



Issues for the week ending August 23, 2024

## Federal Issues

Legislative

### **CMS Releases Money Follows the Person Grant Recipients Transition Report, 2017-2021**

CMS released the Money Follows the Person (MFP): Updated Grant Recipients Transitions as of Dec. 31, 2021 Report. The report, which largely uses self-reported data from grant recipients' semi-annual progress reports, summarizes progress towards annual goals of transitioning eligible individuals to the community and increasing support for community-based long-term services and supports (LTSS).

**Why this matters:** Across MFP grant recipients, the total number of MFP transitions decreased by 45% between calendar year (CY) 2017 and 2021, with transitions trending toward for each year from 2017 to 2019 and trending upward in 2020 and 2021, with the increase in later years likely connected to changes in setting preference and service utilization patterns among LTSS users during the COVID-19 pandemic. The report also notes that from 2017-2021, the MFP demonstration faced

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uncertainties around long-term funding, following a lapse in annual appropriations from October 2016 through January 2019.



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## **CMCS Releases Guidance on Continuity of Coverage for HCBS Eligible Individuals**

The Center for Medicaid and CHIP Services (CMCS) released a [CMCS Informational Bulletin](#) (CIB) that highlights federal renewal requirements, including those finalized in the Medicaid Eligibility and Enrollment [final rule](#) published on April 2, 2024, and available flexibilities to promote continuity of coverage for individuals eligible for Home and Community-Based Services (HCBS) through Medicaid.

**Why this matters:** CMCS reminds states there is an ongoing obligation to conduct periodic renewals of eligibility in Medicaid consistent with federal regulations, including first attempting to complete the renewal on an *ex parte* basis, the use of prepopulated renewal forms, and application of reconsideration periods, to facilitate continued access to HCBS for those who remain eligible. These federal requirements, as well as the flexibilities and strategies outlined in the CIB, help to ensure that eligible people successfully renew their Medicaid coverage so they can continue receiving the critical services they need.

### **State flexibilities in the CIB include:**

- Considering assets as stable and reliable, which must be documented in state verification policies and procedures.
- Disregarding income, assets, or both for individuals receiving HCBS, which can be achieved through amending the state's HCBS program authority.
- Adopting section 1902(e)(14)(A) waiver flexibilities to temporarily implement strategies that protect beneficiaries by alleviating administrative demands, including allowing MLTSS plans to assist in the renewal process, using SNAP or TANF data to verify eligibility, or renewing Medicaid eligibility for individuals with \$0 income returned on an *ex parte*

CMCS also released a [separate CIB](#) that includes the original CIB plus a slide deck starting on page 13 that addresses scenarios states may encounter during the renewal process for those eligible for HCBS and the correct way to resolve them.

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## **FDA Approves Updated Covid Vaccine**

The Food and Drug Administration (FDA) [approved](#) and authorized messenger RNA Covid vaccines updated to target a specific strain of the virus as the fall respiratory illness season approaches. The agency approved Moderna's and Pfizer-BioNTech's updated shots for people 12 and older. It granted emergency use authorization to both companies' formulations for children ages 6 months through 11 years.

**What's next:** In line with [ACIP's recommendation](#), CDC Director Dr. Mandy Cohen formally recommended the updated Covid shots for individuals 6 months and older in June. That means that, once pharmacies and health care providers have vaccines in stock, they can immediately be administered to patients. Pfizer said its updated vaccine will immediately ship to pharmacies, hospitals and clinics nationwide, with availability expected "in the coming days." Moderna also said its product will be available in the next few days.

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## **CMS Generates Issuer-Specific HICS Reports**

CCIIO has created new issuer-specific [HICS reports](#) for issuers' informational purposes, intended to help issuers identify and track agents and brokers who have been terminated following a CMS fraud investigation. The reports, which are specific to each HIOS IDs, should be consistent with the Marketplace's agent and broker [registration and termination lists](#) and are searchable by several HICS criteria.

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## **State Issues**

### **West Virginia**

Regulatory

### **OIC Issues Bulletin Concerning Use of AI**

The West Virginia Offices of the Insurance Commissioner (OIC) [has issued](#) Insurance Bulletin No. 24-06, to remind insurers "that decisions or actions impacting consumers that are made or supported by advanced analytical and computational technologies, including Artificial Intelligence (AI) Systems, must comply with all applicable state insurance laws and rules."

Generally, the bulletin is based on the [NAIC model](#) and makes West Virginia-specific changes but in addition makes several changes compared to the model, including leaving several portions of the model out including much of Section 1: Introduction, Background, and Legislative Authority; all of Section 2: Definitions; the preamble to Section 3: Regulatory Guidance and Expectations; and almost all of Section 4: Regulatory Oversight and Examination Considerations.

Although the OIC's bulletin is substantially abbreviated compared to the NAIC model, it materially follows the overall approach of the model by making recommendations of what a company "should" do in their use of AI programs but does not attempt to make new requirements or mandates not already required by West Virginia statute.

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## Industry Trends

Policy / Market Trends

### 2025 Employer Health Care Strategy Survey

The Business Group on Health published the results of their annual survey which explores ways employers address health care costs and benefit strategies in the near- and long-term. The survey, fielded between June 3 and July 12, 2024, was completed by 125 employers covering more than 17.1 million lives in the U.S. and representing a broad range of industries.

**Why this matters:** The report concludes that high-cost claims will be the top area of new and expanding initiatives for employers in 2025. Axios [reported](#) on the survey results, highlighting how the cost of GLP-1s, multimillion-dollar gene therapies, and other specialty drugs may incent employers to pare down benefits in 2025.

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**Interested in reviewing a copy of a bill(s)? Access the following web sites:**

Delaware State Legislation: <http://legis.delaware.gov/>.

New York Legislation: <https://nyassembly.gov/leg/>

Pennsylvania Legislation: [www.legis.state.pa.us](http://www.legis.state.pa.us).

West Virginia Legislation: <http://www.legis.state.wv.us/>

For copies of congressional bills, access the Thomas website –  
<http://thomas.loc.gov/>.

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