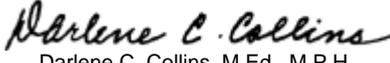


	<b>MEDICAL ASSISTANCE BULLETIN</b> <b>COMMONWEALTH OF PENNSYLVANIA * DEPARTMENT OF PUBLIC WELFARE</b>	
	<b>SUBJECT</b> Implementation of the HealthChoices Program	<b>BY</b>  Darlene C. Collins, M.Ed., M.P.H. Deputy Secretary for Medical Assistance Programs
<b>NUMBER:</b>	99-96-08	
<b>ISSUE DATE:</b>	November 18, 1996	
<b>EFFECTIVE DATE:</b>	January 1, 1997	

**PURPOSE:**

To notify providers of the January 1, 1997, implementation of the HealthChoices Program, a mandatory managed care program for Medical Assistance (MA) recipients. The project area for HealthChoices includes Bucks, Chester, Delaware, Montgomery and Philadelphia counties.

**SCOPE:**

This bulletin applies to all providers enrolled in the MA Program who render medical services to MA recipients in the five-county HealthChoices project area.

**BACKGROUND:**

Through a waiver of Section 1915(b) of the Social Security Act, the Department of Public Welfare ("the Department") has been granted authority to implement and operate the HealthChoices Program. HealthChoices is a mandatory managed care program for MA recipients who reside in Bucks, Chester, Delaware, Montgomery and Philadelphia counties. Under HealthChoices, medical services will be provided to recipients through risk-bearing, fully capitated contracts with Health Maintenance Organizations (HMOs).

In addition, the Department has also submitted a 1915(b) waiver to the Health Care Financing Administration (HCFA) for the provision of behavioral health services which includes drug and alcohol treatment and mental health treatment services. Behavioral health services will be administered through separate capitated contracts with a Managed Care Organizations (MCO) in each of the five HealthChoices counties.

The HealthChoices Program was developed through a collaborative process which included feedback from various public meetings, provider and consumer communities, multiple Commonwealth agencies, and HCFA. The goals of HealthChoices are to improve the accessibility, continuity and quality of health care services for MA recipients while enabling the Department to control escalating MA costs in Pennsylvania.

Each eligible recipient enrolled into the HealthChoices Program will choose an HMO and a Primary Care Practitioner (PCP) to be responsible for his/her medical needs. The PCP will serve as the HealthChoices member's first and most important point of contact regarding his/her medical needs and will be responsible for maintaining continuity of each member's health care. In addition, the PCP will make referrals for specialty care and other medically-necessary services for its members.

**DISCUSSION:**

**Provider Enrollment**

The Department has entered into contracts with four HMOs to administer the HealthChoices Program in the five-county project area. HealthChoices HMOs will use providers in the project area who are enrolled in the Medical Assistance Program through establishment of provider networks. MA providers who may be included in the HMOs' provider networks and serve as PCPs include: board-certified, board-eligible medical doctors in the field of family and general practice; internists; pediatricians; and in some cases specialists, including OB/GYNs, provided all credentialing standards are met.

The HMOs will be required to have written provider agreements with a sufficient number of providers to ensure member access to all medically-necessary services covered by the HealthChoices Program. All providers in the HMOs' networks will be required to adhere to credentialing and recredentialing criteria. Recredentialing activities will occur every two years. HMOs will be permitted to certify Early and Periodic Screening, Diagnosis and Treatment (EPSDT) providers and EPSDT sites.

HMOs will be required to contract on an equal basis with any pharmacy qualified to participate in the Medical Assistance Program that is willing to comply with the HMO's payment rates and terms and to adhere to quality standards established by the HMO.

### **PCP Exceptions**

Certified Registered Nurse Practitioners (CRNPs) may serve as PCPs only if the HMO has formally requested and received approval from the Department of Health for an "exception" to 28 Pa. Code §9.97. This regulatory cite does not address any entity as a PCP other than the primary care physician. This exception request must be submitted in accordance with the guidelines stipulated in HMO Technical Advisory 95-1 which can be obtained from the Department of Health, Bureau of Health Care Financing.

### **Provider Payment**

The Department has provided the HealthChoices HMOs with the freedom to enter into creative payment relationships with its network providers. Regardless of the payment relationship, the Department requires that HMOs make timely payments to all providers.

### **Patient Load**

Under HealthChoices, it is required that PCPs serve no more than 1,000 MA recipients (cumulative across plans) and PCP sites (multiple physicians who are serving under a group practice) serve no more than 5,000 MA recipients (cumulative across plans). This requirement is to ensure that recipients will have adequate access to their PCP. These PCP and PCP site limits may be waived by the Department if deemed appropriate. The Department, in addition, has waived the MA enrollee limits of 5,000 per site for Federally Qualified Health Centers (FQHCs) and FQHC look-alike facilities.

