

## Concept Paper: Section 1115 Demonstration

### Medicaid Postpartum Eligibility Extension to 12-months Continuous Coverage

#### 1. Program Description

##### 1.1. Summary of the Request

*The Michigan Department of Health and Human Services (MDHHS) is seeking a five-year Section 1115 Demonstration Waiver to extend the Medicaid postpartum eligibility period of pregnant individuals from 60 days to 12 months. Pursuant to the authority granted by Michigan Public Act 166 of 2020, MDHHS is pursuing this waiver to extend postpartum eligibility to increase access to necessary medical and behavioral health care services and to ensure appropriate continuity of care during this important time. Extending eligibility will also support program efforts of promoting family stabilization by providing access to important services that address social determinants of health (SDOH). Safeguarding access to high quality health care services is a critical component of statewide efforts in addressing maternal morbidity and mortality rates in Michigan.*

##### 1.2 Rationale for Demonstration

As of January 2018, Michigan's Maternal Mortality Surveillance (MMMS) Committee found that approximately 50% of maternal deaths in Michigan were preventable. One of the possible prevention measures identified by the MMMS committee is access to family planning and other medical health care services. Additionally, among pregnancy-related deaths in Michigan the committee found persistent racial disparities. Black women are 4.5 times more likely to die than Non-Hispanic White women.<sup>1</sup> Extending Medicaid postpartum coverage will assist the state in continued efforts to improve equitable health outcomes.

The Pregnant Women's group income limit in Michigan is 195% of the federal poverty level (FPL). After the postpartum period ends, the group with the next highest income limit is Michigan's Medicaid expansion group which has a limit of 133% of the FPL. Due to the large disparity in income limits between programs extending postpartum coverage will lead to a decrease in churn, ensure seamless access to care for new mothers, and in turn improve the health of newborns and infants.

The American College of Obstetricians and Gynecologists, along with new proposed federal legislation, recognizes the importance of extending Medicaid coverage for a full 12-month postpartum period as a critical piece in ensuring healthy moms and babies.

An important objective of the waiver is to promote access to critical behavioral health services. Extending postpartum eligibility will provide increased opportunities for beneficiaries to complete postpartum depression screening and receive referrals to services and supports for needed treatment. Beneficiaries will have similar access to supports and treatment for substance use disorder conditions if needed as well.

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<sup>1</sup>[https://www.michigan.gov/documents/mdhhs/Maternal\\_Mortality\\_Executive\\_Summary\\_1\\_2018\\_Final\\_609738\\_7.pdf](https://www.michigan.gov/documents/mdhhs/Maternal_Mortality_Executive_Summary_1_2018_Final_609738_7.pdf)

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To bolster the existing work by MDHHS and its managed care plan partners in addressing the SDOH for Medicaid beneficiaries, extending postpartum eligibility will allow for greater opportunities to provide additional stability for moms and babies. As part of this waiver, beneficiaries will have access to the MDHHS Maternal Infant Health Program (MIHP). The MIHP is an evidence-based home visiting program that addresses health and safety needs of families with a focus on SDOH.

The objectives of this proposal are in alignment with the stated goals of the Medicaid program “to serve the health and wellness needs of our nation’s vulnerable and low-income individuals and families” by reducing maternal morbidity and mortality throughout the State of Michigan.

#### 1.3 Demonstration Parameters

This demonstration is intended to operate state-wide in all counties. Michigan requests a 5-year demonstration period in order to have the time necessary to generate meaningful data on this important issue.

#### Waiver Objectives and Proposed Evaluation Measures:

- Increase access to care
  - Evaluation measure: assess eligibility data regarding whether postpartum beneficiaries experience continuous coverage for 12-months and identify any existing barriers
  - Prenatal and postpartum visit completion rates (perinatal timeliness of care)
  - Assessing utilization rates of Medicaid covered services for this population
    - Physical, behavioral health and SUD related utilization
  - Existing maternal and perinatal health core set measures for evaluation: percentage of women delivering a live birth who had a postpartum care visit on or between 21 and 56 days after delivery
  - Access to care for chronic conditions
- Improve health disparities
  - Evaluation measures: assess claims data by race for diagnosis codes related to pregnancy related outcomes such as hypertension or eclampsia, postpartum depression (and treatment), cardiomyopathy/cardiac changes
- Increase access to contraceptives
  - Evaluation measure: Medicaid Claims data related to 12-months postpartum eligibility category beneficiaries use of contraceptives during or completion of postpartum contraceptive counseling appointment
  - Existing maternal and perinatal health core set measures for evaluation:
    - Percentage of postpartum women provided a most or moderately effective method of contraception after delivery- within 3 days and within 60 days
    - Percentage of postpartum women provided a long-acting reversible method of contraception after delivery- within 3 days and within 60 days

## 2. Demonstration Eligibility

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The proposal to extend postpartum care from 2-months to 12-months will only be implemented for the eligibility groups included in the following table. The eligible populations will have incomes up to, but not exceeding, 195% of FPL with up to 5% income disregard in limited circumstances. The eligible population must be eligible for Medicaid coverage as of the pregnancy end date, even if the application were retroactively submitted and approved. The demonstration will utilize standard MAGI methodologies. This demonstration will not apply any enrollment limitations, modify, or limit the services provided or modify the current state plan requirements used to determine eligibility.

