

# Kentucky's Approach to Unwinding from the Public Health Emergency

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# **Kentucky Unwinding Approach**

The Secretary for the U.S. Department of Health and Human Services declared a public health emergency (PHE) on January 31, 2020, due to COVID-19. Subsequently, the Centers for Medicare and Medicaid Services (CMS) implemented blanket waivers to temporarily waive certain Medicaid and Children's Health Insurance Program (CHIP) requirements and conditions and permitted states to also waive provisions temporarily through Emergency State Plan Amendments and Section 1135 and Appendix K waivers. As a result, the Kentucky Department for Medicaid Services (DMS) made several changes to implement flexibilities during the PHE to ensure member access to health care coverage and supports such as:

- Suspended annual renewals and stopped all terminations
- Allowed self-attestation for income and resources
- Maintained patient liability levels
- Implemented continuous coverage for enhanced federal match
- Added second Presumptive Eligibility (PE) period in a calendar year
- Designated DMS as a qualified health entity for PE
- Extended timeframe for state fair hearing appeals

Kentucky also implemented several other flexibilities to remove administrative burdens and increase resources to Medicaid providers so they could focus efforts on treating members. To support providers, Kentucky waived revalidations, allowed temporary enrollments, permitted use of alternative locations, suspended audits and recoupments, halted prior authorizations, expanded telehealth, and increased reimbursement for certain home and community based, hospital and nursing facility services, just to name a few of the actions taken.

CMS began releasing guidance in <u>December 2020</u> for the anticipated resumption of normal operations, otherwise known as unwinding the PHE. This initial guidance was followed by additional State Health Official Letters in <u>April 2021</u> and <u>March 2022</u>, and accompanied by resources and tools to help states with communications, marketing, policy change, data collection and reporting. Thereafter, with the enactment of the Consolidated Appropriations Act 2023 ending the continuous coverage requirement effective March 31, 2023 and phasing out the enhanced federal match, CMS released additional guidance on <u>January 5, 2023</u> and <u>January 27, 2023</u>. In addition, the White House announced that the PHE will end May 11, 2023, thereby requiring the unwinding of all flexibilities.

Kentucky established three critical PHE unwinding goals, particularly aimed at the resumption of annual renewals:

- ✓ comply with CMS requirements,
- ✓ prevent administrative terminations, and
- ✓ transition ineligible individuals to alternative coverage



Kentucky's approach to reach these goals includes a focus on:



This plan outlines Kentucky's planned approach and processes to achieve the three PHE unwinding goals.





#### COMMUNICATIONS

The PHE Unwinding communications plan outlines the strategies and methods for effectively communicating upcoming changes and required actions for all stakeholders in unwinding the PHE. The plan encompasses two phases, designed to achieve the following goals:

- **Educate**: Raise awareness of the end of the PHE flexibilities and in particular, reinstatement of Medicaid eligibility and enrollment processes to educate members on when they need to take action to maintain Medicaid coverage, if eligible.
- **Engage**: Collaborate with and engage all internal and external stakeholders to align messaging, identify, and partner with trusted messengers (e.g., providers, Community Based Organizations, faith communities, schools, etc.) to help inform members of upcoming changes and encourage them to respond to DMS requested notices.
- **Establish**: As Medicaid renewals resume, establish a feedback loop with stakeholders to identify and correct issues early on and share lessons learned and best practices for member and provider engagement.

The **first phase** focuses on preparation for resumption of the annual renewal process for all Medicaid members. The **second phase** works to ensure that Medicaid members take the steps necessary to renew their Medicaid coverage (through verifying their eligibility) or transition to other coverage if they are no longer Medicaid eligible. The PHE unwinding communication strategy aims to appropriately message necessary information to providers, partners, and members, as well as clearly request explicit actions required of all parties across both phases.

The objectives of the communication strategy are to:

- 1. Encourage Medicaid members to update their contact information
- 2. Educate the public about unwinding Medicaid PHE flexibilities to help bring awareness to all who are impacted
- 3. Educate members about their existing coverage and renewal timelines
- 4. Educate providers about what flexibilities are ending and when to come into compliance
- Collaborate with providers, Managed Care Organizations (MCOs), community and advocacy partners to assist DMS in bringing awareness to impacted members about how PHE unwinding will impact Medicaid eligibility and enrollment processes
- 6. Establish and maintain ongoing and transparent collaboration with partner agencies and stakeholders that encourages feedback and continuous improvement
- 7. Utilize various channels to communicate the Medicaid renewals and PHE unwinding mandates (i.e., email, texts/calls, social media, mail, web-based materials, print materials, group meetings)

Ongoing engagement with a wide range of stakeholders is critical to successfully unwinding from the PHE. Kentucky has engaged stakeholders to solicit input with the goal of creating a well-rounded communications plan that evolves based on identified needs. The Commonwealth invites this level of



collaboration through monthly stakeholder meetings. A proposed summary of communications is included below, with high-level messaging goals and vehicles for each stakeholder group.

