



Medicaid Updates

June 2023



Agenda



Continuous Coverage Requirement & Unwinding



Medicaid Expansion



Pregnancy Coverage Changes & Pregnancy Health Home

Continuous Coverage Requirement & Unwinding

Continuous Coverage

The Families First Coronavirus Relief Act (FFRCA) required “continuous coverage” for Medicaid during the public health emergency (PHE). Any Medicaid recipient (not including CHIP) eligible on or after March 18, 2020, has not been able to lose coverage unless they:

- request closure,
- are deceased,
- move out of state, or
- were incorrectly enrolled.

South Dakota Medicaid monthly enrollment has increased over 30% from 114,689 in March 2020 to 151,640 in January 2023 due to the continuous coverage requirement.

Average Monthly Medicaid Enrollment



Decoupling Continuous Coverage from the PHE



Federal law set an end date to the continuous coverage requirement effective April 1, 2023. It is no longer tied to the PHE.

Effective April 1, 2023, Medicaid coverage can be closed again for individuals who are no longer eligible. This period where states return to regular operations is called the “unwinding.” States must meet certain federal conditions during unwinding to qualify for enhanced FMAP:

Condition #1: Eligibility Operations

States must meet all federal requirements for renewals. The Centers for Medicare and Medicaid Services (CMS) recommends states initiate no more than 1/9 of their total caseload renewals in any given month during the unwinding.

Condition #2: Enrollee Contact Information

States must maintain up-to-date contact information for individuals that will undergo redetermination. States can use reliable sources of information outside of the eligibility system to improve contact information. Examples of possible sources include other public programs.

Condition #3: Contacting Ineligible Individuals

States cannot disenroll individuals solely based on mail that is returned. States must make a “good faith effort” to contact all recipients using more than one mode of communication.

Preparation for Unwinding

The Department of Social Services (DSS) proactively planned for unwinding and the Medicaid Return to Regular Operations while awaiting the Federal declaration ending the continuous coverage requirement. This included:

- Continuing to Process Annual Renewals for Medicaid Recipients
- Providing regular updates to Medicaid recipients;
- Reminding Medicaid Recipients to Keep Information Current; and
- Alerting Medicaid Recipients to the unwinding process.

To prepare for the start of unwinding in April, DSS communicated with Medicaid recipients and providers and created a new webpage for resources related to return to regular operations.

DON'T RISK A GAP IN YOUR MEDICAID OR CHIP COVERAGE

CLICK HERE TO LEARN MORE ABOUT UPCOMING CHANGES TO MEDICAID ELIGIBILITY

Following these steps will help determine if you still qualify:



Make sure your contact information is up to date.



Watch for communication from Department of Social Services



Complete your renewal form (if you receive one)

Online Updates

Provider and recipient resources can be located online by going to **Important Changes Coming Soon to Medicaid Eligibility** at dss.sd.gov.

South Dakota's Unwinding Plan

South Dakota's plan prioritizes cases for review focusing first on cases most likely to be ineligible based on those who no longer meet a coverage group, aged out of a coverage group, the time limit in the coverage group expired, or income has increased. South Dakota will also return to regular operations for annual renewals.



Timeline

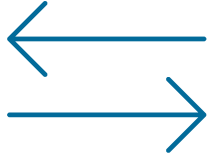
Beginning February 2023, reviews will be conducted to assess continued eligibility or need for disenrollment. The soonest an individual could lose coverage is April 1, 2023. DSS will follow CMS' recommendation to work on no more than 1/9 of the total caseload per month. DSS estimates it will take up to 9 months to work through cases most likely to be found ineligible.



Eligibility Redeterminations

Prior to redeterminations, individuals on Medicaid will receive a Medicaid review form. Once a Medicaid recipient receives their review form, they should complete it right away. All forms are marked urgent.

Transitions and Closures



Transitions

Cases set to close will be screened for other Medicaid programs prior to coverage ending. If an individual is eligible for another aid category, they will continue to receive Medicaid coverage.



Closures

If a recipient is no longer eligible, their coverage will close at the end of the first month the Department can provide 10-day advance notice, but no sooner than effective April 1, 2023. Individuals who have lost coverage can reapply for Medicaid with DSS at any time.

