conditions
  - 75 MUG points are needed for only mental health conditions

# Medically Frail Process

- Indiana confirms individuals as medically frail for the Managed Care Entities (MCEs) when:
  - The individual has a disability determination from the Social Security Administration
  - The Indiana State Department of Health has confirmed the individual has HIV/AIDS
- Individuals can self attest to their MCE on their frail status
  - MCEs are required to confirm within 30 days of self-report based on the Milliman Underwriting Guidelines
  - Originally in HIP 2.0 individuals could report frail status on application like in the original HIP, however, CMS recently required the questions be removed
- MCEs can confirm individuals frail without self-report if they have supporting claims

# HIP 2.0 & the Milliman Underwriting Guidelines (MUGs)

- The Managed Care Entities (MCE) are responsible for identifying the remaining medically frail using the MUGs
- Individuals can be confirmed medically frail by the MCE if:
  - They have 75 MUG points for mental and behavioral health, or substance use disorder conditions
  - They have 150 MUG points for physical health conditions or a combination of mental or behavioral health conditions and physical health conditions
  - They complete the Activities of Daily Living(ADL) screener and MCE follow-up confirms that member needs assistance with one or more ADL
- The MCEs can run a program that applies the MUGs to claims data to identify medically frail individuals *or* manually apply the guidelines with new member or newly diagnosed members where claims are not yet available

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# Medically frail condition list

- For individuals to be identified medically frail based on the Milliman Underwriting Guidelines they must have a condition on the below list reach 150 Points based on severity and treatment for a combination of physical and mental health or 75 points for mental health alone.

| Medically Frail Conditions | |
|---|---|
| <u>Physical Health – 150 MUG Points</u><br>• Cancer<br>• Aplastic anemia<br>• Cerebral vascular accidents<br>• Transplant or transplant wait list for heart, lung, liver, kidney or bone marrow<br>• HIV, AIDS<br>• Blood clotting disorders, frequent blood transfusions<br>• Lipid storage diseases: Tay Sach's disease, Nieman Pick disease, Fabry's disease<br>• Primary immune deficiencies: DiGeorge syndrome, combined immune deficiency, Wiskott-Aldrich syndrome, T-cell deficiency<br>• Muscular dystrophy<br>• Primary pulmonary hypertension | • Amyotrophic lateral sclerosis<br>• Cirrhosis<br>• Chronic hepatitis B or hepatitis C<br>• Cystic fibrosis<br>• Diabetes mellitus with: ketoacidosis, hypersmolar coma, renal complications, retinopathy, peripheral vascular complications, or coronary artery disease<br>• Renal failure / end stage renal disease<br>• CMV retinitis<br>• Tuberculosis<br>• Paraplegia or quadriplegia<br><br><u>Mental Health – 75 MUG Points</u><br>• Alcohol and substance abuse<br>• Mental illness including major depression, schizophrenia, bipolar disorder or post-traumatic stress disorder |

# Medically Frail Identification Examples

- Cancer: (150 MUG points needed to be confirmed medically frail)
  - Stage 2 (Local) breast cancer patient, recently diagnosed. Total MUG Points = 425. This individual is medically frail.
  - Stage 1 breast cancer, diagnosed 15 months ago (60 MUG points) and treated with a lumpectomy and radiation. No recurrence has been observed. Patient was prescribed and is taking tamoxifen (3 MUG points). Total MUG points = 63. This individual is not medically frail.

- Mental Health: (75 MUG points needed to be confirmed medically frail)
  - Patient diagnosed with schizophrenia 6 years ago without recurrence (75 MUG points). The patient continues to be prescribed abilify (36 MUG points) and is in active counseling (50 MUG points). Total MUG points = 161. This individual is medically frail.
  - Patient diagnosed and treated for bipolar disorder 2 years ago. No recurrence and no active treatment for 9 months (65 MUG points). Total debit points = 65. This individual is not medically frail.

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# Activity of Daily Living (ADL) Screener

- Activities of Daily Living include
  - 24 hour supervision and/or direct assistance to maintain safety due to confusion and/or disorientation
  - Turning or repositioning every 2 to 4 hours to prevent skin breakdown per medical plan of care
  - 24 hour monitoring of a health care plan by a license-nurse
  - Eating
  - Transferring from bed or chair
  - Dressing
  - Bathing
  - Using the toiler
  - Walking or using a wheelchair
- The MUG point system does not capture individuals with significant challenges with 1 or more ADL
- Individuals with ADL impairments complete a separate screening tool to verify their ADL impairment
  - MCEs can use claims or follow-up with the individual for additional documentation to support the ADL

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# Medically Frail Identification without claims data