Audience	Goal/Message	Media/ Vehicle	Tracking/ Evaluation	Timeline
Medicaid beneficiaries (and their guardians, family members, or medical guardians)	Medicaid coverage  Update contact information	call/text, website, social media, health fairs, traditional media	# of letters, calls/texts, emails sent	Ongoing, high touch throughout PHE unwinding to normal operations following PHE unwinding period
Providers	<ul> <li>Upcoming renewal for patients' Medicaid eligibility</li> <li>Changes to reimbursement/billing guidance</li> <li>Process to complete revalidation</li> </ul>	print resources, website townhall, external workgroups,	# of providers who attend trainings # of providers who	Ongoing, high touch throughout PHE unwinding to normal operations following PHE unwinding period
DMS Internal Staff	<ul> <li>Briefed on PHE unwinding Operational Plan, timeline, and project plan</li> <li>Briefed on PHE unwinding messaging creation and distribution</li> </ul>	resources including job aids, internal workgroup, CHFS	# of job aids created # of internal workgroups	Ongoing, high touch throughout PHE unwinding to normal operations following PHE unwinding period
Sister agencies (DBHDID, DCBS, DPH)	Operational Plan, timeline, and project plan  Understand role to support member outreach, updating	internal workgroup, emails from DMS leadership, job	# of training conducted # of webinars # of job aids created # of beneficiary outreach attempts # of addresses updated/ confirmed in IEES	Ongoing through PHE unwinding
KYnectors	enrollment in other coverage or renewal	DMS communications, job aids, call scripts, external	# of training conducted # of job aids created # of webinars # of beneficiary outreach attempts # of addresses update/ confirmed in IEES	Ongoing through PHE unwinding
DCBS Eligibility Staff, kynectors, insurance agents	individuals during renewal	DMS	# of training conducted # of job aids created # of webinars	Ongoing through PHE unwinding



Audience	Goal/Message	Media/ Vehicle	Tracking/ Evaluation	Timeline
Community-based (including faith- based) organizations	<ul> <li>Understand upcoming renewals for Medicaid members, how it will impact community members, and how CBOs can help</li> </ul>	Webinar, training, townhall, toolkit, external workgroups, social media, public awareness campaigns	# of webinars # of trainings # of beneficiaries identified/reached	Ongoing through PHE unwinding
State Medicaid Call Center Staff	<ul> <li>Updating call center script</li> </ul>	Training, job aids, call scripts	# of trainings conducted # of job aids created # of beneficiary outreach attempts # of addresses updated/ confirmed in IEES # of renewals completed	PHE unwinding
MCOs	<ul> <li>Briefed on PHE unwinding Operational Plan, timeline and project plan</li> <li>Understand upcoming renewals for Medicaid members, role to support beneficiary outreach, updating contact information, enrollment ir other coverage or renewa</li> </ul>	language (with state), external workgroups	# of addresses updated/confirmed in IEES # of renewals completed # of letters, calls/texts, emails sent # of returned mail # of individuals who enroll in other coverage within 12-month timeframe # of providers who complete revalidation through MPPA	Ongoing through PHE unwinding
Deloitte (IEES) Gainwell (MMIS)	<ul> <li>Understand downstream impacts to state systems during implementation</li> </ul>	Training, job aids, report specifications	# of trainings # of job aids created	Ongoing through PHE unwinding
Advocacy organizations (e.g., ARC, KVH, Children's Advocacy Centers of KY, CASA, etc.)	<ul> <li>Understand role to support beneficiary outreach, updating contact information, enrollment in other coverage or renewa</li> </ul>	townhall, toolkit, external workgroups, social media, public awareness campaigns		Ongoing through PHE unwinding and future return to normal operations
Schools	<ul> <li>Understand role to support beneficiary outreach, updating contact information, enrollment in other coverage or renewa</li> </ul>	direct messaging	# of webinars # of trainings # of beneficiaries identified/reached	Ongoing through PHE unwinding and future return to normal operations

