

Department of Social Services



Fiscal Year 2019

Eligibility and Enrollment Modernization Project

July 1, 2018 – June 30, 2019

LRC Budget Brief Page 14

Presented to the Joint Appropriations Committee
February 5-6, 2018

Division of Economic Assistance

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MAJOR BUDGET INCREASES AND DECREASES	GENERAL	FEDERAL	OTHER	TOTAL
Eligibility and Enrollment Modernization Project: Funding for the Eligibility and Enrollment Modernization Project.	\$0	\$17,000,000	\$0	\$17,000,000

Eligibility and Enrollment Modernization Project:

- The current DSS mainframe system (ACCESS) used by Economic Assistance staff located throughout the state to determine eligibility for Medicaid.
 - This system interfaces with other DSS systems including the MMIS, federal systems including the marketplace and Social Security Administration.
- The current system is 35+ years old legacy system. Programmers knowledgeable in this area are extremely limited and DSS/BIT continues to be challenged with finding resources to support the system.
- BIT is beginning to transition all applications off of the mainframe and this modernization effort would address a substantive share of DSS' mainframe usage.

Division of Economic Assistance

Eligibility and Enrollment Modernization Project:

- DSS system does not meet required federal systems standards and cannot be modified to qualify for enhanced federal funding.
 - SD is one of the last states to implement an eligibility system that meets federal system standards.
- DSS intends to take advantage of 90% enhanced federal funding and move forward with incremental modernization and replacement of the DSS mainframe eligibility system over time starting with Medicaid eligibility.
 - Until recently, enhanced 90% funding was not available for Medicaid eligibility systems
- We have conducted extensive research efforts in this area over the last few years.
 - Invitations to Discuss and Demonstrate from potential vendors
 - Worked directly with states using these systems to identify successful implementation efforts and lessons learned.

Division of Economic Assistance

Eligibility and Enrollment Modernization Project:

- DSS intends to re-use an existing system operating and certified by the Centers for Medicare and Medicaid Services (CMS) in another state.
 - Eligibility for Medicaid was standardized in 2014 which makes this approach more feasible.
- The request is for federal fund authority at this time based on estimates from other states and information from vendors that have implemented these systems.
 - Estimated implementation timeline is 21-36 months based on other states experience.
 - Estimated costs range from \$25-\$34 million total funds based on information from vendors.
- Next steps:
 - Working to secure outside expertise to review the RFP and draft contract
 - Once RFP/draft contract are finalized, DSS intends to issue an RFP
 - Responses will verify cost estimates and estimated timeframe for implementation.

Department of Social Services



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Medical Services Additional Information

July 1, 2018 – June 30, 2019

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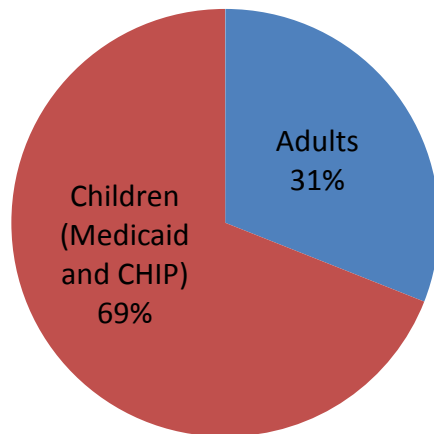
Division of Medical Services

Who We Serve:

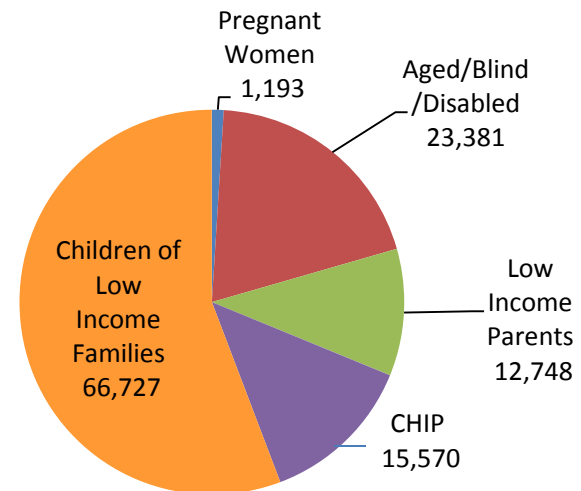
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- **Provide Healthcare Coverage:**
 - Children - low income, disabled, and children in foster care
 - Medicaid up to 182% FPL
 - CHIP with higher family income up to 209%
 - Adult coverage is limited to:
 - Elderly or disabled
 - Pregnant women – 138% FPL
 - Parent/Caregiver/Relatives of Low Income Children - 51% FPL

