MEDICAID DELIVERY SYSTEMS

Designing a system that serves Medicaid beneficiaries, caregivers, providers, and taxpayers

Senate Medicaid Committee Hearing
November 30, 2021
The Mississippi Division of Medicaid (DOM) has more than 800 employees located at one central office and 30 regional offices.

- DOM covers roughly 25% of Mississippi’s 3 million residents
- Overall enrollment has jumped due to maintenance of effort requirement in 2020 legislation
- 56% of Mississippi Medicaid beneficiaries are served by one of two managed care programs, MSCAN and MSCHIP

As of November 2021:

- 834,446 Medicaid beneficiaries
- 420,455 MSCAN members
- 43,033 CHIP members
ANNUAL ENROLLMENT

The average annual enrollment for the past seven state fiscal years, including Medicaid and CHIP.
DEVELOPMENT SYSTEM MODELS

1. Fee-for-Service
2. Accountable care
3. Managed care
   1. Risk-based managed care
   2. Primary care case management
   3. Limited-benefit plans (PIHPs and PAHPs)
MS MEDICAID DELIVERY SYSTEMS

<table>
<thead>
<tr>
<th>Description</th>
<th>Deep dive</th>
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<tbody>
<tr>
<td><strong>Fee for Service</strong></td>
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<tr>
<td>1915(c) Waivers</td>
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<tr>
<td>~22,000 members</td>
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<td>5 waivers</td>
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<td>Healthier MS waiver</td>
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<tr>
<td>~4,000 members</td>
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<tr>
<td>+ $100M spend</td>
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<tr>
<td>Nursing Home / IDD</td>
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<tr>
<td>~18,000 members</td>
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<td>Most expensive</td>
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<td>Partial Duals and FPW</td>
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<tr>
<td>~116,000 members</td>
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<td>QMBs have large $ impact</td>
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<tr>
<td>Other Fee for Service</td>
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<tr>
<td>~211,000 members</td>
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<td>Duals, retro, “COVID” benes</td>
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<tr>
<td><strong>Managed Care</strong></td>
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<tr>
<td>MSCAN</td>
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<tr>
<td>~420,000 members in 3 plans</td>
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<td>~$3 billion (with MHAP)</td>
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<td>CHIP</td>
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<td>~43,000 members in 2 plans</td>
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<td>Separate policies</td>
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- Total enrollment: 834,446 (as of 11/1/21)
- 1/3rd of total state spending
- DOM administrative costs among lowest in country

$6.2B Total Spend FY21
MANAGED CARE FINANCING

The capitation rate paid to the CCOs on a monthly basis provides for a medical payment rate to providers of 87.5%.

DOM’s contract with the CCOs and CMS guidelines require the CCOs to provide a minimum of 87.5% medical payout.

DOM regularly monitors the MLR to ensure this medical payout rate is accomplished.

1% quality withhold

MHAP is paid directly to hospitals by the CCOs and there is no administrative fee or profit margin adjustment for these payments.

The insurance premium tax benefit to the state general fund exceeds the state share of administrative costs, margin, and premium tax to the CCOs.
PROCUREMENT OVERVIEW

• DOM will jointly procure CHIP and MississippiCAN through the same contract
  – Relief of administrative burden
  – Easier oversight
  – Experience-based procurement development
    • Coordinated care in Mississippi is now a decade old. Leveraged knowledge gained to set the framework for next generation of service delivery.
    • Utilizing a REQUEST FOR QUALIFICATIONS. A RFQ allows the agency to focus on evaluating proposals for the qualifications most relevant to the MSCAN and CHIP populations.
  – Evidence-based CCO service delivery goals
    • Emphasis on quality proven through data analysis
    • DOM has focused internally on turning data into insights into policy, allowing the agency to be both proactive and reactive in defining the contours of the program
DEVELOPMENT

• DOM dedicated internal staff to develop a new coordinated care contract procurement in Spring 2020

• Development process:
  – Research of CCO trends and advancements in other states
  – Internal subject matter expert review and input across agency
  – External engagement through online provider and member surveys
  – Integration of thousands of comments, questions, and suggestions into the model contract and procurement documents
  – Influenced by 2021 legislative session
  – Result: New contract reflecting latest CCO strategies to both facilitate better service delivery and “bang for the buck” for the state
VALUES

- Access
- Innovation
- Commitment
- Collaboration

Quality
PROCUREMENT PROCESS

**RFQ Release**
- Request for Qualifications and Model Contract will be released
- Offerors will have the opportunity to submit questions prior to submission date

**RFQ Proposals**
- Offerors will submit proposals at time to be designated by DOM
- DOM will vet proposals to ensure responsiveness and compliance with PPRB rules
- Proposals that are responsive and compliant will be given to the Evaluation Committee

**Award**
- After evaluation, DOM will publicize award and submit award to PPRB for approval
- Offerors who do not win award will have the opportunity to protest the award. Protests are common for CCO awards nationally due to the desirability of CCO contracts. DOM will address any protests that may be filed in the manner prescribed by PPRB.