Medicaid and CHIP
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CMS

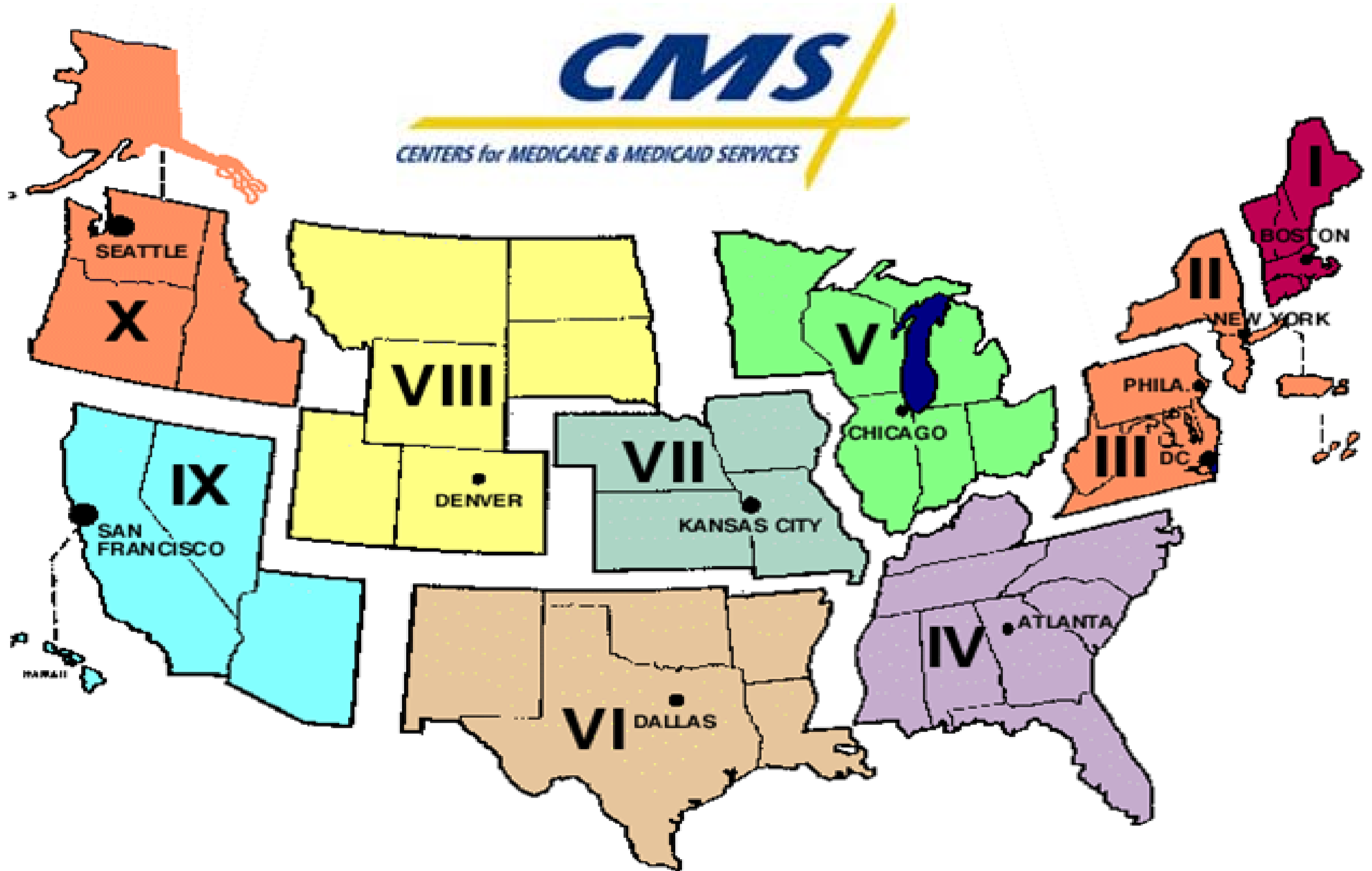
(Centers for Medicare & Medicaid Services)

- A component of the Department of Health and Human Services (DHHS)
- Administers Medicare, Medicaid and Children's Health Insurance Program (CHIP)
  - Serving over 90 million beneficiaries
- Annual Budget - over **$415 billion**
- Plays a key role in the overall direction of the U.S. health care system