### **Recipient Enrollment**

The Department has contracted with Benova Incorporated, to operate a Benefit Consultant Program in the five-county HealthChoices area. The main responsibility of the Benefit Consultant contractor is to facilitate the enrollment and disenrollment of recipients. The Benefit Consultants will provide recipients with unbiased information about each of the HealthChoices HMOs. The Benefit Consultants will be located in the county assistance offices in the five-county project area. In addition, there will be Benefit Consultants assigned as "floaters" to perform enrollment activities to recipients in facilities such as Intermediate Care Facilities and Mental Retardation Facilities. The Benefit Consultants will also explain to recipients how to access behavioral health services, as required.

Initial enrollment into HealthChoices will occur in two phases. Phase One will begin on January 1, 1997, with a pre-enrollment period from October through December 1996. Phase Two will begin on July 1, 1997, with a pre-enrollment period from April through June 1997. Eligible MA recipients who fall under the categories of Aid to Families with Dependent Children (AFDC) and Healthy Beginnings, will be mandated to enroll in a HealthChoices HMO by January 1, 1997. Eligible MA recipients who fall under the categories of Supplemental Security Income (SSI), General Assistance (GA), Healthy Horizons, as well as children who are in substitute care and migrant workers, will be mandated to enroll in a HealthChoices HMO by July 1, 1997. Recipients not mandated to enroll until July 1, 1997, may voluntarily enroll in HealthChoices during Phase One.

The Benefit Consultants will assist recipients in selecting a PCP at the time they select their HMO. If the recipient does not select a PCP at that time, it will be the HMO's responsibility to assist the recipient in the selection of a PCP upon enrollment into the HMO. Should the member not select a PCP within 14 days of enrollment into the HMO, the HMO must select a PCP for the member.

### **Recipients Not Enrolled In HealthChoices**

There will be some instances when recipients who reside in the HealthChoices area will not be eligible for enrollment or will be exempt from participation in the Program. These instances would include:

- Placement in a nursing home facility beyond 30 consecutive days; hospitalization of a ventilator-dependent recipient beyond 30 consecutive days; or eligibility for the Pennsylvania Department of Aging (PDA) waiver beyond 30 consecutive days.
- A loss in MA eligibility or a change in status to a recipient group which is exempt from participation in HealthChoices.
- Periods of retroactive eligibility for recipients who lose and then regain MA eligibility.
- Admittance to a Juvenile Detention Center for more than 35 consecutive days.
- Admission to a state facility or state-operated psychiatric facility, excluding public Intermediate Care Facilities

(ICF/MRs).

- Incarceration or placement in a Youth Development Center.
- Currently receiving services through the Michael Dallas Model Waiver (MDMW) Program or who are deemed eligible solely through the MDMW Program in the future.
- Individuals enrolled in the Department's AIDS Waiver Program who would not otherwise be eligible for MA.

#### **Six-Month Retroactive Eligibility**

If a recipient would lose MA eligibility and regain it within a six-month period, any retroactive eligibility will be covered under the Department's Fee-for-Service Program.

#### **Behavioral Health Services**

Behavioral health services include drug and alcohol treatment and mental health treatment services. One MCO has been selected to provide behavioral health services in each county in the five-county HealthChoices project area. Since HealthChoices HMOs must offer all in-plan services, all recipients will automatically be enrolled in the behavioral health MCO selected for their county of residence when they choose a HealthChoices HMO. Following are the HealthChoices behavioral health MCOs and their hotline numbers:

<b><u>County</u></b>	<b><u>MCO Name</u></b>	<b><u>Telephone Number</u></b>
Bucks County	Mustard Seed	1-800-822-7393
Chester County	Mustard Seed	1-800-822-7393
Delaware County	Merit Behavioral Care	1-888-207-2911
Montgomery County	Mustard Seed	1-800-822-7393
Philadelphia County	CBH	1-888-545-2600

#### **Changes to the Eligibility Verification System (EVS) for HealthChoices**

EVS will be enhanced to furnish all necessary HealthChoices information. The "Managed Care" response area will be expanded to include not only the HMO and the physical health provider, but will also include the name of the county along with the behavioral health MCO, if appropriate. A hotline number for the HMO as well as the behavioral health MCO will appear below the name. Providers should always access EVS before rendering services to recipients.

The EVS telephone system will be updated December 1996 to include the additional information on the telephone response. There are no changes to the procedures to access EVS via the telephone.

Providers using the Personal Computer (PC) software and/or Point of Sale (POS) terminal to access EVS will receive new software. Diskettes will be mailed to the PC software users. Automatic software downloads will occur for the POS terminals. Additional information on EVS will be released through Remittance Advices and letters to users. The new software will be released in December 1996.

#### **Implementation**

In order for providers in the HealthChoices area to provide medical services to eligible recipients, they must have a provider agreement with at least one of the participating HMOs and be enrolled in the Department's Medical Assistance Program. Following is a list of the HealthChoices HMOs and their provider services telephone numbers:

<b><u>HMO Name</u></b>	<b><u>Telephone Number</u></b>
Health Partners	215-991-4350
HMA Health Plan	1-800-345-3627
Keystone Mercy Health Plan	1-800-521-6007
Oxford (OakTree) Health Plan	1-800-959-6258

**COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:**

The appropriate toll-free inquiry line for your provider type.

Visit the Office of Medical Assistance Programs website at [www.dpw.state.pa.us/omap](http://www.dpw.state.pa.us/omap).