



Draft Chapter: Streamlining Managed Care Authorities



Medicaid and CHIP Payment and Access Commission

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Session Overview

- Review draft chapter
 - Overview of managed care authorities
 - Comparison of authorities
 - Describe approaches to streamline Medicaid managed care authorities
- Review and discuss draft recommendations

Overview of Managed Care Authorities

- Section 1115 waiver (22 states)
 - Many states use this authority to implement managed care and finance other program changes
- Section 1915(b) waiver
 - Comprehensive managed care waiver (13 waivers)
 - Specialized program (e.g., non-emergent medical transportation, behavioral health carve out) (30 waivers)
 - Home and community-based services waiver, in conjunction with Section 1915(c) waiver (22 waivers)
- Section 1932 state plan authority (15 states)
 - States can mandate Medicaid managed care enrollment for nearly all beneficiaries

Requirements for Medicaid Managed Care

- Medicaid managed care standards and requirements applied based on the type of program (e.g., comprehensive managed care, primary care case management) rather than authority
 - Contract and rate review
 - Network adequacy and provider capacity standards
 - Appeals and grievances
 - Communication standards
 - Monitoring system
 - Quality standards, including quality review and improvement strategy

Comparing Medicaid Managed Care Authorities

	Section 1115	Section 1915(b)	State plan
Application process	CMS template; no required timeframe for approval	Use of CMS preprinted form recommended; 90-day clock	Use of CMS preprinted form recommended; 90-day clock
Approval period and renewals	Up to five years	Two years (up to five if dually eligible individuals are included)	Indefinite approval, renewal not required
Financial requirements	Budget neutrality required	Cost effectiveness	Fiscal impact statement
Transparency requirements	30 day public notice and comment period; tribal consultation	No additional requirements; tribal consultation	No additional requirements; tribal consultation
Eligible populations	Any beneficiary	Any beneficiary	Certain populations are exempt
Monitoring and reporting	Quarterly and annual reports	Quarterly and annual reports	No additional required
Managed care requirements	Managed care standards and requirements, including oversight, are similar under managed care regulation		

Comparison of Medicaid Managed Care Authorities

- Similarities
 - States use all three authorities to implement similar programs
 - Many aspects of program oversight are similar
- Differences
 - Scope of authority
 - Mandatory enrollment in managed care
 - Administrative burden to implement programs under each authority
 - Initial and renewal time periods

Draft Recommendations to Streamline Managed Care Authorities

Draft Recommendation 1

Congress should amend Section 1932(a)(2) to allow states to require all beneficiaries to enroll in comprehensive Medicaid managed care programs under state plan authority.

Draft Recommendation 2

Congress should extend approval and renewal periods for all Section 1915(b) waivers from two to five years.

Draft Recommendation 3

Congress should revise Section 1915(c) waiver authority to permit Section 1915(c) waivers to waive freedom of choice and allow selective contracting.

Draft Recommendations

1. Congress should amend Section 1932(a)(2) to allow states to require all beneficiaries to enroll in comprehensive Medicaid managed care programs under state plan authority.
2. Congress should extend approval and renewal periods for all Section 1915(b) waivers from two to five years.
3. Congress should revise Section 1915(c) waiver authority to permit Section 1915(c) waivers to waive freedom of choice and selective contracting.



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