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E-news

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Pat Quinn, Governor
Julie Hamos, Director

Illinois Department of Healthcare and Family Services

Greetings from HFS Director Julie Hamos

Welcome to another periodic edition of HFS e-news to keep you updated on program changes. To register for future editions, please visit HFS E-News Online Registration or download for others who might be interested by visiting: hfs.illinois.gov/enews. If you are a Medicaid client, this newsletter is not the official notification of any changes that may impact you, and you do not have to respond in any way. This is general information for the public.

Thank you,

Julie Hamos
HFS Director

Hospital Presumptive Eligibility Rules Filed

HFS has filed rules necessary to implement Hospital Presumptive Eligibility as required by the Affordable Care Act (ACA). The proposed rules will be published in the Illinois Register on January 23, 2015, and will be open for public comment for 45 days beginning that day.

Under the Hospital Presumptive Eligibility (HPE) provision, Illinois Medicaid will allow qualified hospitals to immediately enroll individuals in Medicaid for a temporary period when the hospital determines they are eligible for the state's Medicaid program. The state will cover medical costs for care received by individuals under HPE from the date the hospital determines them to be presumptively eligible until the end of the month following the date of HPE determination or until a review of a full application for medical benefits is completed by the state and the individual is found to be ineligible for Medicaid. The state will reimburse all participating providers (not just hospitals) for healthcare provided to an individual during the presumptive eligibility period. Look for the rules in the Illinois Register on January 23, 2015.

Health Homes State Plan Amendment Filed

Section 2703 of the Affordable Care Act created opportunities for states to develop health home services. The Health Home is a Medicaid State Plan Option that provides a comprehensive system of Care Coordination for Medicaid clients with chronic conditions. Health Home providers must integrate and coordinate all primary, acute, behavioral health and long-term services and supports.

Illinois Medicaid has submitted a State Plan Amendment to federal CMS, based on the policies and procedures outlined in the [Concept Paper \(pdf\)](#) that has been posted on the HFS website. It is expected that Health Homes will be developed and put into operation by October, 2015. Additional stakeholder meetings will be organized to discuss this further.

Sanctions for Health Plans Based on Quality

We walk the walk. HFS recently placed sanctions on four providers, halting Medicaid client auto-enrollment in each health plan: Family Health Network (FHN), Harmony, HealthCura and Illinois Partnership for Health (IPH). Both FHN and Harmony had received continued poor quality scores, and we warned each earlier that we would take significant action if they did not improve. HealthCura and IPH both failed to meet their provisional readiness review requirements. All four health plans are required to submit corrective action plans and implement them. The sanction letters are posted on the [HFS Care Coordination webpage](#).

As Care Coordination is fully rolled out, it will become even more important for HFS and the other sister agencies to

monitor the performance of health plans. Our clients as well as providers already have numerous choices of health plans to join, and the quality of the plan will become a key consideration in their choices.

Farewell from Director Julie Hamos

This is the last newsletter you will receive from me as Director of HFS, as my last day is today, January 9, 2015. Governor Rauner will be inaugurated on January 12, 2015 and he is expected to appoint a new HFS Director soon. With your participation, we have accomplished so much in the last four years!

