

**Health PAS**

**From the Bleeding Edge to  
the *Cutting Edge***

**2007 MMIS Conference  
San Diego, California**

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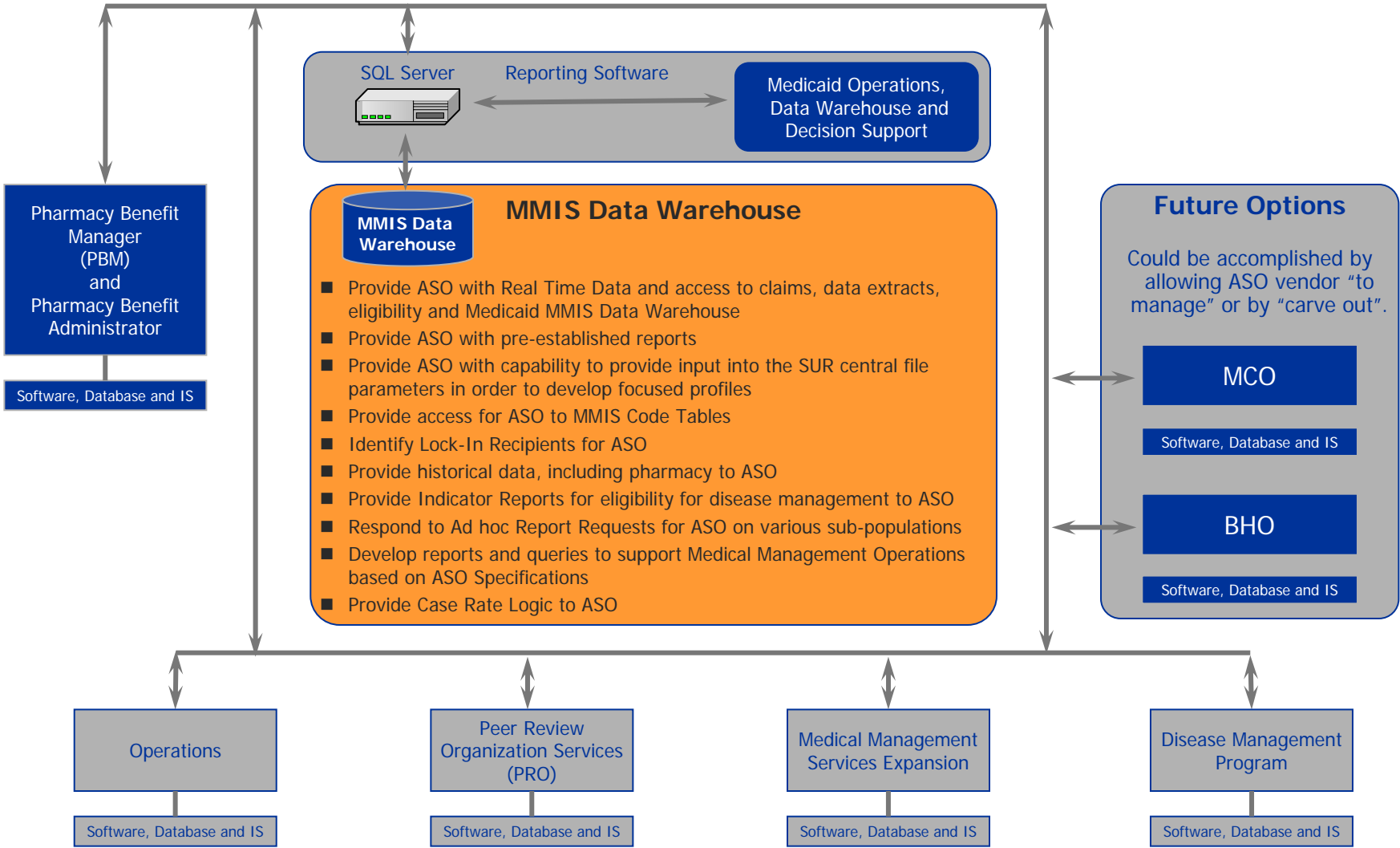
# Agenda