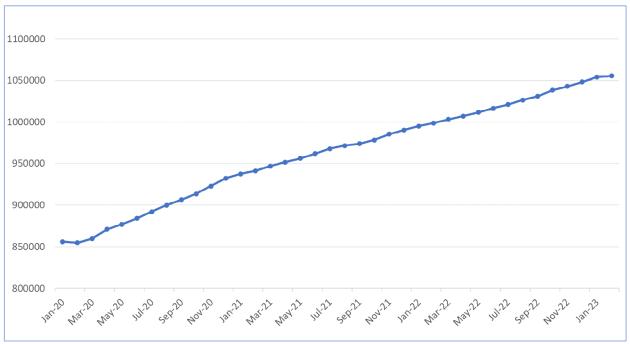
A <u>KY PHE Unwinding webpage</u> was designed as a one-stop location for all communications and informational materials for activities related to Medicaid renewals and unwinding PHE flexibilities. This webpage is housed on Kentucky Health Benefit Exchange webpage and linked on <u>Kynect's homepage</u>. The webpage includes flyers, fact sheets, frequently asked questions (FAQs) and other relevant documents and resources helpful to members, providers, community partners, and KY Cabinet for Health and Family Services agencies.





Training Kentucky Cabinet for Health and Family Services staff and partners is central to unwinding success. The COVID-19 pandemic and the PHE have disrupted normal eligibility and enrollment resulting in a current Medicaid population of 1,719,927 (as of March 6, 2023). All members will be required to go through the renewal process and that an estimated 236,246 <u>may</u> lose eligibility as the PHE unwinds.

Exhibit 1. Medicaid Cases from 2020 to 2022



The overall goal of training is to provide state staff and partners with the information and resources necessary to understand their unique roles and responsibilities in supporting Medicaid eligibility renewals and the PHE unwinding efforts. Training is focused on:

- ✓ Engage in comprehensive training on the renewal process
- ✓ Ensure the rapid transfer of communications to promote consistent messaging
- ✓ Promote ongoing diffusion of best practices to transfer knowledge timely and effectively
- ✓ Reduce staff-level PHE unwinding impacts
- ✓ Reduce member-level PHE unwinding impacts
- ✓ Monitor outcomes to ensure seamless transition from the PHE to normal operations



Agency staff, partners, and stakeholders understand the challenges associated with unwinding continuous enrollment and the waiving of certain Medicaid rules and regulations. Training will focus on how to best support members and providers through the renewals and unwinding processes with a targeted focus on helping members most impacted by a return to normal operations. Kentucky developed a playbook for DCBS staff, kynectors, call center staff and insurance agents. This playbook provides "at your fingertips" information, tools and resources that are aligned with Kentucky's communication strategy. Kentucky will utilize various training formats and office hours to engage staff in ongoing learning and diffusion to ensure consistent communication and operations as well as mitigate trends of concern.





#### **STAFFING**

As the PHE unwinds and normal operations resume, the Commonwealth is closely monitoring staff levels, capacity, and shortages. The state understands that unwinding activities require a large effort from state agencies that support Medicaid redetermination, therefore ongoing monitoring for adequacy of staffing for these various offices has already begun and will continue for the duration of the 12-month unwinding timeline. Training is underway with a process in place to regularly monitor pain points and concerns with a feedback pathway to leadership, as needed.

To address the volume of renewals expected (**Exhibit 2**), DCBS staff, Call Center staff, kynectors and insurance agents estimated workforce capacity. Workforce capacity is dependent, in part, on system changes, workforce reallocations and temporary staffing accommodations. For example, DCBS staff will partner with a technology operations firm that will support the tracking of mail and follow-up through outbound calls to enable field staff to focus on the technical aspects of renewal cases. Additionally, DCBS will use training and a worker portal to tier renewal cases to eligibility staff based on medical and non-medical qualifications.

