

# Kansas Medicaid: A Primer 2019 (Medicaid/CHIP basics)

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Jan. 23, 2019

House Health and Human Services Committee

# WHO WE ARE

- Nonprofit, nonpartisan educational organization based in Topeka
- Established in 1995 with a multi-year grant by the Kansas Health Foundation
- Funded by local and national foundations, state and federal agencies, NGOs
- Located directly north of the Kansas Statehouse

# WHO WE ARE

- KHI supports effective policymaking through:
  - Nonpartisan research
  - Education
  - Engagement

# WHO WE ARE

- KHI believes evidence-based information, objective analysis and civil dialogue enable policy leaders to be champions for a healthier Kansas

# TODAY'S AGENDA

1. KanCare: Services and Populations
2. Looking Ahead

# BACK TO THE PRIMER



*Kansas Medicaid: A Primer 2019* is available at:

<https://www.khi.org/policy/article/MedicaidPrimer2019>

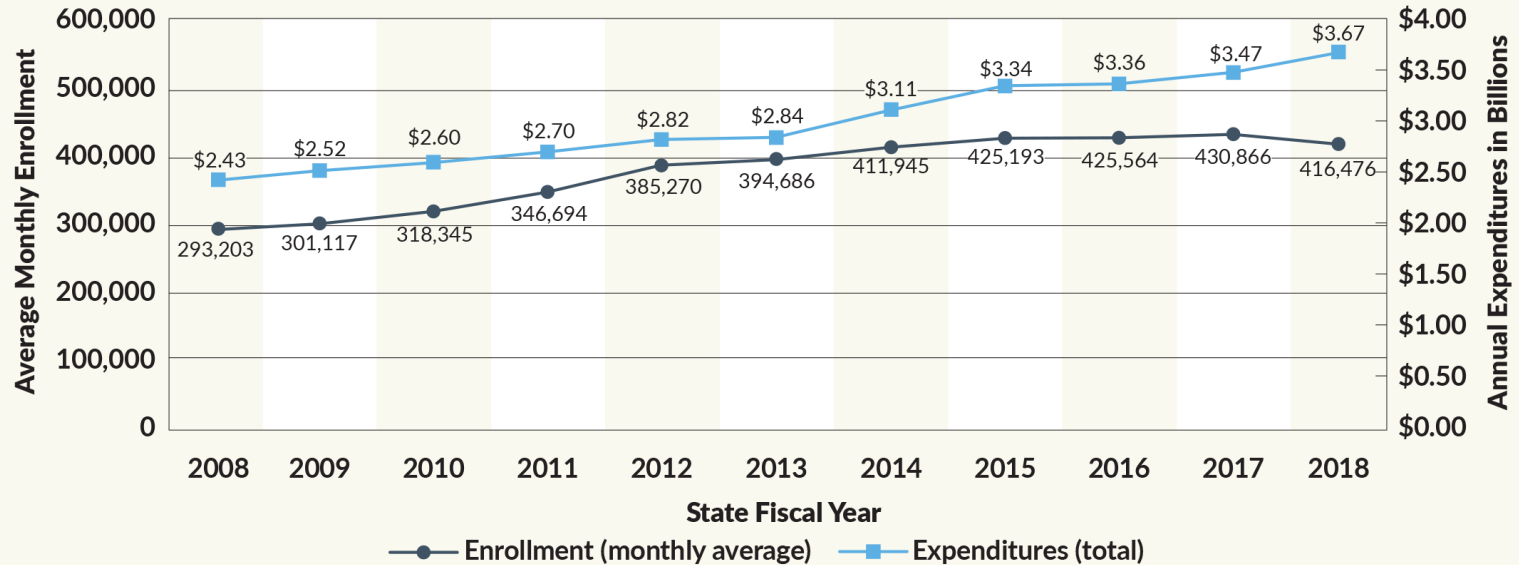
[http://www.kslegresearch.org/KLRD-web/Publications/HealthCare/MedicaidPrimer\\_01-19.pdf](http://www.kslegresearch.org/KLRD-web/Publications/HealthCare/MedicaidPrimer_01-19.pdf)

