



Monitoring and Evaluating Section 1115 Demonstrations



Medicaid and CHIP Payment and Access Commission

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Overview

- Background on Section 1115 demonstrations
- Common monitoring and evaluation standards
- Specific metrics and methods used to evaluate particular types of demonstrations
- Recent policy approaches to minimize reporting burden for long-standing demonstrations
- Policy questions

Background

- The Secretary of HHS has broad authority to approve Section 1115 research and demonstration waivers that test Medicaid policy changes
- As of August 2017, a total of 43 comprehensive demonstrations were operating in 34 states*
- Common types of demonstration include:
 - Premium assistance and state-specific approaches to the Medicaid expansion
 - Delivery system reform incentive payment (DSRIP) programs
 - Managed care

*Note: Family planning waivers are excluded from this analysis

Monitoring and Evaluation Requirements

- States are required to submit annual progress reports
 - Quarterly reports provide additional information on enrollment and grievances in the last quarter
 - States must include Section 1115 data on other reports routinely submitted to CMS
- States are required to conduct formal evaluations of their demonstrations
 - Evaluation plans are approved by CMS after the approval of the demonstration
 - Interim reports are due before the demonstration expires
 - Final reports are due after the demonstration expires

Availability of Monitoring and Evaluation Reports

- We reviewed monitoring and evaluation reports on Medicaid.gov and state websites as of August 2017
 - Most states had posted quarterly or annual monitoring reports (36 of 43 approved waivers)
 - About half of states had posted evaluation design plans (26 of 43 approved waivers)
 - About half of states with demonstrations that had been renewed posted evaluation findings (13 of 26 renewed waivers)

Access and Quality Measures

- Most evaluation plans included nationally endorsed measures of quality and access
- 23 of 26 evaluation plans we reviewed included at least one CMS core quality measure
- States may be able to report on more core measures in their demonstration evaluations, but all measures may not be applicable

Spending Measures

- All demonstrations are required to track spending in order to meet budget neutrality requirements
- About half of demonstration evaluation plans that we reviewed included specific hypotheses related to costs
 - Massachusetts and New York plan to evaluate whether their statewide delivery system reform efforts lower the total cost of care
 - Arkansas and New Hampshire plan to evaluate whether their premium assistance programs are cost-effective relative to traditional Medicaid coverage

Effects of Specific Policy Changes

- In general, demonstrations that waive Medicaid beneficiary protections evaluate the potential adverse effects of these actions
 - Monitoring lock outs from coverage for failure to pay premiums
 - Surveying enrollees to monitor challenges keeping appointments without transportation benefits
- Demonstrations that add new program components measure whether the program is being implemented as intended
 - Tracking whether enrollees use health savings accounts
 - Measuring the level of collaboration between providers participating in DSRIP projects

Benchmarks for Evaluating Demonstration Performance

- We found few examples of states that had established benchmarks or targets at the start of their demonstration
- Different types of demonstrations proposed different methods for evaluating performance:
 - States implementing managed care for most of their Medicaid population planned to compare results under the demonstration to the state's historical performance
 - States implementing state-specific approaches to the Medicaid expansion planned to compare demonstration enrollees to other Medicaid enrollees in the state

New Approaches to Waiver Reporting and Evaluation

- In August 2017, Florida received approval to renew its Section 1115 demonstration under what CMS described as its “new approach to state reporting activities”
 - Florida’s demonstration authorizes statewide managed care and an uncompensated care pool
 - Florida is not required to submit quarterly reports, which primarily focused on the managed care portions of the demonstration
 - CMS added more specific evaluation requirements for Florida, which primarily apply to the uncompensated care pool

Minimizing Reporting Burden for Long-Standing Demonstrations

- In Florida's approval, CMS noted that reduced reporting may be merited for waivers that are:
 - Long-standing, non-complex, and unchanged
 - Rigorously evaluated and found to be successful
 - Implementing provisions now considered to be standard Medicaid policy
 - Operating smoothly without administrative changes and minimal grievances
- In 2015, CMS proposed similar criteria for identifying states that would be eligible for a fast-track review of renewal requests

Improving the Specificity of Evaluation Requirements

- In Florida's demonstration approval, CMS also added new guidance for developing evaluation design plans and preparing evaluation reports
- States are encouraged, but not required, to use nationally endorsed measures
- States are required to describe the conclusions from their evaluations in four different sections
 - Quantitative and qualitative findings
 - Conclusions about whether the demonstration was successful
 - Policy implications for the state
 - Recommendations for other states

Policy Questions

- What specific measures should be collected for Section 1115 and other authorities to monitor whether states are meeting program objectives?
- What specific measures should be collected to evaluate policy changes that can only be authorized under Section 1115 authority?
- What types of benchmarks should be used to assess waiver performance on the measures being collected?
- Are there ways that data collection and reporting for waivers can be aligned with other authorities (e.g., managed care)?
- How can the transparency of monitoring and evaluation reports be improved to make them more useful to the multiple stakeholders who use them?
- How can monitoring and evaluation results be used to inform decision making for waivers and overall Medicaid policy making?



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