

# New Requirements for the Healthy Michigan Plan

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# Overview of the Presentation

- ▶ Overview of the current Healthy Michigan Plan (HMP)
- ▶ Program eligibility
- ▶ Review of changes being enacted to HMP in response to Public Act 208 of 2018.
- ▶ How the changes will impact beneficiaries, providers, and health plans.
- ▶ The department's plan for engaging stakeholders in the implementation process.
- ▶ Questions

# What is HMP?

- ▶ The Michigan legislature approved Michigan's Medicaid expansion through Public Act 107 of 2013.
- ▶ The Michigan Department of Health and Human Services (MDHHS) established HMP in April 2014.
- ▶ 645,504 individuals enrolled (as of July 15, 2019).
- ▶ Provides comprehensive health care coverage.
- ▶ The HMP program also includes unique requirements for cost-sharing and healthy behaviors.

# HMP Eligibility

## Michigan residents who:

- Are between the ages of 19 and 64
- Are not receiving or eligible for Medicare benefits
- Are not eligible for other Medicaid programs
- Are not pregnant at the time of application
- Have income at or below 133% of the Federal Poverty Level (FPL)
  - Note – 5% disregard = 138%
- Must meet other federal requirements

# Current HMP Cost-Sharing

## Co-Pays

- Have a MI Health Account
- Pay average co-pays when in a Medicaid health plan
- Pay at point of service when in fee-for-service

## Contributions

- Enrollees with incomes above 100% of the Federal Poverty Level (FPL) pay monthly contributions
  - 2% of their income (roughly \$19-\$25).
  - 5% cap on cost-sharing.

# HMP Healthy Behaviors

## What is the Healthy Behavior Incentive Program?

- Goal is to encourage beneficiaries to maintain and implement healthy behaviors.
  - Completion of a health risk assessment and attesting to a healthy behavior.
  - The program encourages individuals to adopt healthy behaviors (e.g., quitting tobacco use, losing weight, etc.).
- Incentives include reduced co-pays and contributions.

# What are the new changes to HMP?

## Public Act 208 of 2018

Establishes work requirements

Enacts new requirements for enrollees after 48 months of cumulative enrollment

# Work Requirements

## Population

- All HMP beneficiaries that are between the ages 19 and 62 that are not otherwise exempt

## Changes

- Required to work or participate in other qualifying activities for at least 80 hours per month
- Loss of eligibility for non-compliance

## Date

- Implementation Date: January 1, 2020



# Work Requirements

- ▶ Individuals are required to work or participate in other qualifying activities for at least 80 hours per month.
- ▶ Beneficiaries must report work or other qualifying activities to MDHHS on a monthly basis. A beneficiary is allowed three months of non-compliance within a 12-month calendar year.
- ▶ Beneficiaries may also qualify for an exemption from these requirements.
- ▶ After three months of non-compliance, beneficiaries will lose eligibility. Coverage may be reinstated after a beneficiary comes into compliance.

# Work Requirements

- ▶ **What are the qualifying activities?**
  - Employment, self-employment, or having income consistent with being employed or self-employed
  - Education directly related to employment (e.g., school, college, etc.)
  - Job training directly related to employment
  - Vocational training directly related to employment
  - Unpaid workforce engagement directly related to employment (e.g., internship)

# Work Requirements

- ▶ **What are the qualifying activities?**
  - Tribal employment programs
  - Participation in a substance use disorder (SUD) treatment (court ordered, prescribed by a licensed medical professional) or a Medicaid-funded SUD treatment
  - Community service with a 501(c)(3) or 501(c)(4) organization (This activity can only be used as a qualifying activity for up to 3 months in a 12-month period)
  - Job search directly related to job training

# Work Requirements

- ▶ **Potential Legislative Changes – subject to approval**
  - The Michigan legislature is currently considering a bill to allow the department to use administrative data to determine that beneficiaries are completing work or other qualifying activities.
  - The legislature is also considering a bill that would allow beneficiaries to report qualifying activities up until the end of the month. This bill would also allow beneficiaries to report qualifying activities for months which are currently listed as non-compliant months.