<b>Topic</b>	<b>Presenter</b>
<b>From the Bleeding Edge to the Cutting Edge</b>	<b>Bob Osburn</b>
<b>Health PAS Flexibility &amp; Functionality: a Quantum Leap</b>	<b>Tim Skeen</b>
<b>Benefit Package Flexibility &amp; Demonstration</b>	<b>Russ Fendley &amp; Nikki Burns</b>
<b>Cost Sharing &amp; Financial Management Flexibility</b>	<b>Frank Persinger</b>
<b>Health PAS Demonstration</b>	<b>Nikki Burns</b>
<b>Care and Case Management &amp; Demonstration</b>	<b>Robin Tramontana &amp; Nikki Burns</b>

# Industry Dynamics & Why the Bleeding Must Stop

- ◆ Medicaid programs are fiscally stressed
- ◆ CMS has met the challenge and has forced changed
- ◆ Congress passed the Deficit Reduction Act of 2005 (DRA)
  - Allows for additional flexibility – some of the program changes which previously required a waiver can now be done through SPAs (SPA approval process is more streamlined)
  - Three states have used new DRA flexibility for reform efforts
- ◆ The National Governors Association has issued a preliminary report and a “Medicaid Reform Principles Policy” which calls for:
  - Giving states greater ability to manage the program with respect to eligibility, benefits, & cost-sharing
  - Replacing current waivers with clear statutory authority
- ◆ MMIS has become “The Hub of the Universe” for the future of Medicaid

# MMIS Integration Model



# The Health PAS Value Proposition

## A Customer's Perspective

### ◆ Saving time & money

- Ability to “what if” policy, program, benefit plan, and payment methodology changes simply and quickly
- Changes implemented in hours and days versus weeks and months
- Most changes implemented by business analysts, without programming
- Significantly decreased training for new users as “look and feel is consistent across entire system using the familiar Microsoft “Windows” Web-based user interface
- Vendor does not unnecessarily delay or hold Department hostage for changes
- Ability to adapt to Federal or state initiated changes more quickly and at a far less cost than typical transfer systems
- High degree of functionality for providers and clients which encourages self-service, reducing telephone calls, e-mails, and written correspondence

### ◆ Ease of use

- Flexible, agile system that can adapt quickly to program changes
- Department users can “see” their benefit rules configured in the system using dynamic parameters in real time
- Changes to rules are done in English, not cryptic code



**Health PAS Flexibility & Functionality**  
**Tim Skeen**

# The Challenge

## ◆ CMS challenges the vendor community

- “We believe the time has come for state Medicaid agencies to benefit from a convergence of technology advances, national initiatives, mandated standards, and a state’s will to control costs. What should states do?”
  - Assess As-Is status and identify gaps
  - Prepare a multiyear strategic plan for transitioning to a future Medicaid program that is fair to providers and beneficiaries
  - Challenge the vendor community to rise to the occasion, ‘mothball’ obsolete applications, and address the ever-expanding needs of states”

- CMS MITA Business Process White Paper

# Health PAS – The Solution



# Health PAS is Industry Leading

## ◆ Only COTS-based CMS certified solution

- Proven, operationalized, & battle-tested in Medicaid
- COTS modernization and evolution supports a continuous innovation platform that provides power for reform, innovation, & sustainability
- Utilizes rich commercial applications rather than custom code written utilizing COTS toolkits
- Architecture, testing, quality assurance, & functionality continues to move forward on vendors' R&D dollars

## ◆ MITA & DRA aligned

- Moves the state closer to CMS' vision of MMIS
- Loosely coupled to support evolution
- Already supporting the implementation of West Virginia's approved DRA plan

# Health PAS is Flexible

## ◆ Multi-plan & multi-payer capabilities

- State can leverage a single system across multiple programs & agencies

## ◆ Configurable rules-based design

- Supports current & future reform initiatives
- Department users can “see” their benefit rules configured in the system using dynamic parameters in real time

## ◆ Enables change requests to be processed quickly

- Positions the state to handle both minor & major changes in requirements faster and more cost effectively than any other solution in the industry
- Most changes implemented by business analysts, without programming

## ◆ Policy drives the technology

- Policy decision makers have the freedom to think outside the box because now they can see inside the box
- Ability to quickly perform “what if” policy, program, benefit plan, & payment methodology changes using a modeling environment



**Health PAS Benefit Flexibility**  
**Russ Fendley & Nikki Burns**

# Benefit Package Flexibility

States & the Federal Government are realizing that one program design cannot meet the needs of such distinct and separate groups of beneficiaries – the frail elderly, the poor, & people with disabilities. They are radically different groups with radically different needs, and they need radically different program designs.

