

## **Public Notice for Georgia's**

### **Foster Care and Adoption Assistance Section 1115 Waiver Demonstration Research Application**

**June 13, 2013**

Pursuant to CMS requirements in 42 C.F.R. § 431.408, the State of Georgia hereby notifies the public that it intends to submit a Section 1115 demonstration proposal to the Centers for Medicare and Medicaid Services (CMS). A copy of the proposed Demonstration application is available at <http://dch.georgia.gov/public-notice>, or at the Department of Community Health, Monday – Friday, 9:00 a.m. to 4:30 p.m., in Room 4074, 2 Peachtree Street, NW Atlanta, GA 30303-3141. Although the State has already conducted an extensive public input process relating to Georgia Families, the Department of Community Health (DCH) will open a formal public comment period and public consultation process consistent with the CMS public participation and transparency rules prior to formally submitting the application.

#### **Demonstration Description**

In Georgia, an estimated 26,000 children, youth and young adults are in foster care and adoption assistance and, on average, 250 youth are in community residential placements as a result of their involvement with the juvenile justice system (“Demonstration Populations”). These children, youth and young adults in the Demonstration Populations are enrolled in Medicaid or the Children’s Health Insurance Program (CHIP), PeachCare for Kids®. These Demonstration Populations currently receive services through the State’s fee-for-service delivery system. However, due to the complex needs of these individuals, DCH is creating one seamless, integrated delivery system to improve care coordination, access to care, and health outcomes. The program will be implemented on or after January 1, 2014.

Using the following three strategies, DCH will improve care coordination, access to care and health outcomes for the Demonstration Populations:

- 1) Contracting with a single, statewide Care Management Organization (CMO) responsible for providing all State Plan medical services as well as enhanced assessment and care coordination
- 2) Utilizing electronic health information with this population to better integrate care
- 3) Implementing value-based purchasing strategies to align care delivery with expected outcomes, as well as quality improvement goals

#### **Demonstration Goals and Objectives**

In September 2006, Georgia transitioned all of its PeachCare for Kids® members and select Medicaid populations from the fee-for-service (FFS) delivery system to a full-risk mandatory managed care Medicaid delivery system, Georgia Families. This effort improved care coordination for enrolled populations and allowed DCH to build the necessary expertise and internal administrative capacity required to effectively manage this type of delivery system for its Medicaid populations. This program will build on the success

of Georgia Families by developing a comparable delivery system, via a single CMO, that has expertise to effectively manage the unique health care needs of the Demonstration Populations.

The current Medicaid FFS delivery system has limited coordination of health care services for enrolled members. The single CMO will provide opportunities for fully coordinated and integrated health care services, which will result in better access to appropriate care, a decrease of duplicative services, enhanced coordination between physical health, behavioral health and other services, and improved health outcomes.

Enrollment with one CMO will result in enhanced care coordination, and improved transition of care and continuity of care. DCH is contractually requiring the CMO to assign a Care Coordination Team to each member. The Care Coordination Team will be tailored to the member's individual needs and will assist in navigating the health care system, coordinating all necessary health assessments within specified timeframes and attaining provider appointments to meet timeliness requirements. Through this approach, the fragmentation of assistance provided and care received by the Demonstration Populations will decrease. These members will maintain the same CMO and Care Coordination Team to help navigate the healthcare system through transitions in custody and residential placement.

DCH understands the vulnerability of the Demonstration Populations and is developing additional contractual requirements for the selected CMO. Given the unique challenges associated with these children and youth, a single statewide CMO will be held accountable for ensuring continuity of care, appropriate access, integration of physical and behavioral health services, and improved outcomes.

DCH is also developing a virtual health record (VHR) specifically for managing the health information of the Demonstration Populations. The VHR will be available 24 hours, 7 days per week and will provide a complete medical history for the Demonstration Populations even when there are varying custody arrangements and transitions among living arrangements throughout the State. The VHR will improve timeliness of care management and continuity of care for members and will provide secure data connectivity between various state agencies and programs serving children in foster care and adoption assistance in Georgia.

