Florida
MEDS-AD Waiver

Quarterly Progress Report
January 1, 2015 – March 31, 2015

1115 Research and Demonstration Waiver
#11-W-00205/4

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I. Introduction

This report includes programmatic and financial activities for the period January 1, 2015 through March 31, 2015. By implementing Florida's 1115 MEDS-AD Waiver (MEDS-AD Waiver), the Agency for Health Care Administration (Agency) seeks to demonstrate that the total cost of providing access to care for the MEDS-AD population (including costs for the Medication Therapy Management (MTM) program) will not exceed expected long-term cost of care for these individuals had they not received coverage until they required institutional care.

II. Budget Neutrality Update

The following table compares actual MEDS-AD Waiver expenditures to the costs projected for this population had the MEDS-AD Waiver not been granted. To date, actual expenditures have been below the projected cost.

Table 1
Budget Neutrality
MEDS-AD Waiver

Demo Year	Quarter Ended	With Waiver Expenditures ($)*	With Waiver Expenditures Cumulative Total ($)	Without Waiver (Target) Expenditures ($)	Without Waiver Expend Total ($)	Difference ($)	Cumulative Difference ($)
DY1	Q1	51,696,950		507,710,894		456,013,944	
	Q2	132,235,096		507,710,894		375,475,798	
	Q3	105,271,113		507,710,894		402,439,781	
	Q4	146,356,839	435,559,998	507,710,894	2,030,843,575	361,354,055	1,595,283,577
DY2	Q5	69,927,763		460,700,626		390,772,863	
	Q6	79,047,475		460,700,626		381,653,151	
	Q7	87,567,517		460,700,626		373,133,109	
	Q8	90,210,963	762,313,716	460,700,626	3,873,646,079	370,489,663	3,111,332,363
DY3	Q9	93,882,619		455,999,599		362,116,980	
	Q10	103,108,178		455,999,599		352,891,421	
	Q11	95,761,142		455,999,599		360,238,457	
	Q12	96,128,169	1,151,193,824	455,999,599	5,697,644,476	359,871,430	4,546,450,652
DY4	Q13	107,727,900		465,401,653		357,673,753	
	Q14	106,365,677		465,401,653		359,035,976	
	Q15	120,849,499		465,401,653		344,552,154	
	Q16	133,665,863	1,619,802,762	465,401,653	7,559,251,086	331,735,790	5,939,448,324
DY5	Q17	138,153,082		460,700,626		322,547,544	
	Q18	144,229,555		460,700,626		316,471,071	
	Q19	134,966,909		460,700,626		325,733,717	
	Q20	148,599,566	2,185,751,874	460,700,626	9,402,053,590	312,101,060	7,216,301,716
DY6	Q21	154,004,876		**			
	Q22	146,340,361		**			
	Q23	155,268,617		**			

Table 1 Budget Neutrality MEDS-AD Waiver							
Demo Year	**Quarter Ended**	**With Waiver Expenditures ($)***	**With Waiver Expenditures Cumulative Total ($)**	**Without Waiver (Target) Expenditures ($)**	**Without Waiver Expend Total ($)**	**Difference ($)**	**Cumulative Difference ($)**
	Q24	163,774,246	2,805,139,974	**	9,402,053,590		6,596,913,616
DY7	Q25	165,396,338		**			
	Q26	184,629,761		**			
	Q27	165,063,579		**			
	Q28	168,922,270	3,489,151,922	**	9,402,053,590		5,912,901,668
DY8	Q29	151,084,893		**			
	Q30	150,685,372		**			
	Q31	159,542,998		**			
	Q32	162,697,430	4,113,162,615	**	9,402,053,590		5,123,996,918
DY9	Q33	158,788,398		**			
	Q34	154,320,363		**			
	Q35	139,559,287		**			
	Q36	116,880,369	4,682,711,033	**	9,402,053,590		4,719,342,557
DY10	Q37	134,213,827	4,816,924,860	**	9,402,053,590		4,585,128,730

*These are based on dates of payment expenditures for the MEDS-AD Waiver reported within the CMS64, which could get distributed across the demonstration years.

