

Committee on Health
Public Roundtable on Medicaid Renewals

Remarks of Claudia Schlosberg, J.D.
Convener, DC Coalition on Long Term Care

September 11, 2024

Madame Chair and Members of the Committee on Health, thank you for the opportunity to share remarks today regarding the status of Medicaid renewals. For the record, my name is Claudia Schlosberg. I am a former Medicaid Director and have over 35 years of experience in health care policy and operations pertaining to the Medicaid program. Today, I offer my remarks as the Convener of the DC Long Term Care Coalition and will focus primarily on the impact of the renewal process on the 63,000 District residents whose Medicaid eligibility is determined using non-MAGI income methodologies. As I testified on May 4, 2023, the "non-MAGI" cohort which includes 33,000 seniors and people with disabilities including nursing home residents and residents who receive long-term care services and supports through the State plan and through Medicaid home and community-based waivers, are at greatest risk for losing Medicaid coverage.

Unfortunately, the experience to date shows that the District's Medicaid renewal rates are lower than DHCF had predicted in May and that in fact, the non-MAGI cohort including individuals with disabilities, individuals over age 65 and those who rely on long-term care services and supports are losing coverage for procedural reasons (i.e. non-response) at far higher rates than other beneficiaries. Indeed, according to DHCF's latest renewal report, for the period May- July, the Aged/Disabled/LTC cohort makes up 40% of non-responders, whereas the overall non-response for all beneficiaries is 26%. Not unexpectedly, the Aged/Disabled/LTC cohort is only 4% of those able to passively renew their Medicaid coverage. While final figures for this Aged/Disabled/LTC cohort are not yet available for those with termination end dates of July and August, the DHCF renewal dash board as of August 11, 2023 shows that 10,076 (32%) of the 31,412 beneficiaries with Medicaid termination dates of July 31, 2023 were terminated for non-response; while 14,093 (49%) of the 28,512 beneficiaries with Medicaid terminate dates of August 31, 2023 will potentially lose their Medicaid coverage for non-response if they do not complete the process during the 90 day grace period.

These procedural terminations have immediate impact on the ability of beneficiaries to receive on-going, needed health care. Once terminated, providers are not paid until the beneficiary's renewal is completed and approved. Additionally, on the day Medicaid eligibility ends, EPD waiver providers, such as assisted living providers, home health agencies and adult day health providers who are providing on-going care to our frailest seniors, also immediately lose access to the beneficiary's information in DC Care Connect. This includes the beneficiary's person-centered plan of care and information about the assigned case manager and case management agency. At this point, case

managers also are not able to bill for their services, yet due to policy decisions made by DHCF, only the assigned case manager can upload completed renewal forms to the DC Direct Portal, which DHCF confirms is the only place where a renewal for LTSS Medicaid benefits can be submitted. With limited access to information about the beneficiary's status, and no ability to submit forms on a beneficiary's behalf, providers are spending hours making phone calls, sending emails, and elevating cases to DHCF staff to try to resolve eligibility and renewal issues and secure prior authorizations needed to continue services. Further, once approved, there are still delays and errors in getting program codes updated timely and correctly, getting service authorizations approved and getting systems updated and in sync to reflect accurate program codes. It is unclear if these are system issues or due to human error. We are hearing from providers that when issues occur and are escalated to DHCF, it is taking much too long to get resolution, though we know staff are working very hard to address the issues. We are also hearing that initial applications for Medicaid are taking longer than 45 days to process.

We appreciate that in her August 30th response (See Exhibit A) to our letter of July 25 (see Exhibit B), Director Byrd indicated that DHCF is taking steps to established procedures and protocols to grant authorizations for all LTSS enrollees and that DHCF intends to issue emergency "gap" authorizations for providers in situations where a person cannot complete recertification, but services were delivered in good faith. We look forward to getting further information about these policies and procedures. As we explained in our July 25th letter, we believe that DHCF may be violating federal regulations by creating a single portal for EPD waiver renewals and restricting portal access only to the assigned case manager. Even if this is not a violation of federal law, it has created additional obstacles that are affecting the timeliness of renewals and increasing burdens on case managers, providers and agency staff. We appreciate that Director Byrd has agreed to meet with the Coalition and other advocacy organizations later this month to discuss our concerns and our recommendations.