**Medicaid Participation
SFY 2017**



**Medicaid Participation by Eligibility Category
SFY 2017 – 119,619**

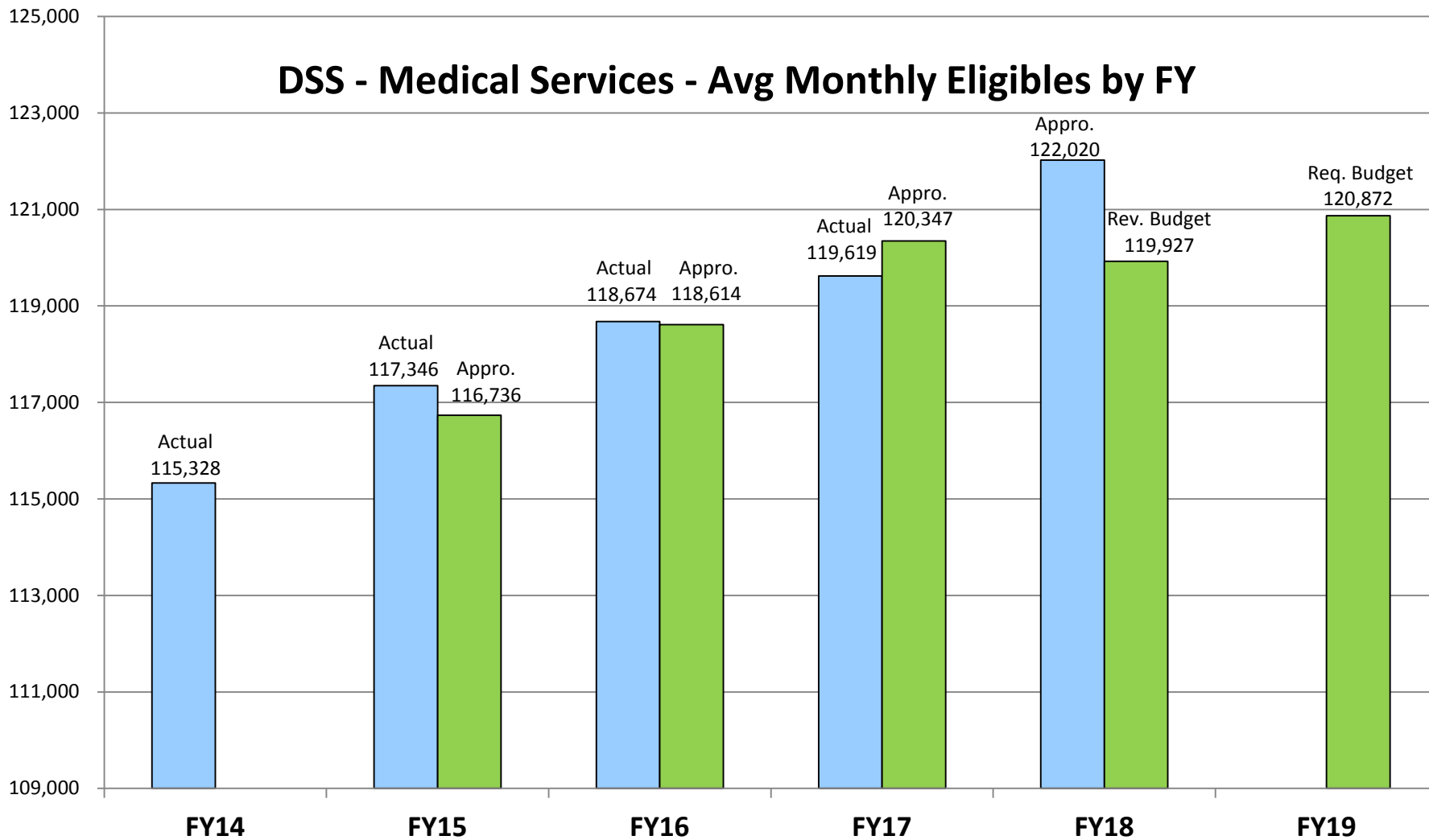


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Eligibles:

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DSS - Medical Services - Avg Monthly Eligibles by FY

