State Differences in the Application of Medical Frailty Under the Affordable Care Act: 2017 Update

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When the ACA first expanded Medicaid in 2014 to include childrens adults earning below 138% of the poverty level, states had the option of expanding by offering full state plan Medicaid to the new population or formulating a coverage plan different from traditional Medicaid.

The study examined how states undertook Medicaid expansion differed in their treatment of the "medically frail" population. The medically frail members are members of the expansion population who may be entitled to full benefits offered by traditional Medicaid or who by policy are not subject to certain coverage requirements, e.g., premium, assigned to the expansion population. The Centers for Medicare and Medicaid Services (CMS) has provided definitions for medical frailty, but still has not expanded states on the specific method used to determine if an individual meets criteria for medical frailty. In our last study, we found 11 states where the issue of medical frailty was salient because those states had Medicaid expansion, but did not provide traditional Medicaid to individuals in the expansion group.

Our updated review (as of 4/12/2017) finds 14 states that have Medicaid expansion and offer an alternative benefit plan with lower benefits or higher costs than standard Medicaid. Of the original 11 medically frail states, Pennsylvania is no longer a medically frail state. Of the original 11 medically frail states, Pennsylvania is no longer a medically frail state. Of the original 11 medically frail states, Pennsylvania is no longer a medically frail state. Of the original 11 medically frail states, Pennsylvania is no longer a medically frail state.

We examined states that previously had Medicaid expansion and noted if there were changes regarding coverage for the expansion population, i.e., if states were offering the expansion population an alternative benefit plan different from the full state plan Medicaid. We further identified any newly expanded states with respect to the same factors.

We examined state plan amendments, waiver materials submitted to CMS and primary sources from states, including state financial information and policy documents, to understand the methodology used to assess medical frailty in each state, and to examine differences in covered services between the expansion and traditional Medicaid groups.

The new population was the 14 states with Medicaid expansion with a difference in services between the alternative benefit plan and traditional Medicaid. These are states in which medical frailty applies.

### RESEARCH OBJECTIVE

- **Medicaid Frailty Definition:** CMS defines medical frailty as involving individuals who encompass having:
  - Severe & complex medical conditions
  - Physical, mental emotional, or developmental disability that impair one or more activities of daily living
  - Disability determined by Social Security criteria or state plan choice

- **Study Design:** We examined states that previously had Medicaid expansion and noted if there were changes regarding coverage for the expansion population, i.e., if states were offering the expansion population an alternative benefit plan different from the full state plan Medicaid. We further identified any newly expanded states with respect to the same factors. We examined state plan amendments, waiver materials submitted to CMS and primary sources from states, including state financial information and policy documents, to understand the methodology used to assess medical frailty in each state, and to examine differences in covered services between the expansion and traditional Medicaid groups.

- **Population Studied:**
  - The new population was the 14 states with Medicaid expansion with a difference in services between the alternative benefit plan and traditional Medicaid. These are states in which medical frailty applies.

### PRINCIPAL FINDINGS

**States**

- **Arkansas:** Online screening for conditions/service use predictive of exceptional needs in scoring year
- **California:** Claim monitoring to identify those no longer medically frail
- **Inova:** Review 150+ or asset ABD limitations, individual completes "Medically Exempt Member Survey"
- **Iowa:** Survey score determines assignment to Medicaid or AIP; retrospective claims analysis by BIE on a quarterly basis
- **Kentucky:** Member self-identification captured by MCO
- **Massachusetts & Rhode Island:** Self-identification as having Special Medical Care Needs (facilitated by informational materials)
- **New Hampshire:** Medicaid agency reviews third-party administration (TPA) reports
- **Montana:** Self-assessment to acceptable certification of a special medical need/medical frailty to avoid premium payment can audit at any time
- **New Mexico:** Medical professional review of responses
- **North Dakota:** Medically frail questionnaire
- **West Virginia:** Self-identification facilitated by informational materials

**State Differences in the Application of Medical Frailty Under the Affordable Care Act: 2017 Update**

<table>
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<tr>
<th>State</th>
<th>Medicaid Frailty in ACA Expansion States</th>
<th>Methodology for identification of medically frail population</th>
<th>Claims monitoring to identify those no longer medically frail</th>
<th>Provider identification/referral to managed care entity</th>
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| Alabama     | 5
State (AL, MS, KY, MA, MT, MO, NJ, NM, NV)
Data Review: Five states (AL, IA, KY, MT, MS)
Administrative Review: Seven states (CA, IA, KY, MT, MS, NJ, NM)
Clinical Review: Seven states (CA, IA, KY, MT, MS, NJ, NM) | Claim monitoring to identify those no longer medically frail | Provider identification/referral to managed care entity | Medicaid agency reviews third-party administration (TPA) reports | Managed Care Entity (MCE) verifies medically frail status using claims, lab results, etc., after enrollment | Medicaid agency reviews third-party administration (TPA) reports | Medicaid agency reviews third-party administration (TPA) reports | Medical professional review of responses | Medicaid agency reviews third-party administration (TPA) reports | Medical professional review of responses |
| Arizona     | Expand with Medical Frailty (14) | Expand without Medical Frailty (10) | Not expanded (10) | Expand with Medical Frailty (14) | Expand without Medical Frailty (10) | Not expanded (10) | Expand with Medical Frailty (14) | Expand without Medical Frailty (10) | Not expanded (10) | Expand with Medical Frailty (14) | Expand without Medical Frailty (10) | Not expanded (10) | Expand with Medical Frailty (14) | Expand without Medical Frailty (10) | Not expanded (10) | Expand with Medical Frailty (14) | Expand without Medical Frailty (10) | Not expanded (10) |

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