# Work Requirement Exemptions

- A caretaker of a family member under 6 years of age
- Beneficiaries currently receiving temporary or permanent long-term disability benefits
- Full-time student
- Pregnant women
- A caretaker of a dependent with a disability who needs full-time care based on a licensed medical professional's order



# Work Requirement Exemptions

- A caretaker of an incapacitated individual even if the incapacitated individual is not a dependent of the caretaker
- Individuals who receive a good cause temporary exemption
- Individuals who are designated as medically frail
- Individuals with a medical condition resulting in a work limitation according to a licensed medical professional's order

# Work Requirement Exemptions

- Beneficiaries who have been incarcerated within the last 6 months
- Individuals currently receiving unemployment benefits from the State of Michigan
- Individuals under 21 years of age who had previously been in foster care placement
- Individuals who are enrolled in the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) program

# New 48-Month Cumulative Enrollment Requirements

## Population

- HMP beneficiaries who have been enrolled in a health plan for 48 cumulative months
- HMP beneficiaries who have an income over 100% of FPL that are not otherwise exempt

## Changes

- Must complete a Healthy Behavior on an annual basis
- Must pay a 5% premium
- No opportunities for reducing costs
- Loss of coverage for non-compliance

## Date

- Implementation Date: January 1, 2020



# New Healthy Behavior Requirements

- MDHHS considers a Healthy Behavior to be one or more of the following:
  - Completing a HRA.
  - Completing an approved wellness program through a MHP.
  - Completing an appointment for one of the following health services: (1) annual medical check-up, (2) dental check-up or cleaning, (3) recommended cancer screening, (4) recommended vaccination(s), and (5) other preventive care services

# Healthy Behavior Requirement Exemptions

- The following populations are exempt from the 48 month cumulative healthy behavior requirements:
  - Individuals who are medically frail
  - Pregnant women
  - Individuals on the Flint Waiver
  - Individuals not enrolled in a MHP
- Individuals can also receive a hardship exemption. Examples of hardships are natural disasters, homelessness, or the death of a family member.
- Note: These populations are encouraged to complete healthy behaviors, they are not subject to loss of coverage for failing to complete.

# Healthy Behaviors

- ▶ How can providers or health plans assist with the completion of a healthy behavior?
  - Primary care providers can collaborate with an individual to complete an HRA.
  - Health care providers can also provide key preventive services to individuals that qualify as healthy behaviors.
  - MHPs can also collaborate with individuals to complete a HRA. Additionally, MHPs can encourage beneficiaries to participate in wellness programs that qualify as healthy behaviors.

# New 48–Month Cumulative Enrollment Premium Requirement

- Individuals who have 48 months of cumulative enrollment in a MHP and incomes over 100% FPL must pay a premium of 5% of their income (roughly \$50–\$65/month).
- Co-pays no longer apply.
- PA 208 of 2018 discontinues cost-sharing reductions for this population for completion of healthy behaviors.
- Beneficiaries can lose their coverage for non-payment of premiums. Individuals can regain HMP coverage but must pay all due premiums.

# Paying Premiums

- ▶ How can individuals pay premiums, MIHA contributions, or MIHA co-pays?
  - Individuals can pay by mail by using the payment coupons that came with the individual's statement. The coupon should be sent with a check or money order (no cash).
  - Individuals can also pay online by going to [www.healthymichiganplan.org](http://www.healthymichiganplan.org) and clicking "Make Healthy Michigan Plan Payments." Individuals must pay using their bank account information.
  - Individuals cannot use debit or credit cards to make payments.