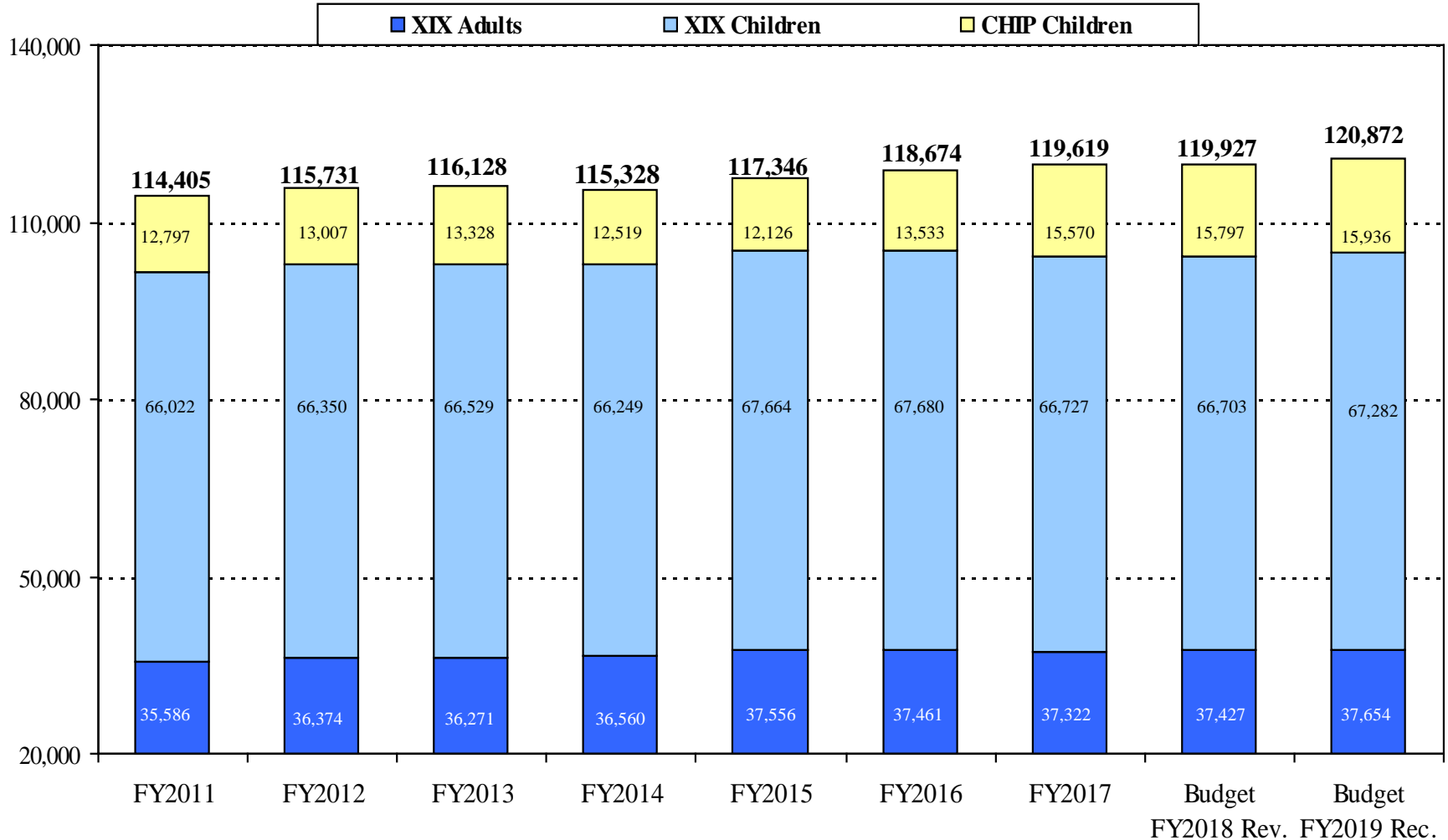


-2,093 from
FY18 Appropriated

+945 = -1,148 from
FY18
Appropriated

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Medicaid Avg. Monthly Eligible Totals



Percent Change

3.1%	1.2%	0.3%	-0.7%	1.8%	1.1%	0.8%	0.3%	0.8%
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Annual Avg. Cost Per Eligible:

- **FY18 Revised:**
 - Eligibles: 119,927 – decrease of 2,093 from budgeted
 - Title XIX Cost Per Eligible: \$5,255 to \$5,257
 - CHIP Cost Per Eligible: \$1,779 to \$1,779

	Bud.	Rev.
	FY18	FY18
Annual Average Cost Per Title XIX Eligible:		
Physician Services	\$807	\$823
Inpatient Hosp. & Dispro	\$1,203	\$1,248
Outpatient Hosp	\$652	\$652
Prescription Drugs	\$344	\$260
All Others (Medicare Premiums, Dental, Chiropractic, etc.)	\$2,249	\$2,274
Total	\$5,255	\$5,257

Annual Average Cost Per CHIP Eligible:	\$ 1,779	\$ 1,779
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*Does not include MS Admin., & Non-Direct Services

Division of Medical Services

FY18 Revised - Annual Avg. Cost Per Eligible:

Medicaid Eligible Totals	Appro.	Revised	change	Compared to Budget:	
	Budget	Budget			
	FY18	FY18			FY18 Revised
Title XIX Eligibles	106,173	104,130	(2,043)	Title XIX	Totals
Title XXI Eligibles	15,847	15,797	(50)	CHIP	\$(10,504,144)
Total Eligibles	122,020	119,927	(2,093)	Totals	\$ (87,678)
					\$(10,591,822)

- FY18 Revised:**
 - Eligibles: 119,927 – decrease of 2,093 from appropriated
 - Title XIX Cost Per Eligible - \$5,257
 - CHIP Cost Per Eligible - \$1,779

