

October 1, 2015

Patrick O'Donnell, Clerk of the Legislature  
Room 2018, State Capitol  
P.O. Box 94604  
Lincoln, NE 68509-4604

Dear Mr. O'Donnell:

Pursuant to Nebraska Revised Statute 81-3133.03, the Division of Medicaid and Long-Term Care (MLTC) submits this progress report towards its key goals identified in its strategic plan over the 2014-2015 state fiscal year. Over the past two years, MLTC has experienced significant changes in leadership and vision, most recently with the appointment of Courtney Phillips as Chief Executive Officer (CEO) of the Department of Health and Human Services (DHHS) and Calder Lynch as Medicaid Director. MLTC feels that it is making substantial progress to its six key goals as outlined in its 2014 Strategic Plan. These goals, and specific steps made towards accomplishing each one, are listed below.

**1. Fiscally responsible, effective, and efficient administration of the Medicaid program.**

- Over the past twelve months, MLTC has worked toward the integration of behavioral health, physical health, and pharmacy benefits through managed care to better serve clients. MLTC anticipates that the Request for Proposal (RFP) will be released in October 2015 with implementation in January 2017.
- MLTC is also working on a redesign of its long-term services and supports (LTSS) programs to improve care and access, strengthen delivery systems, promote efficiencies, and prepare for upcoming changes at the federal level.
- MLTC has implemented a new organizational structure that aligns with the future direction of the Division and its administration of the Medicaid program.
- MLTC hired a Deputy Director of Finance and Program Integrity and established a finance unit which includes rates and reimbursement to better manage MLTC spending and forecasting.
- MLTC hired a Deputy Director of Policy and Communications to consolidate oversight of the regulatory and rulemaking processes to ensure consistency and promote effective communication with internal and external stakeholders.
- MLTC has conducted a number of operational reviews, including: LTSS, Rates and Reimbursement, Professional Services, Preadmission Screening (PAS), Waiver, Non-Emergent Transportation, Claims Processing, and State Review Team. MLTC has also been conducting a review of program regulations.

**2. Best Practice staff recruiting, training and retention.**

- Courtney Phillips, CEO of DHHS, initiated skip level meetings to facilitate mentoring at all levels of the Department.
- MLTC has hired experienced consultants in staff augmentation roles and pairing them with State staff so State staff can gain in experience.
- High performing MLTC staff have been leveraged in other areas of the Department to share knowledge and leverage techniques from past successes.
- MLTC is working with State Chief Operating Officer (COO), Felix Davidson, on recruitment and retention strategies for ACCESSNebraska.

**3. Monitor and improve health care outcomes for Medicaid recipients.**

- MLTC has continued to develop a dedicated analytics team with a focus on monitoring health care outcomes along with other program-oriented reporting and analysis.
- MLTC has increased analysis of encounter data to monitor utilization and provide quality services.
- MLTC has implemented a number of Performance Improvement Plans in the managed care delivery system including ones focused on emergency department utilization, pediatric obesity and a depression screening through EPSDT ensuring those that test positive are referred to a behavioral health provider.
- MLTC is actively engaged in several projects where health care data is being shared with sister Divisions to facilitate better physical and behavioral health outcomes.
- MLTC is in the process of hiring a Medical Director to lead quality and outcomes initiatives and previously hired a consultant to develop an appropriate job description and expectations.

**4. Best Practice Eligibility and Enrollment operational accuracy and efficiency for positive consumer experience.**

- MLTC implemented operational efficiencies resulting in five minute average call wait times for eligibility, and timely customer service. Application processing time frames consistently exceed Federal standards.
- Eligibility and enrollment determinations have achieved an accuracy of over ninety-eight percent (98%).
- Through the Eligibility and Enrollment Solution (EES) project, eligibility business processes are being reviewed end to end for efficiency and best practices. MLTC also established performance metrics for field operations staff.
- To provide timely access to information for staff, MLTC has consolidated a SharePoint site with relevant documentation and provided timely training on emerging issues.
- Process improvement for ACCESSNebraska has been established as a priority for the Department. There is an ongoing collaborative effort between MLTC and the Division of Children and Family Services (CFS) to share best practices for ACCESSNebraska process improvement.

**5. Interoperable and adaptable information systems aligned with Medicaid business requirements.**

- MLTC completed the federal Medicaid Information Technology Architecture (MITA) 3.0 State Self-Assessment. This aligns business, information, and technical architectures into a Division-wide roadmap.
- MLTC implemented enterprise initiatives meetings to monitor key initiatives and invited Information Systems and Technology (IS&T) to participate, ensuring alignment of strategic activities.
- MLTC completed a Medicaid Management Information System (MMIS) strategic analysis which included an alternatives analysis, procurement option analysis, and market analysis to establish a recommended solution that meets future business needs.
- MLTC has begun writing RFPs for an enrollment broker, data management and analytics, and independent validation and verification services.

**6. Timely and accurate data to support program, quality, and operational metrics.**

- MLTC established a data sharing agreement with public health to facilitate sharing of health related data in support of analytics.
- MLTC collaborated with the Nebraska Health Information Initiative (NeHII) to support statewide implementation of electronic health record systems.
- MLTC, through its MMIS strategic analysis, has initiated development of a data and management analytics RFP with a focus on enhanced data integrity and analytics in support of identifying opportunities to improve health outcomes, and to monitor results of quality initiatives.

As shown above, MLTC is making significant progress towards meeting the goals set out in its 2014 Strategic Plan. Over the next year, MLTC will be moving forward towards implementing integrated managed care and redesigning its LTSS programs and will set new goals for the State's Medicaid program. The Division is excited about the future direction of the Division and working with the legislature and other stakeholders to make Nebraska a national model for Medicaid administration and service delivery.

Sincerely,



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