# 48-Month Premium Requirement Exemptions

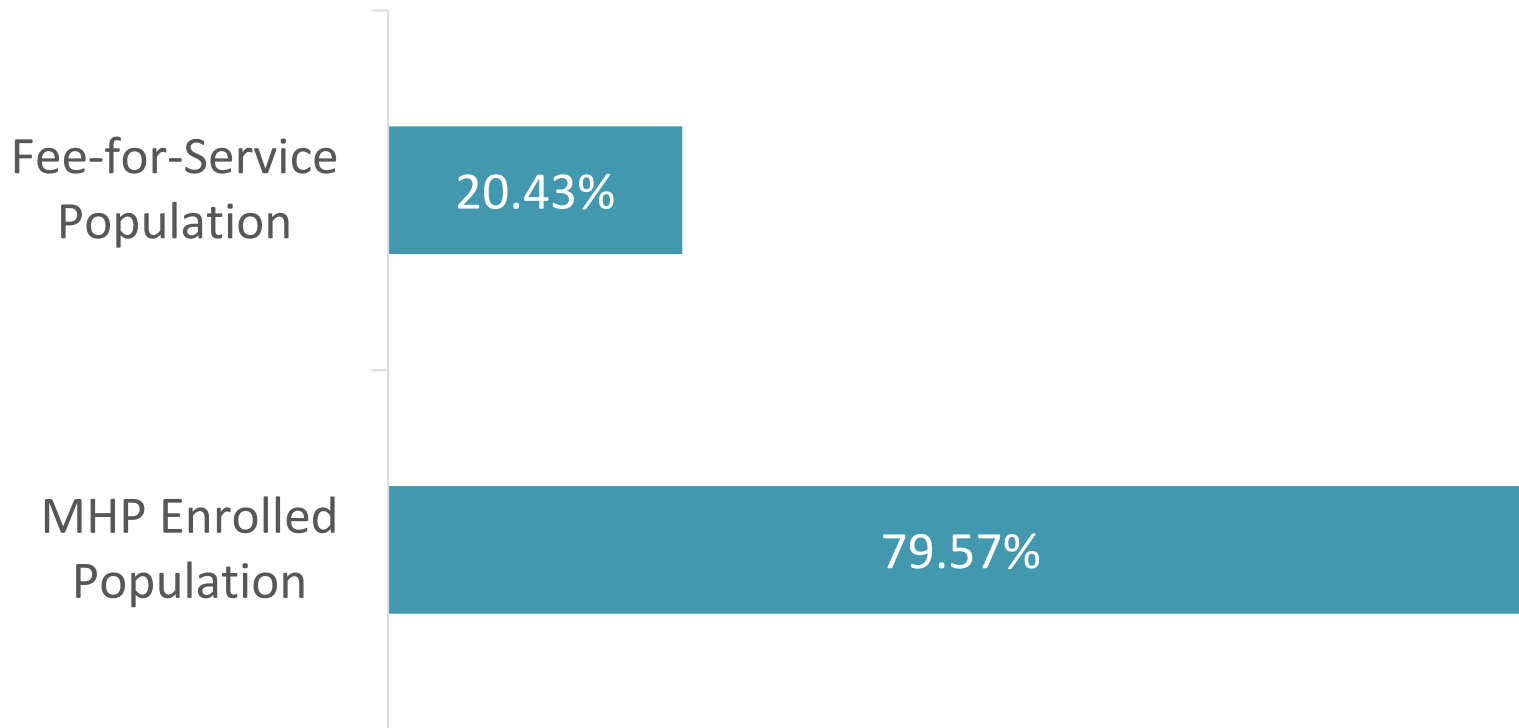
- The following populations are exempt:
  - Individuals who are medically frail
  - Pregnant women
  - Native Americans (in compliance with 42 CFR 447.56)
  - Individuals under the age of 21
  - Individuals on the Flint Waiver
  - Individuals not enrolled in a MHP
- Individuals can also receive a temporary hardship exemption.