**The original without waiver expenditure ceiling was not increased with the renewal period beginning in Quarter 21. The $7,216,301,716 cumulative difference between the approved budget neutrality ceiling and actual waiver expenditures as of the end of the original demonstration period on December 31, 2010, was allocated across the 12 renewal quarters as the new expenditure ceiling.

III. Operational Update

1. Eligibility and Enrollment

The Florida Department of Children and Families is responsible for conducting intake, assessment, eligibility determination, enrollment, disenrollment, and data collection on the availability of third-party coverage, including Medicare, and annual re-determinations of eligibility.

To be eligible for the MEDS-AD Waiver, recipients must be at or below 88% of the federal poverty level (FPL) with assets at or below $5,000 for an individual ($6,000 for a couple) and be in one of the following Medicaid eligibility groups (MEGs):

- **MEG 1 (MA-Medicaid Only):** Medicaid-only eligibles not currently receiving institutional care services, hospice services, or home and community-based services.
- **MEG 2 (MA-Medicaid Institutional):** Medicaid-only eligibles currently receiving institutional care services, hospice services, or home and community-based services.

- **MEG 3 (MA-Dual Eligibles):** Medicaid and Medicare (dual) eligibles receiving Medicaid-covered institutional care services, hospice services, or home and community-based services.

Individuals in MEG 1 must select a Managed Medical Assistance (MMA) plan in their region. If the recipient does not select an MMA plan they will be assigned to one. Information on the MMA program can be found on the Agency's Web site at the following link: http://ahca.myflorida.com/medicaid/statewide_mc/index.shtml.

Table 2 details the monthly total count of individuals enrolled through the MEDS-AD Waiver for this reporting period (January 1, 2015 through March 31, 2015).

Table 2
MEDS-AD Waiver Enrollment
January 1, 2015 – March 31, 2015

Month	Total Enrollment*
January	42,198
February 2015	41,759
March 2015	40,471

*Total enrollment counts are revised for retroactive eligibility determinations, and therefore may change from one reporting period to the next.

2. Comprehensive Medication Reviews

The comprehensive medication review focuses on the MEG 1 fee-for-service group within the MEDS-AD Waiver, as these individuals are not receiving institutional care and are not enrolled in a managed care plan. The process includes an initial direct telephone contact to a recipient from medically trained staff (which may include nurses, pharmacists, clinical associates, etc.) who explain the review process and invite the recipient to participate in a comprehensive medication review (CMR) with a pharmacist (covering all prescription, over-the-counter, herbal, and other medications and chronic diseases). If the recipient agrees, a call with a case reviewer is scheduled for performance of an annual CMR. A Personalized Medication List and a Medication Action Plan is then developed and mailed to the participating recipients. As part of the services, prescribers are notified of potential issues or problems via phone and/or facsimile, depending on the urgency of the issue, following the review. Quarterly follow-up reviews of the patient health information and claims history are performed to track the result of the review and feedback to the prescriber. The patient and prescriber are contacted again if issues or risks are identified. Recipients are given the option at the end of the year of participation in the program to continue into the next year.

Please see Attachment A for a detailed progress report prepared by the University of Florida (UF) providing all case review activities for the period January 1, 2015 through March 31, 2015. This report includes detail of case status, patient specific intervention results, listing of interventions faxed to prescribers, a tabulation of the results of the interventions by clinical category, and details of patient responses and ratings of the comprehensive reviews.

3. Data Mining Activities

The current status of initiatives resulting from the data mining activities approved through the MEDS-AD Waiver for the period January 1, 2015 through March 31, 2015, is as follows:

- The Medicaid Fraud Control Unit (MFCU) opened three new complaints, one under DMAR-019 and two under DMAR-055;
- Two complaints were closed under DMAR-055;
- Six arrests were completed under the DMAR-070 investigation; and
- Three proposed DMARs were submitted to the Agency for review (DMAR-078, -079, and -080).