Exhibit 2. Renewals by the Numbers (March 2023)

### Estimated Number of Medicaid Members that Need to Take Action: 236,246

nbers

Category	Distinct Members
ABI Acute and ABI Long-Term Care Waiver	43
Home and Community Based (HCB) Waiver	884
Michelle P. Waiver	412
Supports for Community Living (SCL) Waiver	245
Kentucky Transitions	0
Model II	0
Total Enrolled in HCBS Waivers	1,584



Age Group	Member Count	% of Total
18 or younger	59,755	25%
19 to 64	158,505	67%
65 or older	17,986	8%
<b>Grand Total</b>	234,131	

Income Range	Member Count
138% - 200% FPL	40,303
Above 201% FPL	34,461

Note - Many of these individuals will be transitioned to alternative coverage, like Qualified Health Plans.

Racial and Ethnic Demographic Data			
Ethnicity	Member Count	% of Total	
Hispanic or Latino	16,509	7%	
Non-Hispanic or Non-Latino	206,574	87%	
Unknown	13,163	6%	
Grand Total	236,246		

Race	Member Count	% of Total
American Indian or Alaska Native	534	0.2%
Asian	4,407	2%
Black or African American	34,318	14%
Native Hawaiian of Other Pacific Islander	488	0.2%
White	180,916	75%
Unknown	20,366	8%
Grand Total	240,929	

Note – The total member count reflects individuals who identified as more than one race.

Staffing will adjust based on anticipated caseloads and call volumes throughout the renewal period, beginning in May 2023. Leadership will review the capacity and flexibility to ramp up workforce numbers at least quarterly.





### **POLICY AND OPERATIONS**

Kentucky's approach to post-PHE policy and operations is two-fold. Mapping flexibilities implemented during the PHE to post PHE decisions and constructing a process to return to normal operations.

## From PHE to Policy Conclusion or Permanency

Kentucky implemented several flexibilities impacting members and providers as reflected in **Exhibit 3**.

**Exhibit 3. Flexibilities Supporting Members and Providers** 

Members	Providers
<ul> <li>✓ Suspended renewals and stopped all terminations</li> <li>✓ Allowed self-attestation for income and resources</li> <li>✓ Did not change patient liability</li> <li>✓ Implemented continuous coverage for enhanced FMAP</li> <li>✓ Added second Presumptive Eligibility (PE) period in a calendar year</li> <li>✓ DMS designated as a qualified health entity</li> <li>✓ Extended timeframe for state fair hearing appeals</li> </ul>	<ul> <li>✓ Waived provider revalidations</li> <li>✓ Allowed for temporary enrollments, waiving certain screening requirements</li> <li>✓ Waived social security card requirement</li> <li>✓ Permitted use of unlicensed facilities as an alternative location and waived accreditation due to the accrediting body not completing site visits</li> <li>✓ Suspended audits and recoupments</li> </ul>

**Exhibit 4** illustrates the types of flexibilities implemented under 1915c Appendix K, 1115 demonstrations, 1902(e)(14)(A), CMS blanket waivers, and Kentucky state plan amendments.

**Exhibit 4. Kentucky Public Health Emergency Flexibilities** 

1915c Appendix K Waivers	1135 Waivers	Other Flexibilities*
Temporarily modify provider qualifications (case management added in 2022)	Expansion of telehealth coverage	Hospital 20% add-on to Diagnostic Related Group for COVID-19 diagnosis
Increase payment rates for agency-managed services	Provider state licensure requirements and enrollment flexibilities	Nursing facility 30-day bed hold (return to 14 days)
Include retainer payments to providers of personal care and residential and day habilitation	Home health agency relief	Nursing facility 75% bed reserve reimbursement (return to 50%)
services	Suspend Medicaid FFS prior authorization requirements	Nursing facility \$270 per diem
Expand opportunities for self- direction through suspension of all required additional screening (specifically required for immediate	Suspend Preadmission Screening and Resident Review (PASRR) Level I and Level II Assessments for 30 days	Increased telehealth platforms and use of telehealth for PASRR
family members to approve them as an employee under Participant Directed Services)	Provision of services in alternative settings	Extended certification time requirements for nurse aides



As CMS issued guidance, Kentucky began to review each flexibility to identify those to unwind and those to update in policy for continuation beyond the PHE. **Exhibit 5** provides a snapshot of KY PHE Unwinding decisions.

