

# NEBRASKA

Good Life. Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



Pete Ricketts, Governor

December 1, 2016

Patrick O'Donnell  
Clerk of the Legislature  
Room 2018, State Capitol  
Lincoln, NE 68509

Dear Mr. O'Donnell:

Pursuant to the provisions of Nebraska Revised Statute § 68-909(4), the Division of Medicaid and Long-Term Care (MLTC) is submitting this report to the Governor, the Legislature, and the Medicaid Reform Council on the implementation of rules and regulations, Medicaid state plan amendments, and waivers adopted under the Medical Assistance Act and the effect of such rules and regulations, amendments, and waivers on eligible recipients of medical assistance and medical assistance expenditures.

Feel free to contact me if you have any questions about this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Calder A. Lynch".

Calder A. Lynch, Director  
Division of Medicaid & Long-Term Care  
Department of Health and Human Services



Waiver	Purpose and Content	Projected Impact
NE HCBS for Aged & Adults & Children with Disabilities (0187.R05.00)	The Waiver serves individuals of all ages who have a disability or are aged and require a nursing facility (NF) level of care.	Effective August 1, 2016, the waiver was renewed for five years. Major changes in this renewal include: 1) Removal of \$5,000 annual limit for Assistive Technology Supports and Home Modifications, 2) Adding to contracted entities a Provider Enrollment Broker for executing Medicaid provider agreements, and 3) Removed that service coordinators may also be service providers to address conflict of interest concerns
NE HCBS Waiver for Children with Developmental Disabilities and their Families (4154.R05.00)	This waiver provides day habilitation, group home residential habilitation, homemaker, integrated community employment-individual employment support, respite, behavioral risk service, community living and day supports, companion home residential habilitation, extended family home residential habilitation, habilitative child care, home modification, in-home residential habilitation, medical risk services, team behavioral consultation, vocational planning habilitative, workstation habilitation for individuals with intellectual or developmental disabilities up to age twenty-one.	This waiver is currently being renewed with the adult services waiver (0394). The current 0396 Adult Comprehensive waiver will be expiring, and the services previously offered in 0396 will be absorbed into the 4154 waiver, which will be renamed the Lifespan Comprehensive Waiver. The Department has been working closely with CMS and stakeholders on this renewal, and the renewed waiver is anticipated to be approved and effective in early 2017.
NE Traumatic Brain Injury Waiver (40199.R03.00)	This waiver provides assisted living service for individuals with brain injury ages eighteen to sixty-four.	No change. Last approved in 2013 for five years.
NE Day Services Waiver for Adults with Developmental Disabilities (0394.R02.00)	This waiver offers a menu of services and supports intended to allow individuals with intellectual or developmental disabilities (DD) to maximize their independence as they live, work, socialize, and participate to the fullest extent possible in their communities.	This waiver is currently being renewed. The Department has been working closely with CMS and stakeholders on this renewal, and the renewed waiver is anticipated to be approved and effective in early 2017.

<p>NE Comprehensive Developmental Disability Waiver for Adults (0396.R02.00)</p>	<p>This waiver provides group home residential habilitation, integrated community employment, prevocational workshop habilitation, respite, assistive technology and supports, behavioral risk services, community inclusion day habilitation, community living and day supports, companion home residential habilitation, extended family home residential habilitation, home modification, in-home residential habilitation, medical risk services, PERS, retirement services, team behavioral consultation, vehicle modification, vocational planning habilitation for ages twenty-one and up.</p>	<p>The current 0396 Adult Comprehensive waiver will be expiring, and the services previously offered in 0396 will be absorbed into the 4154 waiver, which will be renamed the Lifespan Comprehensive Waiver. The Department has been working closely with CMS and stakeholders on this renewal, and the renewed waiver is anticipated to be approved and effective in early 2017.</p>
<p>Managed Care Waiver (03.R09.M02)</p>	<p>This 1915(b) waiver provides the authority to operate a managed care delivery system in Nebraska.</p>	<p>This waiver was amended, effective October 1, 2016, allowing the state to implement the integrated managed care program, Heritage Health.</p>