IV. Evaluation Activity

1. Evaluation Requirements

The Agency has contracted with Florida State University to conduct an independent evaluation of the MTM program and data mining activities during the renewal period for the MEDS-AD Waiver (January 1, 2011 – December 31, 2014). The evaluation plan for the MEDS-AD Waiver renewal period was submitted to the Centers for Medicare and Medicaid Services (CMS) on April 29, 2011. No deficiencies were noted, and the evaluation activities are proceeding as planned.

The contract was renewed on June 12, 2014, for one year (July 1, 2014 – June 30, 2015) to cover the evaluation period for the extension of the MEDS-AD Waiver. Modifications to the contract were made to revise the methodologies used in the analyses to align with the focus and goals of year three of the contract, and to update date spans for all data needed to conduct the evaluation. Final evaluation reports were due to the Agency on February 28, 2015.

On November 21, 2014, CMS granted a temporary extension of the MEDS-AD Waiver, effective January 1, 2015, until December 31, 2015. Over the next quarter, the contract will be renewed for another year to cover the evaluation period for this waiver. For Year 4 of the contract, the research team will continue to perform ongoing analyses of the demonstration with a focus on the pre-intervention and intervention periods for all four MTM program cohorts. This will include a thorough examination of many health, utilization, and financial outcomes potentially influenced by the MTM intervention. The qualitative analysis of the MTM program will include semi-structured interviews of approximately 20 MTM participants. For the data mining evaluation, case files and reports will continue to be analyzed, and key personnel will be interviewed with a focus on MFCU's internal method(s) of operation as it relates to the Data Mining Initiative (DMI).

2. MEDS-AD MTM Program Description, Design, and Initial Findings

The MTM program, implemented by UF's College of Pharmacy, uses high-intensity pharmacy case management services in conjunction with access to appropriate medical care for select individuals who are elderly or who have a disability as a way to maintain care in the community and prevent premature institutionalization. The program is to be budget-neutral and incorporate innovative service concepts. The Special Terms and Conditions of the MEDS-AD Waiver require that the total cost of medical services and MTM for persons who are enrolled in the MEDS-AD Waiver be compared with the estimated cost of institutional care that is avoided.

During this quarter (January 2015 – March 2015), the research team submitted a final evaluation report to the Agency. The final evaluation report integrates findings across all quantitative and qualitative evaluation questions for MTM participants, MTM eligible non-participants, and a matched group (age, gender, health status, etc.) of the MTM eligible non-participants using the latest available data for enrollment and inpatient, outpatient, long-term care, medical, and pharmacy claim types.

The findings from the qualitative analyses supported several benefits based on MTM participants' responses to open-ended questions and survey items. For example, participants consistently stated that their medication adherence was positively enhanced by participation in the program. They also indicated greater understanding of their medications and made positive remarks regarding the program itself, indicating that they knew more about the use of each medication. Furthermore, MTM participants requested continuing the program for a longer period of time.

Although the research team's quantitative analyses have so far found no statistically significant differences between the intervention group and comparison groups, some improvement was evident in the following areas:

- Medication adherence,
- Pharmacy reimbursement savings, and
- Fewer hospitalizations and lower likelihood of emergency department visits.

3. Medicaid Fraud Control Unit Evaluation Component

The goal of the DMI under the MEDS-AD Waiver is to determine if data mining activities by the Office of the Attorney General-Medicaid Fraud Control Unit (OAG-MFCU), in conjunction with the Bureau of Medicaid Program Integrity (MPI) in the Agency, result in the recovery of Medicaid funds paid as a result of fraudulent or abusive billing. In Florida, the investigation of suspected Medicaid fraud is under the auspices of the OAG-MFCU, whereas cases of suspected abuse of the Medicaid program are handled by the Agency's MPI unit.

The evaluation of the MEDS-AD Waiver also includes the evaluation of data mining in terms of recoveries and costs. Specifically, the evaluation is required to determine if the data mining-related recoveries or measurable cost avoidance are directly attributable to analyses performed by analysts from OAG-MFCU and MPI.