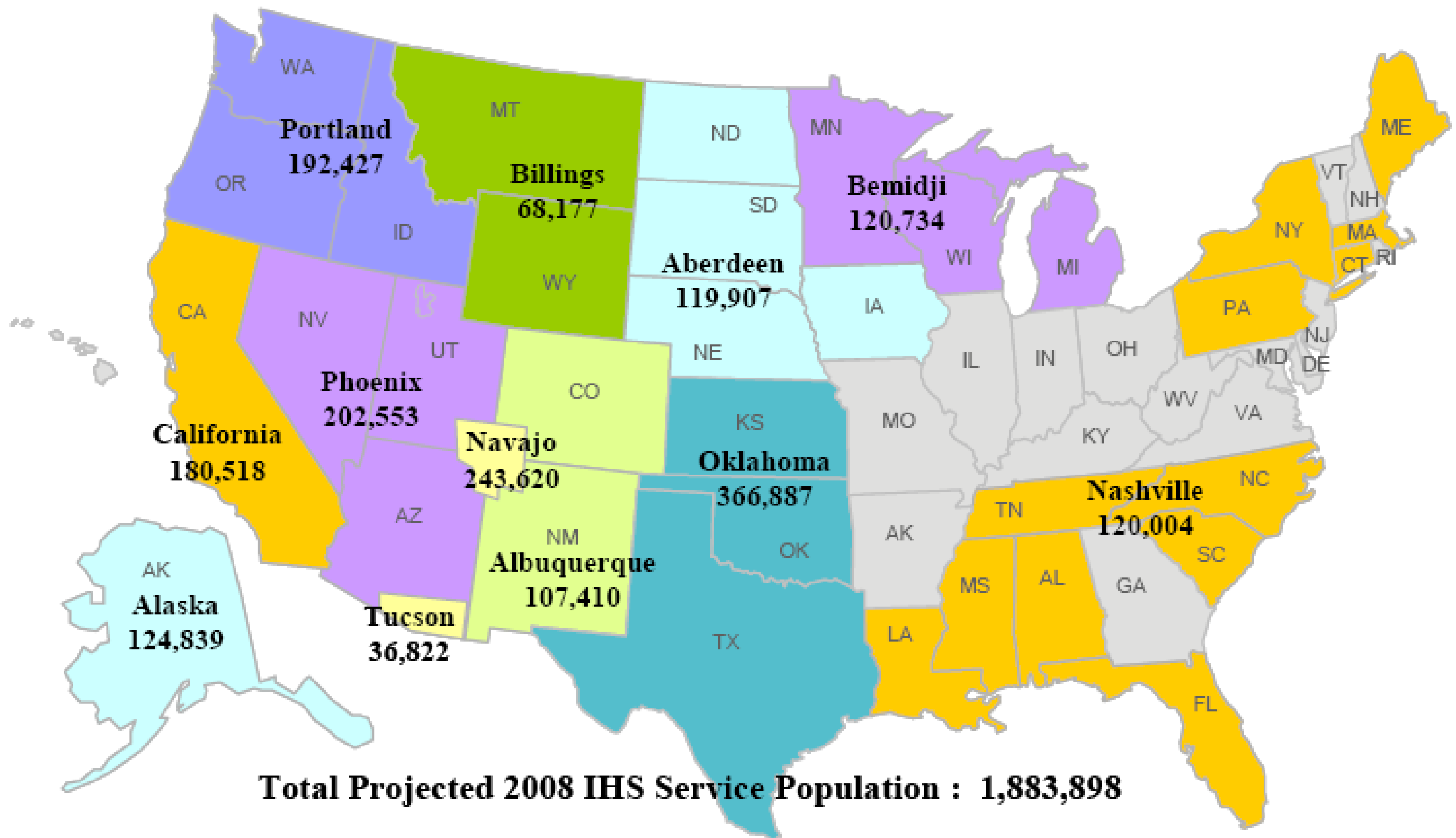
CMS Administrative Role

- Provides oversight of Medicare, Medicaid & CHIP
- Establishes policies for paying health care providers
- Conducts research on health care management, treatment and financing
- Assesses quality of health care facilities
- Provides guidelines to State Medicaid Programs & CHIP