<u>Regulation</u>	<u>Purpose</u>	<u>Content</u>	<u>Projected Impact</u>	<u>Status</u>
471 NAC 1	Adding Telehealth Changes pursuant to LB 1076 of 2014	Telehealth	Expanded Services Provided through Telehealth.	Signed by Governor. Effective January 1, 2017.
471 NAC 1	General Cleanup	Administration	No Impact	Internal DHHS Process Underway.
471 NAC 2	Adopt federal requirements for screening and enrollment of Medicaid providers	Provider Screening and Enrollment	Indeterminable costs for State Agency; Increased costs for public and political subdivisions	Signed by Governor. Effective December 2015.
471 NAC 2	General Cleanup	Provider Participation	No Impact	Internal DHHS Process Underway.
471 NAC 3	General Cleanup	Payment for Services	No Impact	Internal DHHS Process Underway.
471 NAC 4	General Cleanup	Ambulance Services	No Impact	Sent to Governor's Office for Signature.
471 NAC 5	General Cleanup	Chiropractic Services	No Impact	Public Hearing Held July 2016.
471 NAC 6	General Cleanup	Dental Services	No Impact	Sent to Governor's Office for Signature.
471 NAC 7	General Cleanup	Durable Medical Equipment	No Impact	Internal DHHS Process Underway.
471 NAC 8	General Cleanup	Hearing Aids	No Impact	Internal DHHS Process Underway.

471 NAC 9	General Cleanup	Home Health Agencies	No Impact	Internal DHHS Process Underway.
471 NAC 9, 13	Remove References to Homebound	Home Health Agencies and Nursing Services	No Impact; Decreased costs to the State	Signed by Governor. Effective October 2016.
471 NAC 10	General Cleanup	Hospital Services	No Impact	Sent to Governor's Office for Initial Review.
471 NAC 10, 12, 31	Updated to reflect new ICD-10 diagnosis coding system implemented October 1, 2015	ICD-10 References	No Impact	Signed by Governor. Effective September 2015.
471 NAC 11	General Cleanup	Indian Health Services	Federal impact with the addition of the pharmacy encounter; No State impact	Public Hearing Set for December 2016.
471 NAC 12	Modifies adult level of care and adds children level of care criteria.	Level of Care	Possible Impact to the Number of Individuals Served in Facilities	Internal DHHS Process Underway.
471 NAC 12	General Cleanup	Nursing Facility	No Impact	Internal DHHS Process Underway.
471 NAC 13	General Cleanup	Nursing Services	No Impact	Internal DHHS Process Underway.
471 NAC 14	General Cleanup	Occupational Therapy	No Impact	Internal DHHS Process Underway.
471 NAC 15	General Cleanup	Personal Assistance Services	No Impact	Internal DHHS Process Underway.

471 NAC 17	General Cleanup	Physical Therapy	No Impact	Internal DHHS Process Underway.
471 NAC 18	General Cleanup	Physician's Services	No Impact	Internal DHHS Process Underway.
471 NAC 18, 19, 24, 33	Updated to reflect Medicaid rate increase for these specific services budgeted by 2013 Legislature for 2013-2015 biennium	Medicaid Clinical Lab; Injectable Meds Payments	No impact for political subdivisions; Decreased costs for public; Increased costs for the State	Signed by the Governor.
471 NAC 19	General Cleanup	Podiatry Services	No Impact	Sent to Governor's Office for Signature.
471 NAC 20	General Cleanup	Psych Services 21 and Older	No Impact	Internal DHHS Process Underway.
471 NAC 21	General Cleanup	Rehabilitation Care in Hospitals	No Impact	Being Reviewed by the Attorney General's Office
471 NAC 22	General Cleanup	Respiratory Therapy	No Impact	Internal DHHS Process Underway.
471 NAC 23	General Cleanup	Speech Path/Audiology	No Impact	Internal DHHS Process Underway.
471 NAC 24	General Cleanup	Visual Care Services	No Impact	Sent to Governor's Office for Signature.
471 NAC 25	General Cleanup	Special Ed School Based	No Impact	Internal DHHS Process Underway.

471 NAC 26	General Cleanup	Ambulatory Surgical Centers	No Impact	Internal DHHS Process Underway.
471 NAC 29	General Cleanup	FQHCs	No Impact	Internal DHHS Process Underway.
471 NAC 31	General Cleanup	Intermediate Care Facilities	No Impact	Internal DHHS Process Underway.
471 NAC 32	General Cleanup	Child Mental Health and Substance Use	No Impact	Internal DHHS Process Underway.
471 NAC 33	General Cleanup	EPSDT	No Impact	Internal DHHS Process Underway.
471 NAC 34	General Cleanup	Rural Health Clinics	No Impact	Internal DHHS Process Underway.
471 NAC 35	General Cleanup	Rehabilitative Psychiatric	No Impact	Internal DHHS Process Underway.
471 NAC 35	Remove an unnecessary bed limitation on psychiatric rehab facilities.	Medicaid Payment for Psychiatric Residential Rehabilitation Services	No Impact	Signed by the Governor.
471 NAC 36	General Cleanup	Hospice Services	No Impact	Being Reviewed by the Attorney General's Office
471 NAC 37	General Cleanup	PACE	No Impact	Internal DHHS Process Underway.
471 NAC 42	General Cleanup	Freestanding Birth Centers	No Impact	Internal DHHS Process Underway.