- We have redesigned the Medicaid healthcare delivery system – a truly significant undertaking. With the state law requiring us to enroll at least 50% of Medicaid clients into Care Coordination by January 2015, we are currently in the process of enrolling 2 million of 3.1 million Medicaid clients into a variety of innovative health plans. We expect that health plans will provide care coordinators within networks of collaborating providers, resulting in better health outcomes for our Medicaid clients.
- We are focusing on the quality of care. Measuring quality metrics and performance in every Care Coordination contract, we provide bonuses and also impose penalties when necessary. Our focus at HFS has changed from paying bills and claiming federal match, to "managing the Managed Care companies."
- We have implemented the Affordable Care Act. Illinois has been committed to the expansion of Medicaid and private health insurance coverage for uninsured Illinoisans. As a result, 536,000 newly eligible adults already have been enrolled in Illinois Medicaid, now receiving healthcare through new health plans, with 100% federal match.
- We brought fiscal discipline to the Medicaid budget. On the verge of bankruptcy by the end of FY12, when more than \$2 billion of unpaid Medicaid bills had stacked up with a \$2.7 billion structural funding deficit, we worked in a bipartisan process to develop the SMART ("Save Medicaid Access and Resources Together") Act, which resulted in \$1 billion in cost savings as well as new revenues. It was painful but necessary. Medicaid bills are now processed to the Comptroller within 30 days, and bills are paid in the same fiscal year that services are rendered.
- We modernized the hospital and nursing home reimbursement systems. Both payment systems were based on obsolete models, using outdated data. In difficult, multi-year processes involving numerous stakeholder meetings, we developed and implemented modern payment methodologies for both.
- We made program integrity a high priority. We replaced the one-pay-stub eligibility rule with modern electronic data matching to verify income and residency for Medicaid eligibility. We developed the Illinois Medicaid Redetermination Project (IMRP) to conduct annual redeterminations of eligibility, with 200 caseworkers and support staff, as well as the backup assistance of a private vendor. The Office of Inspector General implemented a comprehensive program integrity work plan, which includes an aggressive regulatory framework, expansion of audits, investigations and quality of care reviews.
- We are modernizing the technology systems. We are overhauling the COBOL-based, 35-year-old eligibility system used for Medicaid, food stamps (SNAP) and cash assistance (TANF), and online applications have been received through the Application for Benefits Eligibility (ABE) computer portal since October 1, 2013. We are also modernizing the COBOL-based, 30-year-old claims processing system, the Medicaid Management Information System (MMIS). We are entering into an innovative intergovernmental agreement with the State of Michigan, to become the first "cloud" customer of the state-of-the-art, federally certified Michigan MMIS.
- We eliminated the monthly Medicaid card. We used to mail more than 2 million paper cards each month to clients. Now cards are mailed once a year, and eligibility data is included in the online computer system for Medicaid providers to use.
- Under the leadership of the Governor's Office, Illinois has made great strides in long-term care rebalancing. The Quinn Administration entered into consent decrees in three class-action lawsuits against the State to provide adequate home- and community-based services to persons with disabilities. HFS is managing the federal Money Follows the Person program and the federal Balancing Incentive Program (BIP). Combined, the State has helped more than 3,000 people transition from institutions into the community.
- We made Medicaid data more transparent. We developed standardized, streamlined methods to deliver an unprecedented quality and quantity of Medicaid data to healthcare partners. We contracted for a sophisticated data analytics platform that will make extensive data and graphics available to internal users and partners via an

online, easy-to-use interface. We were the first state in the nation to deliver detailed Medicare claims data to partners serving Medicaid-Medicare dual-eligible recipients. We post [extensive provider and enrollment data](#) to a newly designed HFS website.

- We expanded the Business Enterprise Program (BEP), creating opportunities for businesses owned by minorities, women and persons with disabilities. We created the Business Enterprise Strategic Targeting (B.E.S.T.) Initiative and conducted outreach, training and staff support to BEP-certified vendors available to contract with Health Plans. We are holding all Health Plans accountable to achieve BEP goals; we have increased BEP spending to these businesses from \$897,000 in FY2011 to \$21 million in FY2014.
- We have participated in the efforts of the Governor's Office of Health Innovation and Transformation (GOHIT), which has brought together more than 800 health insurance plans, business groups, providers, public health practitioners, associations and consumers, to identify the innovations needed for healthcare transformation, moving forward.
- In the Division of Child Support Services, we have maintained an excellent, national award-winning program while moving ahead with new initiatives such as working with fathers on parenting, making child support information available on cell phones and intercepting gambling winnings at casinos.
- We engaged community stakeholders in all of these initiatives. The federally-required Medicaid Advisory Committee (MAC) and its subcommittees often have overflow audiences at meetings. We developed a database of more than 33,000 contacts who receive regular communications. Numerous webinars, inter-agency and stakeholder meetings have been held on all new policies and programs. The [HFS website](#) was redesigned, with postings of new policies and procedures to assure full transparency and agency accountability.

I've been privileged to work with many energetic and bright people during my tenure at HFS. I want to thank the great team we have at HFS and in state government, and everyone else with whom I've worked, for your commitment to the Illinoisans we serve.

Please feel free to ask questions or share comments by e-mailing: hfs.webmaster@illinois.gov