

# Utah Waiver: 1115 Primary Care Network Demonstration

Utah's Primary Care Network Section 1115 demonstration was initially authorized in 2002 as a limited benefit program offering primary care services to certain non-disabled adults. It has since been extended several times, most recently through June 30, 2022. While the demonstration as a whole authorizes a variety of policy initiatives for several different Medicaid populations, this fact sheet focuses on waiver features that make changes to eligibility and enrollment policies, benefit design, and cost-sharing requirements for low-income adults not eligible for Medicaid on the basis of disability. The latest amendment to the demonstration, granted by the Centers for Medicare & Medicaid Services (CMS) on December 23, 2019, provides full Medicaid benefits to individuals with incomes up to and including 133 percent of the federal poverty level (FPL) and continues several additional provisions, including a work and community engagement requirement and requirements for certain individuals to enroll in employer-sponsored insurance (ESI) with Medicaid picking up the costs of their premiums.

The information in this fact sheet is current as of March 2020. The Biden Administration has since withdrawn Utah's authority to implement work and community engagement requirements, and notified the state that other elements of the demonstration are under review (CMS 2021).

## Demonstration Goals

Utah Primary Care Network seeks to accomplish several goals.<sup>1</sup> These goals, outlined by the state, are to:

- provide health care coverage for low-income and other vulnerable populations that would not otherwise have access to, or be able to afford such coverage;
- lower the uninsured rate of low-income Utahns;
- support the use of employer-sponsored insurance by encouraging work engagement and providing premium assistance for employer-sponsored health plans;
- provide continuity of coverage for individuals; and
- improve the health and well-being of individuals through incentivizing work engagement.

These goals will inform the hypotheses to be tested the state's evaluation of the waiver.

## Populations Subject to Waiver Provisions

The provisions described in this fact sheet primarily affect adults age 19–64 who have household incomes up to and including 133 percent FPL and are not otherwise eligible for Medicaid.<sup>2</sup> This population is referred to as the adult expansion population.



## Work and Community Engagement Requirement

In addition to raising the eligibility threshold for low-income adults to 133 percent FPL the waiver includes a work and community engagement requirement.<sup>3</sup>

Beginning no sooner than January 1, 2020, Utah will require the adult expansion population to fulfill the work and community engagement requirements unless eligible for an exemption.<sup>4</sup> The required work and community engagement tasks are aimed at helping Utah residents gain access to potential employment opportunities. Non-exempt beneficiaries must complete four tasks either within the first 3 months of their 12-month eligibility period, or following notification that they are required to do so. Beneficiaries are considered compliant for the remainder of the 12-month eligibility period once these four tasks are complete (Table 1).

**TABLE 1.** Utah Work and Community Engagement Requirements and Exemptions

Exempt populations	Required tasks for non-exempt populations
<p>Beneficiaries who are:</p> <ul style="list-style-type: none"> <li>• age 60 or older;</li> <li>• pregnant or up to 60 days postpartum;</li> <li>• physically or mentally unable to meet the requirements as determined by a medical professional or documented through other data sources;</li> <li>• a parent or other member of household with the responsibility to care for a dependent child under age 6;</li> <li>• responsible for the care of a person with a disability as defined by the ADA;</li> <li>• a member of a federally recognized tribe;</li> <li>• has applied for and is awaiting an eligibility determination, or is currently receiving unemployment insurance benefits, and has registered for work at DWS;</li> <li>• participating regularly in a SUD treatment program, including intensive outpatient treatment;</li> <li>• enrolled at least half time in any school (including, but not limited to, college or university) or vocational training or apprenticeship program;</li> <li>• participating in refugee employment services offered by the state, which include vocational training and apprenticeship programs, case management, and employment planning;</li> <li>• state FEP recipients who are working with an employment counselor;</li> <li>• beneficiaries in compliance with or who are exempt from SNAP or TANF employment requirements; or</li> <li>• working at least 30 hours a week or working and earning at least what would equal the federal minimum wage earned working 30 hours a week.</li> </ul>	<p>Non-exempt beneficiaries must:</p> <ul style="list-style-type: none"> <li>• register for work through the state’s online system that helps Utah residents with training and finding work;</li> <li>• complete an online assessment of employment training needs;</li> <li>• apply for employment, either directly or through the state’s automated employment application submission process, with at least 48 potential employers; and</li> <li>• complete an online job training module, as determined appropriate for the individual by the online assessment.</li> </ul>

**Notes.** ADA is the Americans with Disabilities Act. DWS is Department of Workforce Services. SUD is substance use disorder. FEP is Family Employment Program. SNAP is Supplemental Nutrition Assistance Program. TANF is Temporary Assistance for Needy Families.

