SUMMARY OF PROPOSED STATEMENT OF WORK (TO BE COMPLETED BY QUALIFIED CONSULTANT)

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Summary Scope of Work: **Please see Section B of the attached response.**

Relevant Experience/Results: **Please see Section C of attached response.**

Milestones/Deliverables: **Please see Section D of the attached response.**

Estimated Time to Completion: **Please see Section E of the attached response.**

General Staffing Plan: **Please see Section F of the attached response.**

Consultant's Travel Requirements: **Please see Section G of the attached response.**

Consultant's Onsite Workspace Requirements: **Please see Section H of the attached response.**

Estimated Cost (should reflect categories of service, rate, estimated hours, etc.): **Please see Section I of the attached response.**

ATTACHMENTS

State Entities and responsive consultant firm(s) may submit additional attachments (including a fully-developed SOW) for consideration and clarification purposes. All documents may become binding within the final, executed statement of work between the two parties.

SIGNATURES

Responding Firm Authorized Signature	[redacted]
Name and Title	**Wade F. Horn, Ph.D., Managing Director**
Date	**May 20, 2019**

Deloitte.

Statement of Need for Consulting Services – Waiver Consulting

Management Consulting 1115 - 1332

Georgia Department of Community Health

Proposal due May 20, 2019, 5:00 PM EDT

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Waiver Consulting

A. Our Understanding & Introduction

Georgia, like many states, is challenged by the rising cost of healthcare, high uninsured rates, closure of rural hospitals, and poor health outcomes. All Georgians, and especially those living in rural communities, as well as the healthcare and the business communities, are feeling the effects of these challenges every day. At the same time, the traditional rules governing Medicaid and the Affordable Care Act (ACA), including traditional Medicaid expansion, have not provided Georgia with the systems and tools it needs to address the State's unique challenges. With a new commitment to flexibility from the federal government and a commitment to try new, innovative solutions from the leadership in Georgia, the State is ready to undertake these challenges in a uniquely Georgia way.

The Deloitte Team understands that Georgia is looking to launch a new healthcare initiative that aims to address several critical goals:

- **Improving health outcomes by incenting work-related activities** in Georgia's Medicaid program.
- **Improving the health status of Georgians, especially those with lower incomes**. According to the United Health Foundation's 2018 State Health Rankings, Georgia is ranked 39th overall, 35th in health outcomes, and 46th in clinical care.
- **Providing stability to Georgia's healthcare providers**, especially those providers serving as a "safety net" for low income Georgians and those in the rural areas of the State.
- **Expanding healthcare coverage** by 1) increasing the number of working Georgians who in turn can access healthcare coverage through employer sponsored insurance; and 2) providing additional pathways through which more low-income Georgians can acquire healthcare coverage.
- **Reducing the number of Georgians without health insurance.** According to U.S Census data, Georgia's uninsured rate in 2018 was 13.4%, 4th highest in the country.
- **Stabilizing the individual insurance market** by taking advantage of opportunities to re-frame ACA requirements to better meet Georgia's unique needs.
- **Supporting the Governor's Georgians First small business initiative** by recognizing that improving healthcare status and access to healthcare can have a positive impact on Georgia's economy.

Recognizing that achieving the initiative's goals will likely require federal approvals, Georgia is seeking to undertake an initiative to develop approvable 1115 and 1332 waivers that are defensible from possible legal challenge. In so doing, Georgia should seek creative approaches that meet Georgia's needs rather than simply rely upon approaches already developed by other states. This is an opportune time for Georgia to think creatively as the federal government has signaled a new willingness to entertain ideas and flexibilities that heretofore they had not. For example, the Centers for Medicare & Medicaid Services (CMS) recently indicated a willingness to consider 1115 waiver ideas that expand access to Medicaid up to only 100% of the Federal Poverty Level (FPL). Similarly, the approval of community engagement requirements (community engagement is a broad term encompassing requirements such as work, education, and volunteerism) for able bodied adults enrolled in the Medicaid program was a significant change in long-standing CMS policy. On the 1332 front, there have been several indications of greater flexibility, including

2018 guidance laying out new, innovative waiver concepts and an announcement of flexibility, as well as a recently published Request for Information (RFI) seeking new ideas for 1332 waivers from states and other stakeholders. Additionally, CMS has been holding meetings around the country with states, providing more details and seeking additional input on 1332 flexibilities. All of these public overtures further contribute to now being the right time for Georgia to take the lead with flexible healthcare innovation.

Taking advantage of the flexibilities offered by 1115 and 1332 waivers should not necessarily mean treating them as separate and distinct waiver opportunities. Rather, the state needs a vendor that understands the inter-dependencies between the Medicaid program, subsidized insurance coverage available on the Federal Marketplace, and the private insurance market in the design of the new initiative. Georgia needs a team that can help the State develop a comprehensive initiative that works for both low-income populations served by public insurance programs, including Medicaid and the Children's Health Insurance Program (CHIP), and those served by private sector health plans. Georgia also needs a team that has the relationships across multiple states within the Medicaid community and at the federal level with CMS and the U.S. Department of Health and Human Services (HHS) to assist with brokering creative and new ideas that encourage the establishment of the best waiver combination for the overall population of Georgia.

A.1. The Deloitte Team is Best Positioned to Collaborate with Georgia

The Deloitte Team is uniquely suited to support the design, approval, and implementation of Georgia's new initiative. We have assembled the team that can accomplish the goals set above based on the collective experience with 1115 and 1332 waivers, the latest federal guidance for these waivers, and relationships within the federal, state, and private healthcare communities. We have assembled this team knowing that the Georgia is seeking an original and different waiver concept which will require regular touchpoints with federal leaders and reach back into the private sector for the best ideas. The Deloitte Team includes:

- **Deloitte Consulting:** As the world's largest consulting firm, Deloitte Consulting (Deloitte) helps organizations across industries to approach problems differently by bringing innovative ideas and solutions. We have leading practices dedicated specifically to healthcare organizations, across the state, federal and commercial markets, that come together to share ideas, experiences, and solutions across the overall healthcare market.
- [redacted]

The Deloitte Team brings deep Medicaid experience at the state and federal levels, including four former state Medicaid Directors with decades of experience in designing,

gaining federal approval, and implementing transformational healthcare initiatives. Our team currently works with over 30 state Medicaid programs and CMS on a wide variety of initiatives and programs.

The Deloitte Team includes members who have collectively taken more than eight 1115 waivers from concept through federal approval, implementation, and into operations. Others may have written 1115 waivers; but our team includes former State Medicaid Directors who were directly responsible for not just writing waivers, but also for the implementation and operation of those waivers. Our team understands the practical and administrative complexities that can only be learned through hands-on experience operating Medicaid waivers and has the results to demonstrate improved outcomes driven by waivers.

The Deloitte Team understands the flexibility offered by 1332 waivers. As the former CEO of the New Mexico health insurance exchange and the Executive Director of the Arkansas Health Insurance Marketplace, our team member Cheryl Smith Gardner engaged in regular and detailed conversations with Randy Pate, director of the Center for Consumer Information & Insurance Oversight (CCIIO) at CMS, regarding the 1332 process and how states can take advantage of 1332 waivers to increase marketplace stability and coverage.

The Deloitte Team understands the relationship between healthcare coverage and employment. The Deloitte Team is currently working with eight states to develop policies, create requirements, and deploy new processes and technology solutions to support their Medicaid community engagement requirements. Georgia will benefit from the many lessons we have learned to help these states implement Medicaid community engagement requirements. Moreover, our team is led by Dr. Wade Horn, who served from 2001 to 2007 as the Assistant Secretary for Children and Families within the U.S. Department of Health and Human Services and now leads Deloitte's work at CMS and brings an in-depth understanding of work programs for low income beneficiaries, including Temporary Assistance for Needy Family (TANF), the Supplemental Nutrition Assistance Program (SNAP), and more recently Medicaid.

The Deloitte Team understands the relationship between Medicaid, the individual insurance, and the employer sponsored insurance markets. We successfully launched five state-based health insurance exchanges. Deloitte also brings the #1 rated healthcare plan consultancy in the country with resources well-versed in health actuarial, state budgetary, and healthcare market financial analysis.

The Deloitte Team has a large footprint of support across the private sector healthcare community within both the national and Georgia environments. This provides us with additional information and underpinning for knowledge and awareness of the healthcare issues that others may not have.

The Deloitte Team has unique creative abilities, drawn from the diverse and deep experiences and knowledge of our Waiver Development Project Team, allowing us to collaborate with DCH and State Leadership to produce a unique Georgia plan. The Deloitte Team has specific ideas and abilities that will address Georgia's challenges and provide state leaders an opportunity for Georgia to be a state that others seek to emulate. For example, a key element of our thinking for Medicaid will be how to look at creating fiscally sustainable pathways to healthcare coverage that encourages employment and financial independence while being defensible from possible legal challenges.

Finally, the Deloitte Team knows Georgia and Georgia's healthcare environment. We have years of experience serving the State of Georgia and healthcare clients across the State. As such we will be able to accelerate the early efforts of data collection and understanding of statewide and regional challenges by building on the recent 2016 study we conducted for the Georgia Chamber of Commerce that focused on increasing healthcare access to Georgians outside of the typical Medicaid expansion requirements.

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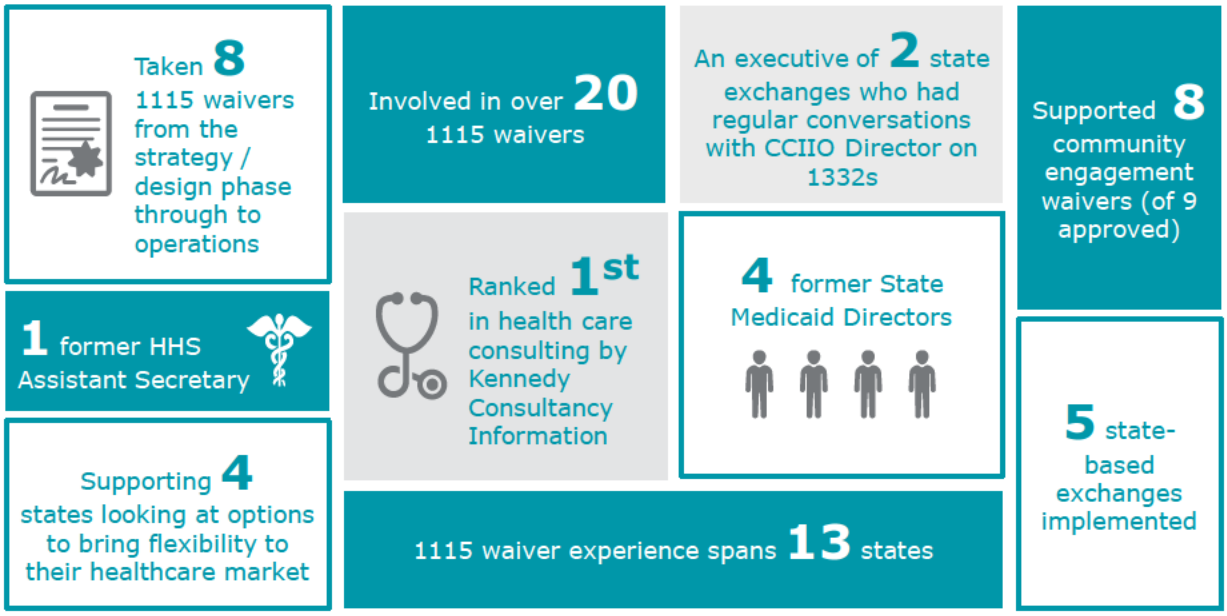


Figure 1. Summary of the Deloitte Team's Experience.

A.2. Guide to Deloitte's Response

In the sections that follow, we have translated your requirements/requests from the Statement of Need into the response categories in the Summary of Proposed Statement of Work response form. The main sections of our response and their contents include:

- **B. Summary Scope of Work:** In this section we respond to I.A, providing the State with a description of how we will carry out the requested scope of services. This section also provides an overview of the resources who will deliver the project.
- **C. Relevant Experience/Results:** In this section we respond to I.B through I.H, and the minimum qualifications in II.A through II.H. The purpose of this section is to offer a detailed perspective on our team's experience providing similar work.
- **D. Milestones/Deliverables:** In this section we outline key project deliverables and milestones with a consolidated view of proposed delivery/execution timelines.
- **E. Estimated Time to Completion:** In this section we provide a project Gantt Chart outlining the estimated time to complete key project phases.

- **F. General Staffing Plan:** In this section we offer a project team organization chart and biographies of project team members.
- **G. Consultant's Travel Requirements:** In this section we outline the Deloitte Team member's onsite/offsite strategy for delivering the project.
- **H. Consultant's Onsite Workspace Requirements:** In this section we describe our team's needs for onsite workspace.
- **I. Estimated Cost:** In this section we offer our team's price estimate for delivering the requested services and the assumptions used in developing this response and cost estimate.
- **Appendix:** This section includes resumes for our Project Leadership, our Waiver Development Project Team, and the lead for our Delivery Support Team.

B. Summary Scope of Work

I.A.

A comprehensive project plan overview, including a thorough overview of the resources the offeror will dedicate to this project in order to successfully complete all phases on or before December 31, 2019.

The Deloitte Team's approach to helping the Department of Community Health (DCH) and State Leadership meet statewide healthcare goals is innovative, data-driven, and based on our team's 15+ years of experience partnering with other states on more than 20 Section 1115 and/or 1332 waivers. Our team understands how waiver flexibility can be used, how waivers fit together, and CMS' perspective and approval processes. Our Waiver Development Project Team members have worked with Governors and Medicaid teams to shape waivers and achieve goals from policy, financial, and operational lenses. The Deloitte Team knows how to assess the impact waivers have on healthcare coverage, the insurance market, the healthcare landscape, a state's economy, and its workforce. Our team also understands the value of involving stakeholders in the process of waiver development.

Our approach provides end-to-end support and technical assistance. From evaluating the current landscape to strategically identifying potential waiver options to tactically developing waivers, Deloitte's team of consultants will help DCH and State Leadership chart a unique path forward that is customized to Georgia's goals, and not just a transfer of what other states have already tried.

Our approach follows the three phases outlined by DCH. Our singular focus is to collaborate with your team to develop a transformation approach that addresses the unique, current challenges facing the Georgia healthcare landscape. We understand those phases to be:

- Phase One: National and Georgia Environmental Scan
- Phase Two: 1115 and 1332 Waiver Options Development
- Phase Three: 1115 and 1332 Waiver Development

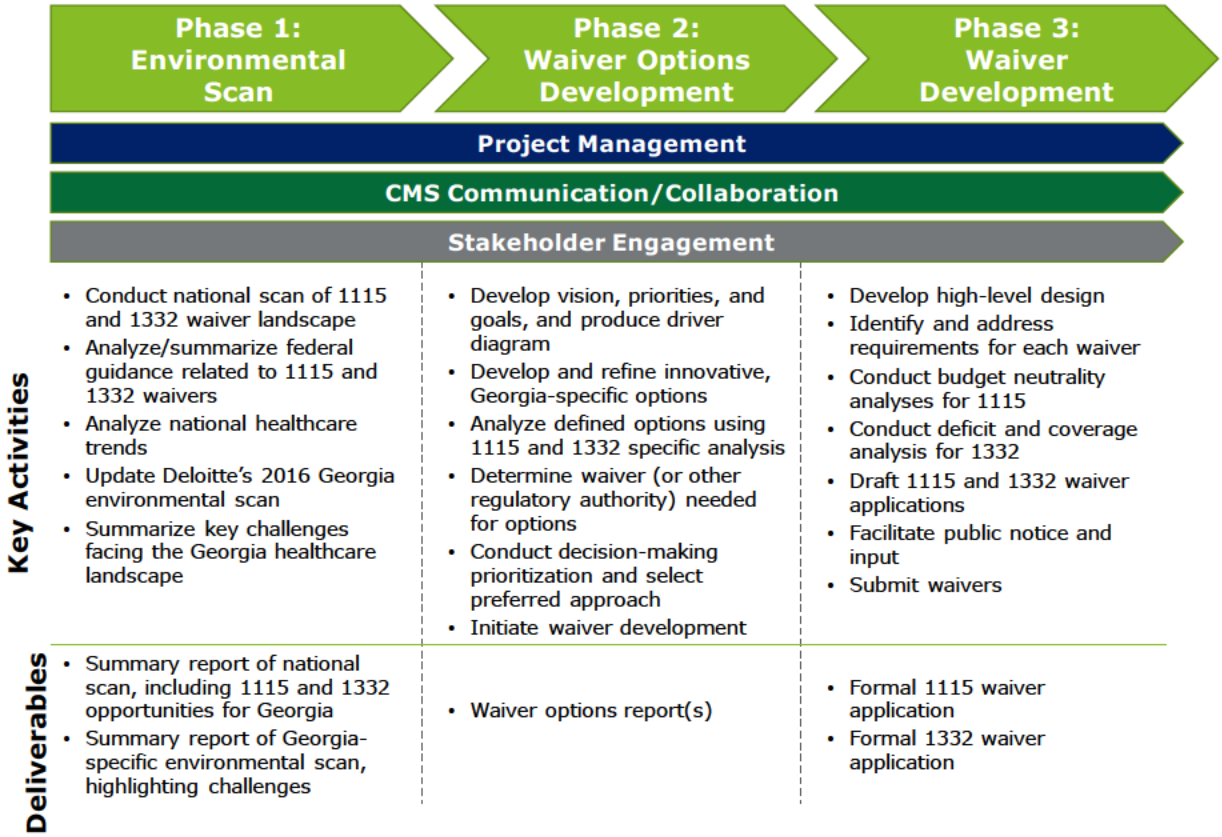


Figure 2. Summary of Key Activities and Deliverables.

Phase One: The goal of Phase One is to frame and understand the challenges currently facing the Georgia healthcare landscape (such as premiums trends, attraction of premium-stabilizing groups into the marketplace, and the uninsured rate) to provide a focus as the team moves into option development. Our team is already familiar with the Georgia healthcare profile from our work serving every major health system in the State as well as many of the State's smaller, more rural hospitals. Additionally, Deloitte conducted a study for the Georgia Chamber of Commerce in 2016. This project was a collaborative statewide effort across the Georgia healthcare community, including payers, providers, associations, and business leaders, to look beyond Medicaid expansion and identify creative strategies to increase healthcare access in the State. We conducted an extensive environmental scan focused on accessibility, then offered creative options that we analyzed and modeled for enrollment, expenditure, and economic impacts, and then pressured tested those options throughout the Georgia healthcare community. As a result of our past experience, we will be able to accelerate the analysis for Phase One, and quickly move into collaborating on creative solutions in Phase Two. Additionally, because of our team's broad national exposure as leaders in the Medicaid and Marketplace domains, we have an extensive perspective of federal policy and other state activity. We will synthesize that information for Georgia and use it to inform and focus the direction for a Georgia solution.

Our national scan consists of three parts: 1) a review/summary of 1115 and 1332 waiver design and effectiveness across the country; 2) an analysis of relevant federal policy; and 3) a review of national healthcare trends. While understanding national 1115 and 1332 trends is important, we know that Georgia's goals and values are unique, and what works for another state may not meet Georgia's needs. As our team presents these waiver trends,

we will clearly communicate that these do not limit Georgia to only considering something other states have done.

Deliverable: At the completion of this phase, we will develop two summary reports – 1) a summary report of the national environmental scan that includes the identification of 1115 and 1332 lessons learned for Georgia's consideration; and 2) a summary report of the Georgia-specific environmental scan, highlighting current challenges in the healthcare landscape in Georgia to target with the options in Phase Two. We will also meet with DCH and State Leadership to share the findings and talk through the implications for options development

Phase Two: In the second phase of the project, the Deloitte Team will help Georgia's leadership think through, develop, and align on a set of innovative healthcare transformation options that address the healthcare challenges facing Georgia, identified during Phase One, by thinking beyond what has been tried in other states. At the beginning of Phase Two, our team will help DCH and State Leadership think through Georgia's healthcare vision, goals, and priorities based on the national trends and Georgia-specific analysis. We will quickly zero in on these elements by facilitating a one-day working session tailored to Georgia's unique policy challenges. This session will be an intimate exercise with the right decision-makers and participants in the room. It will include a focus on a set of facilitated activities that promotes a different way of thinking and will help leaders prioritize the challenges identified in the environmental scan into a set of goals that they deem is addressable by this initiative.

