

1115 MEDICAID WAIVER ONE PAGE SUMMARY

July 2016 KMA Board of Trustees Meeting

Kentucky has one of the highest poverty rates in the nation—about one in five Kentuckians live in poverty—combined with some of the worst health statistics in the United States. More than one in three Kentuckians are covered by Medicaid, either through the traditional program or through expansion. With Medicaid expansion, Kentucky reduced the uninsured rate to less than 8 percent and yet our dismal health statistics remain the same while health care costs continue to rise. That prompted Gov. Matt Bevin to redesign the Medicaid expansion via the 1115 Waiver. Here's a snapshot of key changes to the state's existing Medicaid expansion.

Medicaid Beneficiaries Changes

- Impose premiums on most non-disabled adults on a sliding scale from \$1 to \$15 per month in lieu of copayments.
- Charge premiums for those above 100 percent of the federal poverty level would be a condition of eligibility and would increase beginning in the third year of enrollment.
- Disenroll those above 100 percent of the federal poverty level for failure to pay a premium after a 60 day grace period and barring re-enrollment for six months unless the beneficiary pays premiums for grace period. If a Medicaid beneficiary misses a premium payment, they must pay the past due premiums plus one month and complete a health literacy class to be reinstated with Medicaid.
- Prohibit those who do not renew Medicaid eligibility in a timely manner from re-enrolling in coverage for six months.
- Require work activity hours as a condition of eligibility for most adults.
- Waive non-emergency medical transportation for adults in the expansion population.
- Require those with access to cost-effective employer-sponsored insurance to enroll in that program and receive premium assistance after the first year of enrollment and employment.
- Add a high-deductible account and an incentive account to existing capitated managed care coverage.
- The Medicaid Rewards program allows Medicaid beneficiaries to use the rewards (incentive funds) to purchase enhanced benefits including vision, dental, over-the counter medications and gym memberships.

Snapshot Physician Changes

- Remove dental coverage.
- Remove vision coverage.
- Remove allergy testing.
- Remove retroactive enrollment which in turn will remove retroactive reimbursement.
- Make smoking cessation coverage available via telephonic and online only.
- Make weight management coverage available via telephonic and online only.