477 1-28	General Cleanup	Medicaid Eligibility	Changes to eligibility, aligning the state with federal law; Decreased costs to the State	Sent to Governor's Office for Initial Review.
480 NAC 1-7	General Cleanup	Home and Community-Based Services	Aligning Waiver Provisions to State Regulations	Internal DHHS Process Underway.
480 NAC 11	Repealing Chapter	Autism Spectrum Disorder	No Impact	Signed by the Governor.
482 NAC 1, 3-7	General Cleanup	Managed Care	No Impact	Internal DHHS Process Underway.
482 NAC 2	Adding Provisions for Enrollment Into Heritage Health	Managed Care - Member Participation and Enrollment	Populations added to physical health managed care	Sent to Governor's Office for Signature.



<u>State Plan Amendment</u>	<u>Purpose and Content</u>	<u>Projected Impact to Recipients of Medical Assistance</u>	<u>Impact to Expenditures</u>	<u>Status</u>
15-001	This SPA provides disregards for an amount equal to premiums paid for private/commercially available health insurance when determining the eligibility of persons in the Qualified Medicare Beneficiaries, Specified Low-income Medicare Beneficiaries, Qualifying Individuals, Working Disabled, or Aged and Disabled eligibility groups.	No Impact	No Impact	Approved May 1, 2015 with a January 1, 2015 effective date
15-002	This SPA is a wording change for psychiatric residential rehabilitation.	No Impact	No Impact	Approved May 27, 2015 with a January 1, 2015 effective date
15-003	This SPA continues enhanced PCP payments as implemented in the Affordable Care Act.	Ensures continued access to primary care services for Medicaid members	Increases federal and state expenditures.	Approved June 18, 2015 with a January 1, 2015 effective date.
15-0004	This SPA aligns the state plan authority for managed care with the 1915(b) amendment approved on August 25, 2015. This SPA requires mandatory enrollment into physical health for children with special healthcare needs eligible through a subsidized adoption; individuals eligible for coverage through the Breast and Cervical Cancer Prevention program, and carves in hospice services and non-emergency transportation provided by ambulances into the physical health benefits package for the special needs children and American Indians/Alaskan Native populations. The SPA notes that effective July 1, 2015, the MCO contracts awarded effective July 1, 2015, were procured through sole sourcing. Lastly, this SPA updated language that references "mental retardation" to now reflect "intellectual disability".	Additional populations are covered through managed care.	Increases federal and state expenditures.	Approved October 14, 2015 with a July 1, 2015 effective date.
15-0005	This SPA implements practitioner fee schedule updates for SFY 2016.	Ensures continued access to services for Medicaid members	Increases federal and state expenditures.	Approved November 23, 2015 with a July 1, 2015 Effective Date.

15-0006	This SPA allows Medicaid to provide coverage for qualified youth age 19 but less than 21 who entered into a kinship guardianship assistance agreement, an adoption assistance agreement, or a state-funded guardianship assistance agreement after turning age 16, who also meet at least one of several work or school requirements, using the state's AFDC payment standards as of 7/16/1996 for the income limit as required by LB 243.	Creates a new category of eligibility for Nebraska Medicaid.	Increases federal and state expenditures.	Approved October 7, 2015 with a July 1, 2015 Effective Date.
15-0007	This SPA increases the personal needs allowance for persons who are institutionalized to \$60 for an individual and \$120 for a couple as required by LB 366.	Expands Medicaid eligibility for individuals in institutions.	Increases federal and state expenditures.	Approved October 20, 2015 with a July 1, 2015 effective date.
15-0008	This SPA eliminates the requirements that the dependent child must be deprived of parental support or care as a requirement of eligibility for the Parent/Caretaker Relative group and to use 58% of the FPL as the income limit for this group rather than the fixed dollar amounts previously used.	No Impact	No Impact.	Approved November 10, 2015 with a July 1, 2015 effective date.
15-0009	This SPA increases the fixed dollar amount for Parent/Caretaker Relatives and includes an update to the maximum income standard which will increase the amount each year according to the Consumer Price Index for urban consumers.	No Impact	Increases federal and state expenditures.	Approved November 29, 2015 with a July 1, 2015 effective date.
15-0010	This SPA converts the July 16th, 1996, Aid to Families with Dependent Children (AFDC) payment standard amount to a percentage of the federal poverty level (23%) for children in the reasonable classification group for qualified youth age 19 to 21 who entered into a subsidized guardianship or adoption at age 16 or older.	No Impact	No Impact	Approved November 10, 2015 with a July 1, 2015 effective date.