Once we gain alignment on the defined vision, goals, and priorities through the working session, the Deloitte Team will leverage data from the environmental scan and the experience of our project leaders to develop 1115 and 1332 waiver options, with a focus on operations and implementation realities. As needed, our team will also consider how other authorities, including State Plan Amendments (SPAs)and other waiver types (e.g., 1915), can bring your vision to reality (for example, there could be other initiatives to include in your implementation plan such as expanding the Health Insurance Premium Payment (HIPP) program through a SPA).

As we are forming the options, our team will be conducting rigorous actuarial and financial modeling to understand the potential implications to help inform decision-making and to help accelerate waiver development. The Deloitte Team will then convene a second working session to help Georgia leaders understand the advantages and challenges of each option, determine how to prioritize the components within each, and select the preferred approach.

Deliverable: At the end of Phase Two, our team will help DCH and State Leadership arrive at an approach that aligns best with Georgia's goals and the Deloitte Team will summarize the selected option in a Waiver Options Report. This report will detail the selected option and be surrounded by our analysis, data, and assumptions, with clearly defined linkages back to the challenges we are addressing that were identified in Phase One.

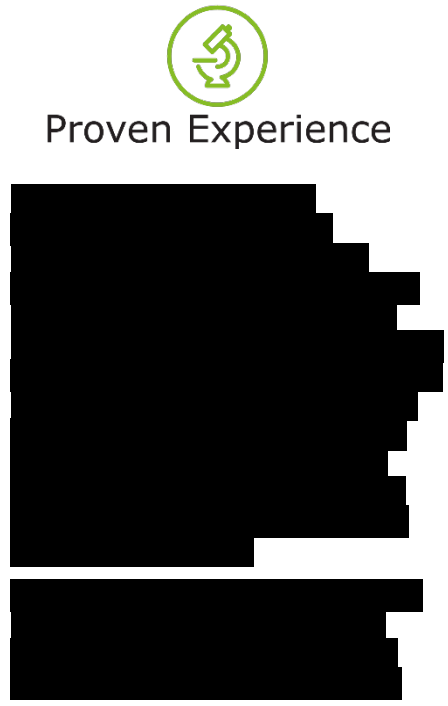
Phase Three: The goal of Phase Three is to complete the waiver application(s) and submit them to CMS. We will begin this phase by working collaboratively with DCH and State Leadership to develop additional details behind the selected option by developing a high-level design. Since the requirements for 1115 and 1332 waivers are different, we will develop the 1115 and 1332 waivers in their own track but continue to collaborate as a single team focused on an integrated solution. Within these tracks, our team will draft the 1115 and 1332 waiver applications for the selected options. This includes working with DCH and State Leadership to gather the necessary information to meet the waiver application requirements, such as adequate public notice and input. We will then support DCH in organizing the required public hearings and the public notice, including supporting DCH with consolidating and responding to comments. Throughout this process, Deloitte's Waiver Development Project Team will offer unique insight into the waiver development process, as

our team members have supported eight states in developing 1115 waivers and are currently preparing templates and designing technical assistance for 1332 waivers for CMS to distribute to states.

Deliverable: This phase will be concluded upon submission of complete and thorough 1115 and 1332 waiver applications that align with federal requirements.

CMS Communication/Collaboration: Given the approval and oversight responsibilities that CCIIO has for 1332 waivers and the Center for Medicaid & CHIP Services (CMCS) has for 1115 waivers, we believe it is essential to have frequent communication with these CMS Centers throughout the project and not think of them as solely an approval body to receive the waivers after submission. Fortunately, our team members have deep relationships with critical leaders in both CCIIO and CMCS. We propose to utilize these relationships by conducting regular calls and meetings with these leaders starting early in the project. Initially, these calls and meetings would involve learning from and exploring with CMS their thoughts on approvable waiver ideas. As we move into option development, these calls and meetings will evolve into sharing Georgia's initial ideas and gaining feedback on them. As the waivers mature, these calls and meetings will help to further refine the waivers and maximize the chances that they will be approved once submitted.

Stakeholder Engagement: This initiative affects a broad set of stakeholders, including consumers providers, payers, the business community, and other government programs including some who might not have healthcare as a primary focus, such as workforce development. Not only do these stakeholders offer unique perspectives that will help to contribute to the waiver ideas, but their support will also be necessary for successful implementation of the waivers. The Deloitte Team will support the State with the stakeholder workgroup(s) it forms, including participating in work group sessions, facilitating meetings, and providing subject matter expertise.



Project Management: Strong project management is critical for successfully transitioning strategic goals into operational reality. Our rigorous approach to project management and quality is grounded in our experience implementing high-profile, customer-facing Health and Human Services initiatives. Our Project Manager, Jeff Burke, will work under the leadership of Dr. Wade Horn, our Project Director, to provide oversight on the execution of this project, facilitating high-quality work, tracking progress and compliance with contract requirements, and maintaining close communication and transparency with DCH and State Leadership.

We understand that DCH has a need for project management practices that offer frequent and clear updates on project status and inform sound decision-making. We have designed our approach around four key management concepts that illustrate our understanding of DCH's needs:

Project Management Concepts Make the Waivers a Reality	
Clear Communication Channels	We quickly establish or reaffirm the project governance structure and a related verbal and written communication process that enables and facilitates rapid and timely information sharing, collaboration, and efficient decision-making, founded on the overarching principle of "no surprises."
Transparency	We provide DCH's leadership with a clear and timely picture of how the project is going, who is responsible for each activity, who to contact with questions or to resolve issues, and what decisions need to be made.
Collaboration	We establish and promote a strong working relationship with the State's team, combining their institutional knowledge with our waiver experience and fresh perspectives. This aspect of our client engagement model is critical to aligning our work with DCH's current strategy, activities, and constraints.
Measuring Progress	We establish meaningful metrics based on our experience, tailored for DCH's unique context and timeframe.

Figure 3. Key Project Management Concepts.

The Deloitte Team understands the importance of providing quality deliverables, on-time, using standardized project management tools, methods, and approaches. These tools will track and control progress while rapidly executing the work plan. Our approach includes weekly status reports and regular/planned checkpoints. For each project management meeting, the Deloitte Team will develop the agenda, facilitate the meeting, and manage the meeting minutes, which will be distributed after each meeting.

In the first week of the engagement, the Deloitte Team will hold a kick-off meeting with DCH leadership and other stakeholders identified by DCH. During the kick-off meeting, we will confirm Georgia's goals and desired outcomes of this project and validate project participants. The kick-off is also an opportunity to review the planned project activities, set a cadence for team meetings, and review project controls. We will share our proposed project work plan and raise any items that need clarification. After the kick-off meeting, our team will update the project work plan and share it back with DCH.

As part of project management, it will be important to establish a project governance structure that enables the project to run smoothly and to advance the project objectives. This project governance structure will include such elements as a process for issue escalation and decision-making and the establishment of internal workgroups/leadership groups and their participants. From past experience, we recommend establishing a steering committee of DCH and State Leadership who will be active members of the team and help to review and drive decisions. Additionally, the project governance structure will include workgroup participants who can help get into the details of state policy/operations as we refine the design. For example, leaders from within Georgia's Medicaid eligibility team will help to work through eligibility group details that are inputs to the 1115 waiver. These teams will be supplemented by our Waiver Development Project Team members, who are recognized for their experience in Medicaid and the private healthcare sector.

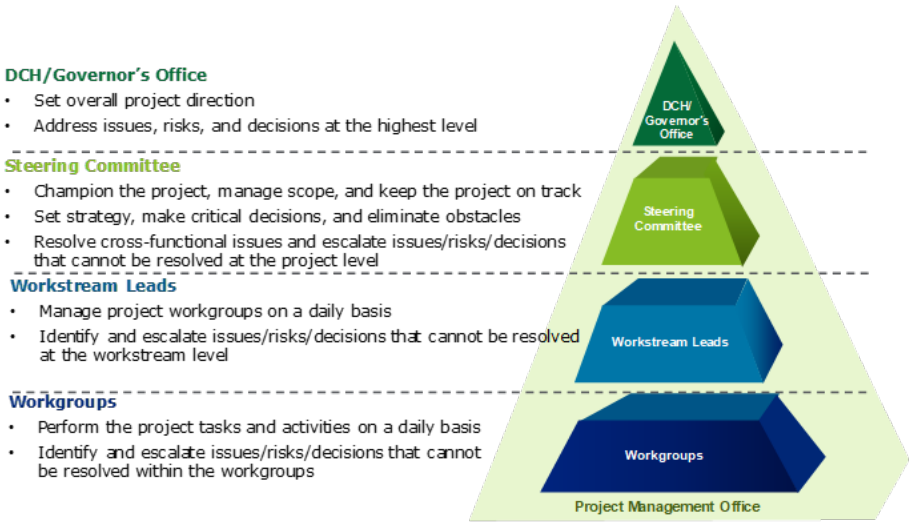


Figure 4. Sample Project Governance Structure.

B.1. Phase One: Environmental Scan

The environmental scan will serve as the foundation of our work to enable Georgia to develop initiatives to provide better access to healthcare coverage and improve health outcomes. Phase One will begin with an analysis of the current landscape of public and private health insurance in the State of Georgia, including an analysis of current insurance coverage (including gaps), as well as the overall State's insurance market. While our team understands the Georgia healthcare landscape from our past and current work in Georgia, we need to update our analysis and reaffirm our understanding. The results of this analysis will serve as critical inputs for how to utilize 1115 and 1332 waivers to address the challenges identified, such as closing coverage gaps, increasing access to healthcare, and strengthening the private sector marketplace. We will also conduct a national scan of both 1115 and 1332 waiver trends, and of the national healthcare environment to summarize what is working with current waiver programs and what is not working; these are important inputs for Georgia's eventual design. We will rely on available state and national data, existing Deloitte assets, points of view from DCH and State Leadership, and the experiences and perspectives of our Waiver Development Project Team, to highlight and reaffirm current challenges. This work will serve as inputs to the options development in the second phase.

B.1.1. National Environmental Scan

Our national environmental scan will include three parts: 1) a review/summary of 1115 and 1332 waiver design and effectiveness across the country; 2) an analysis of relevant federal policy; and 3) a review of national healthcare trends.

1) Current Waiver Landscape

Our team understands the current waiver landscape from our state and federal roles and we maintain an existing inventory of active, pending, and denied waivers (both 1115 and 1332).

Section 1332 Waiver Adoption by State			
State	**Waiver Status**	**Date submitted, approved, or withdrawn**	**Waiver Components (if applicable)**
Alabama - AL	No waiver		
Alaska - AK	Approved	Application approved by Federal gov't 7/7/17	Allow federal pass through funding to partially finance the state's Alaska Reinsurance Program (ARP). The ARP would fully or partially reimburse insurers for incurred claims for high-risk enrollees diagnosed with certain health conditions.
Arizona - AZ	No waiver		
Arkansas - AR	No waiver		
California - CA	Withdrawn	Application submitted 2016; withdrawn on 1/18/17 prior to decision on whether or not to approve	Application sought to allow individuals previously ineligible to purchase coverage through the marketplace due to their immigration status to buy unsubsidized coverage through the marketplace
Colorado - CO	Draft waiver	Application in development at state level	Support state-based reinsurance program
Connecticut - CT	No waiver		
Delaware - DE	No waiver		
Florida - FL	No waiver		
Georgia - GA	State authorized submission	State enacted legislation specifically authorizing waiver submission	

Figure 5. Snapshot of Deloitte's 1332 State Waiver Inventory.

From the broad list of active waivers, we will drill down to the waivers that are most relevant for Georgia based on defined criteria such as: addresses the same challenge, serves a similar population, or has a proven track record. From that narrower list, we will conduct a deeper dive to understand what is working and what is not working, with an eye towards how this information can help inform Georgia's journey. For example, we will review public evaluations and reports, and conduct a component comparison by defining key features of each waiver on our short list, such as:

- Medicaid eligibility level
- Populations served
- Enrollment numbers
- Program design and goals
- Benefits
- Delivery mechanism
- Premiums, co-payments, and cost sharing
- Potential expenditure estimates
- Coverage linked to other initiatives (e.g., community engagement, rewards programs)
- Small Business Marketplace (SHOP) implementation and utilization
- Per capita capitation funding
- How the waiver dealt with the four guardrails for 1332 initiatives


Deloitte.

Health Policy Brief

State health coverage innovation and Section 1332 waivers: Implications for states

Produced by the Deloitte Center for Health Solutions and the Deloitte Center for Regulatory Strategies

Executive summary

Although states and the federal government have implemented most Affordable Care Act (ACA) provisions, a few are scheduled to go into effect in the coming years. One such provision is Section 1332 State Innovation Waivers,[1] (1332) which allows states to pursue alternative and innovative strategies for ensuring that residents have access to high-quality, affordable health insurance as long as they meet certain requirements. Within the constraints of Section 1332, states have numerous options for revamping their current approaches to providing health coverage to individuals and families. If approved, the waivers can go into effect beginning January 1, 2017. To implement reforms next year and take advantage of realizing innovative alternatives for health care coverage,

What are Section 1332 waivers?

During ACA congressional negotiations, Section 1332 waivers were envisioned as a way for a state to achieve ACA coverage goals by pursuing alternative approaches that might better suit its specific health care market needs.

States can apply for Section 1332 waivers in 2016 as long as they allow sufficient time for proposal review and implementation. If a state's application is approved, the waiver can go into effect beginning January 1, 2017.

When developing their alternative approaches to health care coverage, states must address certain requirements; specifically, that coverage:

Figure 6. Deloitte Publication on the Implications for 1332 Waivers in States.

We will supplement the information we are able to gather publicly by using our network of 30 existing state clients and by gaining perspective from our Waiver Development Project Team to gather key insights such as how states with community engagement requirements are working with workforce development programs and other stakeholders to help beneficiaries meet their requirements. These leaders bring national exposure as former Medicaid Directors, leaders of the National Association of Medicaid Directors (NAMD), and a commissioner for the Medicaid and CHIP Payment and Access Commission (MACPAC). Additionally, our team brings the federal and state perspective to the 1332 environment, including from a former state exchange executive in two states.

2) Federal Policy Analysis

Our team has deep domain knowledge relative to federal policies that govern state programs. To help guide Georgia, we will provide a summary of relevant federal regulations, federal core requirements, and recent guidance, with a focus on how each offers opportunity and flexibility.

For the 1332 waiver analysis, we will begin by mapping the original legislation from March 23, 2010, Section 1332 of the ACA and the subsequent February 27, 2012, publication, Application, Review and Reporting Process for Waivers for State Innovation Final Rule as the basis for the federal policy analysis. We will then map all relevant subsequent guidance and CMS communications. For example, the October 24, 2018 CMS guidance on State Relief and Empowerment Waivers and the corresponding November 2018 discussion paper, provided states with greater flexibility on how to meet the ACA 1332 guardrails and on the potential structure of a 1332 waiver. As part of the 1332 federal analysis we will look at current policy and the waivable 1332 sections (see Figure 7), the sections that cannot be waived, and the guardrails. We will examine what the waivable ACA and Internal Revenue Code (IRC) sections will mean to Georgia and how the new flexibilities may be interpreted to enable Georgia to structure a waiver that remains within the guardrails.

Provisions Able to be Waved Under 1332

- Part I of Subtitle D of Title I of the Affordable Care Act (relating to establishing qualified health plans (QHPs));
- Part II of Subtitle D of Title I of the ACA (relating to consumer choices and insurance competition through health insurance marketplaces);
- Sections 36B of the Internal Revenue Code and 1402 of the ACA (relating to premium tax credits and cost-sharing reductions for plans offered within the marketplaces);
- Section 4980H of the Internal Revenue Code (relating to employer shared responsibility); and
- Section 5000A of the Internal Revenue Code (relating to individual shared responsibility).

Figure 7. Provisions Able to be Waved Under 1332.

For Medicaid 1115 Waivers, the Deloitte Team will summarize recent CMS guidance, such as the initial January 11, 2018 guidance on Community Engagement Demonstrations and subsequent guidance issued by CMS on March 14, 2019 which established a standard monitoring and evaluation framework for these waivers. We will also summarize the Special Terms and Conditions for each of the approved 1115 Community Engagement Demonstrations and note trends and consistent approaches across the approved waivers.

Our output will be a document that summarizes the federal guidelines and defines the parameters within which the State's 1115 and 1332 waivers must operate. The work product will be used to guide the development of recommendations and ultimately the waiver application itself. For example, CMS requires states to include an analysis of what sections they are requesting to waive and why; this step will provide the data for that analysis.

[redacted]

3) National Healthcare Trends

In parallel, to create a benchmark for comparison nationally, our team will conduct a scan of the current national healthcare environment, tapping into established sources such as the American Communities Survey, the Medicaid Budget and Expenditures System, and Data USA (a publicly available tool Deloitte developed to put public US Government data into hands of consumers). We will gather a range of relevant information, including but not limited to demographic and population distribution data, income and unemployment statistics, variations in cost of care, service delivery and utilization, social determinants of health data, and commercial payer and provider network coverage. The goal will be to use this national data to understand factors influencing an individual's insurance status as a consideration for factors influencing challenges in Georgia. Deloitte examined many of these data elements as part of the environmental scan we conducted for the Georgia Chamber of Commerce in 2016, which we will be able build upon as a starting point for this effort.

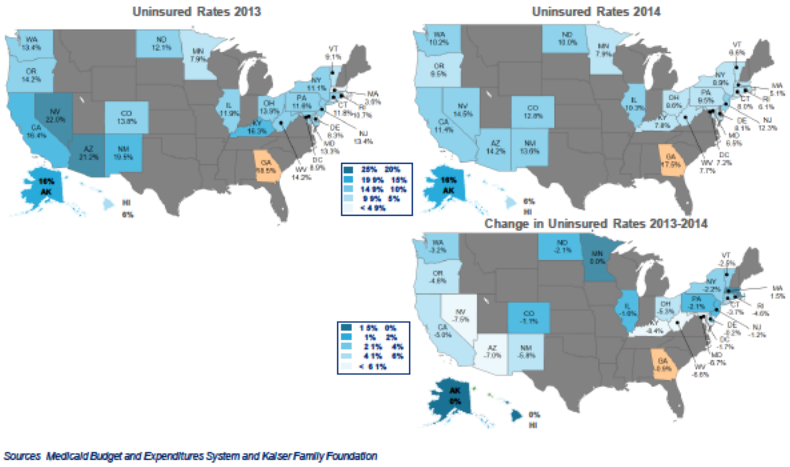


Figure 8. Sample Uninsured Rate Output from 2016 Georgia Chamber of Commerce Environmental Scan.

Our team will summarize the results of the national environmental scan, visually depicting the data and information into an easily consumable format. We will also summarize key opportunities that 1115 and 1332 waiver authority can provide Georgia. This will be based on that national scan, but also on our team's experience supporting more than 20 Section 1115 waivers and our team's current work with CMS leadership on 1332 waiver concepts, including shaping and drafting concept papers, preparing templates for use by states to streamline the 1332 application process, and designing state technical assistance.

B.1.2. Georgia Environmental Scan

As we begin the Georgia Environmental Scan, our focus will be on updating the analysis we did in 2016 to understand and affirm the unique needs and challenges in the State. This phase will be heavily data driven, including an examination of the population served for each coverage type (e.g., Medicaid, individual, small group, uninsured) and will document gaps and challenges. This analysis will be an input to Phase Two, providing a focused understanding of the problems we are trying to address.

As we look across the coverage types previously mentioned, there are four primary stakeholders that should be considered – consumers, payers (including the State), providers, and the business community. We will collect data to illustrate the current status and challenges facing these stakeholder groups across the coverage groups.

We will build upon our previously conducted environmental scan of Georgia with the Georgia Chamber of Commerce to accelerate this phase of work. As we embark on the 2019 scan, we will be able to use that 2016 analysis as a starting point and update and expand upon it. For example, we created a dynamic visualization tool to illustrate the current landscape in Georgia. We may be able to update and enhance this tool as part of the Georgia environmental scan to help visualize the challenges facing the State.