# Identification Process for Medically Frail Beneficiaries

- Retrospective Data Analysis:
  - ICD-10 diagnosis codes (over 500 codes)
    - Includes chronic substance use disorders, serious and complex medical conditions, physical, intellectual, or developmental disability, etc.
- Data that identifies that a beneficiary is in a nursing home, hospice, or is receiving home help services.
- Information on Medicaid application
- Self-attestation

# Current MHP Enrollment of HMP Beneficiaries

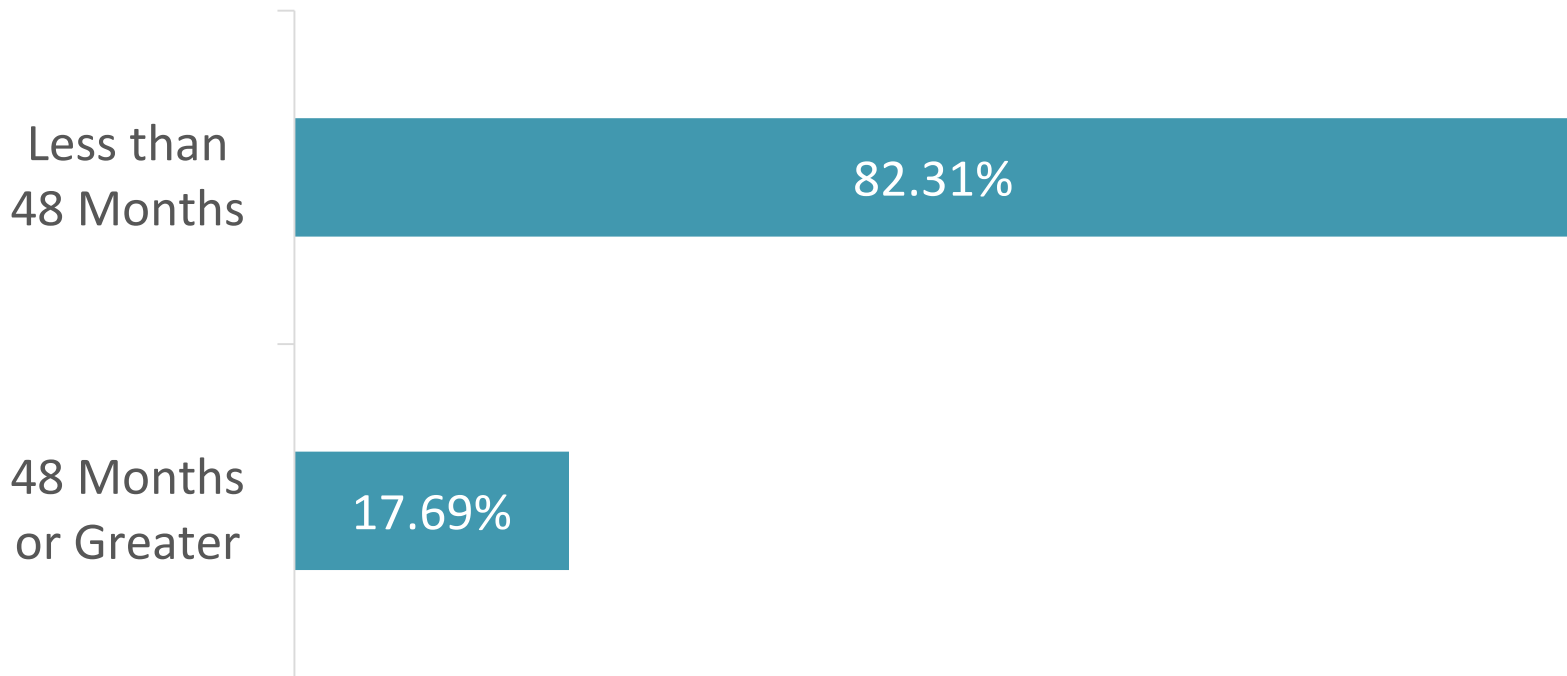
Percentage of HMP Beneficiaries



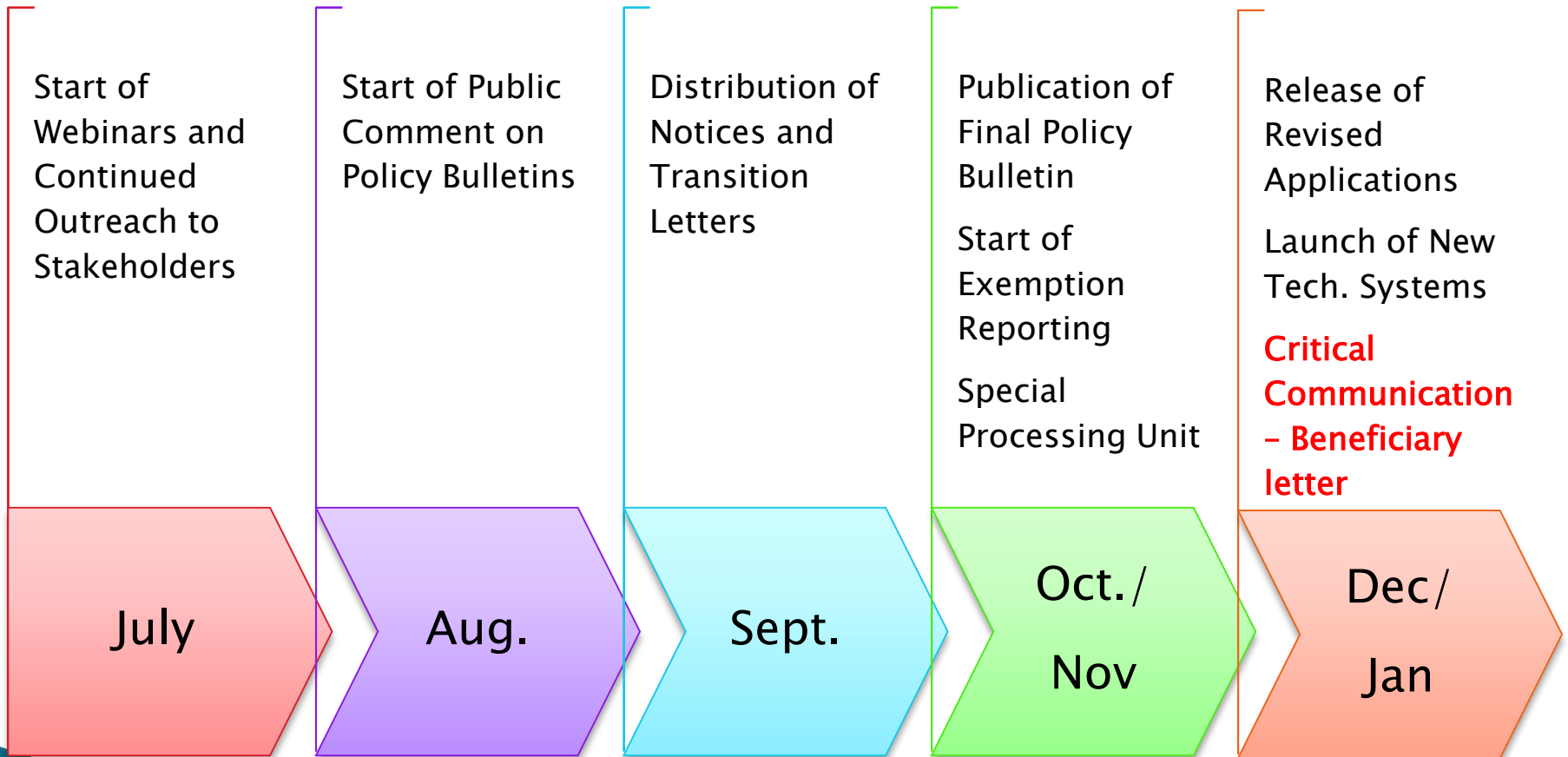


# Current Distribution of Months of Cumulative Enrollment in a MHP

Percentage of HMP Managed Care Enrollees with Income Greater than 100% FPL



# Work Requirements and 48 Month Changes Proposed Implementation Process



# Beneficiary Notification

- MDHHS sent a beneficiary letter in February 2019.
- In September 2019 MDHHS will be issuing notices to beneficiaries to indicate whether:
  - (a) they are subject to the new requirements (will include exemption form) or
  - (b) they have an exemption.
- MDHHS will send notices to HMP beneficiaries when they have been enrolled in a MHP for a cumulative 46 months.