FY18 General Bill Amendments	GENERAL	FEDERAL	OTHER	TOTAL
Change in Title XIX (Medicaid) & Title XIX (CHIP) Elig., Util., & Cost	(\$4,738,886)	(\$5,852,956)	\$0	(\$10,591,822)

Division of Medical Services

Annual Avg. Cost Per Eligible:

- FY19

Medical Services:

Performance Indicators

	Rev.	Budget	%
	FY18	FY19	Change
Annual Average Cost Per Title XIX Eligible:			
Physician Services	\$823	\$847	
Inpatient Hosp. & Dispro	\$1,248	\$1,313	
Outpatient Hosp	\$652	\$681	
Prescription Drugs	\$260	\$325	
All Others (Medicare Premiums, Dental, Chiropractic, etc.)	\$2,274	\$2,366	
Total	\$5,257	\$5,532	5.2%

Annual Average Cost Per CHIP Eligible: \$ 1,779 \$ 1,779 0.0%

*Does not include MS Admin., & Non-Direct Services

Division of Medical Services

FY19 Major Items

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MAJOR BUDGET INCREASES AND DECREASES	GENERAL	FEDERAL	OTHER	TOTAL
Change in Title XIX & CHIP (Medicaid) Eligible, Utilization, and Cost:	\$3,805,498	\$5,387,995	\$0	\$9,193,493

Change in Title XIX & CHIP (Medicaid):

- Change in Medicaid (Title XIX & CHIP) Eligibles, Utilization, and Cost
 - FY18 Appropriated to FY19 Recommended

	FY18 to FY19
	Totals
Physician, Inpatient, Out-Patient, & Prescription Drugs	\$ 6,517,804
All others	\$ 2,675,689
Totals	\$ 9,193,493
% inc. of total budget	1.45%



Mission:

Strengthening and supporting individuals and families by promoting cost effective and comprehensive services in connection with our partners that foster independent and healthy families.