Among the recommendations we hope to discuss are:

1. The need to add functionality to the DC Direct Portal to receive applications and renewals for LTC Medicaid so that beneficiaries (with assistance from whomever they choose) are able to complete renewal and submit renewal forms, and reprogram the DC Direct Partner Portal to allow other providers to access the DC Direct Partner Portal. Currently, hospitals, nursing homes, ICF/IDs, PACE, United Health Care and EPD Waiver Case Managers can upload renewals in the Partner Portal, but other EPD Waiver Providers cannot. Contrary to DHCF's position, CMS agrees that a provider can assist a beneficiary to upload renewal forms – there is no conflict of interest.
2. Until changes are made to allow more pathways to the submission of application and renewal forms for individuals needing or receiving LTSS services, DHCF

- needs a specialized backup team that can provide case management services on a temporary basis, or, like the Department of Disability Services, provide ongoing receiving case management services when the assigned case manager has failed to complete tasks that are critical to maintaining or accessing benefits.
3. DHCF must reprogram its systems to ensure that providers do not automatically lose access to information in DC Care Connect for beneficiaries who remain in their care following a termination of eligibility. A possible way to do this would be to reprogram the system to maintain access for a period of 90 to 120 days following a termination. Doing so also would help support safe transitions of care in the event a beneficiary is determined ineligible for continued Medicaid.
 4. Redesign the eligibility forms to reduce the number and length of the forms and eliminate redundancies. Consult with business process experts to streamline all processes. Given the significant investments made in DCAS and DC Direct, there should be a dynamic form that eliminates redundant questions and allows the user to only complete those sections of the application that are relevant to them. As noted above, this form should be housed in a portal that can be accessed by the applicant/beneficiary, a family member, or any person that the applicant/beneficiary authorizes to help them, including a provider. Applicants and beneficiaries should be able to file applications and renewals on line, in person and by telephone.
 5. If additional time is needed to reprogram and redesign systems, continue to extend eligibility for 30 day periods as DHCF did in June and July. However, to avoid disruptions in care and reducing financial pressures on providers, extend prior authorizations at the same time, even if this has to be done manually.
 6. Ensure that DCAL has adequate staff to provide Medicaid application assistance to anyone who needs it and that DHCF has adequate staff to resolve issues timely.
 7. Add additional detail to the Renewal Eligibility Dashboard to enable better, real time, tracking of non-MAGI beneficiaries progress and understanding where additional targeted assistance is needed. We also recommend adding an additional dashboard screen to track the processing times for both initial and renewal LOC assessments and the time it takes from initial application to enrollment.

Thank you for the opportunity to testify. I am happy to answer questions.

Schlosberg
Exhibit A1
September 11, 2023

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



Office of the Senior Deputy Director and Medicaid Director

VIA E-MAIL: claudiaschlosberg@gmail.com; chenderson@dccouncil.gov

August 30, 2023

Claudia Schlosberg
Interim Convenor
DC Coalition on Long-Term Care

Re: Medicaid Renewals Recommendations for Long-Term Care Beneficiaries

Dear Ms. Schlosberg:

Thank you for the input and recommendations related to the Medicaid renewal processes. DHCF appreciates the efforts of the DC Coalition on Long-Term Care to identify solutions for system challenges.

Many of the issues raised in the letter have been addressed previously in established and longstanding provider meetings, as well as in the bi-weekly Medicaid Renewal Community Stakeholder meetings. For example, the presentation from the Medicaid Renewal meeting on August 2, 2023, detailed our oversight of case management agencies, remediation efforts, and addressed the concerns expressed about non-performing case managers.

The presentation also highlighted the progress made on the level of care (LOC) assessments. Requests for LOC assessments are averaging just under six days, and the capacity of the Liberty staff has tripled since March 2023. We remain committed to in-person assessments and do not foresee reversing course by returning to virtual assessments.

You raise concerns that providers will not be reimbursed for services rendered during the 30-day extension for non-MAGI beneficiaries due for renewal. However, we have established procedures and protocols in place to grant authorizations for all LTSS enrollees. These measures are designed to ensure authorizations are aligned with eligibility upon completion of renewals. Additionally, we intend to issue emergency "gap" authorizations for providers in situations where a person cannot complete recertification, but services were delivered in good faith.

Other issues fall outside DHCF's existing policy authority, staffing capacity, or systems architecture and are, therefore, not "quick fixes" but long-term options for consideration. We look forward to continued collaboration with the Coalition, with a focus on the long-term options identified in your letter.

It is important that I address your concern that the agency is out of compliance with federal regulations at 42 CFR §435.908(b) and 42 CFR §435.923. As the agency has articulated elsewhere, the Medicaid

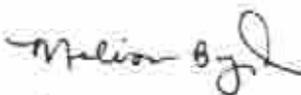
program has a long history of investing in improving beneficiaries' access to the Medicaid program, including ongoing improvements to the renewals process. This has included, and will continue to include, encouraging and facilitating our health care providers' opportunities to assist beneficiaries throughout the renewal process, as well as educating, informing, and conducting outreach to support family members, caregivers, and other formal and informal supports for our beneficiaries and applicants.