10 CMS Regional Offices



Projected Indian Health Service Population by IHS Area/Region, CY 2008



Total Projected 2008 IHS Service Population : 1,883,898

AI/AN Populations

- In 2000 Census, over 4 million identified themselves as American Indian/Alaska Natives (AI/AN) only or in conjunction with one or more races
- ~60% of AI/AN people live in urban areas
- The Indian Health Service FY 2007 “user population” is approximately 1.9 million
- The annual appropriation for IHS FY 2009 is ~ $3.5 billion

CMS AI/AN Beneficiaries

- AI/AN populations enrolled in:
  - Medicare: 179,794
  - Medicaid: 793,835
  - CHIP: 26,744
- For FY 2009, IHS estimates Medicare & Medicaid reimbursements will exceed $750 million
- Revenues collected at each service unit varies from 15% - 50% of the service unit's hospital and clinics operating budgets

CMS Role in AI/AN Healthcare

- Medicare, Medicaid, and CHIP revenues are important and growing portions of Indian health budgets:
  - Important to bill at service unit level
- CMS is key component of the trust responsibility
  - Any changes in CMS policies and programs can make a significant difference in Indian health budgets and programs
  - AI/AN Medicare, Medicaid and CHIP coverage impacts Contract Health Service (CHS) spending

Indian Health Service Funding Levels

- Medicare/Medicaid are considered **entitlement** programs in the federal budget process
- IHS is funded as a **discretionary** program:
  - Services received directly or through contract health services (CHS) is dependent on availability of appropriations
  - Increases in the IHS budget less than the rate of inflation
  - Each year less buying power and more people needing services
  - Since 1990, the IHS user population has increased at a rate of 1.6% per year

CMS Funding for AI/AN Health Care

- Indian Health Care Improvement Act (IHCIA) of 1976 (P.L. 94-437):
  - Amended the Social Security Act to create section 1880 (Medicare) and section 1911 (Medicaid) authorizing Medicare and Medicaid payment for services delivered in IHS and Tribal facilities, operated under Pub. L. 93-638
- Intended to increase funding streams from Medicare and Medicaid for Indian health care programs and not offset IHS funding

CMS Provides Assistance to Tribal Programs

- CMS is committed to maximizing AI/AN access to Medicare, Medicaid and CHIP
- CMS knows the unique health needs of AI/ANs, and acknowledges the relationship between the US government and Tribal governments
- CMS has created a team designed to specifically focus on AI/AN health

CMS Resources to Assist Tribes

- At each CMS Regional office, there is a Native American Contact (NAC) who is available to provide technical assistance to Tribal programs
- The name and contact information for the NACs is available at the end of this handout
- Contact your NAC if your tribal program has questions about eligibility, enrollment, coverage or reimbursements in Medicare, Medicaid and CHIP.

CMS Resources to Assist Tribes

- NACs work with the Tribal Affairs Group, Office of External Affairs, CMS, located in Baltimore
- NACs also work with key CMS components in Medicare, Medicaid and CHIP
- The Tribal Affairs Group and NACs serve as a liaison between the Agency and Tribal communities and other Federal Agencies in regards to AI/AN health and CMS programs.

CMS Training for Tribal Programs

- In FY 2009, CMS, working with IHS, will hold Area Trainings on Medicare, Medicaid, and CHIP issues
- NACs and Area Offices are developing agendas that include such topics as
  - Medicare, Medicaid & CHIP 101
  - Billing practices
  - Long term care
  - Medicaid Administrative Match
  - Other suggestions from I/T/Us

Tribal Technical Advisory Group

- CMS established a Tribal Technical Advisory Group (TTAG) to provide advice and input to CMS on policy, legislative, and programmatic issues affecting Indian health programs and AI/AN beneficiaries
- TTAG is comprised of representatives from each of the 12 IHS Areas and a representative from National Indian Health Board (NIHB), National Congress of American Indians (NCAI) and Tribal Self-Governance Advisory Committee (TSGAC)

CMS TTAG

- TTAG meets three times a year in Washington, DC and holds monthly conference calls
- Some of the TTAG Subcommittees are:
  - Data research
  - Outreach & enrollment
  - Long term care
  - Strategic plan and budget
  - Across-State borders
  - Medicaid Administrative Match
  - Policy

