Template B8 – Alternative Benefit Plans Service Delivery Systems

Statute: 1932, 1915(b), 1915(a), 1903(m)
Regulation: 42 CFR 440.385, 42 CFR Part 438

INTRODUCTION

In this template the State indicates and describes the service delivery system or systems it will use to deliver benefits to Alternative Benefit Plan participants, including managed care options, fee-for-service, Primary Care Case Management, or another form of service delivery.

BACKGROUND

States must indicate how Medicaid benefits will be delivered to participants in Alternative Benefit Plans. In the event the State elects to use a managed care entity or entities to deliver such services, all of the requirements that apply to this service delivery method for standard Medicaid State plan benefits also apply to Alternative Benefit Plans, as prescribed at 42 CFR Part 438 and in Section 1932, 1915(b), or 1915(a) as applicable.

In this section the State identifies and describes the service delivery system or systems it will use for the Alternative Benefit Plan or plans. Options include:

- a managed care delivery system through :
    - Managed Care Organizations (MCO)
    - Prepaid Inpatient Health Plans (PIHP), or
    - Prepaid Ambulatory Health Plans (PAHP)
- Fee-for-Service
- Primary Care Case Management (PCCM)
- Other Service Delivery Model

If managed care is selected the State must indicate which authority its managed care program is based in. It must also indicate any services it is carving out from its primary service delivery system, and it must indicate the geographic area where the service delivery system operates, either statewide or on a more limited geographic basis. It must also describe the procurement method used to select any managed care entities.

The State may also exclude certain participants from managed care, besides those excluded by law, and must indicate who these excluded individuals are.

TECHNICAL GUIDANCE

The first step in completing this template is to either name a new service delivery system that the state is defining or identify an existing system that the State wishes to amend.

The State is presented with a list of any existing Alternative Benefit Plan service delivery systems and an option to add a new service delivery system..

- If the State is adding a new service delivery system, select this option.
- The State will be presented with a text box to name the new system.

If the State is amending the description of an existing Alternative Benefit Plan service delivery system, select it from the list and the fields will be then populate with the existing values which the State can change.

Select One or More Health Care Delivery Systems

The State must now indicate the type of service delivery system or systems it will use for newly named or selected Alternative Benefit Plan service delivery system.

- Select one or more service delivery systems from the four options presented:
  - Managed Care. If Managed Care is selected, indicate one or more the types of managed care systems that will be used from the three options presented.
  - Fee-for-Service
  - Primary Care Case Management (PCCM
  - Other Service Delivery
- Based on the selections made above the State will be presented with additional content specific to each of the options.

Managed Care Option – Managed Care Organization (MCO) Service Delivery

If Managed Care is selected and the indicated type of managed care is Managed Care Organizations (MCO), the content related to this type of service delivery system will be presented. The State must provide the following information:

- Indicate if the managed care delivery system is the same as an already approved **managed care program.**
  - If yes,
    - select only one of the options presented to indicate the authority under which the existing program was approved, and
    - Enter a description of the program and the date CMS approved it. Note: Is this list correct? It doesn't include 1915(a). Should that be added? Also, should we reference another 1937 managed care system? Wouldn't any such system be under the authority of section 1932?
  - If no,
    - a statement will appear indicating the State will operate a managed care system consistent with the requirements of 42 CFR Part 438, and sections 1903(m) and 1932 of the Act, and
    - The State must complete the remainder of this section of the template to describe this managed care program.

Carved-Out Services

- Indicate if any services will be carved-out of the managed care delivery system and provided on a fee-for-service or other basis.
    - If no, proceed to the next section.
    - If yes, content will appear for the State to indicate which types of benefits and services will be carved out of managed care and whether they will be delivered on an "at risk" basis.
        - Select one or more of the benefit categories to indicate it is carved out.
        - For each category selected indicate if it is being provided on an "at risk" basis.
        - If "Other" is selected, indicate the type of benefits or services and also if they will be delivered on an "at risk" basis.
        - Provide additional details about any carved out services, including:
            - additional information concerning the specific services that are carved out,
            - how they will be delivered,
            - whether the services will be provided through the fee-for-service network or via another service delivery system,
            - If delivered through another service delivery system that is involves an "at risk" contract, provide additional details concerning the "at risk' conditions.