Eligibility Group	CFR and Social Security Act Citations
Qualified Pregnant Women and Children	42 CFR §435.116 SSA § 1902(a)(10)(A)(i)(III) SSA § 1905(n)
Mandatory Poverty Level Pregnant Women	SSA § 1902(a)(10)(A)(i)(IV) SSA § 1902(l)(1)(A)
Optional Poverty Level Related Pregnancy – Women & Infants	SSA § 1902(a)(10)(A)(ii)(IX) SSA § 1902(l)(2)

The state estimates an enrollment of approximately 35,000 enrollees in the first year of the demonstration.

#### **3. Demonstration Benefits and Cost Sharing Requirements**

Eligible beneficiaries subject to this waiver will receive the full array of benefits as described in the Medicaid State Plan. These benefits include, but are not limited to, comprehensive medical and behavioral health care, preventive services, family planning services, dental, and vision services.

For the duration of eligibility coverage under this waiver, and consistent with current Medicaid State Plan provisions, beneficiaries who are exempt from cost-sharing requirements by law, regulation, or program policy will be exempt from cost-sharing obligations (e.g., pregnant individuals receiving pregnancy-related services, individuals receiving hospice care, individuals eligible for Children’s Special Health Care Services, Native Americans in compliance with 42 CFR 447.56, etc.). Additionally, beneficiaries will not be subject to cost-sharing requirements for services that are exempt from cost sharing by law, regulation, or program policy (e.g., preventive and family planning services).

#### **4. Delivery System and Payment Rates for Services**

Michigan is a mature managed care state and it will continue to utilize its existing managed care delivery systems to provide services to the affected Medicaid population statewide. Covered services for the Medicaid population will be provided consistent with the authorities granted under the State’s approved §1915(b) waiver, §1115 Behavioral Health waiver, and any other applicable waivers. In the event beneficiaries need health care services prior to selecting their Medicaid health plan, they will be able to receive services through the current Medicaid fee-for-service structure.

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#### 5. Implementation of Demonstration

Upon the receipt of federal waiver approval, the demonstration will be implemented statewide with the effective date determined by MDHHS. Those beneficiaries found eligible on or after the effective date would receive the 12-months postpartum benefit. At the time of implementation, beneficiaries currently in the 2-months postpartum period would be identified so that their postpartum period could be automatically extended to the remainder of the 12-month period. The demonstration does not propose any modifications to the current eligibility determination, notification or delivery systems used to enroll and notify eligible beneficiaries. This demonstration will require modifications to the existing eligibility determination. Rather than calculating a two-month postpartum period, Michigan's eligibility systems will need to calculate a 12-month postpartum period based on pregnancy end date information reported to the department.

#### 6. Demonstration Financing and Budget Neutrality

For purposes of Budget Neutrality, MDHHS proposes to submit a "hypothetical" budget neutrality test as allowed per the August 22, 2018 State Medicaid Director's Letter (SMD #18-009). The budget neutrality test will include the required baseline "Without Waiver" (WOW) expenditures and the projected actual expenditures as "With Waiver" (WW) for the hypothetical population. Historical expenditures from comparable women enrolled in the Healthy Michigan Plan will provide a reasonable and methodologically sound estimate of the program's expected cost. Monitoring of the expenditures and budget neutrality will be described in the Standard Terms and Conditions when the waiver is approved.

#### 7. List of Proposed Waivers and Expenditure Authorities

Below is a list of proposed waivers necessary to implement Michigan's 1115 Demonstration:

- **Definition of Pregnant Woman: SSA § 1905(n)/42 CFR § 435.4** - Necessary to redefine "qualified pregnant woman or child" (SSA) and "pregnant women" (CFR) to augment the baseline postpartum period from 2 months to 12-months.
- **Extended Eligibility & Continuous Eligibility: SSA § 1902(e)(5) and (6)/42 CFR § 435.170(b) and (c)**- Necessary to extend both eligibility and continuous eligibility for newly defined "qualified pregnant woman or child" and "pregnant woman" from 2 months to 12-months.
- **Suspended Renewals Until End of Postpartum Period: 42 CFR § 435.916(a)** - Necessary to ensure continuity of coverage for newly defined "pregnant woman" until after the augmented postpartum period ends.
- **Freedom of Choice: Section 1902(a)(23)(A)**: To enable the State to Demonstration participants to receive benefits through certain providers.

#### 8. Stakeholder Engagement

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MDHHS is pursuing this waiver with the support of a broad coalition of Michigan-based stakeholders. This support stems from statewide discussions around the Mother Infant Health and Equity Improvement Plan, which outlines six primary priorities for addressing preventable deaths and health disparities for women and infants. MDHHS developed this plan based upon the input of families, community organizations, providers, health plans, and advisory councils across the state. The improvement plan called for (1) assuring that families have access to Medicaid and (2) streamlining the enrollment process for Medicaid services. In response, Governor Gretchen Whitmer prioritized the expansion of post-partum Medicaid coverage as part of her FY 2021 budget proposal, and the Michigan legislature supported this effort through the passage of Public Act 166 of 2020. MDHHS also reviewed the proposal for expanding post-partum coverage with the state's Medical Care Advisory Council, and the council voiced support for the state's proposal. MDHHS will continue to engage stakeholders in the development of the 1115 application through public hearings, webinars, public comment, and other community forums.

#### **9. Public Notice**

MDHHS will follow the public notice regulations for an 1115 waiver and provide a narrative of these activities and responses.