CMS TTAG Priorities

- TTAG involvement in implementing CHIPRA and ARRA Indian health provisions
- Increased funding to support TTAG and TTAG Strategic Plan
- Increased CMS support for Long Term Care in Indian Country
- Increased CMS role in facilitating Tribal/State Relationships
- Resolution of long standing issues: Tribal consultation policy, MAM, data access

Additional CMS Resources

- CMS produces the Medicine Dish: a series of broadcasts for health professionals and AI/AN beneficiaries on CMS programs
- Medicine Dish is broadcast on the second Wednesday of every month at 1:30 ET and can be seen over the web through an arrangement with the National Institutes of Health at http://www.videocast.nih.gov

Medicaid

Medicaid Administration

- States Determine:
  - Who is covered
  - How providers are paid
  - What services are covered
    (within Federal Guidelines)
- CMS Provides:
  - Oversight of Program
  - Technical Assistance
  - Federal Matching Funds

Medicaid - Who is Covered?

- Mandatory Categorically Needy Groups - Required by Statute
  - Children and Families
  - Pregnant Women
  - Disabled and Aged Individuals
- Optional Categorically Needy Groups – States Select
- Medically Needy – States Select

Medicaid - Who Can Determine Eligibility?

- State Medicaid Agency Staff
- TANF Agencies (State Agencies or County Agencies)
- **Tribes Who Administer TANF**
  - The State must enter into interagency agreements with other State Agencies, County Agencies or TANF Tribes, if they are going to do eligibility determinations.

What Does Medicaid Cover?

- Mandatory Services
- Optional Services

- **All Medically Necessary Services for Children under 21, whether or not the State has elected the Service.**

- **States also must assure Transportation to Medicaid covered appointments.**

Payment for Medicaid Services

- States design payment methodology, within Federal upper limit and other regulatory requirements.
- Medicaid is the payer of last resort, ***except***
  - **Indian Health Service is the payer of last resort after all CMS programs.**

Cost Sharing in Medicaid

- Nominal cost sharing for Medicaid services can be charged.
  - Children under 18 cannot be charged cost sharing
  - **IHS/Tribal/Urban Centers (I/T/Us) can waive cost sharing requirements.**

Special Medicaid Provisions

- 100% Federal Financial Participation for services provided through IHS or Tribal 638 Clinics.
- Tribal Consultation Required for Waivers
- Tribes/IHS can waive cost sharing

Special Medicaid Provisions (continued)

- Certain income exemptions for eligibility
- Assets located on the reservation or held in certain trusts cannot be accessed for estate recovery in the Medicaid program

Special Medicaid Provisions (continued)

- Urban & Tribal Indian Health Clinics can bill as FQHCs— (defined as FQHCs in the law) cost based reimbursement.
- Tribes and Tribal Organizations can enter agreements with States to provide Medicaid Administrative Match to draw federal funds.
  - Any federal funds drawn by states based upon Tribal matching costs must be given to the Tribe or Tribal Organization.

Special Medicaid Provisions (continued)

- Tribes who operate their own TANF program can, with State agreement, determine eligibility for Medicaid.
- States must provide out-stationing opportunities to apply for family and children's Medicaid at all Tribal 638 programs (FQHC authority) or have an alternate plan approved by CMS.

Children’s Health Insurance Program

CHIP

CHIP Administration

- State & Federal Partnership
  - Broader State Flexibility than Medicaid
    - Can be Medicaid Expansion
    - Can be Separate Insurance Program
    - Can be Combination Medicaid and Separate Insurance
    - Can be 1115 Waiver
  - States receive higher (enhanced) Federal Matching Rate (FMAP)

What Does CHIP Cover?

- Basic Medical Services
  - Inpatient/Outpatient
  - Preventive Services
  - Physician/Clinic
  - Immunizations
- Can be modeled after private sector insurance plans — more options for coverage than Medicaid

CHIP Cost Sharing

- Children in CHIP can be charged expanded nominal costs (based on Medicaid adult cost sharing limits).
- CHIP cannot charge for required preventive services and immunizations.

Special Provisions in CHIP

- American Indian/Alaska Native Children are exempt from the cost sharing provisions of Medicaid.
- States must consult with Federally Recognized Tribes on any waivers to the CHIP program.