No part of the Medicaid renewals process in the District precludes individuals, whom the beneficiary chooses, from assisting in the application process or during a renewal. This is particularly important for the often-complex task of compiling financial records and documentation or completing a renewal document. The *only* portion of the process that is not accessible to all parties, District-wide, is the actual function of submitting such a renewal or application into the District's online system. Coordination across providers, family members, and the beneficiary in completing materials for submission would, in fact, be a hallmark of a well-executed renewal and is consistent with existing operations. This is compliant with 42 CFR §435.908(b).

The letter further cited 42 CFR §435.923 and seemed to argue that because a beneficiary may name an authorized representative, who may be a provider (for example, an assisted living facility), that such a provider could serve in certain roles typically executed by dedicated and conflict-free case managers. While the District agrees that District residents absolutely can and should name authorized representatives as needed, an Elderly and Persons with Disabilities (EPD) Waiver or other direct care provider serving as an authorized representative immediately poses concerns of conflict. The District is obligated to comply with 42 CFR §441.301(1)(vi) and its protections of conflict-free coordination of benefits for vulnerable long-term care Medicaid beneficiaries. Under no circumstances do we believe 42 CFR §435.923 requires the District to infuse its long-term care system with rights for providers above and beyond protections for beneficiaries.

Thank you to the DC Coalition on Long-Term Care for your ongoing support of the Medicaid program. I look forward to discussing the longer-term recommendations.

Sincerely,



Melisa Byrd
Senior Deputy Director and Medicaid Director

Cc: Honorable Christina Henderson, Chair, Committee on Health, Council of the District of Columbia
Katherine Rogers, Director, Long-Term Care Administration, DHCF

Schlosberg
Exhibit B
September 11, 2023



DC Coalition on Long-Term Care

July 25, 2023

Melisa Byrd
Senior Deputy and State Medicaid Director
Department of Health Care Finance
441 4th Street, NW
Washington, DC 20010

Dear Melisa:

On behalf of the DC Coalition on Long-Term Care, allow me to express our appreciation for all the information that DHCF is sharing about the Medicaid renewal process and progress made to date. The many public meetings, trainings and the renewal dashboard are extremely informative. We recognize the restart of renewals presents unprecedented challenges and that DHCF staff is committed to keeping DC residents connected to their Medicaid benefits.

Unfortunately, the information shared to date is showing that even with the ability to process a majority of renewals through the passive renewal pathway, a significant number of Medicaid beneficiaries are not responding to renewal notices or have not been able to complete the process timely. This is not unique to the District of Columbia, but it is nevertheless very concerning. According to DHCF's own data, as of June 15, 2023, of the 71,087 Medicaid beneficiaries with Medicaid certification end dates on or before August 31, 2023, over 50% were at risk of termination due to non-response.¹ More recent data shared at the July 19, 2023 Medicaid Renewal Community Meeting shows that of 2,200 people with disabilities and adults age 65+ due to recertify by the end of June, 1,200 (55%) failed to respond to the renewal

¹ DC Department of Health Care Finance Eligibility Monitoring Dashboard: Medicaid Unwinding Report and Related Data, last updated June 15, 2023, available at <https://app.powerbigov.us/view?r=evJrljoiMjg0MzBmYmU0MzY1NS00Y2U3LW1xZTQ0ZiNlZTQwZmFmZWY2IiwidC16lhmZTQ0QWYxLThiOTQ0NGZiNy05OTA2LTZmOTM5ZGf4MmQ3MyJ9>.

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notices and faced termination. For people with disabilities and adults age 65+ with renewals due July 31, 1,500 faced termination. This group of 1,500 includes ~300 beneficiaries in EPD waiver and ~200 nursing home residents.

To avoid a high rate of procedural terminations, DHCF responded by extending eligibility for 30 days for those facing termination on June 30 and July 31. While the extension of Medicaid eligibility for an additional 30 days is welcome and greatly appreciated, without additional changes to the process, it is unlikely to address the underlying reasons for the low response rate. Further, as Katherine Rogers explained at our last Long-term Care Coalition meeting, these extensions are designed only to give beneficiaries additional time to complete the renewal process. While Medicaid eligibility is technically extended, the extensions do not apply to prior authorizations. This means that claims submitted by EPD waiver providers who are providing needed, on-going services during the extension period will not be paid. This places additional financial stress on providers such as home health agencies, assisted living providers and adult day health programs and places affected beneficiaries at risk of being discharged for non-payment, which in many cases is due to no fault of their own. Case managers at our meeting reported that their clients already are receiving 30-day advance notices of discharge for non-payment. This sets up an even greater challenge as without the ability to reestablish Medicaid eligibility, the affected beneficiaries will be left with no services.