Health Insurance Marketplace

HealthCare.gov

Individuals denied for Medicaid may still be able to get health insurance, and help paying for it, through the **Health Insurance Marketplace**. For more information on the **Health Insurance Marketplace**, please call (800) 318-2596 (TTY: 1-855-889-4325) or visit www.healthcare.gov.

Customer Support

DSS is taking actions to minimize beneficiary burden and limit gaps in coverage by:

- Asking providers to assist with keeping customer addresses up to date;
- Screening beneficiaries for all available coverage groups prior to disenrollment;
- Automatically transferring accounts to the Federal Marketplace for ineligible individuals;
- Screening individuals for expansion eligibility;
- Notifying Primary Care Providers of their customers who are likely to be found ineligible;
- Hosting webinars for providers, stakeholders and others to educate about unwinding;
- Creating a FAQ of questions from providers, stakeholders and others about unwinding;
- Highlighting coverage resources on the DSS website;
- Partnering with stakeholders and community resources to provide eligibility information; and
- Leveraging social media and dss.sd.gov updates with information for customers.

Individuals disenrolled and screened for potential expansion eligibility will:

- Receive a notice at disenrollment to apply again as soon as July 1;
- Receive a reminder letter in June with expansion and application information;
- In June, be transitioned directly into Medicaid Expansion.

