

Medicaid Expansion

A Presentation to the Health and Human Services Committee

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Agenda

- ✓ Common Definitions
- ✓ Background
- ✓ State Updates
- ✓ Current Medicaid Workloads
- ✓ Projected Medicaid Workloads
- ✓ Preparation
- ✓ Medicaid Expansion Resource Needs
- ✓ Expedited Requests

Common Definitions

- Medicaid Beneficiaries (aka Recipients): Persons who have already been approved and are receiving health insurance coverage through the Federal Medicaid Program.
- Applicants: Persons applying for Medicaid.
- Reviews (aka Recertifications): Annual review of all current beneficiaries to ensure that they are still eligible to receive health insurance coverage through Medicaid.
- Workloads: The number of applications and reviews that must be completed in a certain time frame.
- Public Health Emergency (PHE) Ending: Also known as the Continuous Coverage Unwinding.

Background: Medicaid Expansion

- During the PHE, the number of persons receiving Medicaid grew as the State offered the coverage to any resident not covered by any other health insurance.
- During the PHE, the State of NC auto-extended Medicaid eligibility for all beneficiaries (COVID-19 related or not). This dramatically increased our number of cases.
- On March 27, 2023, Governor Cooper signed HB76 – Access to Healthcare Options – into law. This is commonly known as Medicaid Expansion.
- The legislation will expand Medicaid which is expected to provide health coverage to over 600,000 people across North Carolina and bring billions in federal dollars to the state.
- Expansion will extend eligibility for Medicaid to adults (ages 19-64) with incomes of up to 138% of the Federal Poverty Level.
- Medicaid Expansion will not go into effect until the Center for Medicare and Medicaid Services (CMS) approves the rules associated with processing these applications and reviews.
- Recent projections range from 40,000 – 60,000 Wake County residents who will become eligible for Medicaid as a result of Medicaid Expansion.

State Updates

- **Projected Medicaid Expansion Launch: 60/90/120 days**
- **Flexibilities and Automation**
 - ✓ Become Federally Facilitated Marketplace (FFM) Determination State
 - ✓ Straight Through Processing (STP)
 - ✓ Change Residency Verification Process
 - ✓ Only requires one
 - ✓ Merit-Based vs. Non-Merit Based Staff
- **Additional Funding**
 - ✓ Enhanced Claiming Hold Harmless Fund (\$1,780,458.00)
 - ✓ One-time lump sum (based on MA revenue draw from 9/22 – 4/23)
 - ✓ Offset to projected added costs in FY24 (due to CMS changes in claiming)
 - ✓ One-Time Funding to Address the PHE Ending and Preparation for Medicaid Expansion (\$436,122.00)
 - ✓ Base allocation of \$5,000.00 + % of Medicaid Beneficiaries (revenue advance)

Medicaid: Current Workload Status

Applications

On a monthly basis, Wake County processes 4,300 – 7,800 Medicaid applications.

Cases processed are either approved or denied. The case processing time is the same for both results.

Annual Reviews

Wake County has over 212,000 residents enrolled in Medicaid that must be reviewed annually.

PHE Ending

- ✓ During the PHE, we could not terminate anyone's enrollment in Medicaid, which resulted in a sharp increase of cases.
- ✓ Approximately 40,000 of these cases were added due to the PHE.
- ✓ Even if these same recipients may be eligible for Medicaid under new Expansion rules, their cases must be reviewed.
- ✓ Anyone denied during annual reviews and prior to CMS approval of Expansion rules, will have to reapply.
- ✓ Review Cases grew from 8,000+ to over 10,000+ cases due each month.

Medicaid: Projected Workload

Applications

Projections for the number of persons eligible for Medicaid coverage through Medicaid Expansion range from 40,000 – 60,000.

Historically, 50% of Medicaid applications processed are approved. Processing times for approvals and denials are the same.

A midway point of 50,000 newly eligible applicants results in a workload increase of 100,000 applications or more.

Over a 2-year period, Medicaid Expansion would add approximately 4,167 applications per month to the current 4,300 – 7,800 applications processed per month.

Annual Reviews

Two-Year Growth Projection includes these factors:

- ✓ Number of residents enrolled in Medicaid (164,094) at the end of FY20 (Pre-COVID-19).
- ✓ Added what would have been average growth (5%) for FY21, FY22, and FY23.
- ✓ Added 50,000 newly eligible residents.
- ✓ $164,094 * (5\% \text{ average growth per year for 3 years}) + 50,000 = 239,960$

HHS Preparation

- Performing weekly check-in meetings with ESS Leadership and Management to monitor and revise plans as needed.
- Completed Process Mapping and identified actions designed to increase efficiencies.
 - Developed Action Plan based on Process Mapping.
- Training for all new staff and retraining staff members hired during the PHE.
- Redesigning training curriculum.
- Instituted Pre-hire Screening tool for potential Eligibility Caseworkers to test reading and comprehension, basic math skills, and computer literacy.
- Participating as a pilot program for the State's STP project.
- Meeting regularly with County Manager's Office to discuss impacts of PHE Ending and Medicaid Expansion beginning.
- Working with County HR and BMS to brainstorm and implement creative approaches to recruiting and retaining staff in this competitive environment as we will be competing with 100 counties for a limited pool of applicants.
- Meeting with internal HHS staff and County Communications to develop a media plan regarding Medicaid Expansion (TBD).

Medicaid Expansion Resource Needs

Low Model : 74 Positions

47 Medicaid Eligibility Case Workers

8 Medicaid Supervisors

6 Medicaid Team Leaders

13 Support Staff

- ✓ Trainers

- ✓ QA

- ✓ Budget

Expenditure: \$5,241,476

Revenue: \$3,268,400

County Share: \$1,973,076

Ongoing Revenue: 50% - 75%

High Model: 105 Positions

72 Medicaid Eligibility Case Workers

11 Medicaid Supervisors

9 Medicaid Team Leaders

13 Support Staff

- ✓ Trainers

- ✓ QA

- ✓ Budget

Expenditure: \$7,345,483

Revenue: \$4,731,615

County Share: \$2,613,868

Ongoing Revenue: 50% - 75%

Expedited Requests

Currently HHS has 20 time-limited Medicaid Eligibility Workers due to the increases in workloads related to the PHE Ending.

- HHS is requesting to convert the above positions to permanent positions through a consent agenda item that will be presented to the Board of Commissioners in July.
- The Expansion Models presented will help to ensure that HHS can post, hire, and train new staff members to address Medicaid Expansion and the increased workloads related to the PHE Ending. This request will also be presented to the Board of Commissioners in July

Summary

- Wake County HHS Medicaid Eligibility Workers experienced a once-in-a-lifetime event during the Public Health Emergency (PHE), and our workloads in Medicaid and other programs grew dramatically.
- Wake County HHS Medicaid Eligibility Workers will again experience a once-in-a-lifetime event implementing Medicaid Expansion, and again workloads in Medicaid will grow.
- The State has announced a 60/90/120 Medicaid Expansion launch.
- The benefits to our residents have and will be significant, however, HHS must be prepared to complete this work for our residents. Currently we are not in the position to do so.

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THANK YOU!