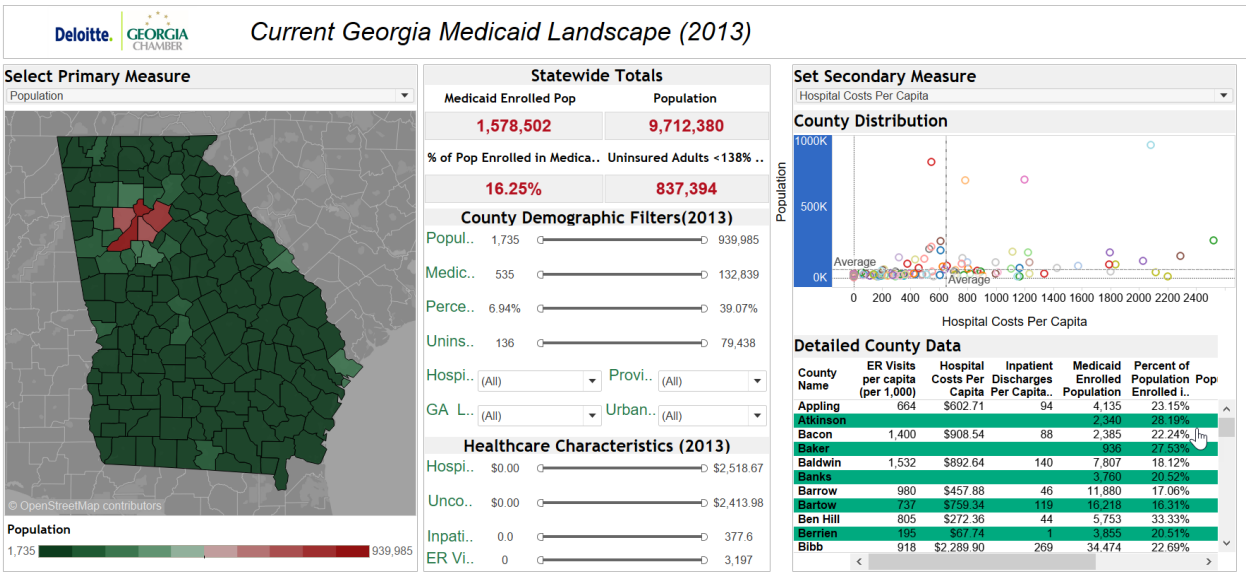


Figure 9. Screenshot of Deloitte's Georgia Dynamic Visualization Tool from the Georgia Chamber of Commerce Environmental Scan.

For consumers, we will research county-level demographic detail, including but not limited to, health insurance status, per capita household income, employment status, health status, and related factors.

For payers, we will examine the landscape in Georgia by conducting a payer mix analysis using publicly available information, including private insurance (including the ACA Marketplace), Medicare, Medicaid, CHIP, and Veteran's Affairs (VA). Furthermore, we will drill into the small business insurance landscape to better understand how employers and employees currently access and utilize the FFM.

For providers, we will conduct a county-level healthcare provider capacity analysis to understand the comparison between available providers and citizens. Within this analysis we will assess any provider deficiencies to identify access gaps within provider specialties, sub-populations, and service lines (e.g., inpatient hospital, outpatient, primary care, behavioral health, long-term care). We will also look at indigent, charity care, and uncompensated care. Depending on the level of data available, we may be able to load provider data into Deloitte's provider-specific network analysis tool to visualize location and provider types compared to populations.

For the business community, we will seek to understand the profile of organizations that do and do not provide health insurance, as well as healthcare challenges facing businesses, such as barriers to hiring and barriers to investment. Inputs to this portion of the scan may be more anecdotal from the stakeholder group and in-state relationships, rather than data-driven.

In addition to offering Georgia-specific findings, we will also link the Georgia and national environmental scan to benchmark Georgia compared to other states. We will use data sources such as Data USA and the United Health Foundation's State Health Rankings to help facilitate this comparison.

From the information gathered and analyzed, our goal is to understand the nuanced and varied needs of Georgia's population overall and amongst subpopulations (including geographical groups such as urban and rural), as well as identify gaps in meeting these needs from a combination of coverage options, affordability, and provider network adequacy. Based on the scan of the Georgia healthcare landscape, we will clearly define the problems Georgia is trying to solve across the state – both on the Medicaid side and on the individual market (such as premiums trends, attraction of premium-stabilizing groups into the marketplace, and the uninsured rate). Being able to clearly substantiate the problems and parameters we are aiming to address will feed into Phase Two and a workable wavier strategy.

A critical element of the environmental scan will be understanding the timeline and level of effort necessary to enable and implement specific policy changes. As such, the Deloitte Team will analyze existing state legislative and administrative authority to determine what waiver concepts are feasible and what concepts would be feasible over time and with additional authority.

Based on the results of the national and local environmental scans we will look at the landscape, the specific needs of the state, and what is allowable and generate a summary to be used to develop recommendations and as supporting data for the waiver submission. For example, a recent federal interpretation regarding 1332 waivers which allows a state to look at the population in aggregate, rather than strictly considering the program populations separate and distinct. Depending on what comes out of the local scan this may be an opportunity to develop a strategy that addresses segments of the population if that is one of Georgia's issues. The Deloitte Team will summarize the scan into a Summary Report and share it with DCH and State Leadership to test the findings and glean additional insights.

B.2. Phase Two: 1115 and 1332 Waiver Options Development

The objective of Phase Two is to develop a set of options to address the challenges identified in the Phase One data analysis and align on a path forward to waiver development. Our goal is not to merely produce options that have been tested in other states, but to create something new that addresses Georgia's challenges and makes Georgia a leader that other states look to emulate.

Before moving into options development, it is important to align on a collective vision, and then choose the best combination of regulatory and statutory authority to achieve that vision. While we have significant experience designing and implementing waivers in other states, we do not plan to simply replicate those experiences in Georgia. Our goal is to use that experience, coupled with our understanding of Georgia's key priorities and the outcomes from the Phase One data-driven environmental scans, to develop options that are unique to Georgia and position the State for long term healthcare success. The Deloitte Team's philosophy is to first work with DCH and State Leadership to craft a set of ideas that

are innovative, tailored to Georgia, and position Georgia to accomplish your unique goals. Then, we will identify the appropriate options available to the State that will maximize the flexibility provided by 1115 and 1332 waivers that meets the needs of Georgians.

As we move into Phase Two of the project, it will be important to continue dialogue with CMS through the regular calls/meetings established at the start of the project. Their input will be invaluable to gather early feedback to the options developed, while also gaining input/clarity on waiver flexibility.

B.2.1. Step 1: Develop Vision, Priorities, and Goals for 1115 and 1332 Options, and Produce Driver Diagram

We believe that it is essential to start Phase Two by having the DCH, State Leadership, and the Deloitte Team align on a vision, a set of priorities, and goals that we will collectively work to accomplish. These priorities will be informed by the environmental scan and tailored specifically to Georgia. We will use the vision, priorities, and goals to help develop, frame, and align on a cohesive option as we move throughout this phase towards waiver development.

To help facilitate alignment on a vision, priorities, and goals, the Deloitte Team will prepare for and facilitate an interactive one-day, immersive learning, working session with key leaders from DCH and State Leadership. Deloitte has conducted similar working sessions with state Medicaid agencies, large commercial health plans, and large provider organizations. Georgia's session will be designed to support accelerated thinking that builds on principles identified by DCH and State Leadership and brings together our team's national experience to align on a comprehensive vision, and a set of priorities and goals. During the session, we will focus on confirming the challenges which Georgia is trying to solve for and identifying the aims that the State is trying to achieve. We will do this through a series of interactive exercises focused on creative collaboration. For example, the environmental scan may suggest that Georgia is having difficulty attracting young healthy adults into the market, struggling to address high cost populations and/or rising premiums, and/or struggling to keep health plans in all regions. Our team wants to consider all potential challenges to arrive at a unified vision and a set of priorities and goals.

As part of the working session, we will initiate a Driver Diagram, which will serve as a key next step in developing options. A Driver Diagram is a tool used and promoted by CMS to depict the theory of change behind an intervention or design by depicting the relationship between an aim, the primary drivers that contribute directly to achieve that aim, and the secondary drivers that are necessary to achieve the primary drivers. During this session, one of our outcomes will be to work through the "aim" and "primary drivers." From experience, we have found that working through Driver Diagrams in a multi-stakeholder group setting can be an effective tool for consensus building. The Deloitte Team has experience creating driver diagrams for CMS State Innovation Model (SIM) design states – including Kentucky and Oklahoma – and has also supported the creation of CMS-specific driver diagrams for the Innovation Accelerator

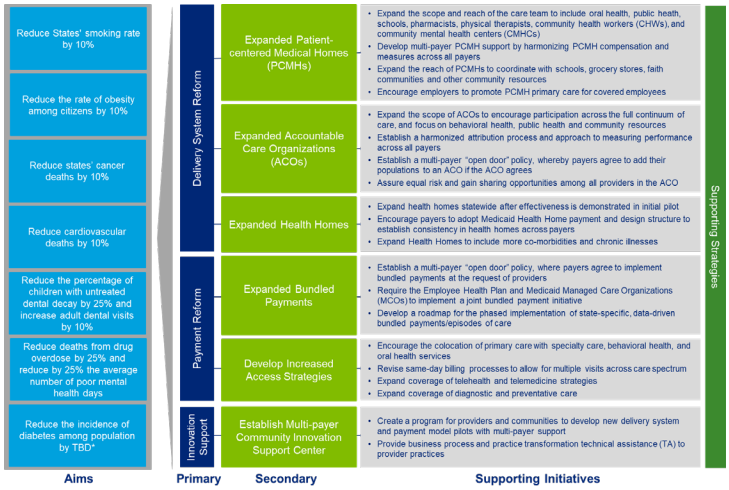


Figure 10. Example Driver Diagram.

Program (IAP) and Million Hearts program. A Driver Diagram will be a useful tool for Georgia to use in communicating the initial vision and aims for this program upfront.

The output from this working session will be a documented vision, goals or aims, and priorities unique to Georgia, but specifically informed by the data from the environmental scan. We will document these outputs as a follow up to the session and will also work as a smaller workgroup to refine the Driver Diagram.

B.2.2. Step 2: Develop and Refine Georgia's 1115 and 1332 Options

Using both the learnings from the Phase One Environmental Scan and the Driver Diagram outputs from the working session, the Deloitte Team will develop an initial set of options that align to Georgia's long-term vision. These options will be conceptualized by our team of former Medicaid directors and industry leaders. Our goal during this step is to provide Georgia with out-of-the-box thinking and innovative ideas that go beyond what has been tried and approved in other states and looks at the realm of innovative strategies to best address Georgia's challenges, while keeping an eye towards what is approvable by federal authority. We plan to develop these options in a holistic manner rather than developing options for 1115 and 1332 waivers in silos. Components may include the approach to using Medicaid coverage as an incentive to increase work participation among low income Georgians and how the Medicaid managed care program and Marketplace could intersect to best promote beneficiaries transitioning to the private insurance market.

During this phase, we will also consider current CMS guidance for 1115 and 1332 waivers that we summarized during the environmental scan. For example, a key element of our thinking will be how to look at creating fiscally sustainable pathways to healthcare coverage that encourages employment and financial independence. The Deloitte Team will develop detailed descriptions for each option and review and iterate on those ideas with DCH and State Leadership. The primary goal will be to align with DCH on options that could be implemented using either 1115 and 1332 waiver authority, without taking up too much of the State's time with reviews, before moving into more detailed analysis.

B.2.3. Step 3: Analyze Georgia's 1115 and 1332 Options

After the Deloitte Team works collaboratively with DCH and State Leadership to develop options, we will analyze the options to provide Georgia with critical data needed to select a preferred option.

As we complete the analysis of both the 1115 and 1332 elements, we aim to develop dynamic models for elements like expenditures and enrollments that can be reused with adjusted inputs. By creating models in this fashion, our team will be able to work closely with the State to run various scenarios with small adjustments, without rebuilding the model. The Deloitte Team has taken a similar approach in the waiver analysis we performed for other states, which proved critical in finalizing a program design.

B.2.3.1. 1115 Waiver Analysis

Projected enrollment and expenditures. To project expenditures and enrollment over five (5) years, including an additional three (3) years of waiver operations, the Deloitte Team will use benchmarks from the data captured during the local environmental scan in Phase One and from publicly available data. We will generate trends based on findings from Phase One, as well as from our experience conducting waiver modeling in other states.

Distinguishing Factors

Deloitte has a dedicated health actuarial practice with more than 140 health actuarial practitioners, including 75 credentialed actuaries nationwide.

Provider network capacity. The Deloitte Team will also project provider network capacity in urban and rural regions by service line as requested by DCH. In fact, Deloitte has pre-established models for provider network capacity from work in other states that we will use as an accelerator for this effort. We will model across the service lines provided by DCH - hospital, primary care, specialists, behavioral health, long term care. We will also us our experience supporting other states in the design and implementation of programs focused on increasing access to health insurance. In Kentucky, for example, the Deloitte Team analyzed how increasing access to coverage impacted the healthcare facility capacity across the Commonwealth by testing whether existing healthcare facility support across 18 facility types could sustain the anticipated increase in demand.

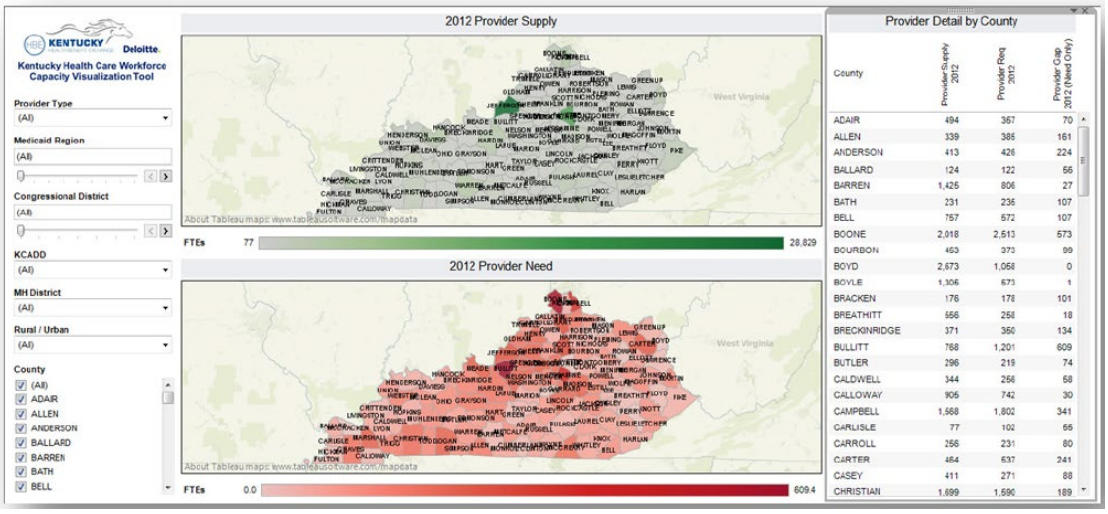


Figure 11. Screenshot of Deloitte's Capacity Study Tool.

Projected economic impact. To project the economic impact of each option, the Deloitte Team will take an input-output analysis approach using **IMPLAN** to model statewide and

sub-state regional economic impact and identify economic multipliers unique to Georgia. **IMPLAN** is a nationally-recognized model that is used for policy scenario planning. The model examines the way a dollar infused into one sector is spent and re-spent in other sectors of the economy to project tax revenue and job creation outputs. The model is loaded with Georgia specific expenditure data and then uses national industry data and county-level economic data to generate economic multipliers, which in turn, estimates the total economic impact.

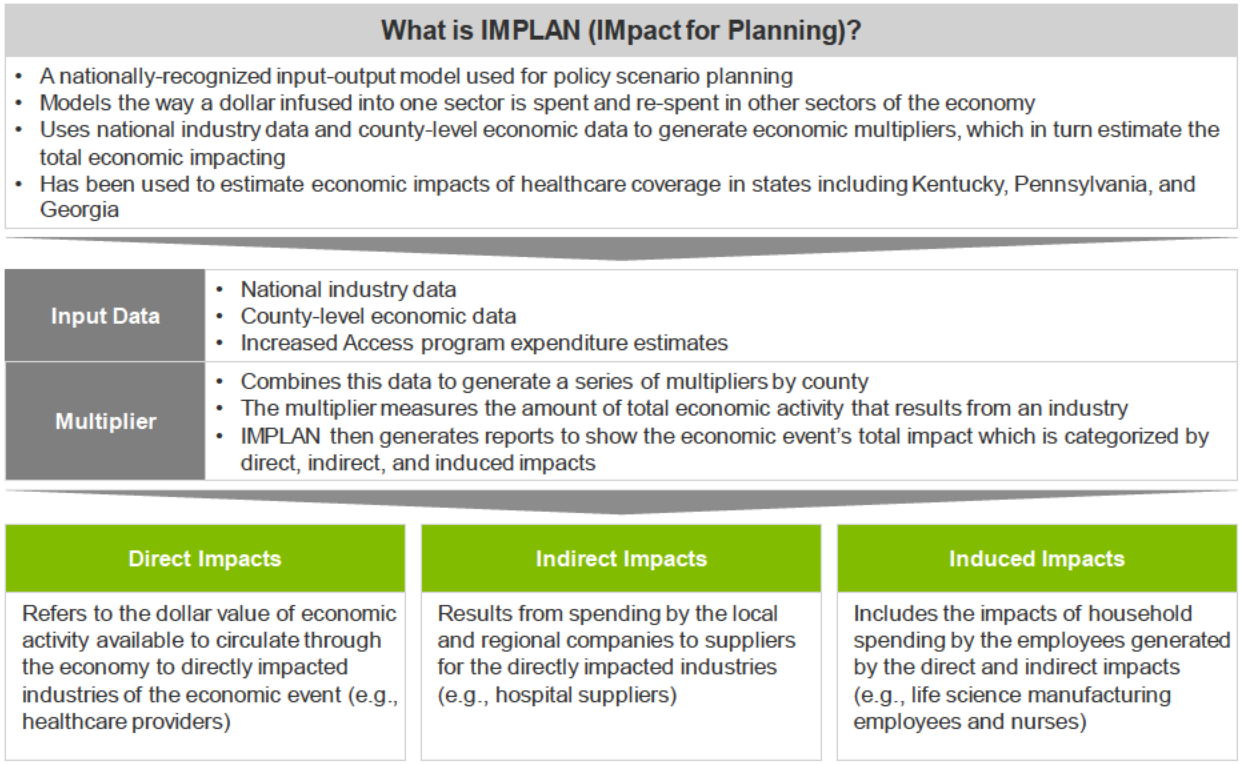


Figure 12. Overview of IMPLAN.

We will use the estimated expenditures for each option and feed that additional spend into the model to summarize the direct, indirect, and induced effects anticipated by the Georgia options, as well as estimated tax revenue, and job creation, and produce a summary report. The Deloitte Team has experience estimating anticipated economic impact of health policies using IMPLAN as well as the economic impact of policies after implementation. While not mandatory for waiver requirements, this type of analysis can help state policymakers think through the broader state economic impacts of the options. For example, in Pennsylvania and Kentucky, the Deloitte Team studied the impact of increasing healthcare access on tax revenue, job creation, and the overall economy.

B.2.3.2. 1332 Waiver Analysis

With increased flexibility from CMS, states have the opportunity to rethink how 1332 waiver authority can be used to meet their needs. The options generated by the team may include components that are more cross-cutting and innovative than prior waivers. Most states have trended toward reinsurance or high-risk pools for their 1332 waivers, which are useful tools; but to address broader market challenges a 1332 waiver authority can now be used in more creative ways.

To determine the best option for Georgia, our team will first examine the state and federal goals for 1332 waivers. As our team designs and models options, we will consider the five key principles that CMS outlined in its November 2018 CMS guidance, as waivers that

address one or more of these principles will be considered favorably for approval. By designing a waiver that ties Georgia's goals to at least one of the federal goals, we believe that it will streamline the approval process. The five principles that CMS outlined that will serve as our initial lens are:

1) Provide increased access to affordable private market coverage;
2) Encourage sustainable spending growth;
3) Foster state innovation;
4) Support and empower those in need; and
5) Promote consumer driven healthcare.

