



Phoenix Area Indian Health Service

# Tribal Health Steering Committee for the Phoenix Area IHS Meeting



## MEDICAID WORK REQUIREMENTS: STATE APPROACHES IN THE PHOENIX AREA

Carol Chicharello  
Director, Business Development  
IHS Phoenix Area Office

The aim of this presentation is to share and facilitate the sharing of helpful information, but please note that it may reflect presenters' opinions and not necessarily those of the Indian Health Service or the U.S. Department of Health and Human Services

# OVERVIEW

- Medicaid Basics
- Medicaid Authorities
- Medicaid Work Requirements
  - State Medicaid Director Letter
  - Letter to Tribal Leaders
  - Status of Requests
  - State Approaches in the Phoenix Area

# MEDICAID BASICS

- **Mandatory and Optional Eligibility Categories**
  - Traditional: Low-income children and their parents, pregnant women, people with disabilities, and people age 65 and older
  - Pre-2014: Some states covered childless adults (under waiver authority)
  - Post-2014: Some states “expanded” Medicaid to cover individuals with incomes up to 138%
- **Mandatory and Optional Benefits**
  - Cost Sharing – Nominal Copays, Premiums, Deductibles, and Coinsurance (AI/AN Exempt)
  - Comparability, Statewideness, Member Choice
  - Alternative Benefit Package – 10 Essential Health Benefits

# MEDICAID BASICS

- **Financing**
  - FMAP – Services and Administrative Costs; Varies
  - State General Fund
- **Delivery Systems and Provider Rates**
  - Fee-for Service and Managed Care
- **Administration**
- Each Medicaid Program is unique as States may shape their own programs under federal and state authorities.

# MEDICAID AUTHORITIES

- Federal and State Law
- Federal Regulations and State Rules
- CMS Guidance (SMDs and SHOs)
- Agreements
  - State Plans
  - Waivers

# MEDICAID AUTHORITIES

- State Plan
  - Medicaid and CHIP
  - Approved by CMS Region
  - Effective Date: Retrospective back to 1<sup>st</sup> day of quarter in which SPA was submitted
- Waivers
  - Provides Flexibilities and Waives Certain Requirements of the SSA
  - Approved by the Secretary; CMS Central Office
  - Effective Date: Prospective on or after date of approval

# WORK REQUIREMENTS

- March 14, 2017 – HHS and CMS issued a letter encouraging states to seek flexibilities in Medicaid.
- January 11, 2018 – CMS issued SMD Letter 18-002
  - Provided new guidance for Section 1115 waiver proposals that would impose work and community engagement requirements in Medicaid as a condition of eligibility.
  - Stated requirement for consultation with Tribes.
  - Suggested consideration of alignment with tribal work programs.

# WORK REQUIREMENTS

- January 17, 2018 – CMS issued DTLL
  - Response to Tribes' requests to exempt AI/AN from work and community engagement requirements.
  - Constrained by statute and concerned that requiring states to exempt AI/ANs from work and community engagement requirements could raise civil rights issues.



# WORK REQUIREMENTS

- **Approved:** KY, IN, AR, NH
- **Pending:** AZ, KS, ME, MS, OH, UT, WI
- **Stewart v. Azar** - Lawsuit filed in the U.S. District Court
  - 15 Kentucky Medicaid enrollees
  - Plaintiffs represented by NHeLP, KEJC, SPLC
  - Basis: Not consistent with SSA objectives
  - June 15<sup>th</sup> – Hearing of motions for summary judgement by Plaintiffs and Defendants
  - Judge expects to rule on motions by July 1<sup>st</sup> – Eff. Date of KY Waiver

# WORK REQUIREMENTS

- **Arizona** – Pending Request (Submitted 12/19/17)
  - Expansion State
  - Legislative requirement to seek authority annually
  - Approximately 400,000 total; 44,000 AI/AN
  - Initial request for AI/AN exemption
  - Current requested exemption for individuals who are not subject to mandatory managed care

# WORK REQUIREMENTS – AZ

- Able-bodied adults age 19-49 who are subject to mandatory managed care and do not qualify for an exemption must, for at least 80 hours per month:
- Be employed;
- Actively seek employment;
- Attend school (less than full time);
- Participate in employment readiness activities; or
- Engage in community service.

# WORK REQUIREMENTS – AZ EXEMPTIONS

- Pregnant women and postpartum 60 days
- Former foster care youth up to age 26
- Individuals receiving temporary or permanent long-term disability benefits (private or government), including workers compensation
- Individuals determined to be medically frail, incl. those who have:
  - a chronic Substance Use Disorder
  - a serious and complex medical condition
  - a disability that significantly impairs ability to perform at least 1 Activity of Daily Living
- Individuals determined to have a Serious Mental Illness
- Individuals who are in active treatment with respect to a Substance Use Disorder

# WORK REQUIREMENTS – AZ EXEMPTIONS

- Full time high school, trade school, college or graduate students
- Individuals receiving benefits under SNAP or a Cash Assistance Program like TANF
- Individuals receiving Unemployment Insurance income
- Individuals who are homeless
- Victims of domestic violence
- A designated caretaker of a child 18 or under
- A caregiver who is responsible for the care of an individual with a disability

# WORK REQUIREMENTS – AZ

- Three month Community Engagement Orientation Period
- Must complete at least 80 hours of qualifying activities each month and report these hours by the 10th day of the following month
- Failure to comply for any month triggers a Notice of Suspension that will be sent to the member on the 11th
- 2-month suspension will occur on the first day of the month after the notice was sent unless, prior to the suspension's effective date:
  - Member reports and verifies good cause for noncompliance;
  - Member indicates intent to appeal the suspension; or
  - Member reports and verifies that she/he is no longer subject to the requirements (this can also end the suspension period).
- Member is automatically re-enrolled immediately following the 2 month suspension period

# WORK REQUIREMENTS - UT

- **Utah** – Pending Request (Submitted 08/15/17)
  - Non-Expansion State
  - Applies initially to Primary Care Network enrollees.
  - May add Adults without Dependent Children later.
  - AI/AN will be enrolled in the work requirement program but will not have their medical benefits terminated if they fail to complete all required work activities.
  - Utah Indian Health Advisory Board has requested an AI/AN exemption based on Tribes' political relationship with the Federal Government.

# WORK REQUIREMENTS - UT

- SNAP federal work participation exemptions (see attachment)
- Eligible members must participate in online job search/training within the first three months of being notified that they have been enrolled in the program.
- Once they have met the work requirement, they will be eligible for the remainder of their eligibility period.
- Eligibility periods are 12 months.
- The individual must complete participation requirements every 12 months to continue to receive PCN.
- Individuals may re-enroll if they satisfy the requirements or meet an exemption.



# CONSIDERATIONS / NEXT STEPS

- State updates about discussions w/CMS
- Potential alternatives to AI/AN Exemption
- Consultation opportunities w/States and CMS
- Policy and Data Analysis of Impact
- Involvement in MMPC and CMS TTAG
  - TTAG Waivers Subcommittee

# CONTACT INFORMATION

Carol Chicharello

Director, Business Development

Phoenix Area Indian Health Service

Phone: (602) 364-5117

E-mail: [carol.chicharello@ihs.gov](mailto:carol.chicharello@ihs.gov)