

# KanCare Basics: An Overview of KanCare



# History and Background

- Medicare and Medicaid legislation passed in 1965
  1. Part of the Social Security Act passed in 1935
  2. Title 18 – Medicare
  3. Title 19 – Medicaid

# What's the difference?

- Medicare – national health insurance for people  $\geq$  65 and some people who have disabilities
  1. If you've performed paid work, you've paid into it
  2. Part A – hospital insurance
  3. Part B – medical insurance (e.g. doctor visits)
  4. Part C – managed care plan for hospital and medical coverage (Medicare Advantage)
  5. Part D – prescription drug coverage

# What's the difference?

- Medicaid – Health care program for people with very low incomes who also meet some other eligibility criteria:
  1. Age (child or elder)
  2. Condition (pregnancy)
  3. Disability
- States don't have to participate, but all states now do

# Medicaid

- State-run program jointly financed by federal and state governments
  1. Federal money in the form of the matching of state money
  2. Each state has a different match rate each year based on a variety of economic factors
- Certain people can be covered by both Medicare and Medicaid

# Medicaid's Three Big Rules

- Services must be offered statewide
- Services must be comparable, i.e. the same for everyone
- Beneficiaries must be offered freedom of choice among qualified providers

# Who Is Covered By Medicaid?

- Low income and age
- Low income and disability
- Low income and pregnant/caretaker
- Optional populations

# What Is Covered By Medicaid

- Mandatory Services
  - Inpatient Hospital
  - Outpatient Hospital
  - Rural Health Clinic Services
  - Federally Qualified Health Clinic Services
  - Lab and X-Ray Services
  - Transportation to medical care
  - Home Health
  - EPSDT “Kan Be Healthy”
  - Physician Services
  - Dental Services (for children)
  - Tobacco cessation counseling for pregnant women
  - Nursing Facilities
  - Family Planning
  - Pregnancy Care
  - Some Other Practitioner Services

# What Is Covered By Medicaid?

- Optional Services

- Prescribed Drugs
- Clinic Services
- Physical Therapy
- Occupational Therapy
- Speech, Hearing and Language
- Prosthetic Devices
- Optometric Services
- Eyeglasses
- Rehabilitation Services
- Health Homes
- Respiratory Care Services
- Other diagnostic/screening services
- Mental Health
- Hospice
- Targeted Case Management
- Podiatry
- Chiropractic
- HCBS, ICF-MR

# How Does Medicaid Work In Kansas?

- Single State Medicaid Agency (SSMA) – KDHE  
– responsibilities:
  1. Maintains State Plan
  2. Sets eligibility policy, within federal guidelines
  3. Contracts for Medicaid Management Information System
  4. Contracts with three managed care organizations (MCOs)

# Kansas Department of Health & Environment

- Primary contact with Centers for Medicare and Medicaid Services (CMS) at the federal level for:
  1. Drawing down federal funds
  2. Maintaining program integrity and combating fraud and abuse
  3. Submitting federal reports

# What is KanCare?

- Medicaid + Children's Health Insurance Program (CHIP) = KanCare
  1. CHIP (Title 21 of Social Security Act) covers children in families with incomes too high to qualify for Medicaid)
  2. Covers children up to age 19
  3. Benefits almost identical to Medicaid