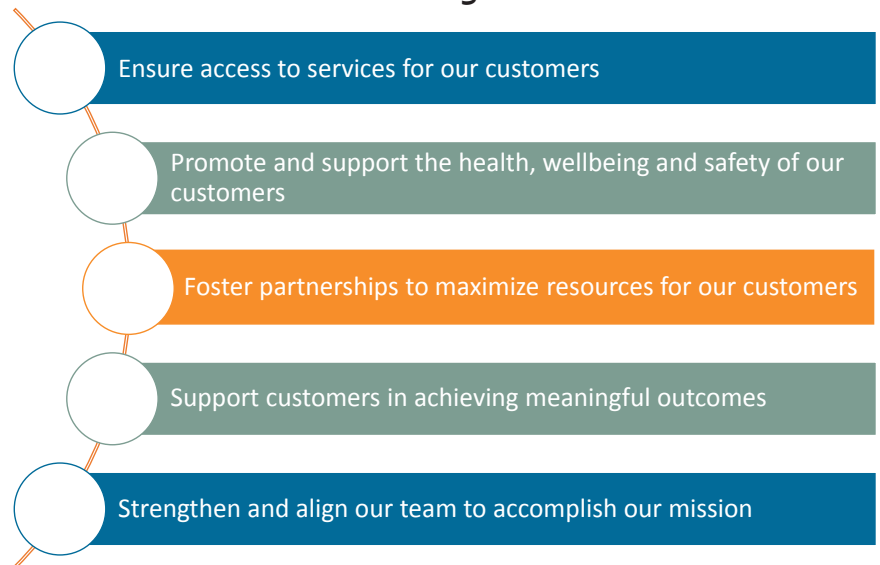
2017 Strategic Plan Outcomes:

Connections to Work

- For participants that must meet work requirements for **Supplemental Nutrition Assistance (SNAP) and Temporary Assistance for Needy Families (TANF)** – Percentage employed 30 days after starting job- majority full time:
- **Child Care Subsidy** – Supporting over 1,900 families so they can work or attend school. 60% of families are at or below 100% FPL. Of these families, 96% reported ability to maintain full-time employment.
- **Community Based Mental Health and Substance Use Disorder Services** – As a result of these services:
 - o Mental Health: 27% of clients reported employment compared to national average of 24.5%.
 - o Substance Use Treatment: employment rate at discharge 9% higher than the national average.

	Outcome	Target
Connections to Work - SNAP	93%	96%
Connections to Work - TANF	89%	83%
Child Care Subsidy	96%	97%
Community Based Mental Health	27%	27%
Community Based Substance Use Treatment	34%	25%

Strategic Plan Goals:



Access to Healthcare

- Survey by Centers for Medicare and Medicaid Services indicates SD exceeds national average for children across four key measures of access. Adults were surveyed for the first time in 2017.

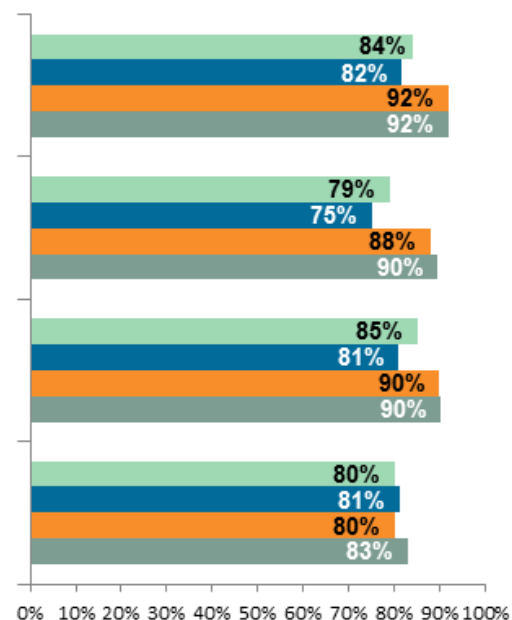
2017 CAHPS Survey

Got urgent care for illness, injury or condition as soon as needed.