Exhibit 5. Snapshot of Flexibilities to Discontinue, Resume or Permanently Implement

Activities to Discontinue	Activities to Resume	Activities to Remain Flexible or to Permanently Implement
<ul> <li>Discontinue Presumptive Eligibility (PE) Second Period in Calendar Year</li> <li>Temporary provider enrollment (allow 6 months to enroll and submit claims)</li> <li>Hospital DRG 20% add-on for COVID-19 diagnosis</li> <li>Nursing Facility 30-day bed hold (return to 14 days)</li> <li>Nursing Facility 75% bed reserve reimbursement (return to 50%)</li> <li>Nursing Facility \$270 per diem add-on</li> <li>Nurse Aide 4-month training requirement</li> </ul>	<ul> <li>Recoupments and Payment Intercepts</li> <li>Provider Revalidations</li> <li>Provider Social Security Card Requirement</li> <li>Prior Authorizations</li> <li>(Reinstated inpatient on May 1, 2022 except for COVID diagnosis and SUD inpatient and residential effective July 1, 2022)</li> </ul>	<ul> <li>Telehealth: Promulgated telehealth regulation (907 KAR 3:170) expanding telehealth to additional types of asynchronous telehealth, remote patient monitoring, and other types of telephonic and audio-only telehealth that weren't already included in the Medicaid program</li> <li>Pharmacies: Allow continued administration of COVID-19 testing</li> <li>Nurse Aide: Amend nursing aide administration regulation (907 KAR 1:250) to allow nurse aide applicants to use the Federal I-9 process instead of submitting Social Security Card</li> <li>Nursing Facility: \$29 add-on made permanent in SPA 22-004</li> </ul>

## **From PHE to Normal Operations**

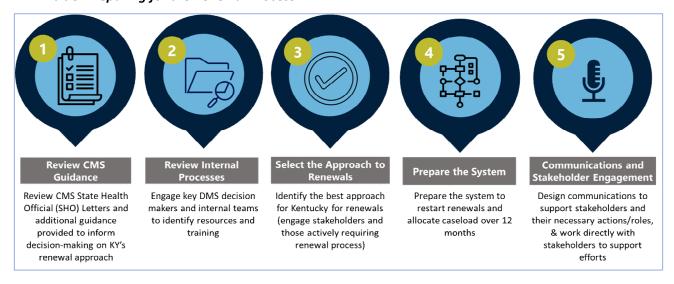
To unwind from the PHE, Kentucky will need to address pending eligibility and enrollment actions in four areas:

- 1. Processing applications received during the PHE.
- 2. Completing verifications for individuals enrolled based on self-attested information during the PHE.
- 3. Completing renewals for members whose eligibility period ended during the PHE.
- 4. As applicable, act on changes in circumstances experienced after a member's last determination.

Kentucky began preparation for PHE unwinding in mid-2022 by focusing on the redetermination and renewal process for Medicaid members. **Exhibit 6** reflects the steps Kentucky took to prepare for reinitiation of renewals.

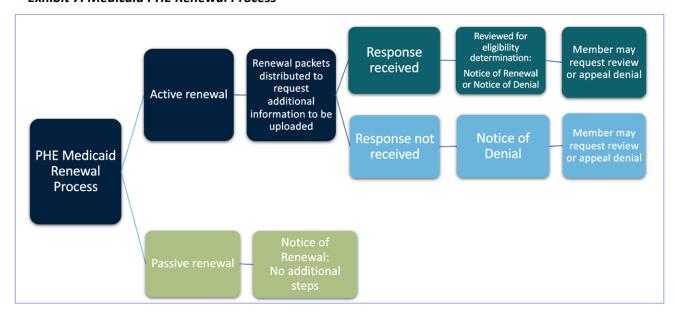


Exhibit 6. Preparing for the Renewal Process



As a result of preparation, Kentucky constructed a process for renewal as outlined in Exhibit 7.

Exhibit 7. Medicaid PHE Renewal Process



Beginning May 1, 2023, Kentucky will resume normal enrollment and eligibility operations for Medicaid, in alignment with federal rules. The goal is for no individuals to lose coverage and efforts are underway to reach people who will be impacted by this change. DMS has a multi-prong approach that ensures people know what's happening, when it's happening, why it's happening, and what their options are, including shopping for a Qualified Health Plan (QHP) on the state-based marketplace, kynect, if they are no longer eligible for Medicaid.



#### **Renewal Redistribution Plan**

For the resumption of annual renewals, Medicaid considered the volume of cases at the household level across the 12-month unwinding period and developed a renewal distribution plan, which is required to be filed with CMS by February 15, 2023. The plan was developed with workforce capacity at the forefront. As such, the caseloads in November and December are at the lowest level taking into consideration fewer workdays due to the holidays and open enrollment. Caseloads for months at the beginning of unwinding (May to July) are also lower than other months, giving an opportunity for workers to get familiar with the renewal process and to identify and address any system defects or gaps in the process. Lastly, the heaviest caseloads are at the end of the unwinding (February to April 2024) to learn lessons from previous months and plan for modifications in workforce as necessary.