Review Criteria

The description of the carved-out services should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State's election meets applicable federal statutory, regulatory and policy requirements.

Service Delivery System Geographic Coverage

The State must respond to the statement concerning whether the MCO service delivery is provided on a less than statewide basis.

- If no, proceed to the next section.
- If yes, the State will be presented with options to where the service delivery system will be made available to residents of the area.

NOTE: Service delivery may only be limited based on where the participants live, not by where the providers are located.

- Select one of the four options to indicate if the limited geographic service delivery area is based on counties, regions within the state, city or municipality, or other
- If "By county" is selected a list of the State's counties will be made available to select one or more counties to be included in the service delivery area.

- If “By region” is selected describe the geographic makeup of the region by indicating which counties, municipalities or other geographic areas are included in the state region or regions where the service delivery system is available.
- If “By city/municipality” is selected indicate the cities or municipalities included in the text box.
- If “Other geographic area” is selected provide a clear description of the other geographic area.

Review Criteria

The description of the geographic areas covered should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State’s election meets applicable federal statutory, regulatory and policy requirements and the reviewer will be clear concerning where the service delivery system will operate.

Procurement or Selection Method

Select one of the two options provided to indicate how the MCO providers are selected. Regardless of the procurement method selected, provide a clear narrative description of the procurement method.

Review Criteria

The description of the method used must describe the competitive or non-competitive procurement method used to select MCO providers. If a non-competitive procurement method was used, provide the State’s rationale for not using a competitive process to select these providers. The CMS reviewer must have a clear understanding of the justification for failing to use a competitive process, normally required by federal law, in selecting MCO providers to determine that the State’s approach meets applicable federal statutory, regulatory and policy requirements.

Participants Excluded from Participation in the Service Delivery System

The State may elect to exclude certain individuals from using the MCO service delivery system, other than individuals already excluded by law.

- Select from the options presented one or more categories of individuals who are excluded from using the service delivery system and will, instead, be served using the State’s fee-for-service system.
- If "Other" is selected, provide a clear description of these other individuals and the reason why the state is excluding them.
- The State may elect to exclude more than one category of “Other” individuals.

Participation Requirement

The State must select from the two options concerning MCO managed care participation:

- Mandatory Participation – the participant is required to participate in the MCO-based service delivery system. If selected, provide a clear description of the method used to assign each participant to a managed care entity.
- Voluntary Participation – the participant is given the option of participating in the MCO-based managed care service delivery system or choosing instead to receive his or her services through the state's fee-for-service service delivery system. If this option is selected three options will appear concerning the voluntary enrollment process:
    - Opt-in to managed care option and provider: The participant will be given the opportunity to elect to participate in managed care to select his or her managed care provider.
    - Opt-out of Managed Care: The participant will be automatically enrolled in managed care with a designated provider and must elect to not participate in managed care.
    - Other: Another method is used to enroll participants in managed care and select their provider. Provide a clear description of the other method in the text box provided.

Review Criteria

The description should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State's election meets applicable federal statutory, regulatory and policy requirements.

Additional Details Regarding the MCO Managed Care Service Delivery System

The State may provide a narrative with additional information about this service delivery system. It should do so if the options selected and other explanations provided need to be supplemented to give the CMS reviewer a clear understanding of the service delivery system. In particular the State may wish to provide additional detail concerning the participation requirements to assure the reviewer that the participant is clearly informed of the options available to him or her.

Managed Care Option – Prepaid Inpatient Health Plan (PIHP) Service Delivery

If Prepaid Inpatient Health Plan (PIHP) was selected as the managed care service delivery system content related to this service delivery system will be presented. The State must provide the following information:

- Indicate if the PIHPs are paid on a risk basis or a non-risk basis. (Select one).
- Indicate if the managed care delivery system is the same as an already approved managed care program.
    - If yes,

        - select only one of the options presented to indicate the authority under which the existing program was approved, and
        - Enter a description of the program and the date CMS approved it. **Note: Is this list correct? It doesn't include 1915(a). Should that be added? Also, should we reference another 1937 managed care system? Wouldn't any such system be under the authority of section 1932?**
    - If no,
        - a statement will appear indicating the State will operate a managed care system consistent with the requirements of 42 CFR Part 438, and sections 1903(m) and1932 of the Act, and
        - The State must complete the remainder of this section of the template to describe this managed care program.