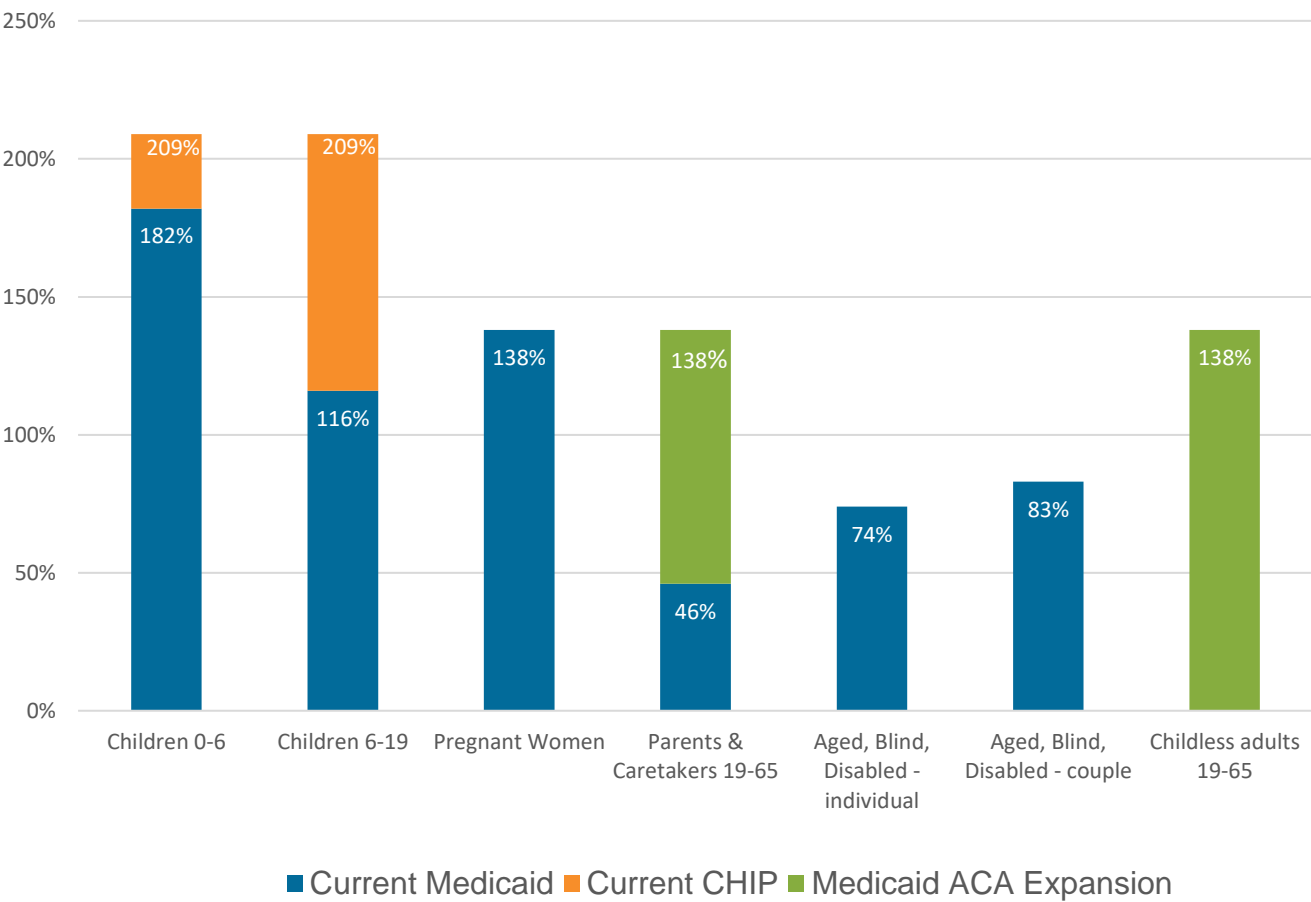
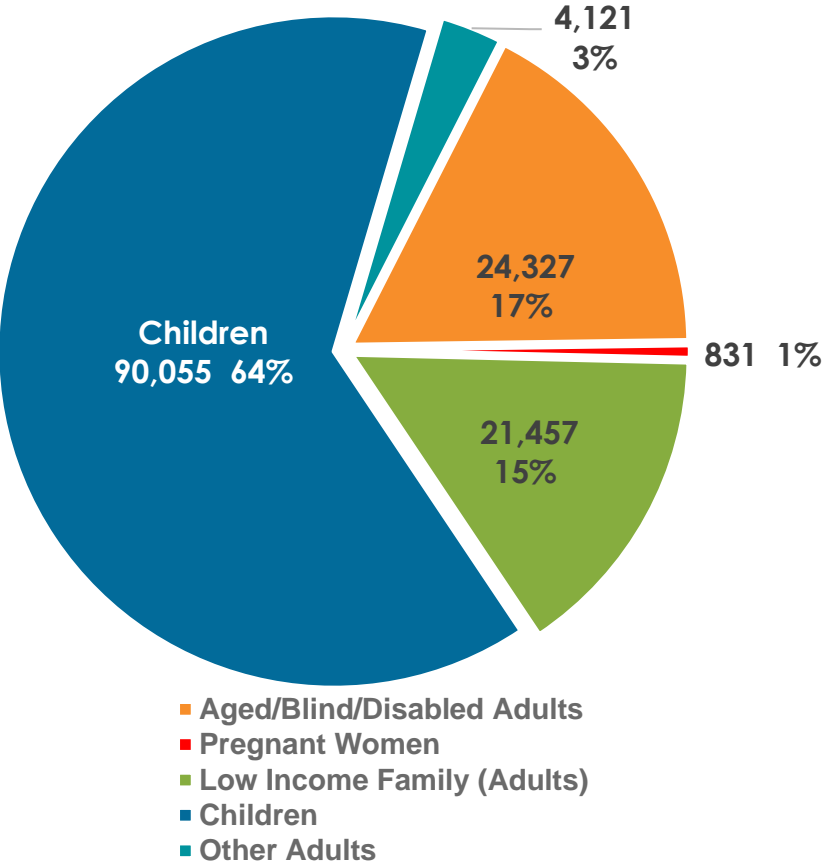
Medicaid Expansion

Medicaid Expansion Overview

- South Dakota voters approved Constitutional Amendment D in November 2022.
- Under Constitutional Amendment D, adults ages 19 to 64 with incomes up to 138% of the federal poverty level will be eligible to enroll in Medicaid.
- Two key dates in the Constitutional Amendment:
 - Requires coverage effective July 1, 2023.
 - Requires DSS to submit amendments to the Medicaid State Plan in March 2023.
- DSS estimates approximately 52,000 individuals will be eligible for Medicaid Expansion in South Dakota.
- The SFY 2024 Budget includes:
 - \$578.9 million to fund the benefit and administrative costs for Medicaid Expansion.
 - 68 FTE for the Department of Social Services