- The Milliman Underwriting Guidelines (MUGs) use specific information about diagnoses and treatment to assign debit points
- MUGs can be run and tallied automatically when claims exist for an individuals condition
- When the condition is newly diagnosed, or the individual has just begun enrollment and the claims do not yet exist, the Managed Care Entity may use medical records and member and provider interviews to confirm frail status
- Information from these sources are matched manually to the MUG criteria and the points are calculated
  - Point thresholds remain the same for auto and manual medically frail determinations

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# State Plan Benefits

- Individuals confirmed as medically frail become eligible to receive State Plan benefits the month after their status is confirmed
  - All confirmed medically frail individuals receive the State Plan benefits
  - Indiana is unique in that the State specifically designed it's HIP 2.0 Alternative Benefit plans so that counseling to enroll in the ABP or State Plan benefits is not required
    - The State Plan is at least as generous as the HIP ABPs in all benefits and offers additional benefits beyond those present in the ABP
    - Due to the ABPs always offering benefits equal to or less than the State Plan in all specific benefits the medically frail do not have to choose between the ABP and the State Plan benefits
- Benefits provided to the frail not provided under the ABP include:
  - Non-emergency transportation,
  - Chiropractic care, and
  - Medicaid Rehabilitation Option services

# Reverification and Oversight

- MCEs must confirm an individual is still considered medically frail on an annual basis
- All Medically frail confirmations that do not use claims must have supplemental documentation submitted as to why the individual was found frail
- MCE frail confirmations are subject to review and audit by the state
- On an ongoing basis based on prior experience approximately 10% of HIP 2.0 members are projected to be confirmed as medically frail

# *Medicaid Expansion in Arkansas: Enrollment of Medically Frail Individuals*

Marquita Little, Health Policy Director
Arkansas Advocates for Children and Families

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# Private Option: Key Features

- **Premium Assistance Model:** Use Medicaid funds to purchase private health insurance through AR's Insurance Marketplace
- 1115 Demonstration Waiver
- No premiums for enrollees
- Wrap-around Benefits: EPST and Non-Emergency Transportation
- Medicaid protections
- Law sunsets June 30, 2017, but waiver ends December 2016

# Medically Frail: Identification & Enrollment Process

- All applicants complete Health Care Needs Questionnaire
- 12 Question Screener
  - Does not have questions specific to SUDs
  - Does include broad behavioral health questions
  - Certain responses result in automatic medically frail determination
- All enrollees are auto-assigned if questionnaire isn't completed

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# Medically Frail: Identification & Enrollment Process

- Approximately 10% of Private Option Enrollees Deemed Medically Frail
  - 234,000 New Adult Group (as of Sept 2015)
  - 22,000 Deemed Medically Frail

- Consumer Challenges
  - Assistance understanding impact of Medically Frail determination
  - Difference between Medicaid to Alternative Benefit Plan
  - Broader policy issues impacting access to care

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# Medically Frail: 2015 Assister Survey

- Surveyed Licensed Assisters
  - IPAs – 42%
  - CACs – 28%
  - Navigators – 30%

- Medically Frail Process & Tool Questions
  - Consumer Knowledge
  - Consumer Ability to Choose Best Plan
  - Broader policy issues impacting access to care

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# Medically Frail: Assister Survey Findings

- Great majority of consumers not familiar with questionnaire.
- Enrollment assisters need access to a hotline to help consumers choose best plan.
- Assisters less likely to request specific resources on the medically frail screener/questionnaire.

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# Medically Frail: Process Moving Forward

- Legislative Health Reform Task Force
- Ensuring medically frail individuals access services.
- Changes to the determination process, such as a clinical determination.

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# Questions?

# Thanks!

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INDIANA COUNCIL
of Community Mental Health Centers, Inc.

# Lessons from the Field: Effective Identification and Enrollment of Medically Frail Individuals

**Presenter: Matt Brooks, CEO**
**Indiana Council of Community Mental Health**
**National Council for Behavioral Health Webinar Series**
**October 27th, 2015**

# Background

- The medically frail designation under 42 CFR 440.315(f) provides important safeguards for those health consumers with the special medical needs, including;
  I. Individuals with disabling mental disorders, including; children with serious emotional disturbances and adults with serious mental illness).
  II. individuals with chronic substance use disorders
  III. individuals with serious and complex medical conditions
  IV. individuals with a physical, intellectual or developmental disability that significantly impairs their ability to perform activities of daily living,
- A State plan that offers exempt individuals as defined in § 440.315 the option to enroll in benchmark or benchmark-equivalent coverage must identify in its State plan the exempt groups for which this coverage is available, and they must comply with the several additional provisions, including;

# Background

I. that participation in a benchmark or benchmark equivalent plan is voluntary.

II. A full explanation on the part of the State as to the benefits included in the benchmark plan and a comparison of costs under a traditional Medicaid plan.