# Reporting Exemptions

- Before January 27, 2020
  - MDHHS will establish a phone number for the Special Processing Office (SPO) for beneficiaries to report exemptions.
  - MDHHS will create a form to allow beneficiaries to report exemptions, which will be submitted to SPO.
- After January 27, 2020
  - In-Person (Kiosks in MDHHS Field Offices)
  - Online (via the MI Bridges Portal – head of household)
  - By Phone (via the Healthy Michigan Plan Work Requirement and Exemption Reporting Line)
  - Through the Application and Re-Determination Process
  - Through SPO (Hardship Exemption Only)

# Reporting Qualifying Activities

- Beneficiaries can report (self-attestation) qualifying activities:
  - Through MI Bridges
  - In-Person (Kiosks in MDHHS Field Offices)
  - By Phone – via the Healthy Michigan Plan Work Requirement and Exemption Reporting Line
  - Can report activities when re-enrolling through application process.
- Compliance review
  - Note – Encourage individuals to sign up for MI Health Button

# Exemption Timeframe

- ▶ **How long will exemptions last?**
  - Most exemptions will last for 12 months or until next redetermination.
  - The hardship exemption will last 3 months
    - This is for healthy behaviors and premiums.
  - An individual's exemption can either be renewed or ended during the re-determination process.



# Beneficiary Notification

- HMP beneficiaries will be notified after January 1, 2020 about whether they have an active exemption.
- New enrollees will be notified that they are potentially subject to work, cost-sharing, and healthy behavior requirements as part of the enrollment process.
- If an individual has not completed a healthy behavior within the last 12 months, they will receive a notification 60 days before the expiration of their compliance status.
- Notices through texting.

# Initial Application and Re-determination Process Changes

- MDHHS is adding a new appendix:
  - MDHHS-1171 (multi-program coverage application)
  - DCH-1426 applications (Medicaid health coverage)
    - Appendix allows individuals to (1) claim an exemption from the requirements and (2) attest to completion of a qualifying activity.
- MDHHS will also use data from other parts of the applications to automatically exempt individuals.
- During the re-determination process, MDHHS staff can renew a current exemption or end an existing exemption based on new data.



# Beneficiary HMP Eligibility Impact

- Individuals will be able to view whether they have an exemption to the requirements in the MI Bridges system.
- If an individual is non-compliant with work requirements:
  - Will serve a penalty month unless he or she can demonstrate an exemption.
  - Can re-enroll once they complete and attest to the completion of qualifying activities.

# Beneficiary HMP Eligibility Impact

- If an individual is non-compliant with healthy behavior requirements, the individual can re-apply.
  - Can re-enroll once they complete a healthy behavior.
- If an individual is non-compliant with premium requirements, the individual can re-apply.
  - Can re-enroll once they pay past due premiums.

# Community Partner and Stakeholder Engagement/Role

- ▶ Carrying out message
- ▶ Working with beneficiaries
- ▶ MDHHS is developing materials
- ▶ Needed information sources from MDHHS?



# Information Sources

- ▶ Future webinars and other outreach events
- ▶ Proposed Medicaid policy when out for the public comment process
- ▶ MDHHS Healthy Michigan Plan Information website – <https://www.michigan.gov/healthymiplan>
- ▶ Related documents are posted on the MDHHS website:
  - <http://www.michigan.gov/healthymichiganplan>



# Questions?