Medicaid Today & Medicaid Expansion

SFY2022: 140,791
Average Monthly Eligible



Federal Poverty Level & DSS Programs

2023 CALENDAR YEAR FEDERAL POVERTY GUIDELINES

Annual Amount at Various Income Percentage Levels

Family Size	100%	130%	138%	182%	185%	200%	209%
1	\$14,580	\$18,954	\$20,120	\$26,536	\$26,973	\$29,160	\$30,472
2	\$19,720	\$25,636	\$27,214	\$35,890	\$36,482	\$39,440	\$41,215
3	\$24,860	\$32,318	\$34,307	\$45,245	\$45,991	\$49,720	\$51,957
4	\$30,000	\$39,000	\$41,400	\$54,600	\$55,500	\$60,000	\$62,700
5	\$35,140	\$45,682	\$48,493	\$63,955	\$65,009	\$70,280	\$73,443
6	\$40,280	\$52,364	\$55,586	\$73,310	\$74,518	\$80,560	\$84,185
7	\$45,420	\$59,046	\$62,680	\$82,664	\$84,027	\$90,840	\$94,928
8	\$50,560	\$65,728	\$69,773	\$92,019	\$93,536	\$101,120	\$105,670

South Dakota

Medicaid Expansion	138%
Medicaid Children	182%
CHIP Children's Health Insurance Program	209%
SNAP	130%
LIEAP	200%
Child Care	209%
Community Behavioral Health	185%



Adult Expansion Eligibility Criteria

- Aged 19 through 64
- Income below 133% of the Federal Poverty Limit for 2023
- Not entitled to or enrolled in Medicare (Part A or B)
- Not otherwise eligible for or enrolled in another aid category



Application Process

The application process will not change. Adults who may be eligible for this group may begin applying in June 2023 for coverage July 1, 2023.

Medicaid Expansion Application Process



Applications are available:

1. **Online:** <http://dss.sd.gov/applyonline>
2. **DSS website:** <http://dss.sd.gov/formsandpubs/>
3. **All Department of Social Services offices**
4. **Most South Dakota Medicaid providers**

Application Process

The application process for Medicaid can be done entirely by mail or online. No interview is required.

An application for one Medicaid program is considered an application for all programs.

SSI recipients are automatically eligible for the South Dakota Medicaid program and do not need to apply.

Individuals can reapply at any time.

Benefits

- Constitutional Amendment D states that Medicaid expansion enrollees “shall receive coverage that meets or exceeds the benchmark or benchmark-equivalent coverage requirements, as such terms are defined by federal law as of January 1, 2021.”
- South Dakota’s [benchmark plan](#) is established by the South Dakota Division of Insurance. Benchmark plan covered services for adults include the 10 essential health benefits for expansion.
- The current Medicaid benefit package includes the 10 essential health benefit categories in the benchmark plan as well as additional services for adults such as adult dental, adult optometry and eyeglasses, and non-emergency medical transportation.

Essential Health Benefits

1. Outpatient care, such as services delivered in ambulatory care settings
2. Emergency services
3. Hospitalizations, such as surgery and overnight stays
4. Pregnancy, maternity, and newborn care both before and after birth
5. Mental health and substance use disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive services, wellness services, and chronic disease management
10. Pediatric services, including oral and vision care

Medicaid Expansion Benefits, Providers, and Rates

- **Medicaid Expansion recipients will have the same benefit package and coverage as traditional adult Medicaid recipients.**
 - Medicaid Expansion recipients will be subject to the same service limits, coverage criteria, and prior authorization requirements as traditional adult Medicaid recipients.
 - Coverage will be consistent as individuals move between coverage groups.
- Medicaid Expansion recipients will use the same providers as traditional Medicaid. Medicaid providers will **not** have to make enrollment changes to see Medicaid Expansion recipients. Medicaid providers can start seeing Medicaid Expansion recipients on July 1, 2023.
- Medicaid Expansion will use the same reimbursement rates as traditional Medicaid. Payments to providers will **not** change.