Carved-Out Services

- Indicate if any services will be carved-out of the managed care delivery system and provided on a fee-for-service or other basis.
    - If no, proceed to the next section.
    - If yes, content will appear for the State to indicate which types of benefits and services will be carved out of managed care and whether they will be delivered on an "at risk" basis.
        - Select one or more of the benefit categories to indicate it is carved out.
        - For each category selected indicate if it is being provided on an "at risk" basis.
        - If "Other" is selected, indicate the type of benefits or services and also if they will be delivered on an "at risk" basis.
        - Provide additional details about any carved out services, including:
            - additional information concerning the specific services that are carved out,
            - how they will be delivered,
            - whether the services will be provided through the fee-for-service network or via another service delivery system,
            - If delivered through another service delivery system that is involves an "at risk" contract, provide additional details concerning the "at risk' conditions.

Review Criteria

The State must provide complete and thorough information concerning any carved out benefits and services as indicated above so that the CMS review can have a clear understanding of the alternative service delivery system for these benefits.

Service Delivery System Geographic Coverage

The State must respond to the statement concerning whether the PIHP service delivery is provided on a less than statewide basis.

- If no, proceed to the next section.
- If yes, the State will be presented with options to where the service delivery system will be made available to residents of the area.

NOTE: Service delivery may only be limited based on where the participants live, not by where the providers are located.

- Select one of the four options to indicate if the limited geographic service delivery area is based on counties, regions within the state, city or municipality, or other
- If "By county" is selected a list of the State's counties will be made available to select one or more counties to be included in the service delivery area.
- If "By region" is selected describe the geographic makeup of the region by indicating which counties, municipalities or other geographic areas are included in the state region or regions where the service delivery system is available.
- If "By city/municipality" is selected indicate the cities or municipalities included in the text box.
- If "Other geographic area" is selected provide a clear description of the other geographic area.

Review Criteria
Be certain to provide a clear description of the geographic areas covered for the options that involve describing the geographic areas in a text box, so that the CMS reviewer will be clear concerning where the service delivery system will operate.

Procurement or Selection Method

Select one of the two options provided to indicate how the MCO providers are selected. Regardless of the procurement method selected, provide a clear narrative description of the procurement method.

Review Criteria
The description of the method used must describe the competitive or non-competitive procurement method used to select MCO providers. If a non-competitive procurement method was used, provide the State's rationale for not using a competitive process to select these providers. The CMS reviewer must have a clear understanding of the justification for failing to use a competitive process, normally required by federal law, in selecting MCO providers to determine that the State's approach meets applicable federal statutory, regulatory and policy requirements.

Participants Excluded from Participation in the Service Delivery System

The State may elect to exclude certain individuals from using the PIHP service delivery system, other than individuals already excluded by law.

- Select from the options presented one or more categories of individuals who are excluded from using the service delivery system and will, instead, be served using the State's fee-for-service system.
- If "Other" is selected, provide a clear description of these other individuals and the reason why the state is excluding them.
- The State may elect to exclude more than one category of "Other" individuals.

Participation Requirement

The State must select from the two options concerning PIHP managed care participation:

- Mandatory Participation – the participant is required to participate in the PIHP-based service delivery system. If selected, provide a clear description of the method used to assign each participant to a managed care entity.
- Voluntary Participation – the participant is given the option of participating in the PIHP-based managed care service delivery system or choosing instead to receive his or her services through the state's fee-for-service service delivery system. If this option is selected three options will appear concerning the voluntary enrollment process:
    - Opt-in to managed care option and provider: The participant will be given the opportunity to elect to participate in managed care to select his or her managed care provider.
    - Opt-out of Managed Care: The participant will be automatically enrolled in managed care with a designated provider and must elect to not participate in managed care.
    - Other: Another method is used to enroll participants in managed care and select their provider. Provide a clear description of the other method in the text box provided.