### **Benefit Coverage**

The Demonstration will not reduce the benefits currently offered through the Georgia Medicaid program. The Demonstration will only require that such benefits be offered through a single statewide Care Management Organization. The CMO will be responsible for arranging and providing all State Plan and EPSDT services. Additionally, the CMO will be required to coordinate required assessments; develop individual Health Care Service Plans for all members; provide Nurse Care Managers (NCM) to assist members identified as having a special health care needs obtain medically necessary care; coordinate health-related services and clinical care needs with holistic consideration; assign members to a Care Coordination Team tailored to his or her individual needs, and; centralize service coordination and management of health care data and information.

Services will be provided statewide. In addition to State Plan services, the selected CMO may provide value-added services for members at no additional cost to the State.

## Eligibility Requirements

With the exception of children enrolled in the 1915(c) Georgia Pediatric Program (GAPP) waiver, this program will include all children, youth and young adults in foster care and adoption assistance, and juvenile justice youth placed in community residential care. The applicable Medicaid eligibility categories for these Demonstration Populations are detailed in the waiver application available at <http://dch.georgia.gov/public-notices>.

All other Home- and community-based service (HCBS) waiver programs will continue to be administered by DCH or a DCH partner agency. The CMO will coordinate with DCH, partner agencies, HCBS providers, and members to provide Medicaid covered services to this affected population.

Eligibility procedures will not change for populations under the Demonstration.

## Cost Sharing

Georgia is not proposing any changes to cost sharing requirements to the Georgia Medicaid State plan.

## Annual Enrollment and Annual Expenditures

The following tables summarize the Demonstration Populations' enrollment and expenditures historically as well as projections for the period of the proposed demonstration. Historical years are shown as State Fiscal Years, while the Demonstration Years are shown as Calendar Years, given the January 1, 2014 implementation date.

The average historical expenditure trend of 4.13% is lower than the 1115 Waiver trend of 6.90% due to the decline in foster care enrollment in SFY 2008 through SFY 2011. If the trend in historical membership had been flat the program's historical expenditures would have outpaced the projected demonstration waiver trend for CY 2014 through 2018. Further, while the historical membership declined between SFY 2008 through 2011, it increased 2.6% in SFY 2012. The 1115 demonstration waiver takes a conservative approach to projecting enrollment for CY 2014 through 2018.

Historical	SFY 08	SFY 09	SFY 10	SFY 11	SFY 12	Average Trend
Demonstration Population Enrollment (Member Months)	378,782	353,282	319,479	312,161	320,251	-4.00%
Demonstration Population Expenditures	\$129,478,625	\$132,088,989	\$134,749,406	\$140,203,778	\$152,032,430	4.13%

<b>1115 Waiver</b>	<b>CY 14</b>	<b>CY 15</b>	<b>CY 16</b>	<b>CY 17</b>	<b>CY 18</b>	<b>Average Trend</b>
Demonstration Population Enrollment (Member Months)	327,059	329,823	332,610	335,420	338,255	0.85%
Demonstration Population Expenditures	\$195,549,559	\$209,035,147	\$223,450,648	\$238,859,604	\$255,331,593	6.90%

### **Hypotheses and Evaluation Parameters**

The State will test the following hypotheses through the proposed Section 1115 Demonstration Program:

1. Enrolling the Demonstration Populations into a single, statewide CMO will improve overall continuity of care evidenced by increased preventive and primary care visit rates and more stable primary care physician-patient contact over time.
2. Providing physical, behavioral and social/emotional health care services coordinated via an integrated care management structure will result in improved health outcomes when compared with the outcomes recorded for service delivery via a fee-for-service delivery system.
3. The inappropriate use of psychotropic medications and polypharmacy among the Demonstration Populations will decline as a result of establishing individual Care Coordination Teams familiar with member history and special needs coupled with improved appropriate use of medications, care monitoring and follow-up to care.
4. Timely access to health care data and information via the use of the Virtual Health Record for the target populations will improve continuity and coordination of care across physical and behavioral health services.
5. Improving access to care and health outcomes will result in overall cost containment in the long-term for these vulnerable, high-risk, high-cost Demonstration Populations.

The State’s evaluation design for the Demonstration will:

1. Detail applicable research questions and methodologies so that Georgia’s evaluation of the planned Demonstration gathers the appropriate data to evaluate outcomes.
2. Test the hypotheses described above.
3. Detail the study design, data sources and collection methods, sampling methodologies, and data analysis strategies for assessing these measures.
4. Establish baseline and trending rates and appropriate performance benchmarks (e.g., available national performance benchmarks or guidelines-based “gold standards”) for each measure to be evaluated.
5. Describe how the effects of the Demonstration-related activities will be isolated from other initiatives occurring across the State.
6. Discuss the State’s plan for reporting to CMS on the hypothesis testing, the outcome measures, and the desired content of the intended reports.