Once we have determined the goals the team will base further waiver analysis on its ability to fit within the four statutory guardrails:

1. Provide coverage that is at least as comprehensive as would be provided absent the waiver
2. Provide coverage and cost sharing protections against excessive expenses that is at least as affordable as would be provided absent the waiver
3. Provide coverage to at least a comparable number of residents
4. Not increase the federal deficit

While these four guardrails are statutory requirements, CMS' 2018 guidance and subsequent communications suggest CMS now believes that states have more flexibility in how they are met than previously thought. For example, to meet the requirement on the number of residents covered by health insurance, the state may look in aggregate rather than strictly considering the program populations separate and distinct. To provide examples to the states, CMS published four waiver concepts to highlight the new flexibility. While these options may or may not fit Georgia, they are intended to provide examples of additional innovative strategies that can be deployed if states would like to rethink how they use federal subsidies.

As a key part of this phase our team will assess and model the waiver options using the data from the Phase One Environmental Scan and additional financial and actuarial data, as needed. To conduct this modeling, we will bring together our 1332 Innovation Leads and our actuarial team to fully evaluate each 1332 option.

During this analysis, the Deloitte Team will model proposed designs, looking at the **number of individuals who will be insured with and without the waiver, the projected cost to the federal government, the state, and to consumers, the proposed level of coverage, and other coverage factors**. Our team will then project the impacts to premiums and risk profiles of impacted private insurance markets (individual, small group, and fully-insured large group) over 10 years. During this phase, the Deloitte Team will also develop recommendations for the infrastructure, including the 1332 governance structure that would be necessary to support the waiver once implemented.

Distinguishing Factors

Deloitte is currently working with a large state's Department of Health to model the financial considerations for the state, the federal government, and for consumers of implementing a single payer system.

To develop 1332 governance structure recommendations, our team will look at best practices across the states, including our leaders' own experience working with healthcare governance models. We will also study governance models in commercial health plans,

leveraging our firm's deep expertise in working with 90% of the Top 20 U.S. Health Plans, as ranked by AIS Health's Directory of Health Plans. This may include options such as state run, non-profit, quasi-public, and multiple entities. In considering governance options, we will use factors such as timeframe, funding, and statutory and regulatory landscape.

Once the Deloitte Team completes this analysis, the model will be evaluated to determine if it is: 1) structured in a manner that addresses the articulated goals; 2) is in compliance with the four guardrails; and 3) fits within waivable sections and meets other ACA requirements (e.g., maintains coverage for preexisting conditions).

Upon completion of Step 3, the Deloitte Team will produce a **Waiver Options Report**. This options report will summarize the options developed in Step 2 and will contain a summary of the Deloitte Team's analyses in Step 3 to provide Georgia with a picture of the program design components and the projected economic and private insurance marketplace impact of each.

B.2.4. Step 4: Determine Waiver Authority Needed for 1115 and 1332 Options

Upon completion of the detailed analysis in Step 3, the Deloitte Team will review each option to **determine which waiver authority, or combination of waiver authorities, will be required** to implement the program components and what can be done using other authorities such as SPAs. We will collaborate with DCH to consider what, if any, state regulations and/or statutes may need to be modified and determine if such changes are feasible. We will also work with DCH to identify if any existing authorities can be leveraged. To identify the specific authorities required for each option, the Deloitte Team will examine each component of each option and align them to the respective authority based on federal regulation, our team's experience with the authorities, and the summary we completed during the environmental scan. We envision detailing out each option into a grid such as the following.

Based on experience from a current project, CMS is expecting states to consider 1115 authority as a "last resort" and are asking states to prove how other authorities (e.g., SPA and 1915) are not feasible, making the 1115 a necessity.

	1115	1332	SPA	1915	Other Levers
Program Component #1			√		
Program Component #2	√				
Program Component #3		√			

Figure 13. Example Federal Authority Alignment Grid.

B.2.5. Step 5: Conduct Decision-Making Prioritization and Select Preferred Approach for 1115 and 1332 Waivers

After the Deloitte Team has conducted the more detailed analysis for each option described in Step 3 and determined the authority needed to implement each option, we will reconvene DCH and State Leadership to facilitate a prioritization and decision-making workshop with the primary goal of selecting a preferred approach or approaches. We help participants examine each option contained in the report, outlining the programmatic components, waiver authorities required, and benefits and challenges of each. We will solicit input from participants on which option or options best align with the previously agreed upon vision, goals, and priorities. As part of this workshop, we will also facilitate a **prioritization exercise** based on a set of established factors that will closely tie to the agreed upon priorities. Factors may include ease of implementation, economic impact, stakeholder impact, cost, and impact on population health, among others. This prioritization will assist DCH and State Leadership with narrowing the options to move forward to waiver development.

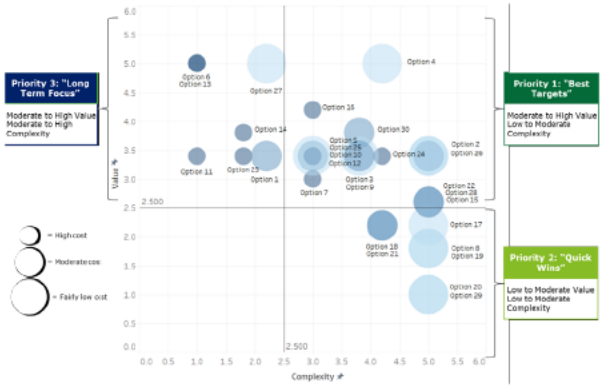


Figure 14. Example Prioritization Framework.

The output from the workshop will be leadership alignment on the preferred approach, which will be updated in the Options Report. In this report, we will build out details of the option, including goals and components along with our analysis, data, and assumptions. While much of the details of the option will have already been shared with CMS during the regular meetings/calls, the contents of the Options Report will also serve as an important input for our ongoing discussion with CMS.

B.2.6. Step 6: Initiate 1115 and 1332 Waiver Development

Once DCH and State Leadership have finalized a preferred option or options, the Deloitte Team will shift to Phase 3: Waiver Development. While it is our intent to have regular and ongoing communication with CMS throughout the project, at this point DCH should formally notify CMS of its intent to develop a 1115 and 1332 waiver and request technical assistance, being specific about areas of needed support.

B.3. Phase Three: 1115 and 1332 Waiver Development

As we move into waiver development, we will work with Georgia to bring together the findings and policy concepts from Phases One and Two to create comprehensive and compliant waiver applications. In our experience, it is critical to craft a sufficiently detailed waiver application that meets CMS and Department of Treasury requirements and

represents a fully developed concept. At the same time, it will be important that the waiver not be overly-prescriptive, in order to allow for enough flexibility to enable subsequent implementation and operational decisions to be made without requiring an amendment to the waiver. Our team will work collaboratively with DCH and State Leadership to write the waivers and complete the budget neutrality analysis required for 1115 waivers and the deficit and coverage analysis requirements for 1332 waivers.

Dependent on the waiver concepts developed in Phase Two, we will streamline the 1115 and 1332 drafting process to maximize productivity. Unlike the 1115 process, there are limited examples and templates for 1332 waivers beyond the reinsurance concept. CMS has indicated that sample templates are forthcoming that may be used by states to guide their 1332 submissions. Once CMS releases these templates (assuming it is before Georgia's waiver is submitted), we will tailor those to meet the Georgia submission.

Our experience as both external partners to and internal leaders within numerous state Medicaid and other federal/state health and human services agencies has taught us the importance of regular and ongoing dialogue with federal officials during waiver development. Therefore, we will continue the regular cadence of checkpoints with CMS described earlier in the response to keep CMS informed of progress and elicit feedback regarding the content of the waivers. Not only does this lead to better quality waivers overall, it familiarizes CMS with the content and rationale of the application prior to the official submission and allows us to proactively work through issues with CMS on the front end. This will be particularly important as Georgia seeks to develop 1115 and 1332 waivers that may interact with each other. Our team's relationships with key leaders at CMS will be invaluable during this process.

B.3.1. Develop High-level Design

As we move into Phase 3 and with the preferred option selected, we will begin a process of facilitating the development of the high-level design. The goal of this step is to build out additional details as part of the option to further refine what it will look like and how it will operate. Moreover, by developing the high-level design, we will be defining many of the key inputs required for the waiver applications.

During this activity, our Waiver Development Project Team will facilitate a series of working sessions with members of the State's project team to work through high-level aspects of the design. These sessions will be organized across an established set of topics, pulling in the appropriate individuals for the relevant topics. Examples of workshop topics may include, eligibility process, linkage to workforce development, requirement compliance, and interaction with insurance markets including the FFM.

Because of the number and complexity of these decisions, employing the established project governance structure will be imperative to keeping leaders informed and the project moving

forward. We envision this as an iterative process of reaching design decisions in the working sessions, getting steering committee approval, and then obtaining CMS feedback. Once a decision is confirmed, the Deloitte Team will document that decision.

The Deloitte Team's past and current experience leading/supporting the implementation of waivers in more than 10 states as well as our team's direct experience operating waivers as Medicaid directors, will prove invaluable during this phase. We will be able to help the state think through and raise implementation and operational considerations in the design, while also confirming compliance with federal requirements. Additionally, because of our experience taking more than eight waivers from design and application through to approval and into operations, we will be sure to gather the details required during this step to support the waiver application.

B.3.2. 1115 Waiver Development

The Deloitte Team will use the option selected and high-level design previously developed as the foundation of the waiver application. At this point, we will have iterated and aligned with CMS on the key components and goals of the waiver, and in this phase, apply the program design to the application requirements.

Two early steps in our waiver development will be to decide on a format and to compile relevant approved content. CMS provides a template for the 1115 waiver that we can decide to use as guidance or populate as the actual waiver. Additionally, we will pull in relevant approved language from past 1115 waivers. While we fully intend for Georgia's waiver to be unique to Georgia, there may be elements from other approved waivers that can serve as a starting point for content development.

As we complete draft of sections of the waiver, we will leverage the project governance structure and defined review team and process to cycle these for input. We will also share specific elements of the waiver with CMS as part of our regular calls and meetings. Our experience has taught us the importance of coordination and communication with both internal stakeholders and CMS during the drafting phase. Accuracy and version control are critical at this stage, and we will employ tools and processes to streamline this development.

Per the CMS template and experience with 1115 waiver development, elements of the waiver will include:

- A comprehensive program description of the demonstration, including the goals and objectives to be implemented under the demonstration project
- A description of the proposed healthcare delivery system, eligibility requirements, benefit coverage and cost sharing (premiums, copayments, and deductibles) required of individuals who will be impacted by the demonstration to the extent such provisions would vary from the state's current program features and the requirements of the Social Security Act. Depending on the design, considerations for this part of the waiver may include:
    - The type of flexibility that will be requested to establish a Community Engagement or work requirement (while CMS has provided guidance to states on the new flexibility, there are still considerable decisions that need to be made and the state may want to incorporate some of the Court's expectations to date in *Stewart vs Azar* as part of their deliberative process)/
    - Existing federal regulations around cost sharing if the state is interested in pursuing additional flexibilities that would establish new cost sharing expectations or create new opportunities to provide incentives to drive improving member health outcomes;

  - Benefit package if there are any opportunities to appropriately modify the benefits; and
  - Financing flexibility (for example, depending on how the state is currently financing some services with local funds there may be opportunities with an 1115 waiver to bring in some federal financing).

- A description of the proposed delivery system by coverage populations and any waiver authority that may be required for implementation. For example, it would require waiver authority if the state seeks to narrow the network of providers or insurers accessible to a new covered population
- An estimate of the expected increase or decrease in annual enrollment, and in annual aggregate expenditures, including historic enrollment or budgetary data, if applicable
- Current enrollment data, if applicable, and enrollment projections expected over the term of the demonstration for each category of beneficiary whose healthcare coverage is impacted by the demonstration
- The specific waiver and expenditure authorities that the state believes to be necessary to authorize the demonstration
- The research hypotheses related to the demonstration's proposed changes, goals, and objectives; a plan for testing the hypotheses in the context of an evaluation; and, if a quantitative evaluation design is feasible, the identification of appropriate evaluation indicators as described in CMS' recent community engagement guidance
- Results of the public comment, including reconciliations of comments (to be incorporated into the final 1115 waiver submission to CMS)

Our team's experience and proven record of success with federal waiver development will enable Georgia to navigate the application process efficiently and effectively. Ultimately, we will construct a detailed and compliant document that reflects Georgia's desired approach to expanded access to care throughout the state and is set up for successful review and CMS approval.

Based on experience with waiver evaluations, it is important that states select a discrete set of measures where data can be effectively collected and measured. Some states have the tendency to want a large number of measures that are often difficult, if not impossible, to evaluate.

B.3.2.1. 1115 Budget Neutrality

In order for an 1115 waiver application to be approved, the waiver must be deemed budget neutral throughout the period of the waiver, meaning that the waiver request cannot result in an increase in federal spending or the budget deficit. Our team of actuaries has detailed and relevant experience constructing budget neutrality models for Section 1115 waivers.

As such, it will be critical to initiate construction of the budget neutrality at the outset of the waiver concept to help determine what components are included in the waiver (e.g., Medicaid eligibility groups – MEGs, supplemental payment programs, infrastructure/administrative costs, etc.). Since budget neutrality is contingent on keeping the actual costs under the waiver at or below the estimated cost under the waiver, it is important to understand how to maximize the potential budgetary neutrality "room" that exists within the waiver to implement new programs. The budget neutrality "room" is the difference between actual expenditures for the MEGs/programs included with the waiver (WW) compared to estimated expenditures without the waiver (WOW). This budget

neutrality calculation is held at the cost per member per month (PMPM), such that the reforms will not increase the federal budget deficit relative to current law. We bring experience in helping states build dynamic budget neutrality models that allow for a variety of components and assumptions (e.g., estimate trends, MEGs, supplemental programs, etc.). We have found having this flexibility built into the model helps in determining the waiver structure, communicating options across stakeholders, and supporting CMS discussion and negotiations. This experience positions us to assist Georgia in evaluating the budget implications and verifying that the projected expenditures after waiver implementation do not exceed projected expenditures WOW PMPMs, such that the reforms will not increase the federal budget deficit relative to current law.

Data Collection & Summarization. Given the time that it often takes to get the right data in the right format, at the start of the project the Deloitte Team will provide a data request for the data needed for budget neutrality calculations and analysis. The Deloitte Team will collaborate with DCH team members and their actuary to identify and validate the baseline historical data, to confirm that it aligns to waiver design parameters and that sufficient information has been gathered to support the scope of activities throughout the budget neutrality effort. This analysis includes the development of historical data summaries for the most recent and complete five years of data, baseline expenditure projections, and adjustments that will be developed and applied to align the future state expenditures with the anticipated impact of the waiver design.

In addition to formal waiver submission components related to budget neutrality, CMS requires that data validation summaries be provided at the onset of budget neutrality discussions to allow for verification that any historical data being relied upon is identifiable, appropriate, and aligned with the waiver design. An example of a comparison that can be completed to support the data validation is a comparison of historical claims extracts to CMS-64 reports.

In situations where historical data are not readily available (for example, new childless adult populations), alternate approaches are required to determine the historical PMPMs that will be the basis for WW and WOW projections. Several feasible options may be considered, including using:

- National benchmark data sets
- Acuity adjustments to account for differences in readily available cost profiles relative to Georgia populations
- Similar population data from other state(s)

An analysis of the benefits and challenges of different approaches may be needed to decide which option(s) are most reasonable.

CMS provides a budget neutrality template that is a good resource for evaluating budget neutrality. Our team will work in concert with DCH fiscal experts and engage CMS technical assistance throughout the latter stages of the budget neutrality calculations to discuss important aspects of the analysis such as the covered populations and services, data used and how it aligns to those populations/services, MEG level PMPM trends relative to the president's budget trends, and projection adjustments, their development, and application. This will provide CMS with the baseline information necessary to provide guidance for changes that may be needed to align with requirements for approvability and to determine that the waiver(s) comply with budget neutrality requirements.

Expenditure Projections (WOW & WW). After aligning on the historical or base data that will be utilized as a starting point for projection purposes, trends will be developed at the MEG level based on the most recent five years of complete data and compared against the President's budget trends. The selected trend will be the lower of the two floored at 0% and be the basis for the projections throughout the waiver period. Frequently, CMS will not allow for adjustments to the WOW PMPMs that are based on changes to the current program not yet captured in the historical data, especially if the adjustment would be considered inherently trend related (e.g., legislatively mandated wage adjustments).

Based on the proposed waiver design, the development of the WW PMPMs and how they deviate from the WOW PMPMs will be required. There may be the need for adjustments applicable to account for anticipated differences in how members will utilize services and what services will be available. For example, considerations for administrative expenses and managed care savings will be required to determine if the waiver will produce a neutral budgetary impact to the federal government. This step requires significant due diligence and can become very time-consuming depending on how complicated the waiver design is and how challenging it is to produce a budget neutral result. Early consideration of modeling challenges during the waiver design phase will help to mitigate the risk of significant time and effort being focused on the projection development phase, and our team's significant experience in this area will serve as a bulwark against these risks.

We have found it beneficial to develop our models in a dynamic nature to allow for multiple scenarios and easy iterations. It is important to consider several different budget neutrality models to understand the impacts of different negotiation approaches with CMS on decisions around trend and baseline projections.

Iterative Review. While we will include budget neutrality on our regular touchpoints with CMS, after we develop an initial version of the budget neutrality, our team and DCH complete its review, and the team internally agrees on the approach, we recommend sharing a formal draft of the budget neutrality with CMS for review. Our early and frequent engagement with CMS will help to identify any recent policy or procedural changes that need to be accounted for based on the current waiver design and retain time for revisions to get to an acceptable and approval position with CMS. Applying this iterative review and revision approach with CMS will allow for earlier identification of necessary updates and signal if there are significant roadblocks in the waiver design that need to be addressed.

B.3.3. 1332 Waiver Development

The Deloitte Team will similarly begin the 1332 waiver development process with the option developed from Phase 2 and the high-level design as the foundation. We will bring together and align data from the previous phases to create an initial draft of the 1332 waiver application, which will include responses to the following requirements and other supporting information CCIIO deems necessary for a complete application:

- A description and copy of the enacted state legislation that provides the authority to implement the proposed waiver
- A description of the program being proposed

- The list of provisions the state seeks to waive, including the rationale for the specific requests
- How the state meets the four guardrails and provides the ACA required coverage
- Actuarial analysis, including certifications, data assumptions, target and other information necessary to support the waiver, with complete economic analysis
- A detailed plan as to how the state will implement the waiver, including a timeline
- Results of the public comment, including reconciliations of comments (to be incorporated into the final 1332 waiver submission to CMS)

Despite the flexibility in the waiver development process, 1332 waivers must operate within the statutorily required guardrails as further defined by CMS in regulatory and sub-regulatory guidance. Our team understands both the limitations and allowances of these guardrails, and as such we will be able to work with the State to develop innovative solutions that are within the bounds of these guardrails as defined by statue, regulations, and sub-regulatory guidance.

Each of the required components of the 1332 application outlined is addressed in sections throughout this proposal. The work completed in Phases 1 and 2 will be incorporated into the Phase 3 waiver development. For example, the legislative authority, waivable ACA sections and program design from the 1332 Analysis, as detailed in prior sections, will be included in the application being prepared here in Phase 3.

B.3.3.1. 1332 Actuarial Analysis and Certification

This provides states greater flexibility in defining their 1332 waiver. The actuarial analysis for the 1332 waiver is used to support the compliance with each of the four statutory guardrails focused on **Comprehensiveness, Affordability, Comparable Coverage, and Deficit Neutrality.** In the following sections, we have highlighted how this new guidance may impact acceptance of each budget component.

The Deloitte Team's actuaries are well versed in all healthcare markets and are leaders in innovation. The experience and tools at the team's disposal positions the Deloitte Team to be the trusted partner Georgia needs to analyze, certify and stand behind the work products when negotiating with CMS on the selected approach.