# TIMELINE: LAST 20 YEARS

- 1999 - Kansas implements CHIP based on state law passed in 1998
- 2004 - Legislature implements a hospital provider assessment.
- 2005 - Kansas Health Policy Authority created to run Medicaid and SEHP
- 2007 - Kansas implements managed care for mental health and SUD services
- 2009 - Kansas expands CHIP up to 250 percent of 2008 federal poverty level
- 2010 - Affordable Care Act passed
- 2011 - Kansas shifts Medicaid program administration to KDHE
- 2013 - Kansas implements managed care for most Medicaid and CHIP beneficiaries
- 2018 - Congress reauthorizes CHIP through 2023
- 2018 - Extension of KanCare demonstration approved by CMS through 2023

# ENROLLMENT AND EXPENDITURES

Medicaid and CHIP Average Monthly Enrollment and Annual Expenditures in Kansas, Fiscal Years 2008–2018



Note: Enrollment represents the average monthly enrollment for the state fiscal year. All Medicaid and CHIP beneficiaries are included. Expenditures include total state and federal spending for the fiscal year.

Source: KHI Analysis of Kansas Medical Assistance Report (MAR), 2008–2018, Division of Health Care Finance, Kansas Department of Health and Environment.

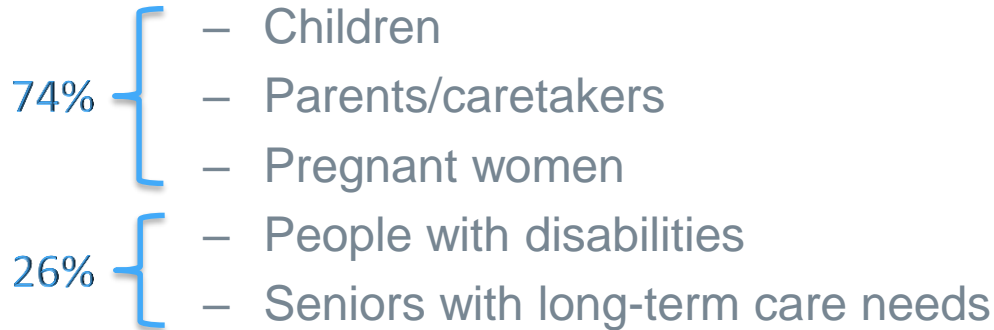


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# KANCARE: SERVICES AND POPULATIONS

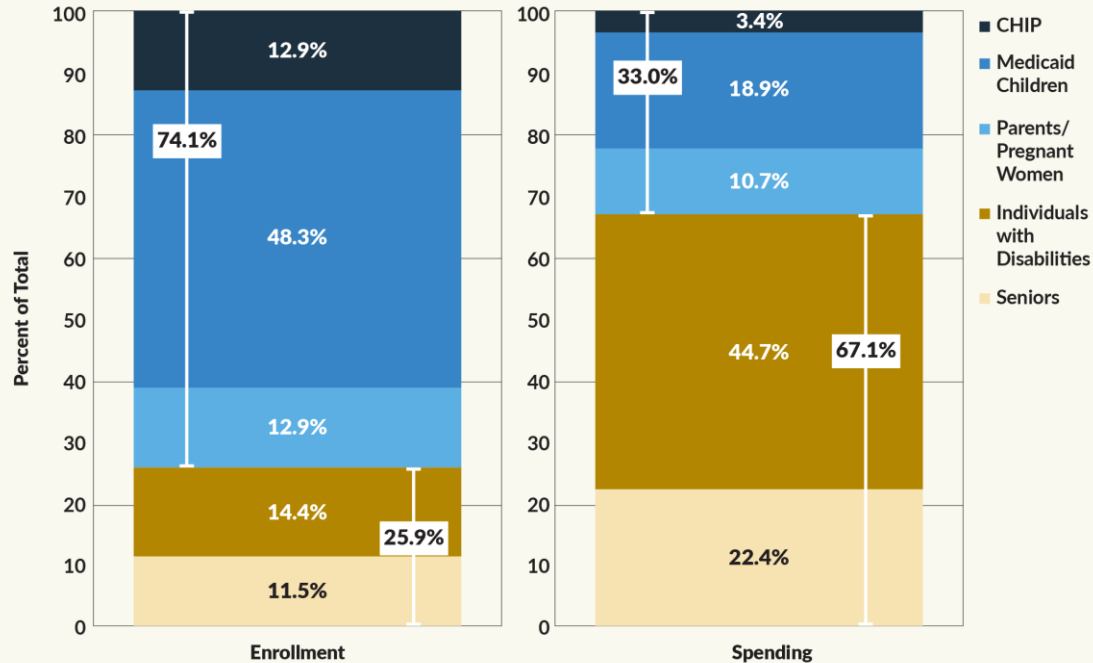
# KANCARE

- In Kansas, Medicaid and CHIP are known as KanCare.
- KDHE is the Medicaid agency; KDADS partners.
- KanCare serves mostly low-income:



# ENROLLMENT VS. COST

Medicaid and CHIP Population Groups and Spending, Kansas Fiscal Year 2018



Note: Enrollment and spending do not include the following populations: foster care/adoption, the Sixth Omnibus Budget Reconciliation Act (SOBRA) program, tuberculosis, breast and cervical cancer, and the AIDS Drug Assistance Program (ADAP). Figures may not sum to 100 percent because of rounding.

Source: KHI analysis of Kansas Medical Assistance Report (MAR), 2018, and additional data from the Division of Health Care Finance, Kansas Department of Health and Environment.

# COSTS BY POPULATION

Per Capita Annual Cost by KanCare Population, Kansas Fiscal Year 2018

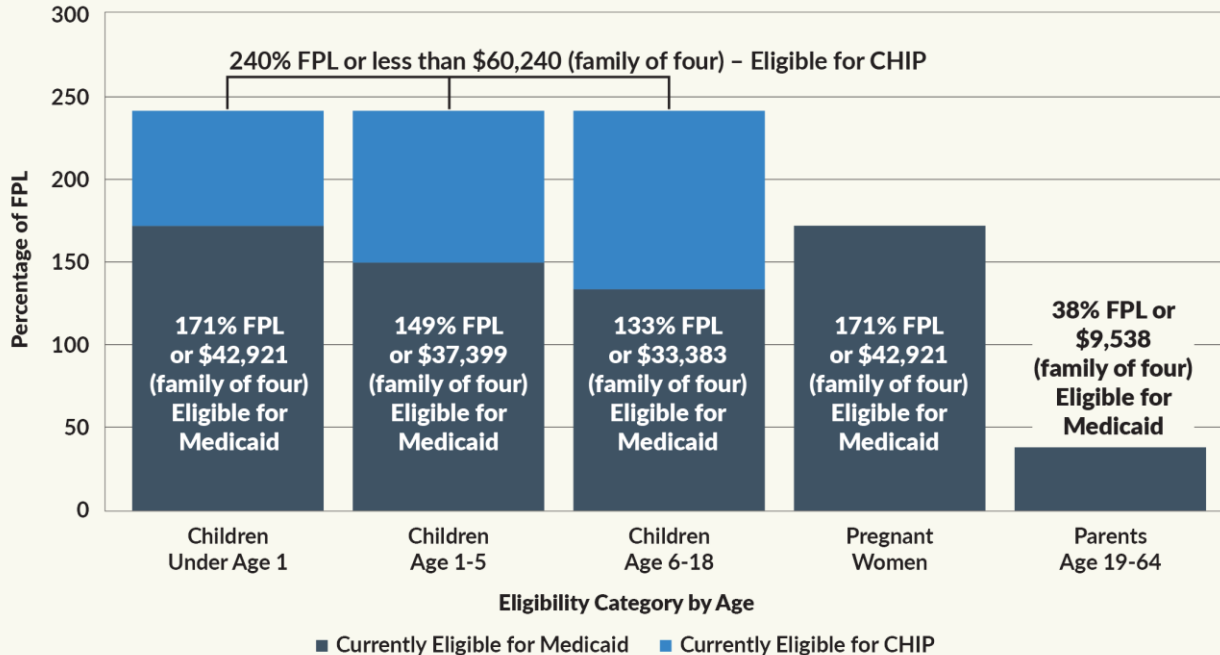
<b>Population Enrolled in Medicaid or CHIP</b>	<b>Per Capita Cost</b>
<b>Individuals with Disabilities</b>	<b>\$25,814</b>
<b>Seniors</b>	<b>\$16,202</b>
<b>Parents/Pregnant Women</b>	<b>\$6,901</b>
<b>Medicaid Children</b>	<b>\$3,247</b>
<b>CHIP</b>	<b>\$2,206</b>
<b><i>CHIP/Medicaid Children and Families Combined</i></b>	<b>\$3,701</b>
<b>All Enrollees</b>	<b>\$8,326</b>

Note: Costs as incurred by the state. Enrollment and costs do not include the following populations: foster care/adoption, the Sixth Omnibus Budget Reconciliation Act (SOBRA) program, tuberculosis, breast and cervical cancer, and the AIDS Drug Assistance Program (ADAP).