For its renewal redistribution plan, Kentucky will reallocate certain cases according to population. Households with different Medicaid renewal dates will be aligned to the date that is the furthest. Households with renewals for Medicaid and SNAP, will be aligned to the same renewal date. Cases with those aged 65 and older will be allocated across the first six months (May to October), as these individuals are eligible for Medicare. Specific outreach will be performed for those individuals to ensure they take action to enroll in Medicare if they are not already enrolled. The state estimates that about 95% of those eligible for Medicare are already enrolled. Kentucky is also allocating cases from July 2023 to April 2024 for those individuals identified as no longer eligible for Medicaid but eligible for a QHP. System changes to support the QHP population will go into effect in May, and include a call center queue to prioritize engagement starting in June 2023 and ongoing throughout the duration of the renewal process. **Exhibit 8** provides a visual of the priority populations.

May – June – July – August – September – October – November – December – January – February – March – April

Exhibit 8: Kentucky Caseload Planning

Priority: May-October Priority: June Priority: July - ongoing Medicare-eligible QHP-eligible population Special circumstance population will be population (over 14K will be engaged starting prioritized in the first 6 beneficiaries) will be June 2023 for the months to enroll in duration of the renewal prioritized in June Medicare process

The plan sets forth that Medicaid members with a certification end date of May 31, 2023, will be the first to go through a renewal, with notices sent around April 1. The Integrated Eligibility and Enrollment System (IEES) will perform automatic, electronic verification of all individuals subject to renewal for that month. If a person is able to be automatically verified, also known as ex parte renewal, a notice of renewal will be sent. If the person is unable to be verified, a Request for Information (RFI) will be sent. There are some individuals who cannot be renewed through the ex parte process and will receive a renewal packet. If someone does not return the necessary information and is unable to be verified prior to their end date, they will be discontinued as of the first of the next month. In the case of those with a



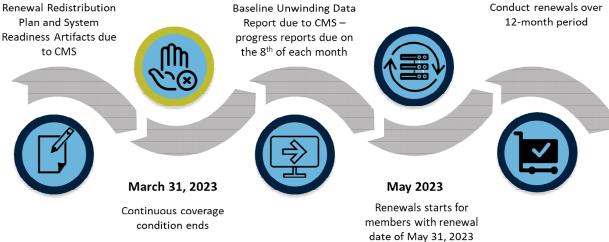
May renewal end date, their coverage would no longer be in effect on June 1. However, if someone can verify the information within 90 days following their end date, their coverage will be restored back to their renewal month.

Kentucky is focused on supporting those going through an active renewal, meaning they need to return information to be verified. Through the communication plan, providers, MCOs, community and advocacy organizations, kynectors, insurance agents, state staff and call center staff will be providing outreach and support. Kentucky will also be sending communications through other modes such as texting and email to try to reach members especially if they need to take action. The state is implementing use of the National Change of Address database, as well as the use of a bot for returned mail. MCOs will be contacting their members prior to their renewal end date, and up to 90 days after discontinuance, to assist with submitting the necessary information. If a member is no longer eligible, the MCO may help them find alternative coverage.

The anticipated timeline for Medicaid renewals for all members is outlined in Exhibit 9.

April 8, 2023 February 15, 2023 May 2023 - April 2024 Renewal Redistribution Baseline Unwinding Data 12-month period Plan and System Report due to CMS -Readiness Artifacts due progress reports due on to CMS the 8th of each month

**Exhibit 9. Kentucky Medicaid Renewal Process** 



Beyond focusing on the redetermination and renewal process for Medicaid members, Kentucky has taken many steps to ensure preparedness for the unwinding or continuation of all other flexibilities put in place during the PHE. Regulations related to telehealth services and long-term care recipients were formally established through State Plan Amendments and House Bills over the course of the PHE. Specific information regarding flexibilities that will impact specific stakeholders can be found on the KY PHE Unwinding webpage. Additional information can be provided upon request and will be clearly communicated to impacted audiences. Kentucky's preparations will allow for a seamless transition through the Unwinding, coordinating efforts across all authorities and Medicaid agencies.