**Source.** CMS 2019.



## Penalties for non-compliance

Beneficiaries who fail to meet the community engagement requirements within three months will be disenrolled from Medicaid on the last day of the month in which they receive notification of their non-compliance. Beneficiaries can avoid disenrollment by filing an appeal or requesting a good-cause exemption prior to the termination effective date.<sup>5</sup>

Individuals who are disenrolled may reapply for coverage after completing all required activities; enrollment will be effective the first day of the month in which the beneficiary reapplies. Beneficiaries who complete all required tasks within a month of disenrollment will not have to submit a new application to reenroll. Disenrolled individuals who meet the qualifications for an exemption, demonstrate good cause for the earlier non-compliance, or qualify for Medicaid under a different eligibility category can reenroll immediately. Their eligibility will be effective the first day of the month of application or, if applicable, the date consistent with the new eligibility category.

## State assurances

Utah must make a number of assurances prior to implementing the community engagement requirements. These include:

- maintaining a mechanism to stop payments to managed care organizations following disenrollment and to trigger payment when enrollment is reinstated;
- ensuring timely and adequate beneficiary notices and outreach, and coordinating compliance with the Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families;
- provide appeal and due process mechanisms;
- making good faith efforts to connect beneficiaries to existing community supports (e.g., non-Medicaid transportation assistance, child care, and language services);
- screening individuals for all other Medicaid eligibility groups before determining disenrollment or termination;
- providing information on how to access low or no cost primary care and preventive care services to individuals who have been terminated;
- assessing areas within the state that have limited employment or educational opportunities to determine further necessary exemptions; and
- providing reasonable modifications for individuals with disabilities.

Additionally, Utah must submit a community engagement implementation plan that includes timelines to CMS within 90 calendar days of the waiver extension approval. Utah must also submit a monitoring protocol within 150 calendar days of approval that describes both the required quantitative metrics and the operational updates that will be reported.

## Premiums and Cost Sharing

There are no premiums or cost sharing requirements for individuals eligible through the adult expansion group.



## Benefits

Utah provides different sets of benefits to different populations within the adult expansion group. Childless adults and non-custodial parents receive the Utah state plan benefit package. Individuals who are custodial parents or caretaker relatives receive a non-traditional benefit package that aligns with the state plan benefit package except for a few limitations. Both benefit packages include the 10 essential health benefits (EHBs).<sup>6,7</sup>

## Delivery System

The most recent amendment allows the state to enroll demonstration populations in Medicaid managed care plans. Premium assistance enrollees in ESI receive services through the delivery systems used by their ESI plan.

## Premium Assistance

Individuals eligible as part of the adult expansion population with access to ESI are required to enroll in that coverage.<sup>8</sup> They receive Medicaid-funded premium assistance to cover the full cost of their share of the monthly premium, and wrapped benefits for any benefits not provided by the ESI plan that they would otherwise be entitled to under Medicaid.

### Endnotes

<sup>1</sup> Demonstration goals also include those related to increasing access to substance use disorder (SUD) services, but they are beyond the scope of this fact sheet.

<sup>2</sup> The Patient Protection and Affordable Care Act (ACA, P.L. 111-148, as amended) set a single income eligibility disregard equal to 5 percentage points of the FPL. For this reason, eligibility is often referred to at its effective level of 138 percent FPL, even though the federal statute specifies 133 percent FPL.

<sup>3</sup> The previous version of this waiver (approved in March 2019) allowed Utah to cap enrollment for the adult expansion population, which, at the time, included only those with income up to 95 percent FPL. Under the new version of the waiver (approved in December 2019), the cap no longer applies and the eligibility threshold is raised to 133 percent FPL.

<sup>4</sup> Utah is permitted to begin its work and community engagement requirement as soon as January 1, 2020, but the actual implementation date for the requirement is unclear.

<sup>5</sup> The state has discretion to allow good-cause exceptions, but at minimum, must provide exemptions for beneficiaries who are unable to meet the requirements due to their or a family member's disability; beneficiaries who experience the birth or death of a family member living within their home, severe inclement weather, or a family emergency or other life-changing event (e.g. divorce or domestic violence); beneficiaries who lack internet access or transportation to a place where requirements can be completed; beneficiaries who live in a geographic area with fewer than 48 potential employers; and



beneficiaries who are the primary caretakers for children age six or older and were unable to meet the requirement due to childcare responsibilities.

<sup>6</sup> The 10 EHBs are defined as ambulatory services, emergency services, hospitalization, maternity and newborn care, mental health and substance abuse services, prescription drugs, rehabilitative and habilitative services and devices, laboratory services, preventive and wellness services, chronic disease management, and pediatric services, including oral and vision care.

<sup>7</sup> The demonstration also provides additional benefits to individuals in certain targeted groups. For example, adult Medicaid beneficiaries with a primary diagnosis of an SUD and living in Salt Lake County receive clinically managed residential withdrawal services. Certain beneficiaries receiving SUD treatment will also receive dental benefits. The demonstration also gives the state authority to provide Medicaid benefits for opioid use disorder and other SUD residential treatment in institutions for mental diseases.

<sup>8</sup> The demonstration also authorizes the continuation of Utah’s premium assistance program for higher-income, working individuals: that is, individuals who with incomes up to and including 200 percent FPL enrolling in ESI or COBRA plans.

## References

Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2021. Letter from Chiquita Brooks-LaSure to Emma Chacon regarding “CMS letter to state.” August 10, 2021. Baltimore, MD: CMS.

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