Source: KHI analysis of Kansas Medical Assistance Report (MAR), 2018, and additional data from the Division of Health Care Finance, Kansas Department of Health and Environment.

# CHILDREN AND FAMILIES

Income Eligibility Levels for Children and Families in Kansas Medicaid and CHIP, 2018



Note: Income levels shown are applicable to children and non-elderly adults without disabilities or other health needs that could make them eligible at a different income level. Eligibility levels reflect Modified Adjusted Gross Income (MAGI) rules, including a 5-percent income disregard that may be applied on an individual basis.

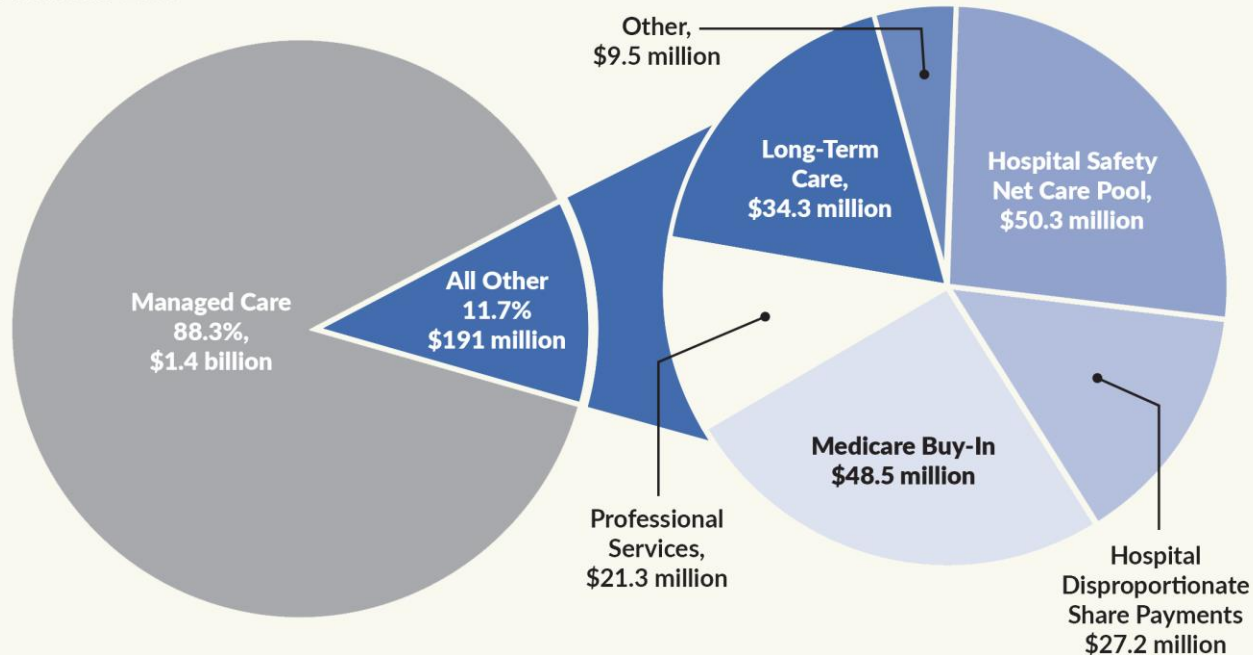
Source: Eligibility information from the Division of Health Care Finance, Kansas Department of Health and Environment, 2018.

# EXAMPLES OF OTHER ELIGIBILITY PATHS

- Individuals who receive SSI are automatically eligible.
- Medically Needy: “Spend down” to protected income limit
- MediKan
- Working Healthy
- Dual eligibility
- Home and community-based services waivers
- Program of All-Inclusive Care for the Elderly (PACE)
- Other populations (including youth in foster care)

