



Public Notice

Michigan Department of Health and Human Services Medical Services Administration

Flint, Michigan Section 1115 Demonstration Waiver Extension Application

The Michigan Department of Health and Human Services (MDHHS) is hereby providing notice that it will be holding a public hearing and comment period seeking input on the submission of its demonstration waiver extension application to the Centers for Medicare & Medicaid Services (CMS). MDHHS is seeking a 10-year extension of the Flint Michigan Section 1115 Demonstration, also referred to as the Flint Waiver, which is set to expire on February 28, 2021.

Flint Waiver Demonstration Description and Objectives

In 2016, CMS approved Michigan's application to establish a five-year Medicaid demonstration entitled "Flint Michigan Section 1115 Demonstration" (Project Number 11-W-00302/5), in response to the public health emergency of lead exposure related to the Flint water system. The demonstration expanded coverage to low-income children up to age 21 years and pregnant women served by the Flint water system during a state-specified time period. The Flint Waiver was established in part to address resulting health effects and improve health outcomes.

Flint Waiver Demonstration Program Overview

The overarching goal of the MDHHS waiver application is to "identify and address any physical or behavioral health issues associated with actual or potential exposure to lead hazards." The demonstration expands eligibility of all Medicaid benefits for low-income children (up to age 21 including children born to eligible pregnant women) and pregnant women (through two months post-delivery) served by the Flint water region from 4/1/2014 through the date when the water is deemed safe. As of 1/13/20, the water had not yet been deemed safe although lead levels were below national thresholds. The specific eligibility modifications included:

- Increase income threshold to offer coverage to children in households with incomes from 212% federal poverty level (FPL) up to and including 400% FPL.
- Increase income threshold to offer coverage to pregnant women in households with incomes from 195% FPL up to and including 400% FPL.
- Eliminate cost sharing and Medicaid premiums for eligible children and pregnant women served by the Flint water system.

Targeted Case Management (TCM) is an added benefit to all low-income children (up to age 21 including children born to eligible pregnant women) and pregnant women (through two months post-delivery) served by the Flint water system as of 4/1/2014. The activities included in the TCM benefit are:

- Assisting enrolled eligible children and pregnant women served by the Flint water system to gain access to needed medical, social, educational, and other service(s).

Enrollment

The following table shows an unduplicated aggregate count of beneficiaries whose coverage is affected by the demonstration for each year of the current demonstration approval period. The Cumulative Enrollment row shows the total distinct number of Flint waiver enrollees over the demonstration period.

Flint Demonstration Enrollment by Demonstration Year			
Demonstration Year	Enrollment Group		Total Flint Demonstration Enrollment
	Children	Pregnant Women	
1	29,985	1,813	31,798
2	32,990	1,735	34,725
3	31,047	1,254	32,301
4	29,681	1,195	30,876
Cumulative Enrollment	39,375	4,046	43,421

Estimates of the expected increase or decrease in annual enrollment, as well as annual aggregate expenditures, are currently being developed.

Flint Waiver Demonstration Evaluation

A condition of this waiver authorization was the requirement for an independent evaluation, conducted by Michigan State University's Institute for Health Policy (IHP), on the evaluation goals and activities determined in collaboration with CMS. The Waiver application referred to four domains in which the expanded Medicaid offerings would support attainment of the overall waiver goal:

- Access to Care
- Access to Targeted Case Management
- Improved Health Outcomes
- Lead Hazard Investigation

The evaluation includes multiple hypotheses associated with the domains to examine the Flint Waiver's overarching goal of identifying and addressing any physical or behavioral health issues associated with actual or potential exposure to lead hazards.

Demonstration Waiver and Expenditure Authorities

MDHHS seeks the continuation of the following waivers of state plan requirements contained in §1902 of the Social Security Act, subject to the Special Terms & Conditions for the Flint Waiver §1115 Demonstration:

- *Provision of Medical Assistance §1902(a)(8); 1902(a)(10)* – To the extent necessary to permit the state to limit the provision of medical assistance (and treatment as eligible) for individuals described in the eligibility group under 1902(a)(10)(A)(ii)(XX) and the state plan, to children up to age 21 and pregnant women who were served by the Flint water system at any time from April 2014 to the state-specified date, including any child bonito a pregnant woman served by the Flint water system from April 2014 to the state-specified date. For this purpose, an individual was served by the Flint water system if, for more than one day, the individual consumed water drawn from the Flint water system and: 1) resided in a dwelling connected to this system; 2) had employment at a location served by this system; or, 3) received child care or education at a location connected to this system.
- *Comparability §1902(a)(17) or § 1902(a)(10)(B)* – To the extent necessary to enable the state to not charge premiums to individuals who resided in the area served by the Flint water system from April 2014 up to the date specified in accordance with paragraph 18 of the special terms and conditions (STCs). Also, to the extent necessary to enable the state to provide evaluation of potential lead exposure in the home only for individual~ who meet these nonfinancial criteria.
- *Freedom of Choice §1902(a)(23)* – To the extent necessary to enable the state to restrict freedom of choice of provider for children and pregnant women with respect to targeted case management and evaluation of potential lead exposure in the home. Also, to the extent necessary to enable the state to limit beneficiary choice of providers for beneficiaries enrolled in a Managed Care Entity (MCE) and a Prepaid Inpatient Health Plan (PIHP) under the demonstration to those providers that are within the MCE and PIHP networks. No waiver of freedom of choice is authorized for family planning providers.

Additionally, MDHHS seeks the continuation of the CMS-approved expenditure authority that enables Michigan to implement the Flint Medicaid Section 1115 demonstration:

- Expenditures for evaluation of potential lead exposure in the homes of eligible children under age 21 and eligible pregnant women who resided in the area served by the Flint water system between April 2014 and the date specified in accordance with paragraph 18 of the Special Terms and Conditions, without regard to whether there has been documentation of an elevated blood lead level of an eligible household member.

Public Hearing, Review of Documents, and Comment Submission

In compliance with the public notice process as specified in 42 CFR 431.408, a public hearing has been scheduled at the date, time and location below:

February 25, 2020 at 4:00 p.m. to 6:00 p.m.
Food Bank of Eastern Michigan
2300 Lapeer Road
Flint, Michigan 48503

This public hearing will provide an overview and discussion of the demonstration waiver extension. All interested parties will be provided the opportunity to provide comments on the Flint Waiver demonstration waiver extension application.

A copy of the complete §1115 waiver application, stakeholder notice, and waiver summary is available online at <https://www.michigan.gov/mdhhs/0,5885,7-339-71547-376862--,00.html>. You may also request a hard copy of the complete §1115 waiver application, stakeholder notice, and waiver summary by contacting msapolicy@michigan.gov. You may also submit comments regarding the waiver to the address below or by email to msapolicy@michigan.gov.

Michigan Department of Health and Human Services
Medical Services Administration
Medicaid Policy Section
P.O. Box 30479
Lansing, MI 48909-7979

All comments on this topic should include a “Section 1115 – Flint Waiver Extension” reference somewhere in the written submission or the subject line if by e-mail. Comments will be accepted until March 26, 2020.