Review Criteria

The description should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State's election meets applicable federal statutory, regulatory and policy requirements.

Additional Details Regarding the PIHP Managed Care Service Delivery System

The State may provide a narrative with additional information about this service delivery system. It should do so if the options selected and other explanations provided need to be supplemented to give the CMS reviewer a clear understanding of the service delivery system. In particular the State may wish to provide additional detail concerning the participation requirements to assure the reviewer that the participant is clearly informed of the options available to him or her.

Managed Care Option – Prepaid Ambulatory Health Plan (PAHP) Service Delivery

If Prepaid Ambulatory Health Plan (PAHP) was selected as the managed care service delivery system, content will be presented related to this option. The State must provide the following:

- Indicate if the PAHPs are paid on a risk basis or a non-risk basis. (Select one).
- Indicate if the managed care delivery system is the same as an already approved managed care program.
    - If yes,
        - select only one of the options presented to indicate the authority under which the existing program was approved, and
        - Enter a description of the program and the date CMS approved it. Note: Is this list correct? It doesn't include 1915(a). Should that be added? Also, should we reference another 1937 managed care system? Wouldn't any such system be under the authority of section 1932?
    - If no,
        - a statement will appear indicating the State will operate a managed care system consistent with the requirements of 42 CFR Part 438, and sections 1903(m) and1932 of the Act, and
        - The State must complete the remainder of this section of the template to describe this managed care program.

Carved-Out Services

- Indicate if any services will be carved-out of the managed care delivery system and provided on a fee-for-service or other basis.
    - If no, proceed to the next section.
    - If yes, content will appear for the State to indicate which types of benefits and services will be carved out of managed care and whether they will be delivered on an "at risk" basis.
        - Select one or more of the benefit categories to indicate it is carved out.
        - For each category selected indicate if it is being provided on an "at risk" basis.
        - If "Other" is selected, indicate the type of benefits or services and also if they will be delivered on an "at risk" basis.
        - Provide additional details about any carved out services, including:
            - additional information concerning the specific services that are carved out,
            - how they will be delivered,
            - whether the services will be provided through the fee-for-service network or via another service delivery system,

- If delivered through another service delivery system that is involves an "at risk" contract, provide additional details concerning the "at risk' conditions.

Review Criteria
The State must provide complete and thorough information concerning any carved out benefits and services as indicated above so that the CMS review can have a clear understanding of the alternative service delivery system for these benefits.

Service Delivery System Geographic Coverage

The State must respond to the statement concerning whether the PAHP service delivery is provided on a less than statewide basis.

- If no, proceed to the next section.
- If yes, the State will be presented with options to where the service delivery system will be made available to residents of the area.

NOTE: Service delivery may only be limited based on where the participants live, not by where the providers are located.

- Select one of the four options to indicate if the limited geographic service delivery area is based on counties, regions within the state, city or municipality, or other
- If "By county" is selected a list of the State's counties will be made available to select one or more counties to be included in the service delivery area.
- If "By region" is selected describe the geographic makeup of the region by indicating which counties, municipalities or other geographic areas are included in the state region or regions where the service delivery system is available.
- If "By city/municipality" is selected indicate the cities or municipalities included in the text box.
- If "Other geographic area" is selected provide a clear description of the other geographic area.

Review Criteria
Be certain to provide a clear description of the geographic areas covered for the options that involve describing the geographic areas in a text box, so that the CMS reviewer will be clear concerning where the service delivery system will operate.

Procurement or Selection Method

Select one of the two options provided to indicate how the MCO providers are selected. Regardless of the procurement method selected, provide a clear narrative description of the procurement method.

Review Criteria

The description of the method used must describe the competitive or non-competitive procurement method used to select MCO providers. If a non-competitive procurement method was used, provide the State's rationale for not using a competitive process to select these providers. The CMS reviewer must have a clear understanding of the justification for failing to use a competitive process, normally required by federal law, in selecting MCO providers to determine that the State's approach meets applicable federal statutory, regulatory and policy requirements.

Participants Excluded from Participation in the Service Delivery System

The State may elect to exclude certain individuals from using the PAHP service delivery system, other than individuals already excluded by law.