## ◆ Multiple benefit plan administration

- Until the DRA this would be accomplished with an 1132 waiver
- West Virginia, Kentucky, & Idaho have all established DRA plans that include multiple benefit plan designs
- One key issue for states, however, is how an MMIS (historically designed to manage a single Medicaid benefit) can be reconfigured to handle multiple benefit designs

# Medicaid Consumerism

- ◆ **Consumerism is not a new concept in Medicaid**
  - Cash and counseling programs for special needs population
- ◆ **Consumer-centric Medicaid is about putting the economic purchasing power and decision-making in the hands of participants**
- ◆ **It's about supplying information, decision support tools, financial incentives, rewards, & other benefits that encourage personal involvement in altering health and healthcare purchasing behaviors**
- ◆ **Consumerism may include**
  - Health opportunity accounts
  - Personal health accounts
  - Healthy reward accounts



**Health PAS Cost Sharing & Financial Management Flexibility**  
**Frank Persinger**

# Cost Sharing & Financial Management Flexibility

- ◆ **Deficit Reduction Act (DRA) provides States a roadmap for Medicaid reform initiatives**

- ◆ **Title VI focuses specifically on:**

- Chapter 3 – eliminating waste, fraud & abuse

- Chapter 4 – flexibility in cost sharing & benefits

# Alternative Medicaid Premiums & Cost Sharing

## ◆ Federal definitions

- Premiums: enrollment fee or similar charges
- Cost sharing: deduction, co-payment or similar charges

## ◆ Premiums

- Total premiums and cost sharing **cannot** exceed 5% of families income

## ◆ Cost sharing

- **Cannot** exceed 20% of the cost of service

# Alternative Medicaid Premiums & Cost Sharing

## ◆ Exceptions

- Between 100% and 150% of the federal poverty level
  - **No premiums may be imposed**
  - **Cost sharing may not exceed 10% of cost of service**
- No premiums or cost sharing may be imposed to:
  - **Pregnant women**
  - **Individuals under age 18**
  - **Terminally ill individuals receiving hospice care**
  - **Individuals receiving institutional care**

# Fraud & Abuse in Medicaid

- ◆ **Waste, fraud & abuse is a growing concern for States and the Federal Government**
- ◆ **Many areas including:**
  - Double billing
  - Improper services
  - Upcoding of services
  - Billing services for deceased individuals

# How can Health PAS assist State Medicaid Plans?

- ◆ **Policy drives the MMIS (not the other way around)**
  - Changes to premiums & cost sharing *in days not months*
- ◆ **Monitor changes in eligibility**
- ◆ **Track individuals financial responsibility**
- ◆ **Monitor & report double billing, improper services, and services for deceased individuals**
- ◆ **Claims extracts in a more manageable form for DSS and TPL vendors**

**Health PAS Demonstration**

**Nikki Burns**

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**Care & Case Management**  
**Robin Tramontana & Nikki Burns**

