



AMERICA'S ESSENTIAL HOSPITALS

**The State of Medicaid DSRIP Waivers:
Recent Advocacy Developments at CMS**

Webinar

April 28, 2015



CMS' EVOLVING POSITION ON MEDICAID WAIVERS

- CMS is re-evaluating its **DSRIP** activity
 - Return on investment
 - Administrative burden
 - New York waiver as preferred approach
 - DSRIP as a means not an end
 - Sustainability a concern

CMS' EVOLVING POSITION ON MEDICAID WAIVERS

- CMS disfavors **uncompensated care pools**
 - Will review each state's circumstances individually, as pools expire
 - Requiring independent evaluations
 - Principles announced in April 14 letter to Florida:
 - 1) "...uncompensated care pool funding should not pay for costs that would be covered in a Medicaid expansion."
 - 2) "Medicaid payment should support services provided to Medicaid beneficiaries and low-income uninsured individuals."
 - 3) "...provider payment rates must be sufficient to promote provider participation and access..."

PAYMENT ADEQUACY ISSUES

- *Armstrong* decision highlights CMS' role in enforcing adequate rates
- Proposed Equal Access Rule pending at CMS since 2011
- Proposed Managed Care Regulations under review at OMB
 - » Includes “direct pay prohibition”