The actuarial and budget components of the 1332 waiver application include:

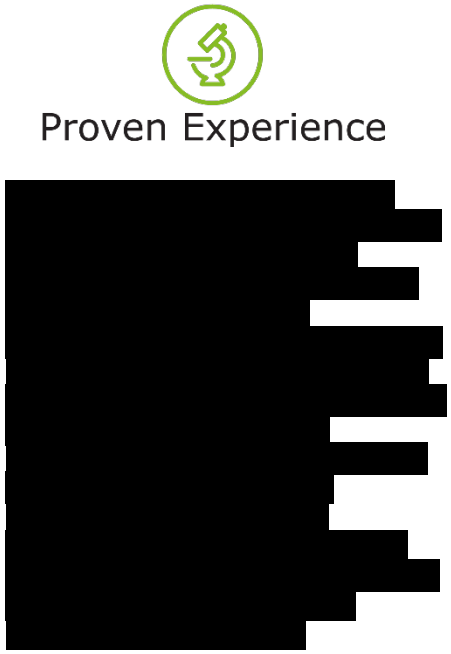
- Data, assumptions, targets, and other information sufficient to determine that the proposed waiver will satisfy the statutory guardrails for a 1332 waiver approval.
- Actuarial analyses related to the impact of the proposed waiver on health insurance coverage in the state that is supported by an actuarial certification which indicates the state estimates related to the waiver application will comply with the following requirements:
    - Comprehensive coverage
    - Affordability

    - Comparable coverage
- A detailed 10-year budget plan that illustrates that the proposed waiver is deficit neutral to the Federal government

Analysis Considerations: To date, most 1332 waivers have been focused on the development of reinsurance programs to help stabilize the ACA individual markets. At a high-level, reinsurance waivers seek to lower the impact of high cost individuals by using a pool of funds to cover the cost of members whose claims expense exceed a pre-determined threshold. In the pre-ACA world, many states would have previously utilized a state-based high-risk pool to carve out high cost members completely from the market to isolate that risk. As the original federal reinsurance program was temporary, states are utilizing waivers to again attempt to reduce the impact of high cost members, especially with regard to perceived volatility and uncertainty which would have to be priced into their premium rates.

While we understand that Georgia wants to look beyond the use of section 1332 for the development of a reinsurance program, using what has been approved provides a useful framework of where effort will be required to analyze and meet the expectations of those authorized to approve the waiver. Much of the data needed to analyze and support the 1332 waiver will be different from the data used to support the 1115 waiver. The populations, health benefits, cost sharing, and federal subsidies all need to be considered. We will work closely with DCH to identify the potential considerations for inclusion in the waiver and build a dynamic model that allows for data-driven decision making as the waiver is developed and finalized.

Comprehensiveness: As part of the section 1332 requirements, states have to determine that the coverage is at least as comprehensive as the coverage provided in the absence of the waiver. Under the former guidance, states needed to show that the waiver would not decrease the number of individuals with coverage with access to the minimum Essential Health Benefit (EHB) requirements, would not decrease the number of individuals with coverage of any particular EHB category, and would not decrease the number of individuals with coverage that includes Medicaid and CHIP-covered services. The new guidance requires that comparable "access" to comprehensive coverage is available.



Using our Benefit Cost Model, as described further in the following Affordability section, we are able to efficiently examine the minimum EHB requirements. While the EHB categories are statutory, the definition may vary across programs and states. We will work with DCH to explore innovative approaches to assess and define the services within the EHB categories that meet the EHB requirements as part of this analysis. It is important to align to comprehensiveness and take steps to incorporate considerations for comprehensiveness in the plan designs that are tested to align plan design with both requirements. We will use both the Benefit Cost Model and Benchmarking models to support this effort to verify that the coverage is meeting and exceeding federal benchmarks as well as comparing to state plans currently offered in the market.

Affordability: Under the initial 2015 guidance, States were required to demonstrate that the 1332 waiver would not increase the number of individuals with large out-of-pocket

health care costs, even if it would increase affordability for many other individuals. As noted above, the new guidance requires comparable access and affordable health coverage is available. The Administration will continue to assess waivers for the impact on vulnerable populations, making sure that the magnitude of the impact is not substantially worse.

It is critical that the actuarial analysis include development and benchmarking of the actuarial value (AV) of potential plan variations that may have significant differences in covered services and coinsurance, among other variables. Doing so requires familiarity with ACA plans, how to price them, and actuarial approaches and tools to develop an actuarial value that will stand up to significant scrutiny.

Actuarial Methods and Tools

 Customizable Cost and Benefits Models

 Benefit Design Benchmarking Model

 Budgetary Impact Model

The Deloitte Team has a number of tools that will help to support this analysis. Using our Benefit Cost Model Tool, we can value a wide range of benefit designs. For example, we frequently use this tool in the State of Minnesota to support their State Employees Group Insurance Program (SEGIP). Further, utilizing the Benefit Benchmarking Model, we can compare the various benefit designs and associated actuarial values to other state benchmarks, other actuarially equivalent (AE) plan designs (including federal AE designs which Office of the Actuary may use as their internal benchmark).

An example of how we used these tools is modeling we did for the State of Texas. While it was focused solely on the Medicaid program, rather than populations targeted with the 1332, the example helps to show the tools in action. We used our Benefit Cost Model in coordination with State of Texas to model cost implications of different benefit designs and benefit limitations for different covered and uninsured individuals when supporting a Medicaid expansion waiver prior to the ACA. In this example, we provided estimates of the percent of eligible members who elect coverage ("take-up"), the member's and State's share of costs PMPM, and the overall State funding needed for each benefit structure. The take-up model and benefit pricing models allowed us to price various benefit designs for differing levels of FPL status and funding levels to assess the costs of Medicaid expansion to the uninsured in the State. We customized our models to develop the costs for various insurance packages, various outreach efforts, and varying populations (i.e., varying FPL levels, employed, non-employed, and other population groups).

Comparable Coverage: Under section 1332, the waiver is required to provide coverage to at least a comparable number of residents. The prior guidance under this requirement noted that the number of individuals with access to essential coverage would have to be comparable with and without the wavier. Further, states would have to show that a waiver did not reduce the number of vulnerable individuals. Under new guidance, states have more flexibility in how to determine the count of enrollment and access to essential coverage, so long as the state can show comparable coverage over the life of the waiver.

We will work closely with DCH to compare the coverage requirements under the waiver with the coverage for populations that overlap with the marketplace, commercial plans, and Medicaid. We will also use the results from the Benefit Cost Model analysis, to understand how the essential coverage is comparable under the waiver to individuals' current benefit packages. The Deloitte Team has robust commercial and Medicaid actuarial consultants that are frequently aligned on projects so that all angles of each market are considered. Further, our team has the tools available to support these types of initiatives as can been seen in the efforts completed for our clients.

An example of how we have delivered this type of work is a study the Deloitte Team conducted for New York State that focused on scenario testing the impact of different coverage options on the individual and small group markets, differences in acuity in covered populations and how that may impact benefit pricing in pre and post-ACA markets. Due to extremely limited data available, the Deloitte Team had to identify appropriate data sources to utilize including non-traditional sources. Further, the team implemented the use of advanced analytics as well as lifestyle information to support the testing of potential impacts of unknown acuity level for populations that had previously been uninsured.

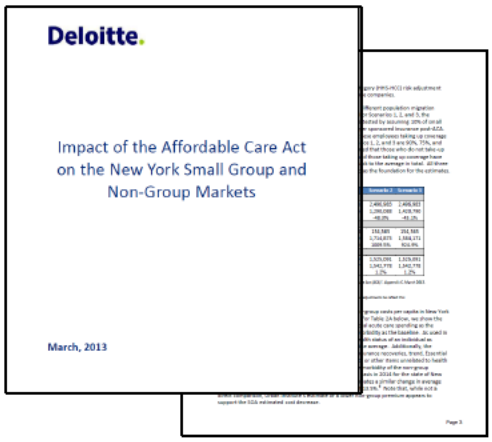


Figure 15. Deloitte Study for the State of New York.

Deficit Neutrality: The development of an approach that maintains deficit neutrality to the federal government, while also being fiscally sound from a state perspective, is fundamental to the 1332. It should be noted that the Office of the Actuary (OACT) will opine on the deficit neutrality calculations and presumptively all items certified by the state's actuary as being appropriate for meeting the waiver requirements. This does provide some level of uncertainty of what will be deemed reasonable when deviating from waiver approaches that have previously been considered for approval. The Deloitte Team's actuaries have experience developing budget neutrality and cost effectiveness calculations using our Deloitte developed and customizable models to support waiver submissions and negotiations with CMS and the Treasury Department. As a key input to any actual analysis, various claims and membership data are used to complete neutrality analyses. Further, CMS frequently requests a data reconciliation to verify what services, expenditures, etc. are being captured in the neutrality calculations and to confirm there will not be a potential for double counting federal match on services currently covered by other waivers or state plans. Our team has designed a Data Validation Model that is specifically mindful of these CMS requests which also tend to be highly valuable to our state partners who want to verify their understanding of the basis for the modeling efforts with their internal experts.

Finally, our team helps states understand any budgetary considerations that are outside of the bounds of waiver neutrality calculations. For example, moving populations into managed care can cause state payment overlap between fee-for-service and capitation rate payments that drive point-in-time state expenditure spikes. There are methods to smooth those spikes, especially across fiscal years, in order to dampen the impact to state budgets. The Deloitte Team has created highly flexible fiscal projection models or Budgetary Impact Models as identified below, to support state decision making regarding program and policy changes that are being considered.

Actuarial Methods and Tools		
Data Validation Model	Waiver Neutrality Model	Budgetary Impact Model

B.3.3.2. 1332 Implementation Plan and Timeline

Based on the final design and supporting financial model completed in Phase 3, the Deloitte Team will work with state leadership to develop an achievable implementation plan. The plan will factor in the available state resources and budgetary constraints. Once the implementation plan is completed a timeline will be prepared and both will be included in the 1332 waiver application.

B.3.4. Waiver draft for public comment

Once the waiver applications are completed and the components have gone through their iterative review, we will share them with DCH and State Leadership for formal review and sign-off according to an agreed upon schedule.

B.3.5. Notice and public comment requirements

Both 1115 and 1332 waivers require public comment periods. At a minimum, 1115 waivers require a 30-day public notice and comment period for any interested party to provide comments and input into the pending waiver request. While the 1332 waivers do not specify the exact number of days required for public comment, the guidance does outline that public comment must be sufficient to ensure a meaningful level of public input. In our experience, a 30-day period, like the 1115, is sufficient. In addition, both waiver types require a minimum of two public hearings on separate days/locations (at least 20 days prior to submission), as well as tribal consultation. Given Georgia's unique mix of urban and rural communities, it will be important that these required hearings are geographically dispersed across the state.

Our team has experience supporting states and the federal government in reviewing and reconciling public comments on waivers. Hence, our team is well prepared to help support Georgia through this process to both comply with CMS requirements and provide Georgia's citizens with an appropriate avenue to engage in the process. Our experience suggests that wherever possible, the state should leverage existing processes for soliciting public comment for a new 1115 or 1332 waiver. For example, Georgia's 1115 Family Planning Demonstration Waiver, Planning for Healthy Babies, recently underwent state-wide public hearings in advance of submitting the waiver renewal application. Our team will work with DCH to support their use of the successful components of this process, where appropriate. Additionally, our team will consider alternative methods for eliciting feedback and developing support within the community, such as an online survey tool.

The Deloitte Team will also support the State in its consolidation of public comments and the drafting of responses. We would expect a large volume of comments for these waivers, and it will be important to have the infrastructure and tools needed to collect, maintain, and evaluate input. Our team will support the State in tracking all comments and responses in a single database. We will support the State in thinking through options to consider for modifying or enhancing the waivers based on the public comments. If revisions are agreed upon, the Deloitte Team will make those updates, leveraging a similar iterative process as during initial development. We will then submit the applications back to DCH and State Leadership for final review and approval.

B.3.6. Waiver submission

The Deloitte Team will prepare and finalize drafts of the waivers for final review by the State. Following the State review, the Deloitte Team will produce the final waiver applications and resubmit to the state for transmission to CMS (as well as the U.S. Treasury Department in the case of a 1332 waiver).

B.4. Proposed Timeline/High Level Work Plan

The following figure illustrates the high-level timeline for completing the three phases of work.

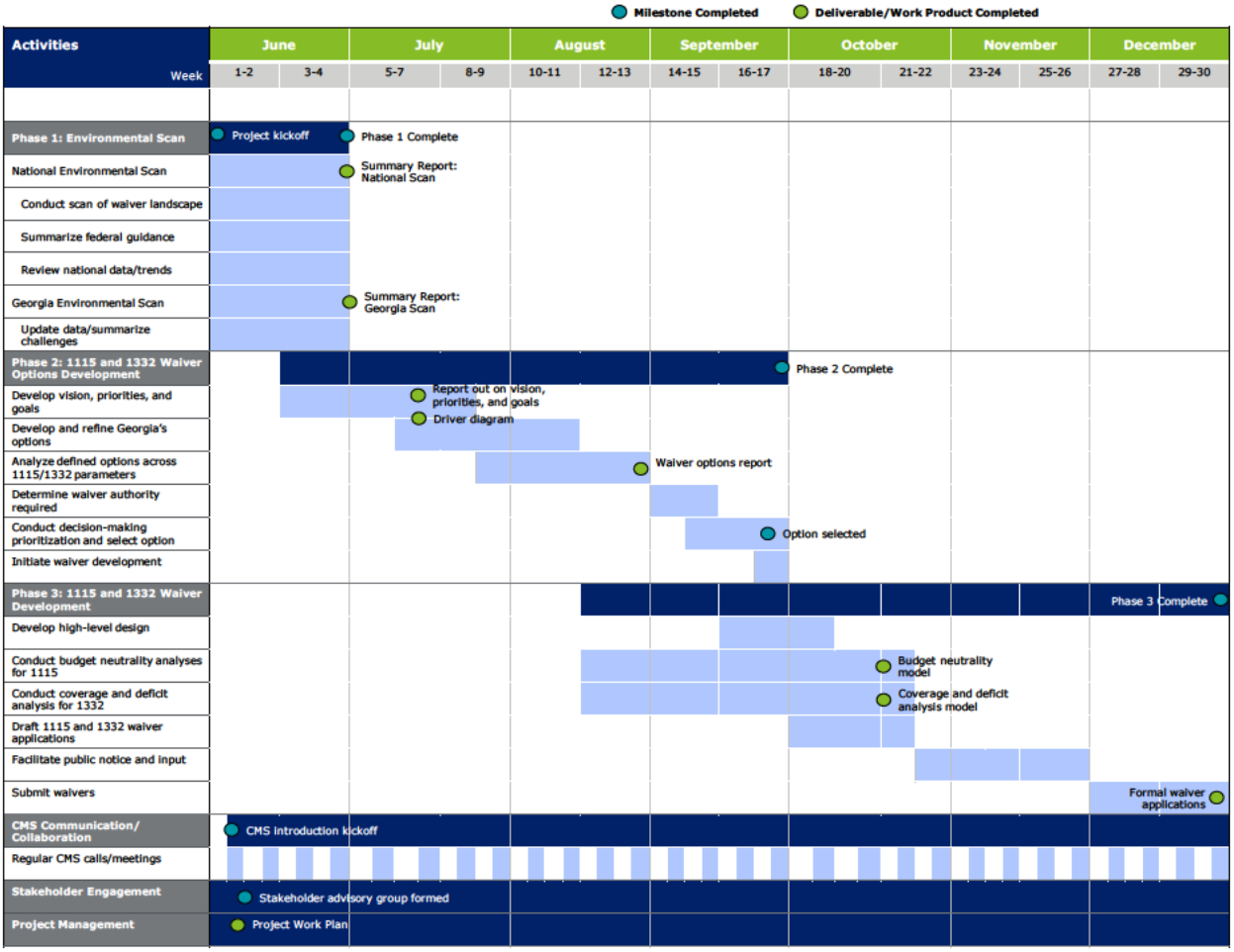


Figure 16. High Level Project Timeline.

B.5. Overview of Required Resources

Assisting Georgia in developing innovative 1115 and 1332 waiver applications requires a team with a unique combination of experiences and skillsets that can bring innovative ideas to the process. Deloitte has assembled such a team. The Deloitte Team includes four former state Medicaid directors, a former HHS Assistant Secretary, a former insurance exchange executive for two states, and advisors to federal health leaders, as well as clinicians, actuaries, and consultants experienced in project management, actuarial, financial and data analysis, and meeting facilitation. Moreover, it is a team that knows Georgia healthcare. The experiences and skillsets of this powerful team will not only enable the completion of the requested scope but will do so with unrivaled ingenuity and innovation, along with a deep understanding of what it takes to operationalize these ideas.

Our team is comprised of Project Leadership, a Waiver Development Project Team, and a Delivery Support Team, who come together under a single leadership as one Deloitte Team.

- [redacted]

[redacted]

Figure 17. Deloitte Team Waiver Development Project Team.

- [redacted]

The following figure illustrates our organizational chart. Biographies for each member of our Project Leadership, Waiver Development Project Team, and Delivery Support Team are provided in the General Staffing Plan section and their resumes are provided in the Appendix.

C. Relevant Experience & Results

Deloitte is one of the largest professional services organizations in the world, which means we have a varied and experienced team of consultants to support DCH's effort to improve the health status of Georgians and help stabilize the healthcare marketplace in the state. [redacted] knowledgeable and experienced former state officials who know how Medicaid and commercial healthcare work based on their experience running some of our nation's largest healthcare programs. Together, we will take the time to work with you as a true partner, enabling us to provide DCH and State Leadership with new ideas and implementable strategies that are cutting edge and tailored to your unique healthcare challenges.

The Deloitte Team has extensive knowledge of and experience in supporting states' design and implementation of 1115 demonstration and 1332 innovation waivers related to increasing access to health coverage, premium payments, cost-sharing, and community engagement/work requirements, as well as working with states on other healthcare reforms. The Deloitte Team is well positioned to support Georgia in the identification of opportunities to leverage both section 1115 and 1332 waivers, pursuant to HB 30. The following section outlines our team's experience with these CMS waivers, as well as the team's broad subject matter expertise at the state and national levels.

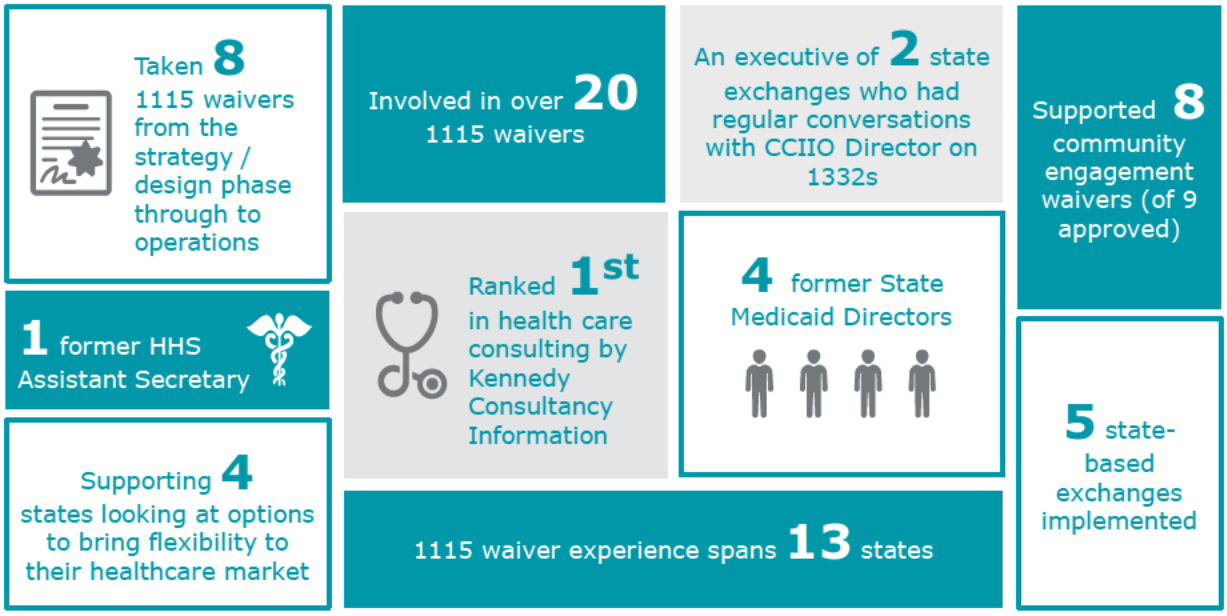


Figure 19. Summary of the Deloitte Team's Experience.