15-0011	This SPA allows Medicaid to use 51% of the Federal Poverty Level (FPL) for the Modified Adjusted Gross Income (MAGI) standard for individuals eligible through the reasonable classification groups under 42 CFR 435.222 rather than the fixed dollar standards previously used. This is the same percentage used by the federally facilitated marketplace when assessing Medicaid eligibility for this group. Use of the FPL percentage income test will provide a more seamless coordination with the health care marketplace and reduce the administrative complexity of making eligibility determinations.	No Impact	No Impact	Approved November 10, 2015 with a November 1, 2015 effective date.
15-0012	This SPA updates the state plan to reflect existing practices in determining eligibility of persons who qualify as medically needy to update optional state supplemental payment standard, and to update the allowed exemption amount for irrevocable burial trusts.	No Impact	No Impact	Approved March 28, 2016 with a January 1, 2016 effective date.
15-0013	This SPA adds behavior modification services under EPSDT.	Expands the Service Array for Medicaid Members	Increases federal and state expenditures.	Approved March 29, 2016 with an October 1, 2015 effective date.
15-0014	This SPA increases outpatient hospital services rates for SFY 2016 as required by the legislature.	Ensures continued access to services for Medicaid members	Increases federal and state expenditures.	Approved November 24, 2015 with a July 1, 2015 effective date.
15-0015	This SPA increases inpatient hospital services rates for SFY 2016 as required by the legislature.	Ensures continued access to services for Medicaid members	Increases federal and state expenditures.	Approved March 15, 2016 with a July 1, 2015 effective date.
15-0016	This SPA increases nursing facility & ICF/DD reimbursement rates for SFY 2016 as required by the legislature.	Ensures continued access to services for Medicaid members	Increases federal and state expenditures.	Approved March 15, 2016 with a July 1, 2015 effective date.
15-0018	The SPA expands the definition of estate for the purpose of estate recovery pursuant to LB 72 of the 2015 Legislative Session.	No Impact	Increases federal and state expenditures.	Approved March 10, 2016 with an October 1, 2015 effective date
16-0001	This SPA updates alternative payment methodology for Federally Qualified Health Centers.	No Impact	Increases federal and state expenditures.	Approved May 20, 2016 with a January 1, 2016 effective date.

16-0003	This SPA adds pharmacy visits to multiple encounters for Indian Health Services facilities.	No Impact	Increases federal expenditures.	Approved November 11, 2016 with a January 1, 2017 effective date.
16-0004	This SPA adds new services (Multisystemic Therapy and Functional Family Therapy) at the direction of the legislature in LB 500 of the 2015 Legislative Session.	Expands the Service Array for Medicaid Members	Increases federal and state expenditures.	Approved September 20, 2016 with a July 1, 2016 effective date.
16-0005	This SPA removes specific codes and replacing with generic language so whenever a CPT code changes.	No Impact	No Impact.	Approved August 16, 2016 with a July 1, 2016 effective date.
16-0006	This amendment provides that licensed nurse practitioners are permitted to be prescribing providers of physical, occupational, speech, and audiology services.	Expands Access to Medicaid Members.	No Impact	Approved September 16, 2016 with a July 1, 2016 effective date.
16-0007	This SPA is a minor correction to previous SPA (15-0013) to remove language that limits the provider types allowed to provide the functional behavior assessment for behavior modification services to Board Certified Behavioral Analysts.	No Impact.	No Impact	Approved November 1, 2016 with a July 1, 2016 effective date.
16-0008	This SPA adds two more types of hearing aids that are currently excluded to be in line with best practice.	Provides increased options for hearing aids for Medicaid clients.	No Impact	Approved October 16, 2016 with a July 1, 2016 effective date.
16-0009	This SPA adds coverage of peer support services under the state plan.	Expands the Service Array for Medicaid Members	Increases federal and state expenditures.	Submitted November 10, 2016.
16-0010	This SPA increases outpatient hospital services rates for SFY 2017 as required by the legislature.	Ensures continued access to services for Medicaid members	Increases federal and state expenditures.	Approved November 3, 2016 with a July 1, 2016 effective date.
16-0011	This SPA increases inpatient hospital services rates for SFY 2017 as required by the legislature.	Ensures continued access to services for Medicaid members	Increases federal and state expenditures.	Approved November 3, 2016 with a July 1, 2016 effective date.
16-0012	This SPA increases nursing facility & ICF/DD reimbursement rates for SFY 2017 as required by the legislature.	Ensures continued access to services for Medicaid members	Increases federal and state expenditures.	Submitted October 11, 2016. Request for additional information sent November 14, 2016.

16-0013	This amendment allows the State to collect supplemental rebates on medication claims processed through managed care claims processors as well as fee-for-service.	No Impact	No Impact	Submitted October 5, 2016.
16-0014	This SPA removed the state plan authority for managed care which was moved to waiver authority.	No Impact	No Impact	Approved November 4, 2016 with a January 1, 2017 effective date.