Got routine appointment at doctor's office or clinic as soon as needed.

Easy to get needed care, tests, or treatment.

Got appointments with specialists as soon as needed.



Caring for People in the Most Cost Effective Manner

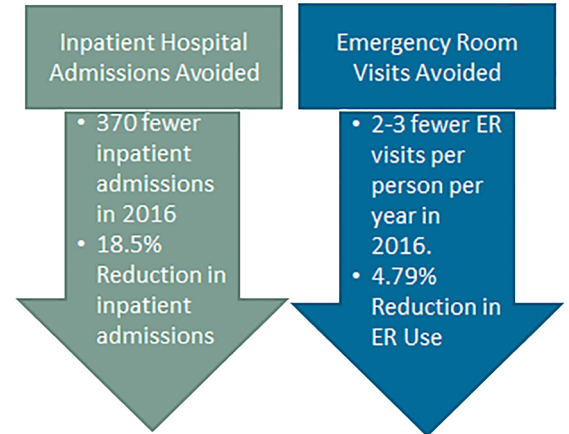
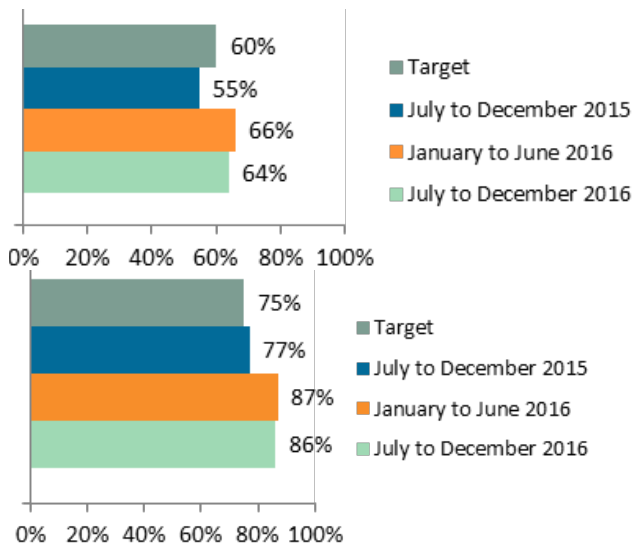
- About 6,000 participants each month with high cost chronic conditions and risk factors. Goal is to change patient behavior and improve health outcomes and avoid high cost care. As a result, increased primary care visits, reduced emergency department and inpatient stays yielding cost avoidance of \$7.7 million in CY2016.

Goal - Increase % with an active person-centered care plan

HH recipients with an active person-centered care plan

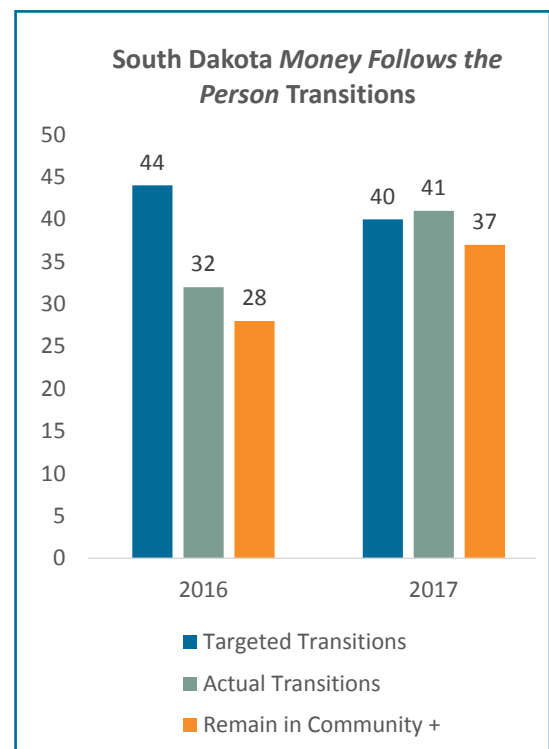
Goal - Increase % of visits with a PCP in the previous 6 months