III. The State must document that the individual was informed in accordance with the medically frail requirements prior to enrollment and was given appropriate time to make an informed choice.

- Provisions under the Social Security Act related to a medically frail designation are critically important for individuals with serious mental illness or a chronic substance use disorder as such health consumers typically benefit from a broader milieu of services and treatments available under traditional Medicaid and who may have not qualified for Medicaid before under traditional eligibility rules.
- States must ensure alternative benefit plans comply with the Mental Health Parity and Addiction Equity Act
- In spite of this, states have flexibility in how their benefit packages are designed. Consequently, in some states the traditional Medicaid program may be equal to services provided under expanded Medicaid.

# Medically Frail Services for Mental Disorders and Chronic Substance Use

If your state is considering Medicaid expansion or if your state has not designed a medically frail program around a traditional Medicaid product that provides enhanced treatment for individuals with a disabling mental disorder or chronic substance use disorder, than you should work to develop an improved health product for these important health consumers.

The approach the State of Indiana used in developing more comprehensive services for medically frail health consumers should be commended.

As was intended by the guidance provided by CMS for medically frail individuals under 42 CFR 315(f), Indiana worked to ensure individuals meeting the medically frail designation have access to a broader range of services than included in EHB services provided for under expanded Medicaid.

Indiana developed a 1115 Waiver for the purposes of expanding Medicaid which was approved by CMS. Consequently, this allowed for the medically frail designation to become an important consideration for Indiana.

# Medically Frail Services for Mental Disorders and Chronic Substance Use

The program, known as the Healthy Indiana Plan (HIP 2.0), expands on a previously approved CMS Waiver for a publically supported insurance product developed in Indiana. The use of 2.0 suggests the latest version of this insurance product.

Under HIP 2.0, participating consumers are required to make either co-pays for services or make a “Power Account Contribution” (PAC) payment in order to receive enhanced services under the “Plus” plan.

Enhanced mental health and substance use services are not included in the standard HIP 2.0 product, but rather they are available for those meeting the “medically frail” designation.

Consequently, it was critically important the Indiana proposal to approved HIP 2.0, develop the opportunity for greater access to services for those with disabling health conditions.

# Medically Frail Services for Mental Disorders and Chronic Substance Use

Individuals who are determined to be Medically Frail and under the State Plan HIP product (Traditional Medicaid) may not be removed from the HIP program for a failure to pay the required PAC or co-pay requirements.

For States considering a well established Medicaid program for medically frail individuals, it is critically important providers understand the designation requirements and differences in EHB and traditional Medicaid services.

It is also crucially important that provider and provider association leadership have a well established relationship with the State Agency responsible for such services.

In Indiana, we have been fortunate to have state leadership that understands the importance of providing comprehensive health services to high risk, high need health consumers.

Indiana's approach has been to identify those consumers needing services and ensuring more comprehensive services are available for individuals with disabling conditions. In this case, Indiana chose to authorize Medicaid Rehabilitation services, the primary funding source for community based mental health and addiction services.

# Medically Frail Services for Mental Disorders and Chronic Substance Use

The first year of the rollout of HIP 2.0 and the State Plan HIP product has gone well in terms of identifying those who qualify for the designation.

Using a combination of a self-report intake form, a scoring system based on an actuarial software used by the Managed Care Entities (MCEs), and through provider referrals, many more health consumers are being the afforded the opportunity to receive more comprehensive Medicaid services under the State Plan HIP product.

Once an individual is under consideration as a medically frail individual, a more comprehensive heath assessment occurs, including; a review of relevant clinical information, severity of illness, treatment history and outcomes, other diseases, and a review of relevant claims history.

Based on current enrollment data, it appears close to 40,000 health consumers will be designated Medically Frail through the first year of the program.

# Medically Frail Services for Mental Disorders and Chronic Substance Use

Consequently, those meeting the criteria, are able to access comprehensive mental health and substance use services as long as they are authorized through an assessment tool known as the Adult Strengths and Needs Assessment (ANSA) tool.

In Indiana, comprehensive Medicaid rehabilitation services include areas such as; daily living skills, counseling and therapy, alcohol and drug services, case management, etc.

Ensuring this population has been properly identified and that they have been provided the opportunity for more comprehensive services remains critical when evaluating the success of the program at designating those with disabling conditions.

Following the first year of the program, we are recommending the state examine the implementation of the program. Such a review includes ensuring the health intake form was appropriately designed, that the actuarial software system is accurately scoring potential medically frail consumers, and that referrals for consideration of a medically frail designation are occurring as designed.

# QUESTIONS?

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