# MANAGED CARE OR FEE FOR SERVICE?

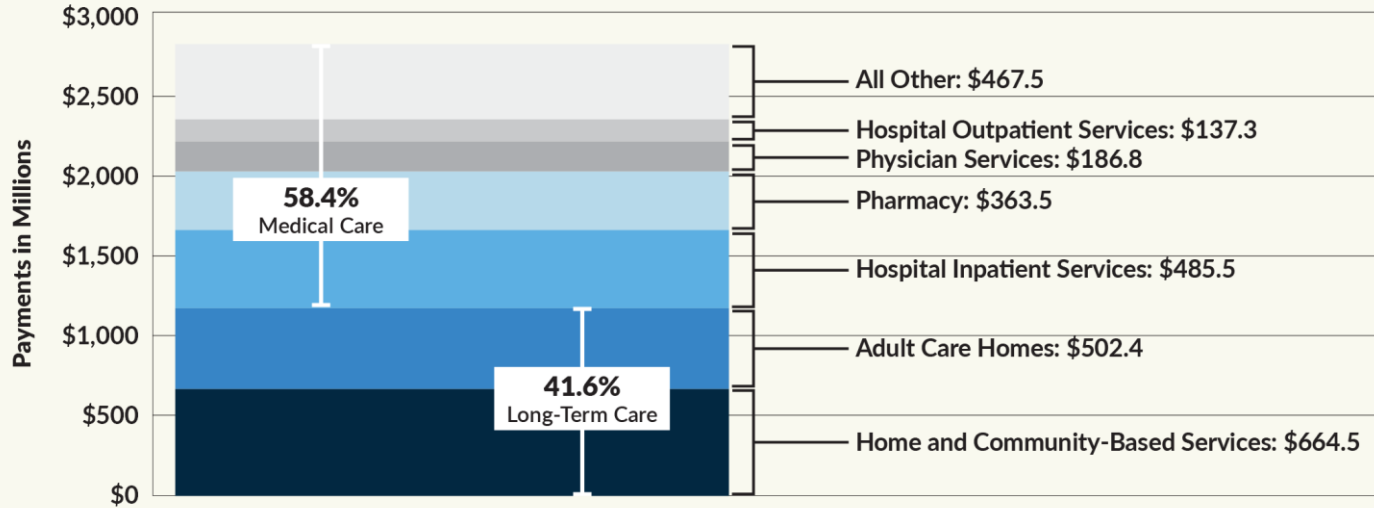
Managed Care as a Portion of Total Medicaid and CHIP Expenditures in Kansas, State Funds Only, Fiscal Year 2018



Note: Long-Term Care includes payments to nursing facilities for mental health. School-based services are included in Professional Services.  
Source: KHI analysis of Medical Assistance Report (MAR), FY 2018, Kansas Department of Health and Environment.

# SERVICE COMPOSITION

KanCare Managed Care Organization (MCO) Payments to Providers by Category of Service, Fiscal Year 2018, in millions



Note: Includes home and community-based services provided through waivers and the Money Follows the Person program, and independent targeted case management.

Source: Data Analytic Interface, Kansas Department of Health and Environment, FY 2018.



# OTHER SERVICES

- KanCare MCOs can offer services not typically covered:
  - As “in lieu of” services, to avoid higher-cost services.
  - In the form of “value-added” services, which can vary by plan and year. Examples:
    - Preventive dental benefits for adults
    - Healthy behavior incentive programs
    - Some transportation to activities not normally covered (e.g., job-related activities, community events, support groups)

# HCBS WAIVERS

Kansas Populations Eligible for Home and Community-Based Services (HCBS) Through Waivers and Their Institutional Equivalents

## KANSAS HCBS WAIVER PROGRAMS

## INSTITUTIONAL EQUIVALENTS

Autism (children; AU) .....	Inpatient Psychiatric Facility for Age 21 and Under
Frail Elderly (FE) .....	Nursing Facility
Intellectual/Developmental Disability (I/DD) .....	Intermediate Care Facility for Individuals with Intellectual Disabilities
Physical Disability (PD) .....	Nursing Facility
Serious Emotional Disturbance (children; SED) .....	Inpatient Psychiatric Facility for Age 21 and Under
Technology Assisted (children; TA) .....	Hospital
Traumatic Brain Injury (TBI) .....	TBI Rehabilitation Facility