## ◆ Tools to proactively manage healthy outcomes

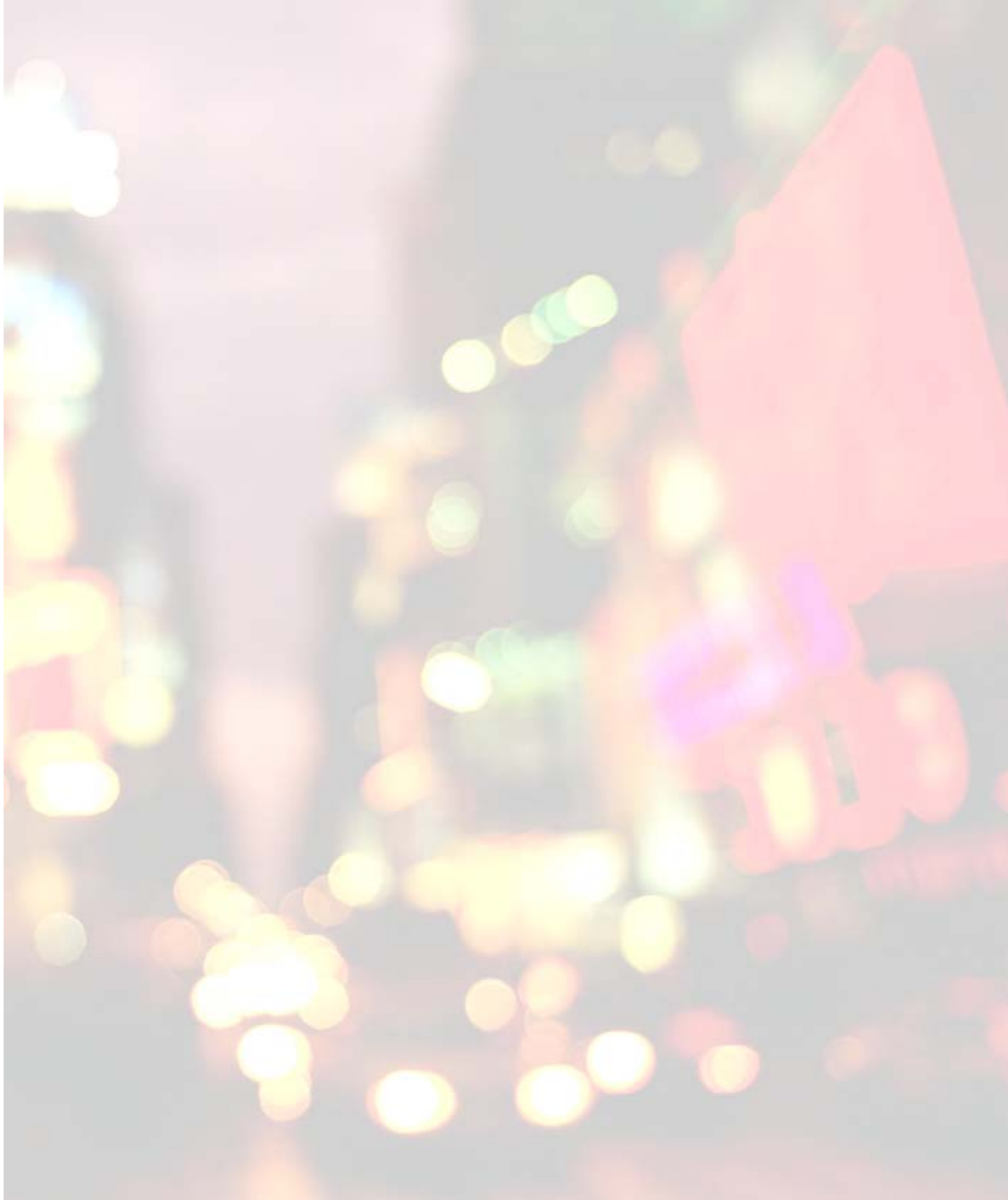
- Ability to identify targeted members
- Configurable protocols that create triggers for member outreach
- Tools integrated with claims and authorization information
- Wizard driven assessments to capture relevant data
- Robust reporting functionality

## ◆ Tools integrated into base MMIS

- Same member, provider and claims data
- Eliminates need to maintain redundant data

# The Health PAS Value Proposition Summary

- ◆ **Only COTS-based CMS certified solution**
- ◆ **Nine years of experience & operating history**
- ◆ **MITA & DRA aligned**
- ◆ **Multi-plan & multi-payer capabilities**
- ◆ **Configurable rules-based design**
- ◆ **Enables change requests to be processed quickly (minutes vs. months)**
- ◆ **Allows a user to see a change before it goes into production**
- ◆ **Policy drives the technology**
- ◆ **Ease of use (Windows-based design)**



## Questions Answered