Accordingly, following discussion among members, the DC Coalition on Long-term Care is offering the following recommendations with the goal of increasing the renewal closure rate, particularly for the most vulnerable beneficiaries enrolled in the EPD Waiver:

1. To ensure beneficiaries continue to receive ongoing, needed services pending the processing of a renewal application, **DHCF should extend prior authorizations when Medicaid eligibility is extended**. This is necessary to ensure that beneficiaries are not subjected to involuntary discharge for non-payment due to no fault of their own and will ensure continuity of care.
2. **Address the issue of non-performing case managers** – While there are many hard working and conscientious case managers, we know some are not. The problems associated with non-performance are not new. Non-performing case managers who do not complete the minimum required contacts, fail to create PCSPs, fail to request PAs and do not complete renewal forms (without good cause) should be given notice and terminated from Medicaid for non-performance. We believe there are a variety of ways to connect beneficiaries to a new case manager without violating the beneficiary's right to freedom of choice. For example:
 - a. Beneficiaries could be notified and asked to choose another case management agency, or

- b. Beneficiaries could be notified, auto-assigned to another agency and then, given the opportunity to make an alternative choice within a specified period of time.
 - c. DHCF could use unused ARPA funds to establish a specialized back up team of case managers within DACL or within DHCF that can provide temporary case management services or, like the Department of Disability Services, provide on-going case management services for a portion of enrolled beneficiaries.² Again, beneficiaries assigned to this unit due to non-performance of their assigned case manager could be notified and given the opportunity to change case management agencies within a specified timeframe.
3. **Expand pathways for individuals on the waiver to complete needed paperwork and give other assisters and authorized representatives access to the DC Direct Partner Portal.** Currently, as the DCAS system is configured, the only pathway to completing the renewal process for someone receiving long-term care services and supports is by submitting the renewal forms through the DC Direct Partner Portal. By design, DHCF has limited access to the Partner Portal to hospitals, ICF/IDs, nursing homes, the Dual Choice MCO, our new PACE provider and EPD Waiver case managers. DHCF has insisted that for EPD waiver participants, completing the renewal form and uploading it into DC Direct is exclusively the case manager's role and that no other "assisters" can access the Partner Portal. This position not only limits who can help beneficiaries complete the process, but it is contrary to federal regulations which state that "the agency must allow individual(s) of the applicant or beneficiary's choice to assist in the application process or during a renewal of eligibility." 42 CFR §435.908(b). Further, the agency must permit applicants and beneficiaries to designate an individual or organization to act as an authorized representative. An authorized representative, which may be a provider, must be able to act on behalf of the applicant or beneficiary in all matters with the agency including completing and submitting renewal forms. 42 CFR §435.923.³
4. **Redesign the eligibility forms.** The current renewal application is 44 pages. For those receiving long-term care services and supports, there is an additional 18-page supplemental long-term care form that requires the beneficiary to re-enter information that was already entered on the 44-page form. This creates additional work as well as opportunity for error. While we acknowledge that DHCF is required to collect a lot of information to make an eligibility determination, these forms are too long and too complicated.

² Katherine shared that renewals for the DD/IDD waiver beneficiaries all have been completed timely. All DDS case managers are employees of the agency.

³ DHCF has stated that allowing providers to help beneficiaries complete and submit application and renewal forms would be a conflict of interest. We checked with the Centers for Medicare and Medicaid, and they did not see a conflict of interest. Providers are not conducting LOC assessments and have no authority to determine eligibility. When a provider is simply assisting a beneficiary to complete and submit forms needed to apply for or retain benefits, there is no conflict of interest.

Letter to Melisa Byrd

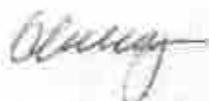
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5. To reduce delays in scheduling and obtaining LOC assessments, **allow assessments to be conducted virtually. DHCF could continue to offer face-to-face assessments for new applicants or when there is a special need or request for a face-to-face assessment, but most assessments can be conducted virtually.** A wide variety of stakeholders including advocacy organizations, providers and case managers support a return to virtual assessments; especially for renewals.
6. At least during this initial renewal period, consider **allowing ePOFs to be approved even if they have technical errors.**

Again, we wish to express our appreciation for the hard work of DHCF staff and particularly the work of Katherine Rogers and her team in the Long-Term Care Administration. We welcome the opportunity to discuss our recommendations with you and to working collaboratively to find creative solutions to improve the renewal process and keep eligible District residents connected to their Medicaid benefits.

Best regards,



Claudia Schlosberg
Interim Convenor
DC Coalition on Long-Term Care

CC: Katherine Rogers, Director
Long-Term Care Administration, DHCF

Honorable Christina Henderson
Chair, Committee on Health
Council of the District of Columbia