Medicaid Expansion Claims Processing Timeline

South Dakota Medicaid will have the following functionality live on or before July 1, 2023:

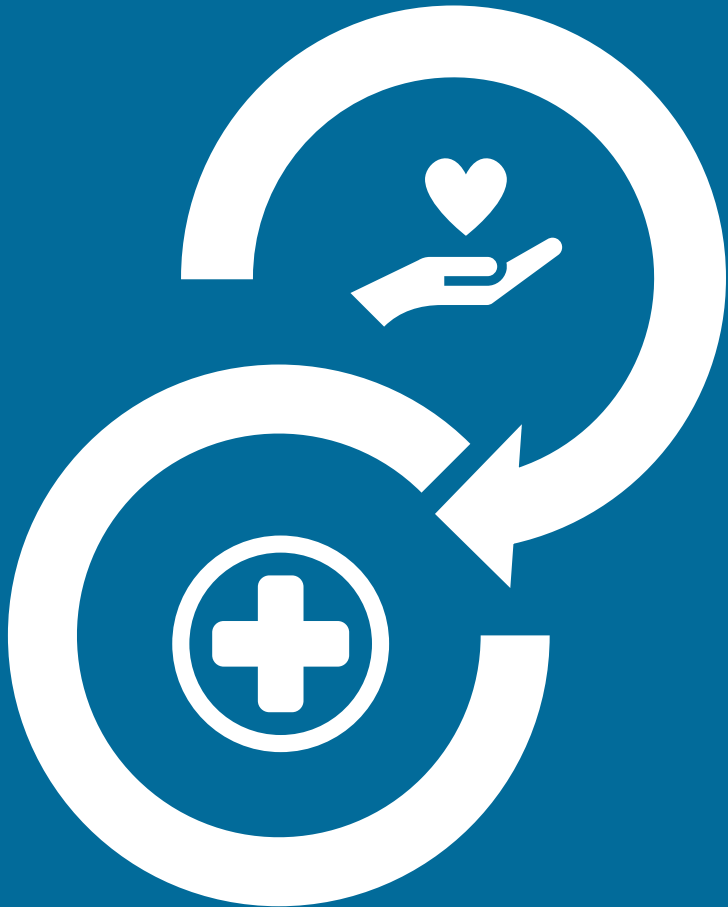
- Medicaid Eligibility Inquiry and 270/271 EDI Transactions
- Prior Authorization
- Primary Care Provider and Health Home Provider Selection
- Dental Claims Processing
- Pharmacy Point-of Sale Claims Processing

South Dakota Medicaid anticipates delays to medical claims processing for Medicaid Expansion recipients. Currently, South Dakota Medicaid anticipates the following timeframes for go-live:

- Professional Claims submitted on a CMS 1500 form: Sept. 1, 2023
- Institutional Claims submitted on a UB-04 form: Fall 2023

South Dakota Medicaid **asks providers to hold claims** for Medicaid Expansion recipients until the go-live date. Medicaid Expansion recipients can be identified as recipients in aid categories 92, 93, 94, and 95. South Dakota Medicaid will extend timely filing for Medicaid Expansion claims based on the implementation date for claims processing.

Care Management Programs



Primary Care Case Management: PCP Program

- The Primary Care Provider Program (PCP) is designed to improve access to medical care for Medicaid recipients as well as improve the quality of care they receive by giving them a medical home.
- Recipients either choose or are assigned a Primary Care Provider (PCP). This allows the recipient and their physician to develop a relationship in which the best medical care can be provided. South Dakota Medicaid allows Medicaid recipients to change their PCP at any time for any reason.
- Individuals in the PCP program receive primary care services from their PCP and require a referral from their PCP for non-emergent specialty and hospital services. This ensures the PCP acts as a medical home and assists Medicaid recipients in coordinating care.

Health Home Program

- The Health Home Program offers enhanced services to Medicaid recipients with chronic medical or behavioral health conditions. The Health Home Program provides 6 core services designed to reduce inpatient hospitalization and ER visits, increase integration between primary care and behavioral health services, and enhance transitional care between institutions and community-based care.
- Individuals are enrolled in the Health Home program based on claims data or provider referral.

Medicaid Expansion recipients will participate in the PCP and Health Home Programs on the same basis as traditional adult Medicaid recipients.

Cost Sharing

Cost sharing is a small portion of a medical bill, often called a co-insurance or co-pay. Cost sharing is limited to 5% of a household's income.

Medicaid Expansion recipients will have the same cost sharing as traditional adult Medicaid recipients.

Services Exempt from Cost Sharing

- True emergency services
- Family planning services and supplies
- Services relating to a pregnancy, postpartum condition, a condition caused by the pregnancy, or a condition that may complicate the pregnancy;
- Provider-preventable services
- Laboratory services
- Psychiatric inpatient and rehabilitation services;
- Radiological services; and
- Substance use disorder treatment.