C.1. 1115/1332 Experience

I.B.

An overview of one or more states in which the offeror has been engaged that has resulted in the state's 1115 and/or 1332 Waiver request by the federal government. Offerors must have actual experience assisting one or more states that have received approval for a 1115 or a 1332 Waiver.

The Deloitte Team has unmatched 1115 and 1332 experience, benefitting Georgia as it undertakes this transformation. Our team's experience spans 13 states, more than 17 years, and more than 20 waivers. In fact, our team members have taken more than eight waivers from strategy/concept all the way through development, approval, implementation, and, importantly, operations.

[redacted]

C.1.1. Overview of 1115 Waiver Experience

The following table summarizes our team's vast 1115 waiver experience.

State	Type	Status	Dates Involved	Waiver Scope	Strategy/Design	Waiver Development	Fiscal Modeling/ Budget Neutrality	Negotiation	Implementation	Operations	System Design/ Implementation	Project Management
[redacted]												
[redacted]												
[redacted]												
[redacted]												
[redacted]												

[redacted]

State	Type	Status	Dates Involved	Waiver Scope	Strategy/Design	Waiver Development	Fiscal Modeling/ Budget Neutrality	Negotiation	Implementation	Operations	System Design/ Implementation	Project Management

State	Type	Status	Dates Involved	Waiver Scope	Strategy/Design	Waiver Development	Fiscal Modeling/ Budget Neutrality	Negotiation	Implementation	Operations	System Design/ Implementation	Project Management
[redacted]												

Figure 20. The Deloitte Team's 1115 Waiver Experience.

C.1.2. Overview of 1332 Waiver Experience

[redacted]

[redacted]

C.2. Subject Matter Expertise

C.

A detailed description of the subject matter expertise the offeror proposes to dedicate to this engagement, including but not limited to:

1. Federal and state law, rules, regulations, guidance and related policies to the Medicaid program in general, as well as opportunities to leverage Social Security Act Waiver authorities to advance policy and budget priorities identified by the state of Georgia.
2. Federal and state law, rules, regulations, guidance and related policies pertaining to the Patient Protection and Affordable Care Act (ACA)
3. Private sector health insurance market design and administration, including but not limited to individual and small group health insurance markets, large group fully-insured plans and self-funded plans established under authority of the Employee Retirement Income Security Act (ERISA).
4. Federal and state 1115 and 1332 approval processes, including depth of knowledge that the offeror believes would be advantageous to the State of Georgia in order to evaluate, develop, submit and receive federal approval of both Waivers.
5. Understanding of existing healthcare delivery systems, including utilization of Medicaid Care Management Organizations (MCOs), Fee-For-Service (FFS) programs, as well as potential future state delivery system innovation available under federal and state authorities.
6. A thorough understanding of healthcare priorities of the President, HHS and CMS leadership, particularly with regard to the Affordable Care Act and 1115 and 1332 Waiver opportunities.
7. Expertise and experience in engaging federal officials, at the direction of and in conjunction with the Department, to participate on technical assistance and Waiver approval discussions to advance the priorities of Senate Bill 106, the "Patients First Act.

The Deloitte Team hand selected our Waiver Development Project Team for this project by choosing professionals with varied and complementary skills and experiences who will contribute to the overall goals of the project. We are confident that this team will exceed Georgia's minimum qualifications, as evidenced by our experience outlined in the following table and the supporting content.

Project Leadership and Subject Matter Advisors	Federal and State Medicaid Levers	Affordable Care Act (ACA)	Private Sector Health Insurance	1115 and/Or 1332 Waiver Approval	Existing Delivery Systems and Innovations	Knowledge of Current Federal Health Care Priorities	Engagement with Federal Officials	Financial and Actuarial Analysis
Wade Horn, Ph.D.	X	X		X	X	X	X	
Jeff Burke	X	X	X		X		X	X
Tim FitzPatrick, ASA, MAAA	X	X	X	X	X		X	X
Dianne Faup	X	X	X	X	X	X	X	
Cheryl Smith Gardner	X	X	X	X	X	X	X	
John McCarthy	X	X	X	X	X	X	X	X
Darin Gordon	X	X	X	X	X	X	X	X
Tom Betlach	X	X		X	X	X	X	X
Jim Hardy	X	X	X	X	X	X	X	X
Randolph Gordon, MD	X	X	X		X	X	X	

Project Leadership and Subject Matter Advisors	Federal and State Medicaid Levers	Affordable Care Act (ACA)	Private Sector Health Insurance	1115 and/Or 1332 Waiver Approval	Existing Delivery Systems and Innovations	Knowledge of Current Federal Health Care Priorities	Engagement with Federal Officials	Financial and Actuarial Analysis
Scott Peters	X	X		X	X	X		X
Kiersten Adams	X	X	X	X	X	X	X	

Figure 21. The Deloitte Team's Alignment with Requested Subject Matter Expertise.

C.2.1. Knowledge of Federal and State Medicaid Levers (SON reference C.1)

The Deloitte Team has in-depth knowledge of key federal and state Medicaid law, rules, regulations, guidance, and related policies, and has experience translating this knowledge into actionable opportunities that leverage waiver authorities to advance policy goals. As **former State Medicaid Directors, Jim Hardy, John McCarthy, Darin Gordon, and Tom Betlach** have decades of experience implementing innovative Medicaid program changes and enhancements. When we combine this experience with **Dr. Wade Horn**, who served as Assistant Secretary for Children and Families within the U.S. Department of Health and Human Services, **and Cheryl Smith Gardner**, who served as the Chief Executive Officer at beWellnm (New Mexico's health insurance exchange) and as the Executive Director of the Arkansas Health Insurance Marketplace, our team of leaders have unmatched experience across the state and federal health landscape. Our team will bring this experience to Georgia and is well-positioned to formulate options and identify waiver authorities that meet Georgia's key objectives. The most recent example of this leadership in action is Deloitte's work with **five states with approved waivers** - KY, NH, MI, IN, WI – to implement Community Engagement requirements within their Medicaid programs.

Proven Experience

Our team of experts has been involved in over 20 waivers, including the full beginning to end process from design through implementation for 8 different 1115 waivers across the nation.

In addition to supporting states' design and implementation of Medicaid initiatives that comply with federal rules, the Deloitte Team also brings experience supporting the federal government. Members of our team, including **Dr. Wade Horn**, **Dianne Faup, Kiersten Adams, and Jim Hardy**, have worked with HHS and CMS in advisory capacities to support the effectiveness of delivery system reform programs. For example, Jim Hardy recently provided performance improvement consulting services as part of a technical assistance team provided by CMS to states working on value-based purchasing strategies related to maternal and child health, pediatric dental, and supportive housing initiatives. In addition, the Deloitte Team is working with the Center for Medicare & Medicaid Innovation (CMMI) and CMCS to drive the use of performance improvement tools and methodology in all work with state Medicaid agencies and specifically in the Medicaid Innovation Accelerator Program (IAP). To do this, the Deloitte Team developed driver diagrams, supported performance improvement tools, delivered performance improvement training to CMS staff and Medicaid agencies, and provided performance improvement technical support to IAP participants.

C.2.2. Knowledge of The Patient Protection and Affordable Care Act (ACA) Provisions (SON Reference C.2)

The Deloitte Team has proven its in-depth knowledge of the provisions of the ACA since its inception in 2010. From publishing multiple research publications on the topic to leading projects for states working to comply with the law's requirements, the Deloitte Team maintains historical knowledge of what the ACA includes and has kept up-to-date with changes and pending changes to the law.

For example, since passage of the ACA Deloitte successfully implemented **five state-based health insurance exchanges** (HIX). However, we are not just limited to the technological implementation of these Marketplaces. Deloitte also provides a breadth of services and solutions to help public sector agencies, health plans, healthcare providers, and other healthcare stakeholders navigate HIX Marketplaces as strategic advisors.

The Deloitte Team also supported the implementation of other provisions under the ACA, including supporting states who chose to increase access to Medicaid coverage. For example, as a part of the ACA, the **Commonwealth of Kentucky** elected to increase its Medicaid eligibility level for adults to 138% FPL. This effort was executed in just seven short months to make the necessary people, process, policy and technology changes to modify the system. The Commonwealth engaged **Project Manager, Jeff Burke**, and the Deloitte Team to provide project management leadership and support, as well as ongoing technical assistance throughout the process. Specifically, we developed a policy change process methodology to assist the Department in making large-scale decisions, including enrolling additional provider types, and assisted the Department in submitting over 25 SPAs, 700 change orders, and 60 regulations to implement the program. Additionally, one of our **1332 Innovation Leads, Dianne Faup,** advised CMS from 2011 to 2016 on ACA implementation.

C.2.3. Private Sector Health Insurance Market Experience (SON Reference C.3)

Deloitte's commercial healthcare practice supports over 90% of the top 20 US health plans, as ranked by AIS Health's Directory of Health Plans. We provide services to health plans across several offerings, including analytics, government programs/Medicare advantage, consumerism, risk and compliance, technology, and value-based care implementations. Members of our team, including **1115/1332 Integration Lead Jim Hardy and Population Health Lead Dr. Randolph Gordon,** have experience working with commercial health plans as part of statewide government health reform programs. In fact, Dr. Gordon has supported more than 100 private sector healthcare consulting efforts.

In addition to our firm's experience working with health plans across the country, Deloitte frequently publishes thought leadership on market-relevant topics impacting health plans and educates our firm and clients about these issues. The **Deloitte Center for Health Solutions**, our internal research division located in Washington, DC, has conducted extensive research in the areas of health plan business model transformation, emerging trends, customer experience, and health plan mergers and acquisitions. The Center publishes points of view and analyses each week that are read by leaders across the healthcare industry, a few examples are linked below.

The health plan of tomorrow: Business model transformation is the only way to adapt to disruption

Health plan solutions can help improve patient care, but will providers adopt them?

Addressing the social determinants of health for Medicare and Medicaid enrollees: Leading strategies for health plans *(Author: Jeff Burke)*

Figure 22. Sample Publications from the Deloitte Center for Health Solutions.

C.2.4. Knowledge of the 1115 and 1332 Waiver Approval Processes (SON Reference C.4)

As described in the 1115/1332 section above, members of the Deloitte Team have experience much broader than merely writing waivers; we have significant experience taking demonstration waivers from strategy and concept all the way through development, approval, implementation, and then, importantly, operations. Our team of leaders has unmatched experience supporting **over 20 Section 1115 waivers,** many of which were completed once these templates were established.

A limited number of states have received CMS approval on 1332 waivers, and those that have received approval have been similar and limited in their scope. Our team understands the additional flexibility and opportunity available with 1332 waivers. **Dianne Faup**, who is one of our 1332 Innovation Leads, regularly interacts with and provides policy advice and subject matter expertise to CMS leaders on 1332 state relief and empowerment waivers, including advising on how to effectively provide technical assistance to states. Additionally, our team member, **Cheryl Smith Gardner,** in her previous role leading two state-based exchanges, engaged in regular and detailed conversations with CCIIO regarding the 1332 process and how states can take advantage of 1332 waivers to increase marketplace stability and coverage, with an eye towards the likelihood for approval.

As evidenced by our involvement in over **20 Section 1115 waivers,** our team also has extensive experience with the public comment periods required before submission of 1115 and 1332 waivers as well as negotiations with CMS during the approval process.

C.2.5. Understanding of Existing Medicaid Delivery Systems and Innovations (SON Reference C.5)

The Deloitte Team, comprised of four former state Medicaid Directors with decades of experience operating and transforming Medicaid delivery systems, brings deep knowledge and experience across the healthcare continuum, ranging from Medicaid and commercial healthcare fee-for-service (FFS) to value-based care models. We also have a deep understanding of Medicaid managed care programs and the organization and operational structures required for states who work with managed care organizations (MCOs) to administer their Medicaid programs.

Medicaid Delivery System	Evidence of Experience
[redacted]	[redacted]
[redacted]	[redacted]

Medicaid Delivery System	Evidence of Experience
[redacted]	[redacted]
[redacted]	[redacted]

Figure 23. Examples of the Deloitte Team's Experience with Delivery Systems and Innovations.

C.2.6. Insight into Current Federal Health Care Priorities (SON Reference C.6)

Our team has deep insights into current federal healthcare priorities through the Deloitte Center for Health Solutions, the Deloitte Center for Government Insights, and the Deloitte Center for Regulatory Strategy. Combined, these three groups analyze, publish on, and educate Deloitte Team members and our clients on Federal healthcare priorities and the impacts expected as a result. Throughout this project, Georgia will benefit from the on-going activities of these three Centers, which are more fully described below:

1. **Deloitte Center for Health Solutions:** The Deloitte Center for Health Solutions is a key source for fresh perspectives in healthcare. The Center looks deeper at the biggest industry issues, providing cutting-edge research to provide insights needed to see things differently across the healthcare landscape, including healthcare providers, plans, life sciences companies, and government. This research helps our team stay abreast of health insurance marketplace trends and how they may impact states like Georgia who may be seeking strategies to transform healthcare.
2. **Deloitte Center for Government Insights:** The Deloitte Center for Government Insights produces groundbreaking research to help government solve its most complex problems. Through publications, forums, and immersive workshops, the Center engages with public officials on a journey of positive transformation, crystallizing insights to help them understand trends, overcome constraints, and expand the limits of what is possible. This research helps our team stay in-the-know about how states may be innovating within their Medicaid programs.
3. **Deloitte Center for Regulatory Strategy:** The Deloitte Center for Regulatory Strategy is a source of critical insight and advice, designed to help clients anticipate change and respond with confidence to the strategic and aggregate impact of national and international regulatory policy. Through regular dialogue with institutions, trade associations, and other regulatory stakeholders, the Center helps

the Deloitte Team stay ahead of evolving regulatory trends and understand what actions can be taken.

Specific to this project, these three Centers have published extensive thought leadership on 1332 waivers and community engagement, a few examples of which are linked below.

	State health coverage innovation and Section 1332 waivers: Implications for states
	10 considerations for states seeking to pursue Medicaid work/community engagement requirements *(Author: Jim Hardy)*
	States can learn from each other in implementing work and other community-engagement requirements in Medicaid *(Author: Jim Hardy)*

Figure 24. Samples of Recent Deloitte Publications on 1332 Waivers and Community Engagement.

In addition, our relationships with key CMS leaders provide informal channels through which our team gleans additional insights into current federal health care priorities. For example, our **Project Director, Dr. Wade Horn**, leads Deloitte's work with CMS and has regular conversations with CMS leaders about priorities, challenges, and trends. Our team member, **Cheryl Smith Gardner** serves as an informal advisor to federal health leaders helping to identify options for states around healthcare flexibility. Moreover, over the last two years, members of our team have provided consulting services for CMCS on Medicaid policy and CCIIO on the Marketplace. Our team member **Darin Gordon** serves as a Commissioner to MACPAC and is a former leader of NAMD, giving him insights of trends across Medicaid programs and from federal leaders.

C.2.7. Experience Engaging with Federal Officials (SON Reference C.7)

Not only does our team of experts consist of former Federal officials, but we have maintained strong relationships with multiple influential Federal officials through our work with a variety of different agencies**. Our Project Director, Dr. Wade Horn**, served as the **Secretary for Children and Families within the U.S. Department of Health and Human Services (HHS)** from 2001 to 2007. In this role, Dr. Horn built extensive relationships inside and outside of Washington, DC. In addition, our **Project Advisor Dianne Faup served as a senior advisor within HHS**, first within CMS advising on the national roll out of the Health Insurance Portability and Accountability Act (HIPAA), and then in the Immediate Office of the Secretary as a Senior Advisor to then Deputy Secretary Alex Azar, and now HHS Secretary. While in the Office of the Secretary, Ms. Faup advised on health IT, public insurance programs, core HHS operations, regulatory changes, program integrity and a wide range of healthcare policy issues. Ms. Faup also has extensive Federal consulting experience, including working with White House and U.S. HHS executive leaders on development and implementation of congressional legislative and regulatory priorities. From these example former roles and current roles, our team interacts with federal health officials on a regular basis.

In addition to the past federal service experience and lasting relationships that our team holds, the Deloitte Team has extensive experience supporting states through the time-consuming and detailed **waiver negotiations process with Federal officials within CMS**. For example, the Deloitte Team has provided health actuarial, financial management,

and healthcare consulting services in support of the State of Maine's Medicaid program for over 10 years. During this time, we have supported several initiatives, including the implementation of a Medicaid accountable care model (MaineCare Accountable Communities). For the MaineCare Accountable Communities program, we led **negotiations with CMS** that resulted in waiver approval. The Deloitte Team held similar lead negotiation roles in Texas, New Hampshire, and New York.

C.3. National and State Healthcare Experience

D.

A comprehensive overview of the offeror's experience in evaluating and advising with regard to national and state healthcare environments, including but not limited to, health insurance status, demographic, employment and household composition, and how such 1115 and 1332 Waivers would likely affect Georgians.

The Deloitte Team has significant experience evaluating and advising clients with regard to national and state healthcare environments. In fact, our client base includes more than 30 state Medicaid programs.

Additional unique elements of our team's experience include:

- Successfully launched **five state-based health insurance exchanges** providing our team an in-depth understanding of the individual and small group markets.
- We are the **number one healthcare consulting organization**, working with over 90% of the Top 20 U.S. Health Plans (as ranked by AIS Health's Directory of Health Plans) and nine of the nation's 10 largest healthcare systems (Modern Healthcare)
- We are currently **leading a project to provide advice to CMS CCIIO leadership on 1332 waiver concepts,** including shaping and drafting concept papers, preparing templates for use by states to streamline the 1332 application process and developing and deploying state technical assistance.

This broad and tactical perspective provides our team with a unique lens from which to support Georgia. The following table highlights project examples of our national and state healthcare experience evaluating and advising with regard to national and state healthcare environments, including but not limited to, health insurance status, demographic, employment and household composition.

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]

Figure 25. Examples of the Deloitte Team's National and State Healthcare Experience.

C.4. Healthcare Access Experience

E.

A comprehensive overview of the offeror's experience in evaluating and advising with regard to healthcare access variables, such as provider availability and healthcare system capacity to deliver care across multiple specialties (physical health, behavioral health, long term care services, Home and Community-Based (HCBS) services, dental services and vision services) and the ability to evaluate current state and advise the Department on potential strategies to address any noted deficiencies in access to care for citizens across the state of Georgia.

The Deloitte Team has significant experience evaluating the impacts of reform programs on healthcare access. In Kentucky, for example, the Deloitte Team conducted analyses on the impacts of increasing access on Medicaid coverage, including impacts to workforce capacity and healthcare facility capacity. Additional examples are provided in the following table.

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted] (LIM) enrollees against the total Georgia Medicaid for SFY 2015

Figure 26. Examples of the Deloitte Team's Healthcare Access Experience.

C.5. Fiscal Impact Experience

F.

A comprehensive overview of the offeror's experience in evaluating federal, state and potentially local fiscal impacts of various proposals, including actuarial services and fiscal impact forecasting capabilities.

To highlight our understanding of the nuances of the fiscal impacts DCH and State Leadership will need to consider over the coming months, we have categorized our experience evaluating federal and state fiscal impacts across waiver fiscal analyses, state fiscal analyses, and actuarial analyses.

C.5.1. Waiver Fiscal Analyses

The Deloitte Team has the experience required to bring key strategic considerations regarding the fiscal implications of which waiver authorities should be used and has exposure to federal policy changes to provide DCH information on current events, such as the recently released State Medicaid Directors (SMD) Letter, "Three New Opportunities to Test Innovative Models of Integrated Care for Individuals Dually Eligible for Medicaid and Medicare".

The importance of recent relevant experience supporting waiver fiscal analyses is further highlighted due to significant changes to critical fiscal components of budget neutrality operations for 1115 waivers. The 2016 CMS guidance as reiterated in the August 22, 2018 SMD letter on budget neutrality policies for 1115 demonstrations, will implement changes to limit prior savings rollover, phase down of newly acquired savings, and rebasing of WOW PMPMs for demonstration extensions seeking approval after January 1, 2021. Examples of our team's support of high-profile waiver fiscal efforts are offered in the following table.