- Select from the options presented one or more categories of individuals who are excluded from using the service delivery system and will, instead, be served using the State's fee-for-service system.
- If "Other" is selected, provide a clear description of these other individuals and the reason why the state is excluding them.
- The State may elect to exclude more than one category of "Other" individuals.

Participation Requirement

The State must select from the two options concerning PAHP managed care participation:

- Mandatory Participation – the participant is required to participate in the PAHP-based service delivery system. If selected, provide a clear description of the method used to assign each participant to a managed care entity.
- Voluntary Participation – the participant is given the option of participating in the PAHP-based managed care service delivery system or choosing instead to receive his or her services through the state's fee-for-service service delivery system. If this option is selected three options will appear concerning the voluntary enrollment process:
    - Opt-in to managed care option and provider: The participant will be given the opportunity to elect to participate in managed care to select his or her managed care provider.
    - Opt-out of Managed Care: The participant will be automatically enrolled in managed care with a designated provider and must elect to not participate in managed care.
    - Other: Another method is used to enroll participants in managed care and select their provider. Provide a clear description of the other method in the text box provided.

Review Criteria

The description should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State's election meets applicable federal statutory, regulatory and policy requirements.

Additional Details Regarding the PIHP Managed Care Service Delivery System

The State may provide a narrative with additional information about this service delivery system. It should do so if the options selected and other explanations provided need to be supplemented to give the CMS reviewer a clear understanding of the service delivery system. In particular the State may wish to provide additional detail concerning the participation requirements to assure the reviewer that the participant is clearly informed of the options available to him or her.

Managed Care Assurances

The State must affirmatively assure that it will comply with all applicable Medicaid laws and regulations in providing managed care services through the Alternative Benefit Plan.

The State provides this affirmative assurance by checking the box next to the assurance. If the State does not check this box, the system will not accept this template for review and approval.

Fee-for-Service Options

If Fee-for-Service was selected as the service delivery system, content will be presented related to this option. The State must provide the following:

- Select one or both of the Fee-for-Service options.
- If the first option, Traditional State-Managed Fee-for-Service, is selected, thoroughly describe the system in the text box provided.
- If the second option, Services Managed under an ASO Agreement is selected, again thoroughly describe the system in the text box provided.

Review Criteria

The descriptions of these fee-for-service systems should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State's election meets applicable federal statutory, regulatory and policy requirements.

Primary Care Case Management

If Primary Care Case Management (PCCM) was selected as a type of service delivery system used to provide benefits and services for the Alternative Benefit Plan, content related to this type of system will be presented. PCCM service delivery is frequently combined with another form of service delivery (fee-for-service or managed care)

First indicate if the PCCM service delivery system is the same as an already-approved PCCM service delivery system. If yes,

- Choose one of the options presented to indicate the authority for the approved system.
- Indicate the date the PCCM program was approved by CMS
- Indicate the Waiver or SPA number that was used to approve the program.

Next, indicate how the payment for PCCM services is handled by selecting one or the two options provided. If the PCCM provider is not paid on a per member/per month basis thoroughly describe the payment methodology used.

Finally, provide any additional details concerning this service delivery system, including how it relates to other fee-for-service or managed care service delivery systems. The CMS reviewer must be able to have a thorough understanding of the PCCM system based on the information presented.

Review Criteria

The descriptions of these PCCM system should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State's election meets applicable federal statutory, regulatory and policy requirements.

Other Service Delivery Model

If the State selects the option of an "Other Service Delivery" system the State must name and describe the model it will use. Be as complete and thorough as possible in describing the system so that the CMS reviewer can have a complete understanding of how the system will operate and be funded.

Review Criteria

The descriptions of these Other Service Delivery system should be sufficiently clear, detailed and complete to permit the reviewer to determine that the State's election meets applicable federal statutory, regulatory and policy requirements.

Additional Information Concerning Alternative Benefit Plan Service Delivery Systems

The State may provide additional information and clarifications to assure that the CMS reviewer has a clear understanding of the service delivery system(s) it is proposing to use in providing benefits and services under the Alternative Benefit Plan.