Applicant Rights

- Medicaid
  - Eligibility Decision in 45 days
  - Fair Hearing Process if Negative Decision
  - Appeal if payment or service is denied
- CHIP
  - Eligibility Decision in 30-45 days
  - Fair Hearing Process if Negative Decision
  - Appeal if payment or service is denied

ARRA & CHIPRA

New Provisions in Medicaid and CHIP

CHIPRA and ARRA

- Children's Health Insurance Program Reauthorization Act (CHIPRA) reauthorizes the CHIP program for FY 2009-FY 2013
- American Recovery and Reinvestment Act (ARRA) provides funding opportunities to jumpstart the economy, creates new jobs and addresses long-neglected needs
- The following is a summary of some of the provisions in CHIPRA and ARRA that are specific to Indian heath programs and AI/AN beneficiaries

CHIPRA and Indian Health

- Section 201: outreach and enrollment
  - Provides for $100 million for all enrollment and outreach activities:
    - $80 million for outreach and enrollment grants to States and other eligible entities, including tribes
    - $10 million for national enrollment campaign, including outreach materials for American Indian/Alaska Natives
    - $10 million set aside for outreach to Indian children through grants to Indian Health providers and urban Indian organizations

Section 202 – Increased Outreach and Enrollment of Indians

- Requires the Secretary to encourage States to take steps for enrollment of Indians into Medicaid and CHIP
    - Includes outstationing eligibility workers
    - Entering into State agreements with I/T/Us
- Requires CMS to take necessary steps to facilitate agreements between States and Tribes
- Exempts from a State's 10% administrative cap for outreach & enrollment activities of Indian children

Section 211: Tribal Documentation

- Applies citizenship documentation requirements CHIP
- Effective as if included in the DRA, documentation from a Federally-recognized Tribe (such as a Tribal enrollment card or certificate of degree of Indian blood) is satisfactory evidence of citizenship and identity
- For Tribes located in States having an international border and whose membership includes non-U.S. citizens, the Secretary is to issue regulations, after Tribal consultation, identifying other forms of documentation
- Until such regulations are effective, Tribal enrollment/ membership documents for purposes of proving both citizenship and identity are sufficient

Section 5006 of ARRA: Protections for Indians under Medicaid/CHIP

- Exempts AI/ANs from Medicaid cost-sharing for services received directly or through I/T/Us
- Exempts Indian-specific property in determining Medicaid and CHIP eligibility
- Exempts Indian-specific property from Medicaid estate recovery

Section 5006 (cont'd)

- Codifies in law the current FACA-exempt TTAG and adds one representative each for IHS and Urban Indian organizations
- Requires States to consult with Tribes on Medicaid and CHIP issues have a direct effect on Indian health programs
- Enhanced protections Indian health programs and for AI/ANs enrolled in Medicaid managed care

ARRA & CHIPRA Questions

- Send your questions/suggestions to:
  - CMSOCHIPRAQuestions@cms.hhs.gov
  - CMSOARRAQuestions@cms.hhs.gov

Additional Information?

- Contact the CMS Native American Contact (NAC) in your Region.
- http://www.cms.hhs.gov
  - AI/AN Pages
- http://www.nihb.gov
  - CMS TTAG pages

CMS Native American Contacts

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What the NACs do

- Point of contact for Tribes and States in each regional office for AI/AN Issues
  - Coordinate with other RO Staff
  - Technical assistance on AI/AN State Plan Amendments
  - Review State Plan Amendments, State Programs for AI/AN Impact
  - Assist IHS/Tribes with eligibility, coverage and reimbursement issues
  - Assist IHS/Tribes with Medicare Like Rates questions and enforcement

What the NACs do

- Provide training and information to States and Tribes on AI/AN Issues
- Work on policy groups for AI/AN issues
- Encourage and facilitate consultation and relationship between States and Tribes
- Distribute program information to Tribes and IHS
  - Materials designed for AI/AN population

What the NACs Do

- Contribute to planning and resource sessions for annual HHS Tribal Consultation
- Work with CMS campaigns and focus to adapt to the AI/AN population
- Help assure access for AI/AN to CMS programs
- Assist IHS/Tribal facilities with Certification issues

QUESTIONS?