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]

Figure 27. Examples of the Deloitte Team's Waiver Fiscal Analysis.

C.5.2. State Fiscal Analyses

The Deloitte Team has extensive knowledge and experience using and developing complex financial and statistical models to support forecasting state fiscal and budget implications across a multitude of policy scenarios. We understand the importance of designing, developing, and implementing various tools and models as enablers for tracking, reporting, and analyzing data and supporting the development of solutions to complicated problems.

The Deloitte Team has experience understanding the intersection of waivers and state fiscal analysis and understands key considerations. For example, if a state recognizes significant one-time state fiscal expenditures for moving populations to managed care due to timing of lagged FFS payments overlapping managed care premium payments to plans, we understand that it can cause significant fiscal burden on the state at a specific point in time – however, that is not an implication for waiver neutrality due to the federal perspective.

Figure 28. Examples of the Deloitte Team's State Fiscal Analysis.

C.5.3. Actuarial Analyses

Actuarial analyses range from FFS and managed care capitation rate setting, to risk adjustment, and implementation of value-based payment arrangements. Specifically, the shift to value from volume has become present in every facet of the US healthcare system from Medicaid, to Medicare, and the commercial markets. Utilizing federal waivers in new and creative ways, states are frequently leading this charge due to the large size and higher than average level of need coupled with challenging state fiscal constraints making new and innovative methods for bending the cost curve a necessity rather than a luxury.

The Deloitte Team has deep knowledge and experience with innovative Medicaid, Medicare, and commercial payment models, including quality-based payments and shared savings programs. These alternative payment methodologies are important levers in an everchanging healthcare landscape and particularly Medicaid programs, where the push for higher quality of care and better population health outcomes will not be achieved solely based on allocating more funds to the system. Examples specifically in the payment model transformation and integration of quality and performance into state healthcare are described in the following table.

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Figure 29. Examples of the Deloitte Team's Actuarial Analysis.

C.6. Indirect Economic Impact Experience

G.

A comprehensive overview of the offeror's experience in monitoring indirect economic development activity associated with increased access and coverage of healthcare services within states. Such overview should also include experience in identifying state funded services, such as behavioral health, corrections, public health and other state-funded services that would be impacted by 1115 and 1332 Waiver approval for affected populations.

The Deloitte Team has experience helping states to estimate indirect budgetary and economic impacts of increasing healthcare access, including in Kentucky and Pennsylvania. Increased access and coverage of healthcare services can positively affect state budgets by moving current state general fund expenditures to federal expenditures and by creating an infusion of dollars that multiply through the economy creating a positive indirect economic impact. This indirect economic impact not only provides a stimulus to the private sector but creates additional tax revenue for state and local governments. For example, when the Commonwealth of Kentucky increased access to healthcare services to a broader population through Medicaid, it was able to identify $25M in SFY2014 and up to $200M in SFY 2021 in federal funds replacement and general fund expenditure reductions. Additionally, Kentucky estimated that this increased access would create an additional $43M in SFY2014 and up to $168M in SFY2010 in state and local tax revenue. The Deloitte Team was responsible for collaborating with the Commonwealth to identify these federal fund replacements and to estimate their impact on the state budget.

For the Commonwealths of Pennsylvania and Kentucky, the Deloitte Teams collaborated with the Medicaid programs to estimate the direct impact to the state budgets of moving states dollars to a shared federal and state responsibility. We also collaborated with the Georgia Chamber of Commerce Health and Policy Wellness Committee identify potential areas in the Georgia healthcare budget that are currently state funded services that could become a federal/state split and estimated the budgetary impact. In Pennsylvania and for the Georgia Chamber, the Deloitte Team ran an IMPLAN analysis to estimate the indirect economic impact that the additional spending from healthcare coverage would have on tax revenue and job creation.

Our proposed **Project Manager, Jeff Burke**, led the analysis in each of the project examples described – Kentucky, Pennsylvania, and the Georgia Chamber of Commerce. Jeff will be able to take the experience from each of these examples to model the indirect economic impact of each of the proposed healthcare transformation models

The following table provides additional details on each of these projects.

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Figure 30. Examples of the Deloitte Team's Experience Analyzing Indirect Economic Impact.

C.7. Other Experience

H.

Offerors should also identify and propose additional areas of focus, based upon successful experience, not described herein.

The Deloitte Team provides broad consulting services across the state, commercial, and federal healthcare landscape, including to the local Georgia commercial healthcare community and CMS.

Georgia: Deloitte has the largest Health Care consulting practice in the world, with a large and active practice in the State of Georgia. Deloitte has served every major health system in Georgia and many of the State's smaller, more rural hospitals. Project types have included strategy, performance improvement, merger and acquisition, revenue cycle, supply chain, and technology.

CMS: The Deloitte Team supports CMS on contracts in all major CMS centers – Center for Medicare, CMCS, Center for Program Integrity, CCIO, and the Center for Medicare and Medicaid Innovation – as well as three major offices – Office of Communications, Office of Support Services and Operations, and the Office of the Actuary.

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]

Figure 31. Example CMS and Georgia Commercial Healthcare Projects.

C.8. Minimum Qualifications

The Deloitte Team meets and exceeds each of your minimum qualifications. In the following sections, we provide detail to substantiate meeting these qualifications.

C.8.1. Waiver Experience

A.

For which states has your firm been responsible for research, analysis, correspondence with CMS, and all responsibilities from preparation of waiver application/s through approval with CMS? For each state, (a) list the specific dates in year/s of engagement for each state, (b) indicate the type/s of waiver/s sought, (c) indicate status of each waiver request: pending, denied, approved. If approved, date of approval, (d) indicate whether your firm is still involved in each of the waiver requests.

The Deloitte Team and its team members have taken eight 1115 waivers from concept/strategy through to approval (with one in progress), including research, analysis, correspondence/negotiation with CMS, and all responsibilities from preparation of waiver application through approval with CMS.

State	Waiver Scope	(a) Dates of Engagement	(b) Waiver Type	(c) Waiver Status	(d) Still Involved?
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

Figure 32. Summary of 1115 Waivers the Deloitte Teams have Supported through the Waiver Cycle.

Our team can do more than just point to the waivers we have developed. We can show the results of our 1115 waiver efforts having driven overall improved health outcomes in a fiscally responsible sustainable fashion. For example, our team member **Tom Betlach** used waiver authority in Arizona to develop an integrated system for individuals with Serious Mental Illness. A recent third-party evaluation of that waiver found that all measures of ambulatory care, preventive care, and chronic disease management demonstrated improvement and all indicators of patient experience improved, with 5 of the 11 measures exhibiting double digit increases.

Additionally, our team, through its teaming partner Speire, is currently providing consulting services to CMS CCIIO and CMS leadership on 1332 waiver concepts, including shaping and drafting concept papers, preparing templates for use by states to streamline the 1332 application process, and developing and deploying state technical assistance.

C.8.2. Experience with Requested Scope

B.

Is your firm experienced in providing services as summarized in the state agency's "1115 and 1332 Waiver Research and Development Overview"?

As noted above, the Deloitte Team and its team members have significant experience in the design and implementation of waiver programs – including leading eight 1115 demonstration waivers from strategy/design to approval, and then on through

implementation and operations. For each of these projects, we followed a similar three-phase approach as we are proposing to Georgia for this project. The table below outlines example experience across each phase and the results achieved within each role. We also listed a number of examples in our prior methodology section.

Example Project	Results Achieved
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Figure 33. Examples of the Deloitte Team's Experience with the Requested Scope.

C.8.3. Key Staff Location

C.

Are key staff based in Georgia who will perform services under this engagement? If so, which city? If not, where are they based?

To staff a team with the requisite skills and experience to deliver the scope of services requested, the Deloitte Team will provide resources based in and outside of Georgia. This diverse team will help to bring a broad set of local and national perspectives. Deloitte has a broad presence in the State of Georgia, anchored by our office in Atlanta at 191 Peachtree Street with more than 2,800 full time employees. Our team intends to have a weekly onsite presence throughout the project phases.

Key staff and the city in which they are based are provided in the following table:

[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]		

C.8.4. Key Staff Availability

D.

Are key staff immediately available to perform the services sought under this engagement?

Key staff will be available immediately upon the start of the engagement to perform the services sought under this engagement.

C.8.5. Current Waiver Implementation Assistance

E.

Is your firm presently assisting with waiver implementation in any state? If so, which state?

[redacted]

State	Deloitte Role
[redacted]	[redacted]

Figure 35. Summary of the Deloitte Team's Current Waiver Implementation Assistance.

C.8.6. References

F.

Will your firm provide references specific to the type of work sought under this engagement?

The true test of the Deloitte Team's performance and impact is the value that we deliver for our clients and the feedback they provide on our work. As such, we have identified three references of recent projects similar to the type of work sought under this engagement.

Reference #1

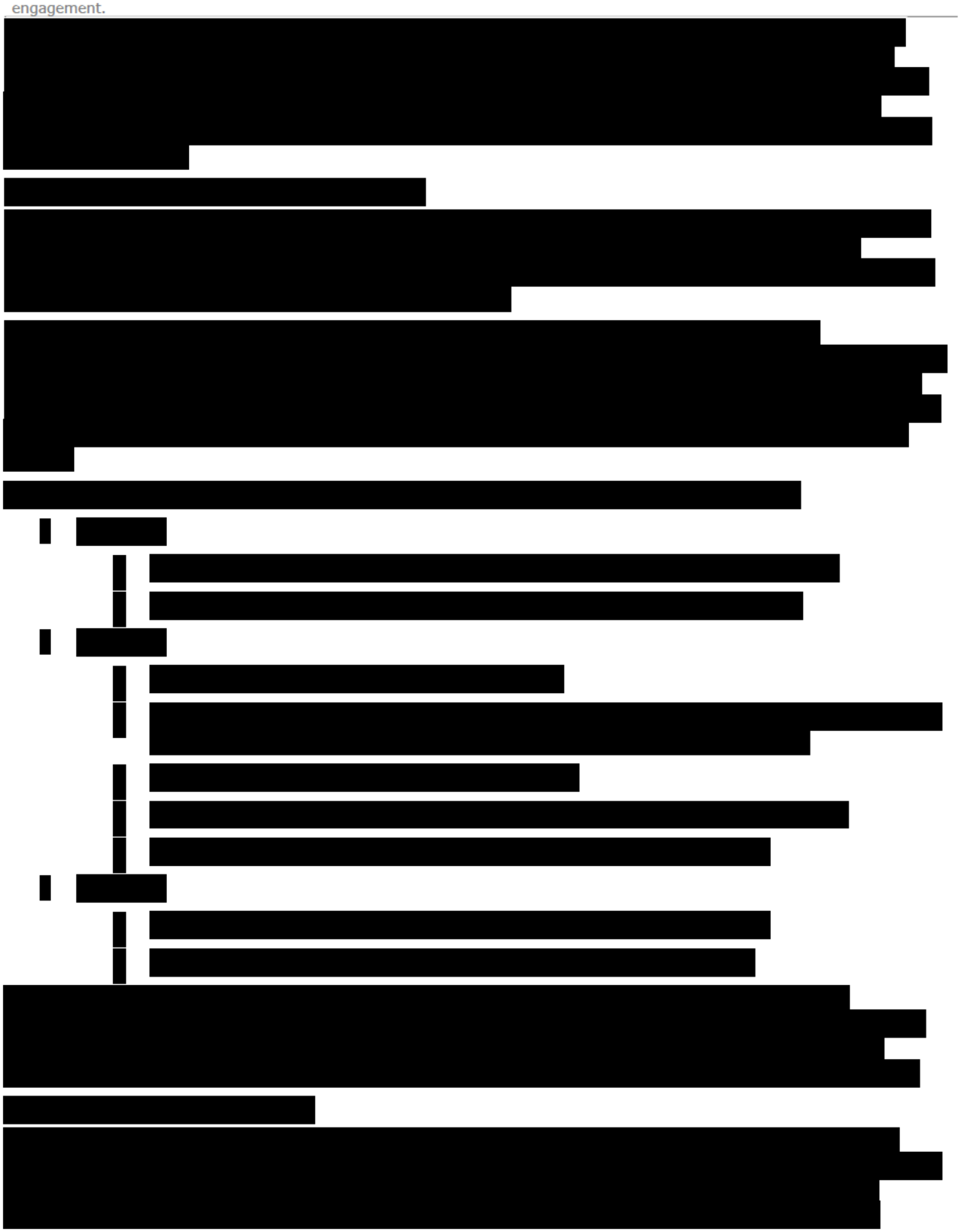
Reference #2

Reference #3

C.8.7. Subcontractors

G.

Does your firm intend to utilize internal staff and resources for completion of this engagement, or do you intend to utilize subcontractors for components of the work? If the firm intends to subcontract with external parties, identify the parties, provide your justification for subcontracting with the party, and identify what functions the subcontractor is expected to perform under the engagement.



uniquely positions them to advise and inform clients on the impact of federal and state

[redacted]

C.8.8. Key Staff Meeting Participation

H.

Are key staff, as identified by the state, willing to participate in meetings, conference calls and videoconference meetings utilizing Skype on an as needed basis as determined by the Department within reasonable working hours and as necessary on weekends?

The Deloitte Team's philosophy is to fully engage and work collaboratively alongside State Leadership and DCH leaders and staff to immerse our team members in the Georgia's business, observe operations first-hand, and build rapport with staff to facilitate candid feedback and efficient information collection. Our preference is for in-person meetings. Additionally, our key staff will be available to participate in meetings, conference calls, and videoconference meetings, utilizing Skype as needed and within reasonable working hours.

D. Milestones/Deliverables

The following table summarizes the milestones, deliverables, and work products and their estimated completion within the project schedule.

Milestone/ Deliverable	Description	Estimated Due Date
Milestone	Project Kick-off	Week 1
Milestone	CMS Introduction Kick-off	Week 2
Milestone	Phase One Completed	Week 4
Milestone	Options Selected	Week 16
Milestone	Phase Two Completed	Week 17
Milestone	Phase Three Completed	Week 30
Work Product	Project Work Plan	Week 2
Deliverable	Summary Report of National Environmental Scan	Week 4
Deliverable	Summary Report of Georgia Environmental Scan	Week 4
Work Product	Report on Vision, Priorities, and Goals	Week 6
Work Product	Driver Diagram	Week 6
Deliverable	Waiver Options Report	Week 13
Work Product	Budget neutrality model	Week 20
Work Product	Coverage and deficit analysis model	Week 20
Deliverable	Formal Waiver Applications Submitted to CMS	Week 30

Figure 36. Proposed Milestones and Deliverables.

The Deloitte Team requests that DCH review and provide approval or feedback regarding required changes to project deliverables within five business days of receipt. The Deloitte Team will incorporate requested changes within three business days of receipt of feedback.

E. Estimated Time to Completion

The three phases as described above in the Summary Scope of Work will be completed within 30 weeks from project kick-off. The following timeline provides a high-level overview of the sequencing and duration of tasks.

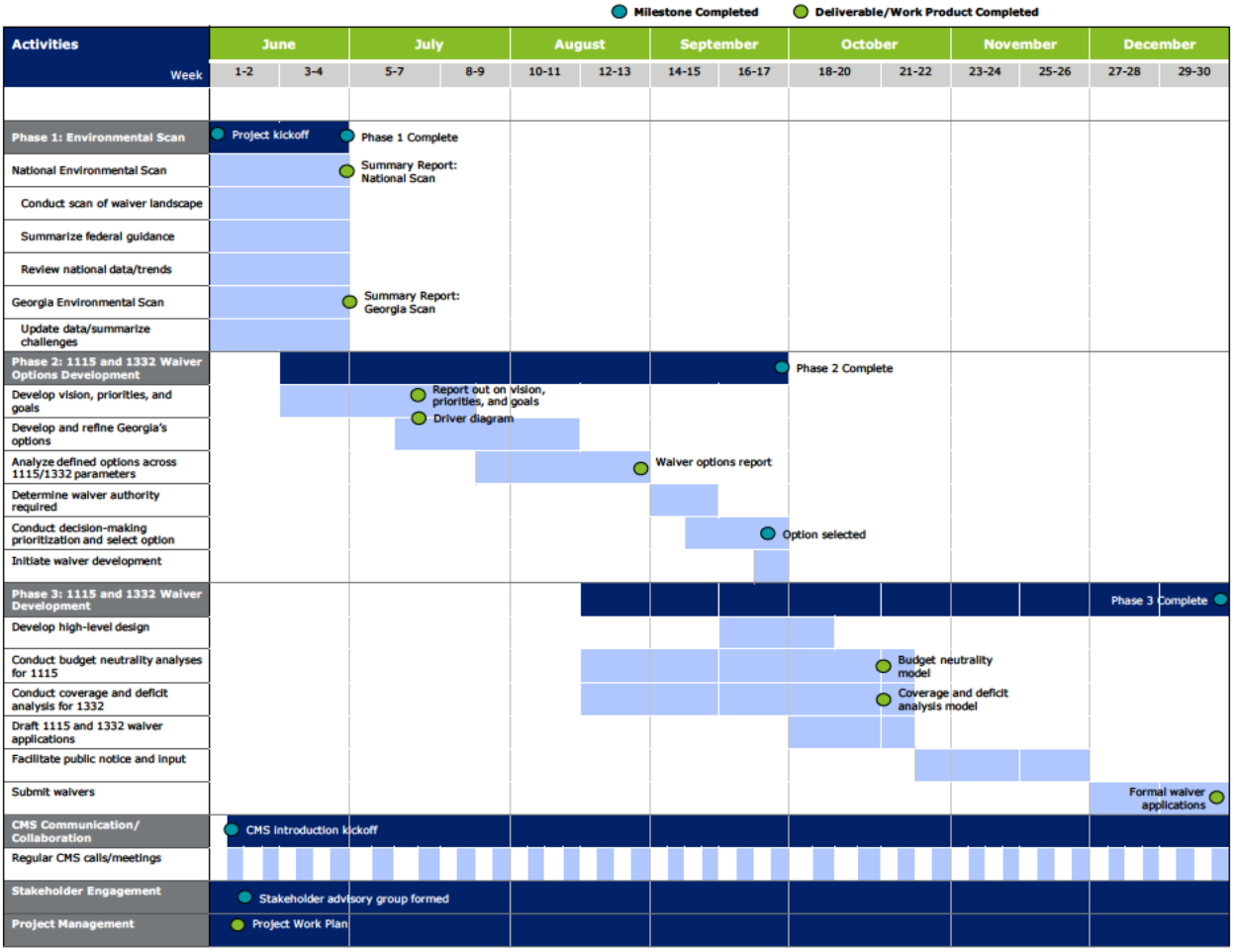


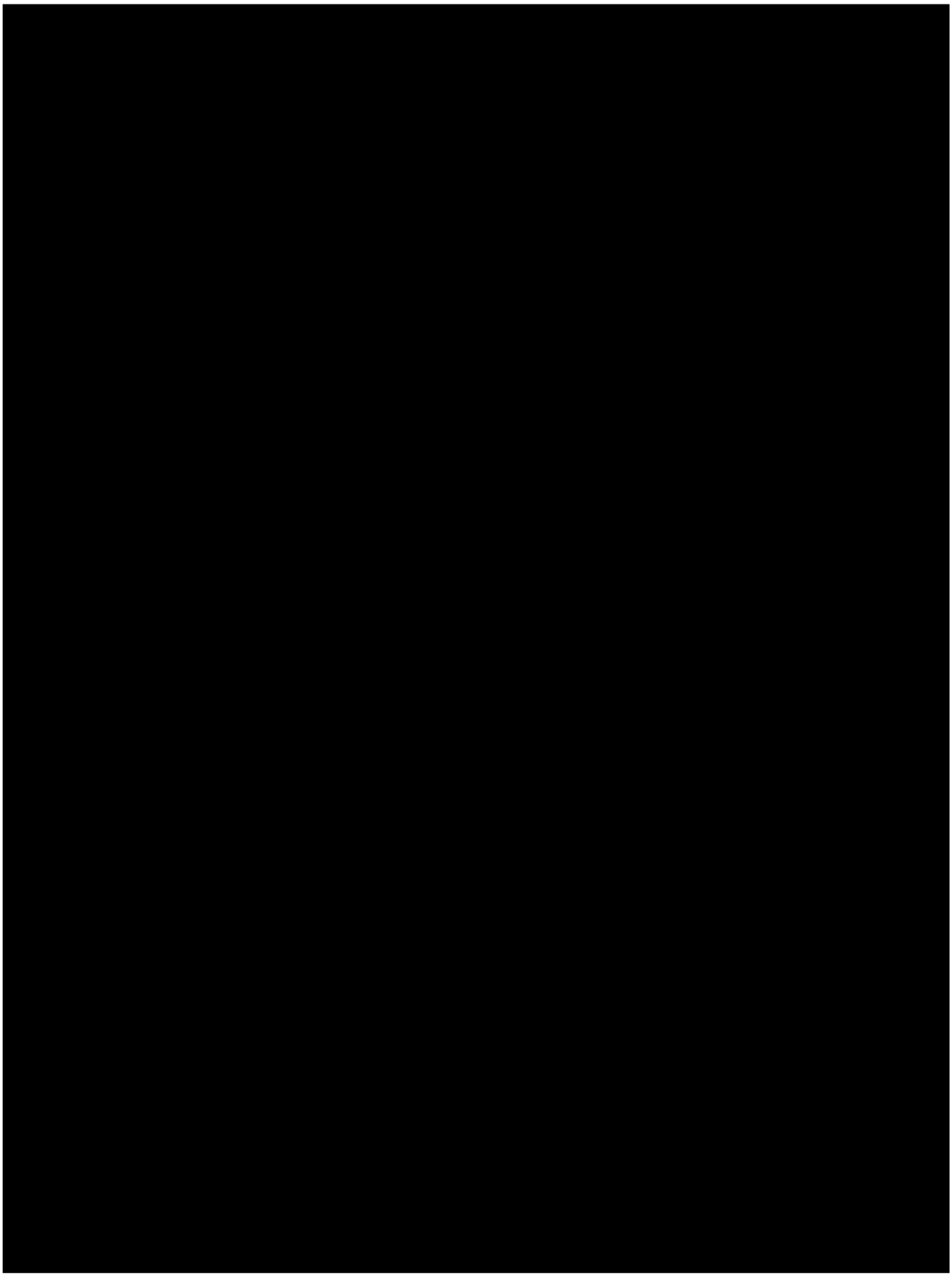
Figure 37. High-level Project Timeline.