HH recipients who visited a PCP in last 6 months



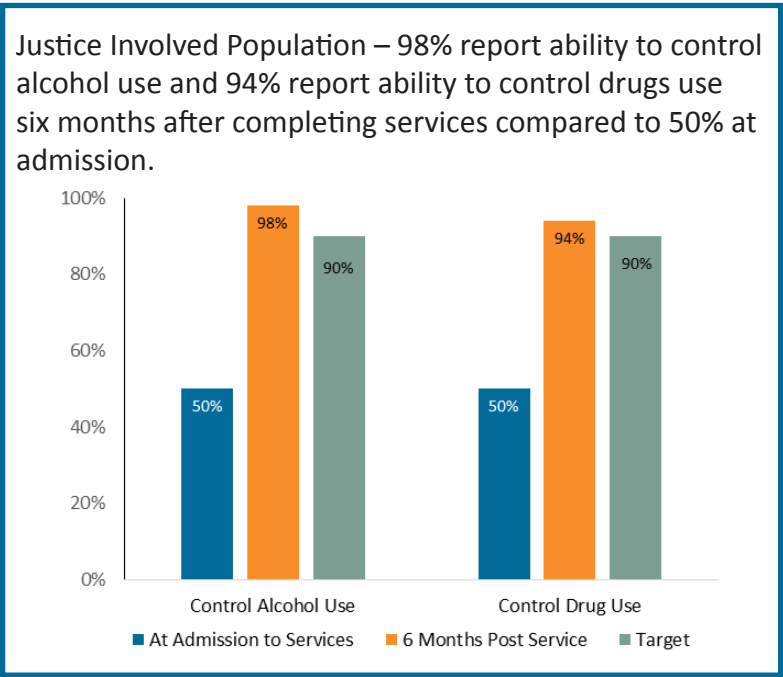
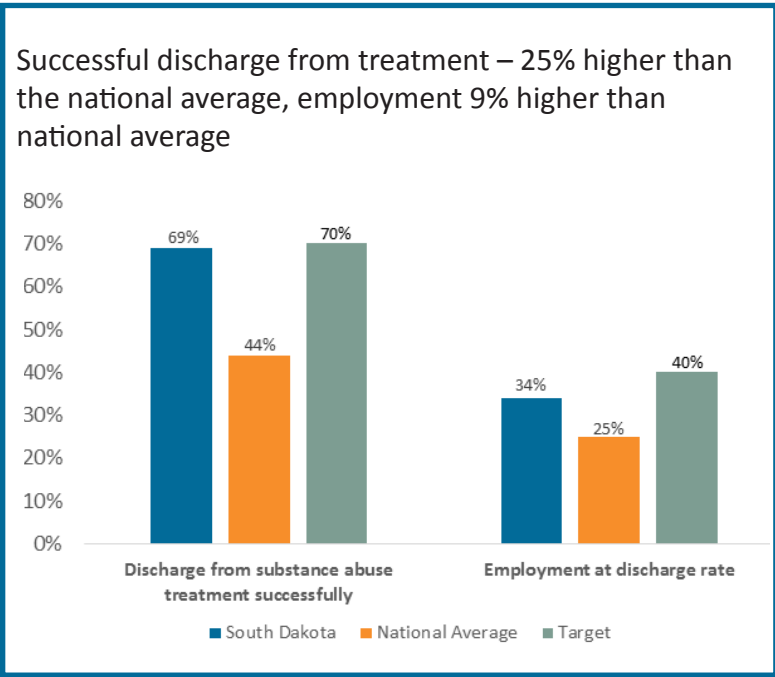
Goal - Decrease in Inpatient Hospital and Emergency Room use per person