Individuals Exempt from Cost Sharing

- Children under age 21;
- Individuals receiving hospice care;
- Individuals residing in a long-term care facility or receiving home and community-based services;
- American Indians who have ever received an item or service furnished by an Indian Health Services (IHS) provider or through referral under contract health services; and
- Individuals eligible for Medicaid through the Breast and Cervical Cancer program.

Customer Support

DSS is taking action to get ready for Medicaid Expansion by:

- Streamlining coverage;
- Reusing existing enrollment processes;
- Publishing income eligibility standards for the new Adult Group alongside other Medicaid Eligibility Information;
- Creating Fact Sheets for the stakeholders and the public about Eligibility, Covered Services, Benefits and Operational Costs, and Expansion Overview;
- Highlighting key resources on a single page on the dss.sd.gov;
- Hosting webinars for providers, stakeholders, and the public in May and June 2023;
- Providing education and resources to tribes at Medicaid Tribal Consultation and CMS In-Person trainings;
- Creating a FAQ of questions from providers, stakeholders and the public;
- Updating Medicaid eligibility and claims processing systems for Expansion; and
- Updating Medicaid provider manuals and Recipient Handbook with Expansion information.

Pregnancy Coverage Changes & Pregnancy Health Home

Pregnancy Coverage Changes

Pregnancy Coverage

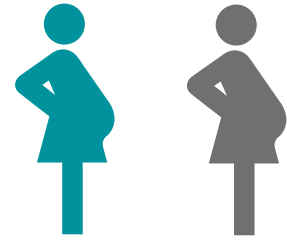
- Current Coverage is limited to pregnancy related services including prenatal care, labor/delivery, hospitalization due to delivery, and treatment of medical issues caused by the pregnancy or that directly affect the health of the baby.
- **Effective July 1, pregnant women will have full Medicaid coverage.**
- Unborn Children coverage will not change.

Postpartum Coverage

- Current coverage is limited to the postpartum exam, family planning, and medical conditions directly related to the pregnancy and/or delivery. Coverage is limited to 60 days following delivery.
- **Effective July 1, postpartum women will have full Medicaid coverage.**
- **Effective July 1, postpartum coverage will extend to 12 months after delivery**

Pregnancy Health Home

- Quality pregnancy and postpartum care are key to ensuring babies and moms are healthy.
- DSS been working collaboratively with Department of Health (DOH) and our federal partners to explore and support innovative ideas that can change the outcomes for pregnant women, babies, and young children.
- DSS knows that enhanced care management makes a difference.
 - DSS's Health Home model has shown robust avoidance and better outcomes for individuals with chronic conditions.
 - DSS tested the concept of enhanced care management for pregnant Medicaid recipients through Primary Care and Prenatal Care Innovation Grants. Results showed increased high risk screening rates, and increased breastfeeding and the potential to decrease the number of infants that require a NICU stay.
- Governor Noem's recommended budget included \$3.1 million to support the creation of a new Pregnancy Health Home to deliver enhanced care coordination and care management services to ensure that pregnant women receive all of the support needed during their pregnancy.



Medicaid covers about
HALF of all births in
South
Dakota.



50% of children
born in South Dakota
will be on Medicaid or
CHIP during their first
year of life.

- DSS will build a health home model for pregnant women using the framework of South Dakota's existing Health Home Program.
- As part of the program, providers will be asked to do more care management and coordination of care for pregnant women.
 - Screening and referrals for behavioral health need such as depression and substance use;
 - Screening for other needs such as food, housing and legal services and connecting women to these resources;
 - Supporting women referred to specialist care during pregnancy;
 - Encouraging women to adopt healthy behaviors and self-manage their conditions.
- The Provider will work closely with DOH programs supporting pregnancy such as Bright Start, Pregnancy Care and WIC to provide wrap around services and home visiting services.
- Providers will work on quality improvement projects to enhance care delivery for patients in their communities. DSS and DOH will provide technical assistance and support to providers for their projects.

What will the Pregnancy Health Home do?



Questions?

dss.sd.gov



605-773-3495



sarah.aker@state.sd.us