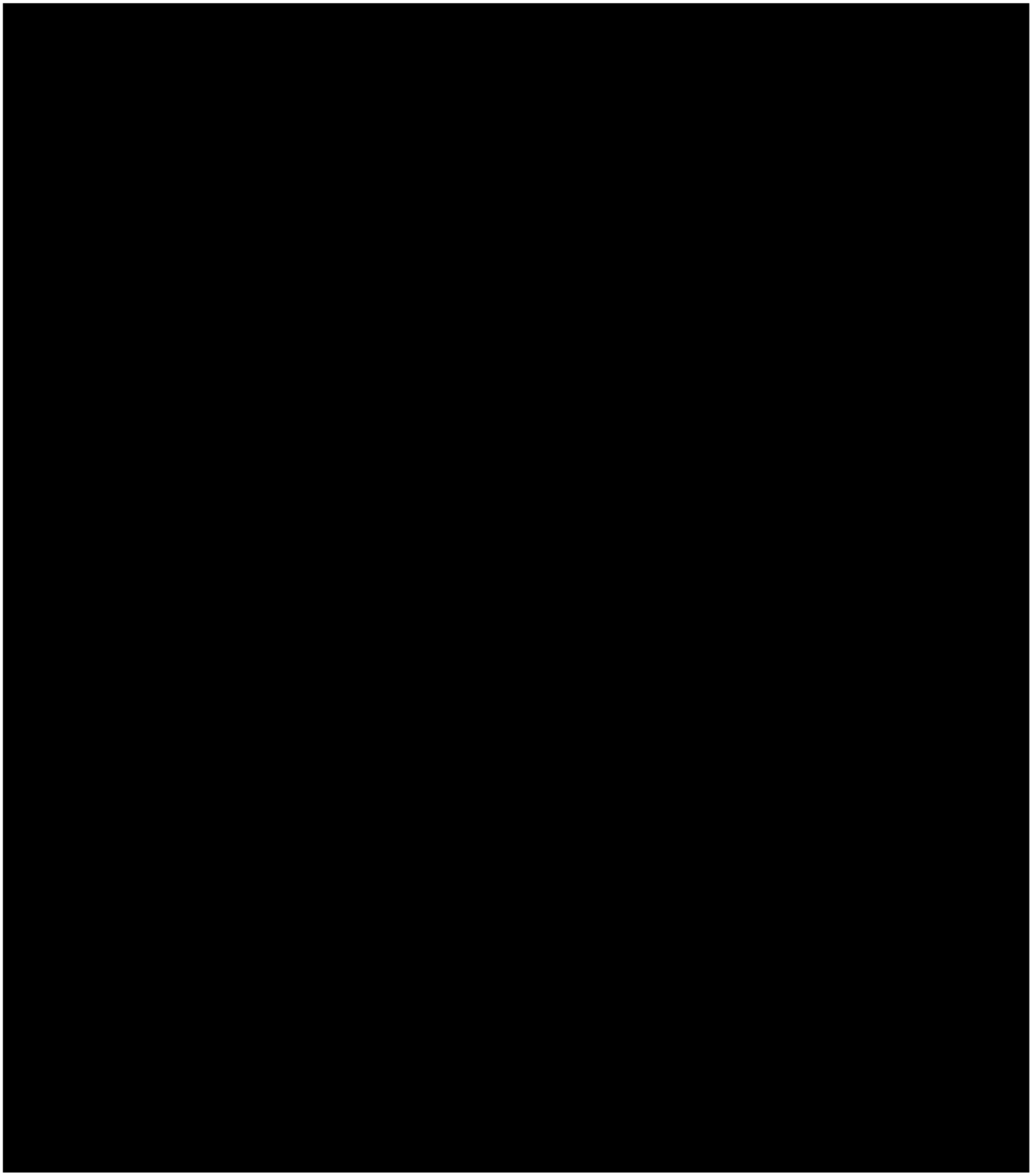
F. General Staffing Plan

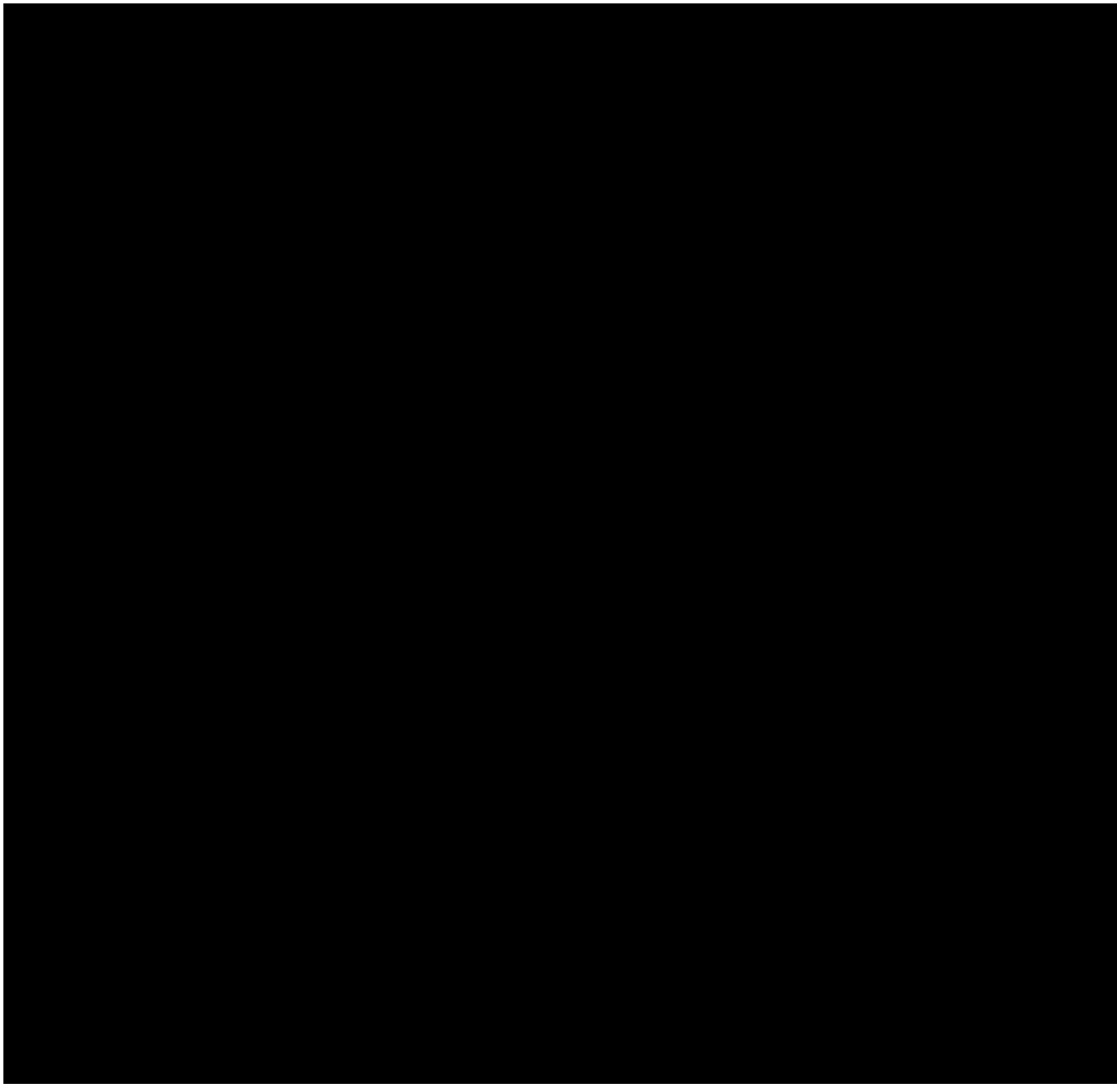
The Deloitte Team will provide a skilled team that have the requisite knowledge and experience to deliver healthcare transformation ideas that are uniquely Georgia and are targeted to meet your goals, and the experience to translate these ideas into waivers for submission to the federal government.

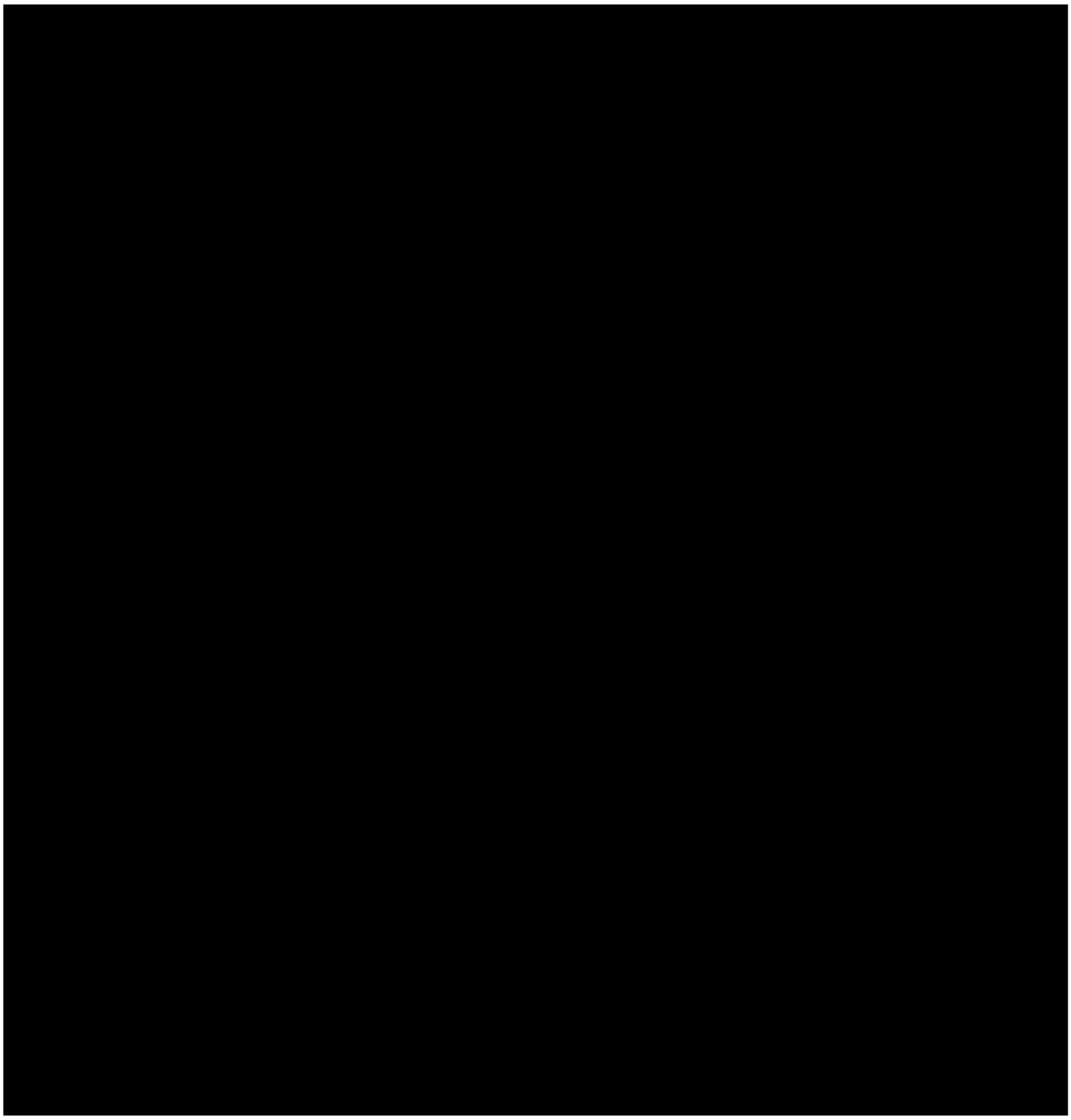
Our team will be led by our **Project Director, Dr. Wade Horn**, and our **Project Manager, Jeff Burke**. Wade and Jeff will be the primary points of contact for DCH and accountable for questions and issues related to the project. Our project leadership will be supported by a team of consultants with experience across commercial and state healthcare, including designing and developing innovative healthcare models and performing actuarial analysis. We also have the benefit that our Waiver Development Project Team includes a certified actuary, a clinician, and a former state-based exchange executive in two states, as well as four former Medicaid directors who have taken waivers from concept through operations. These team members bring their national experience and on the ground history of formulating and delivering innovative healthcare programs for states.

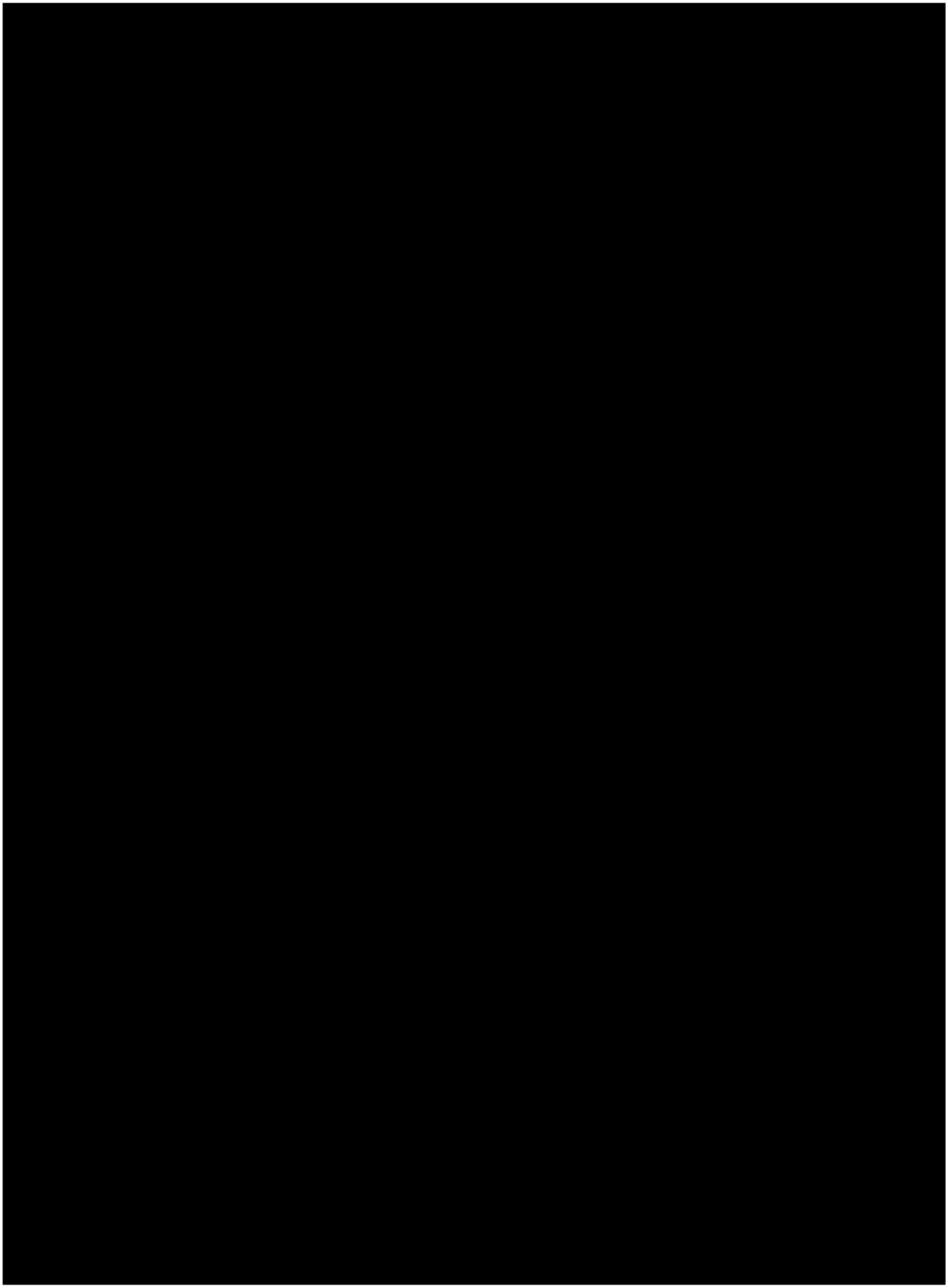
The following figure depicts how our team is organized and the proceeding table highlights experience of our Leadership Team, Waiver Development Project Team, and Delivery Support Team. Resumes for these team members are provided in the appendix.











G. Consultant's Travel Requirements

To staff a team with the requisite skills and experience in federal and state laws and policies related to the Medicaid program, private sector health insurance market, and Federal and State 115 and 1332 approval processes, the Deloitte Team will provide resources based in and outside of Georgia. Our team will regularly work onsite at DCH to facilitate information collection, site visits, interviews and working sessions with Department leadership and staff, and for briefings on deliverables. We will provide DCH leadership with a detailed schedule of team members' availability upon kick-off of the project. All travel costs are included in the project cost estimate below.

H. Consultant's Onsite Workspace Requirements

The Deloitte Team understands that space in state offices is a premium and will therefore work collaboratively with DCH and State Leadership to make arrangements that support the project's successful execution. Our team intends to have a regular onsite presence, so, ideally, our team would have dedicated space at the DCH offices for 5 to 10 individuals (e.g., a conference room). Being co-located with the DCH team will help promote collaboration and a one team environment. The Deloitte Team will also have access to the Deloitte office in Atlanta at 191 Peachtree Street for additional collaboration space. For example, during different points in the project to tackle specific topics, we may suggest convening the Deloitte Team and members of the State's team at the Deloitte offices to help separate team members from competing priorities.

I. Estimated Cost

The fixed fee cost estimate for this engagement is as follows:

Project Task	Estimated Cost	Estimated Project Week
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
Total	$1,920,000	

Figure 40. Cost Table.

[redacted]