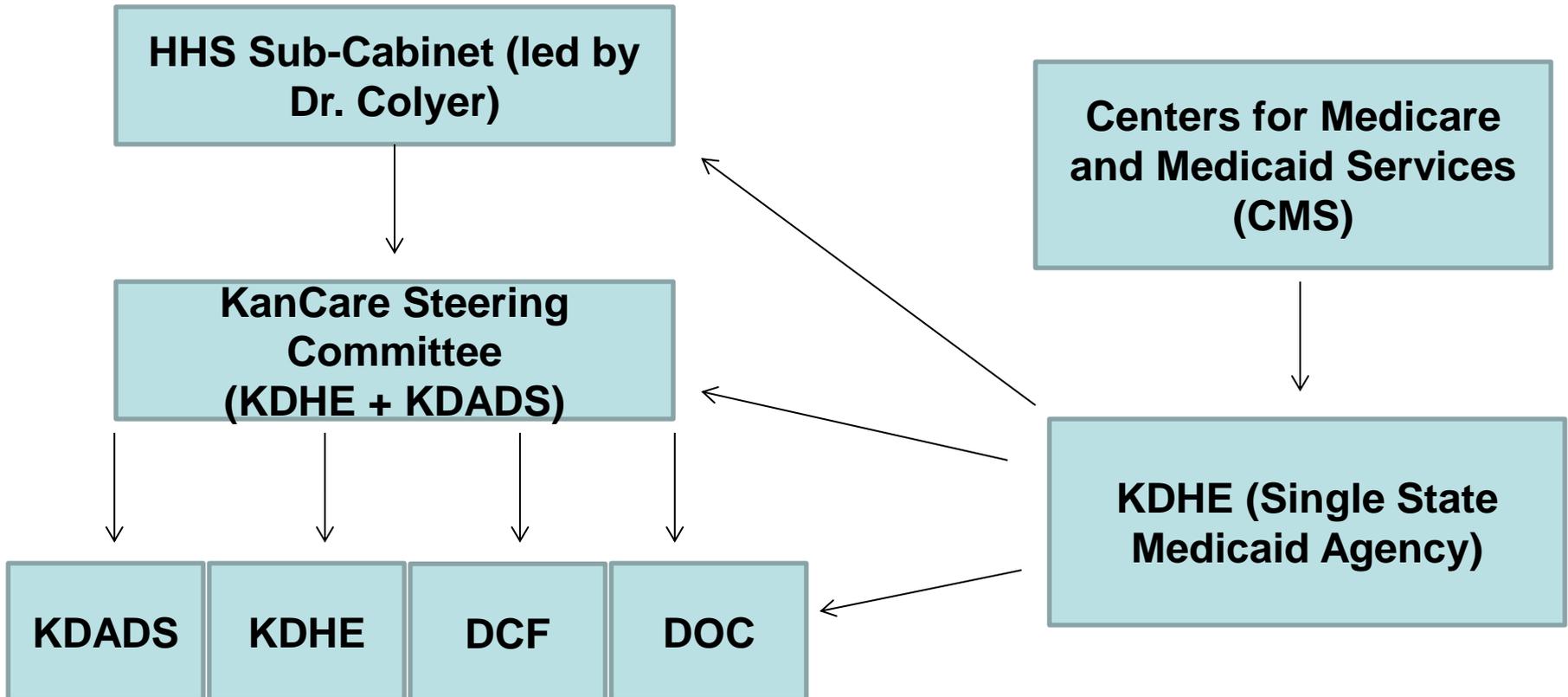
# Managed Care

- KDHE contracts with three managed care organizations (MCOs) who:
  1. Enroll providers
  2. Pay for services
  3. Receive a monthly payment for each person in KanCare
  4. Coordinate care

# Payment for KanCare Services

- Capitated per member per month (PMPM) payment made to KanCare MCOs for each KanCare member
- Federal government matches those payments (approximately 60 cents for every dollar)
- Providers bill the MCOs for services and are paid, generally, on a fee for service basis

# KanCare Policy Development



# Agency Roles

- **KDHE**
  - Responsible for:
    - Physical health care services
    - 1115 Medicaid Demonstration Waiver
    - Medicaid Management Information System (MMIS)
    - Medicaid Program Integrity
    - Eligibility policy
    - Managing KanCare Eligibility Clearinghouse
    - KanCare MCO contract management and compliance
- **KDADS**
  - Oversight of:
    - Behavioral health care services
    - HCBS (1915(c)) waivers
    - Nursing Facilities
    - State MH and I/DD Hospitals
- **DCF**
  - Implementation of eligibility policy

# How Does Someone Apply for KanCare?

- Through Department of Family and Children
    1. Disabled adults
    2. Elderly
  - Through KanCare Eligibility Clearinghouse (in Topeka)
    1. Children (including CHIP)
    2. Pregnant women
    3. Caretakers
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# Eligibility Reviews

- Occur at least annually
- Necessary to maintain/renew eligibility
- Always update address and phone number when they change
- Can designate a responsible person to receive mailings and notifications

# What Is A Waiver?

- States can ask the federal government to waive one or more Medicaid rules
- Usually ask to waive one of the big three rules
- Home and Community Based Services (HCBS) waivers are the most common

# HCBS Waivers

- Targeted population (waive the comparability rule)
- Special package of services (waive the comparability rule)
- Designed to bring someone out of nursing facility or other institution
- Seven HCBS waivers in Kansas
- Those who receive HCBS can also receive any medically necessary State Plan services

# 1115 Research & Demonstration Waiver

- How Kansas operates both its State Plan and HCBS waivers
- Authority to require most beneficiaries to receive all their services through managed care plans
- Authority for MCOs to manage HCBS waiver services along with physical and behavioral health services
- Over 100 special terms and conditions (STC)
  - KanCare Ombudsman
  - Informational tours

# Questions?



[www.kancare.ks.gov](http://www.kancare.ks.gov)