The evaluation's quantitative analysis includes comparing pre- and post-intervention periods for the number of case files initiated, action taken, amount recovered, fraud-related convictions, and time to case resolution. Qualitative analysis includes key informant interviews with programmers, data analysts and administrators in OAG-MFCU and MPI to identify recommendations for increasing the efficiency and effectiveness of the data mining process leading to successful identification and recovery of inappropriate Medicaid payments.

The research team completed a final evaluation report during this reporting quarter (January 2015 – March 2015), which includes quantitative and qualitative analyses conducted over the past year related to all components of the evaluation.
As a result of the analyses, this final evaluation found that:

- Data mining activity significantly added to the quantity of opened new cases.

- Data mining activities (Federal Fiscal Year (FFY) 2010-11 through FFY 2013-14) have led to the OAG-MFCU opening 102 complaints. Fifty complaints were converted to full case investigations by the OAG-MFCU. Of the 50 case investigations opened, four individuals have been arrested and one case ended in a plea agreement resulting in a $329,665.17 recovery.
- Communications and collaboration between the two organizations, OAG-MFCU and MPI, have greatly improved according to stakeholders in both organizations.
- Data miners are becoming a more integral component of the OAG-MFCU team.
- The Agency is contracting with a SAS Data Provider to make an assessment of additional potential fraud and abuse leads.
- Both agencies acknowledge that the data mining activities are increasingly important to the Florida Legislature. The DMI has the potential to better inform the legislature with information that may lead to future changes in legislation.

A final evaluation report was due to the Agency by February 28, 2015.

V. Waiver History

1. Legislative Changes

In 2005, concurrent with federal Medicare Part D implementation, the Florida Legislature amended the statutory eligibility criteria for the MEDS-AD program and directed the Agency, in Chapter 2005-60, Laws of Florida, to seek federal waiver authority to revise Medicaid eligibility coverage for the Medicaid MEDS-AD eligibility group beginning January 1, 2006. The eligibility changes to the MEDS-AD program maintained eligibility for qualified recipients without Medicare coverage and eliminated coverage for dually eligible individuals unless the person is eligible for and receiving Medicaid hospice services, home and community-based services, or institutional care services.

2. Program Design

To implement the Legislative changes described above, the State amended Florida Medicaid's State Plan to eliminate the former MEDS-AD eligibility category and submitted an 1115 demonstration waiver for aged or disabled residents of the State of Florida with incomes at or below 88% of the FPL and assets at or below $5,000 for an individual and $6,000 for a couple. Coverage is limited to those aged and disabled persons who are either receiving or elect to receive hospice services, home and community-based services, or institutional care services or who are not eligible for Medicare. The new MEDS-AD program is designed to prevent premature institutionalization of these vulnerable individuals by maintaining their level of care in the community longer through the provision of:

- Access to health care services
- Medication therapy management

The continued coverage, as well as the MTM program, will be funded through savings obtained by avoiding institutional costs that would otherwise occur in the next five years had these vulnerable individuals been denied access to prescribed drugs and other medical services. The focus of the demonstration is to provide MTM for enrollees who are not yet receiving institutional care.

3. Waiver Extension or Phase-Out

In December 2010, the State received approval from CMS for the renewal period January 1, 2011 through December 31, 2013. On June 28, 2013, the State submitted a renewal request under 1115(a) authority to extend the MEDS-AD Waiver through December 31, 2016. The Centers for Medicare and Medicaid Services granted the State a one-year temporary extension on August 14, 2013 extending the current waiver period to December 31, 2014.

The State received a second one-year temporary extension on November 1, 2014, to extend the MEDS-AD Waiver until December 31, 2015. See Attachment B for a copy of the letter from CMS granting the second 1 year temporary extension.

4. Maintenance of Effort (MOE) Provisions in Section 1902(a)(74) and 1902(gg)

Since the MEDS-AD Waiver was renewed by CMS after March 23, 2010, it is no longer subject to the MOE provisions of the Affordable Care Act.

Attachment A
Case Review Activity Report
January 1, 2015 – March 31, 2015

Attachment B
Temporary Extension