The State will submit to CMS for approval an evaluation design for the Demonstration no later than 120 days after CMS approval of the Demonstration. After receiving comments about the draft evaluation design from CMS, DCH will submit the final design to CMS. DCH will include progress updates in quarterly and annual Demonstration reports and will submit a final draft evaluation report prior to the expiration of the Demonstration.

### **Waiver Authority Sought**

In order to implement the waiver initiatives, DCH is requesting waivers of Section 1902 and costs not otherwise matchable under Section 1903 that include, but are not limited to:

- Amount, Duration, Scope – Section 1902(a)(10)(B) to provide enhanced case management services to Demonstration Populations that are not otherwise available to state plan populations.
- Comparability – Section 1902(a)(17) to exclude members within the same eligibility categories as the Demonstration Populations who are eligible and enrolled in the Georgia Pediatric Program (GAPP). GAPP members will remain in the FFS environment for all state plan and HCBS waiver services. Also to exclude members who are enrolled in Right from the Start Medicaid, with the exception of children and young adults in the juvenile justice system less than eighteen (18) years of age who are placed in community residential care.
- Rate-Setting/Payment Methodologies – Section 1902(a)(13) and (a)(30) to implement a value-based purchasing strategy with the single CMO, based on the use of withholds and incentives as well as the creation of an escrow account.
- Freedom of Choice – Section 1902(a)(23)(A) ) and Section 1932(a)(2)(A) to use selective contracting to limit enrollment and freedom of choice for Demonstration Populations to a single, risk-based CMO that will operate statewide. The State also seeks to mandatorily enroll in risk-based managed care children, youth and young adults in the Demonstration Populations.

Additionally, DCH is requesting the following expenditure authorities:

- Expenditures under contracts with the single CMO that do not meet the requirements in section 1903(m)(2)(A)(vi) but only insofar as it requires compliance with section 1932(a)(4) of the Act regarding the ability of enrollees to disenroll from a managed care entity.
- Expenditures under contracts with the single CMO that do not meet the requirements of section 1903(m)(2)(A)(xii) but only insofar as it requires compliance with section 1932(a)(3)(A) regarding choice of at least two managed care organizations.

### **Comments and Public Input Process**

DCH conducted a very inclusive and transparent process in analyzing Medicaid redesign options and developing the Demonstration as outlined in the application now posted for comment. Examples of the public input DCH has conducted in developing this program include:

- Conducted twenty-five focus groups including two hundred and thirteen (213) providers, consumers and consumer advocates in 12 locations throughout the State of between October 11 and November 2, 2011.
- Published an online survey available to stakeholders unable to attend a focus group; established an e-mail address for stakeholders to submit input.

- Convened three task forces and a workgroup including providers, advocates and consumers to provide ongoing input into program design. The task forces and work group will continue through implementation.
- Formed a Joint Task Force, which is an interagency team that includes representatives from DCH and six partner agencies.

Consistent with that spirit of transparency and as required by federal regulation, the State is now opening a formal 30-day comment period and again directs interested parties to <http://dch.georgia.gov/public-notices>. Comments will be accepted for consideration until July 14, 2013. DCH will hold two public meetings to solicit comments on the Demonstration proposal:

**June 24, 2013, 1:00 pm**

The Professional Licensing Boards  
237 Coliseum Drive  
Exam Room, Building B  
Macon, GA 31217

**June 25, 2013, 1:00 pm**

Georgia Department Community Health  
2 Peachtree Street  
5th floor Board Room  
Atlanta, Georgia 30303

As a courtesy, the State is also making teleconference access available for the June 25, 2013 meeting. Please see the DCH website at <http://dch.georgia.gov/public-notices> for dial-in information.

Comments from written and public testimony will be provided to the Board of Community Health prior to the August 8, 2013 Board meeting. The Board will vote on the proposed changes at the Board meeting to be held at 10:30 a.m. at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room.

**NOTICE IS HEREBY GIVEN THIS 13<sup>th</sup> DAY OF June, 2013**

David A. Cook, Commissioner