- Money Follows the Person** – Implemented in 2014. Provides funding and supports to transition individuals from nursing home or other institutional settings back to their homes/communities.
 - Results: Transitioned 41 individuals in 2017 with 37 partial transitions completed.
- Geriatric Psychiatric Treatment** – Clinicians from the Human Services Center provided psychiatric review and consultation services for 26 individuals. Of those individuals, 73% were diverted from admission to HSC. The target for diversions is 74% of cases reviewed.
- Correctional Behavioral Health Services** – Mental Health and Substance Use treatment services to individuals in custody of the Department of Corrections.
 - Results: 3,980 psychiatric contacts and 1,430 entered substance use treatment.
- Community Based Mental Health Services** – Providing counseling, psychiatric treatment and wrap around services to 7,300 recipients to prevent inpatient admissions and improving community involvement.
 - Results: 11.7% reduction in ER visits and 14.6% reduction in inpatient admissions. Reduction of 10.1% in days incarcerated and 5.2% reduction in number of arrests.



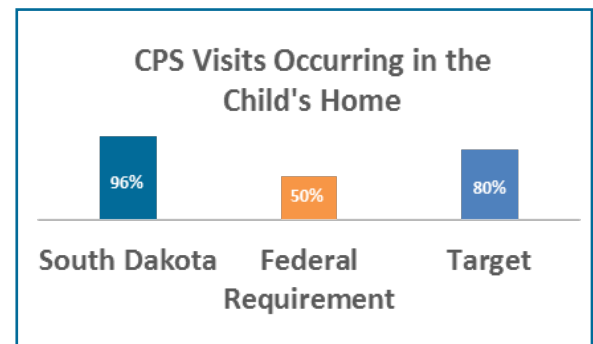
Outcome Measures CARE and IMPACT	Prior to Services	As a Result of Services	Target
Clients who visited an ER for a psychiatric or emotional problem	17.7%	6%	6%
% of Clients who spent night in hospital	23%	8.4%	8%
% of Clients who reported spending at least one night in Jail	16.3%	6.2%	6%
% of Clients reported one or more arrests in the past 30 days	9.3%	4.1%	4%

- **Community Based Substance Use Treatment Services** – Providing outpatient, inpatient and low-intensity residential treatment services as well as cognitive behavioral intervention for justice involved populations.



Permanency and Safety for Children

- Child Protection Services goal is to reunify families whenever possible.
 - o Results: Of children reunited, 72% were reunited within 12 months of removal.
 - o When that is not possible, we work to establish guardianship or adoption to divert from foster care placement.
 - 96% of caseworker visits happen where the child resides – exceeding the federal requirement by 46%.



Program Integrity – National Awards

- Nationally recognized for program quality:
 - o **Medicaid** – Only state in the nation to receive continuous exemption since 2010 from recovery audit contractor requirements. Collected \$8.4 million in third party liability, estate recovery and fraud collections. Less than 1% of collections are fraud related.
 - o **Supplemental Nutrition Program** – Ranked #1 in the nation in 2015. Over 30 years of continuous financial program awards for high performance related to accuracy in determining eligibility, denials or suspensions of benefits, and timeliness of approval.
 - o **Child Support** – \$115 million in collections in 2017 for 59,800 cases. Ranked in the top 5 nationally for the last 15 years. As a result, the program earned financial program awards for top performance each year.
 - o **Child Care** – 96% payment accuracy compared to national average of 94%.

Medicaid	Outcome	Target
Collections	\$8.4 million	\$8.5 million
SNAP	Outcome	Target
Payment Accuracy	99.25%	98%
Case/Procedural Accuracy	98.09%	98%
Timeliness	94.39%	95%
Child Support	Outcome	Target
Percent of Cases with Collections	66%	66%
Administrative Costs	\$11/\$1	\$11/\$1
Child Care	Outcome	Target
Payment Accuracy	96%	94%