*Source: Kansas 1915(c) waivers*

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# LOOKING AHEAD

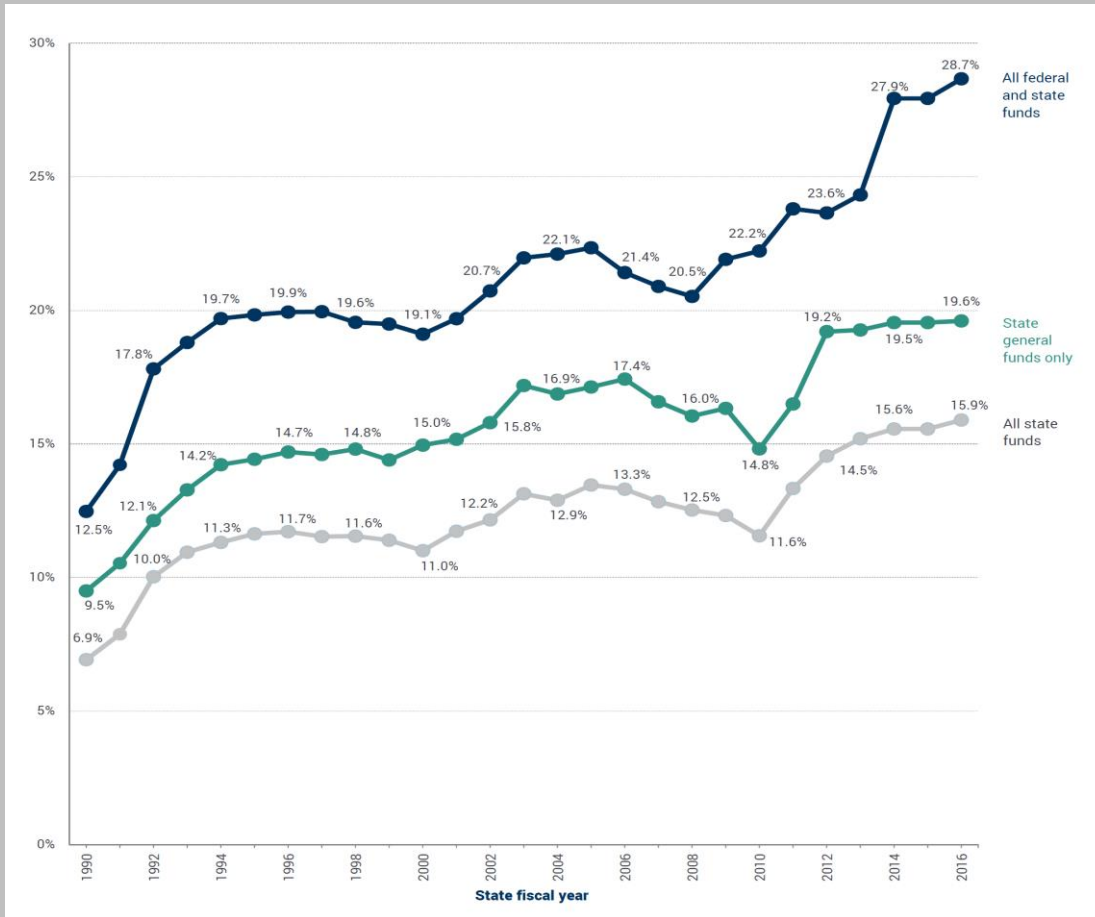
# KANCARE 2.0

- KanCare demonstration extended through 2023
- State had asked to add:
  - Work/community engagement requirements (*not approved*)
  - Three-year lifetime eligibility limit (*not approved*)
  - Federal match for more inpatient psychiatric services (*approved for those requiring SUD treatment*)
  - Pilots for supported employment/independence accounts (*supported employment pilots approved, independence accounts not approved*)

# ONECARE KANSAS

- Proviso directed the reinstatement of the care management program (formerly health homes), in Fiscal Year 2019:
  - Members would opt-in rather than opt-out
  - Limits on administrative rate MCOs could hold
- Target population and payment methodology in development.

# MEDICAID SHARE OF U.S. STATE BUDGETS



Source: Medicaid and CHIP Payment and Access Commission, 2017 analysis of state expenditure reports from the National Association of State Budget Officers.

# FEDERAL POLICY

- CMS guidance
  - IMD exclusion waivers for mental health
  - Work/community engagement requirements
  - Block grant-like authority?
- Medicaid expansion
  - State plan or Section 1115 demonstrations



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# THANK YOU

## Any questions?

You can connect with me at: [kbruffett@khi.org](mailto:kbruffett@khi.org)

 212 SW 8<sup>th</sup> Avenue | Suite 300  
Topeka, Kansas | 66603-3936

 785.233.5443

 [khi.org](http://khi.org)

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