



Department of Human Resources
311 W. Saratoga St.
Baltimore, MD. 21201-3521

FIA INFORMATION MEMO

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS**

Charles E. Henry Jr
FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA
JOSEPH MILLSTONE, DIRECTOR, DHMH / MCEA
JOSEPH E. DAVIS, DIRECTOR, DHMH/PSOA

RE: ENROLLMENT OF CUSTOMERS IN HEALTHCHOICE

PROGRAMS

AFFECTED: MEDICAL ASSISTANCE (MA) PROGRAMS.

ORIGINATING

OFFICE: OPA/ DIVISION OF PROGRAM POLICY AND REGULATION

BACKGROUND: In April of 1996, the Maryland legislature passed Senate Bill 750. This bill directed the Department of Health and Mental Hygiene (DHMH) to employ managed care principles to promote patient-focused, accessible services to Medicaid customers and to create a "medical home" for Medicaid recipients through which all medical care will be delivered.

To achieve the goals of this legislation, DHMH created the Maryland Medicaid Managed Care Program (MMMCP), *HealthChoice*. This program is built on Maryland's health care strengths and the successes of the Maryland Access to Care program (MAC), which currently serves the majority of our Medicaid customers. To implement *HealthChoice*, DHMH has contracted with Managed Care Organizations (MCOs) that will be responsible for the provision, coordination, and fiscal management of Medicaid benefits for most of our customers.

HealthChoice focuses on primary, preventive, and comprehensive health care and DHMH will hold MCOs to high standards for quality of care and accessibility.

INFORMATION: The *HealthChoice* program will be phased in over a five-month period. Beginning in June 1997, DHMH will begin the enrollment process for Medicaid customers. They will enroll a portion of the caseload each month, completing the process by November 1997.

Approximately 330,000 customers, most of the Medicaid members who are now in MAC or Health Maintenance Organizations (HMOs), will be enrolled in *HealthChoice*. Medicaid customers who will not be enrolled in *HealthChoice* include customers in long term care such as nursing homes, chronic care hospital facilities and certain mental facilities, those with short term Medicaid eligibility (spend down cases), individuals who also receive Medicare, participants of Maryland's Model Waiver program for disabled children, and those in programs with limited benefits such as the Family Planning Waiver and Maryland Kids Count programs.

HealthChoice customers will not lose any benefits. They will receive the same health benefits from their MCOs they now get from Medical Assistance (MA) and will be guaranteed eligibility for at least six months. The majority of MA customers will be able to remain with their current health care provider. MCOs may either be HMOs or non-HMOs that have met State established quality of care standards and other criteria. DHMH will monitor all MCOs closely to guarantee compliance. Some MCOs may offer additional benefits such as adult dental services. MCOs are not allowed to sign members up directly.

DHMH has contracted with Foundation Health Federal Services, Inc. to be the State's enrollment broker for *HealthChoice*. Foundation Health will distribute the enrollment packets to MA customers which will include information on all the MCOs in the specific area; provider lists and locations, benefits available at each MCO, and an enrollment form. Once notified by the enrollment broker, Medical Assistance customers will have 21 days to choose an MCO. Foster Care children will have 30 days. Customers who do not choose an MCO within the allotted time will be assigned to an MCO that includes their existing primary medical provider (PMP). If the customer has no PMP, or if their provider belongs to more than one MCO, assignment will be made to the MCO that offers additional benefits. Once enrolled in an MCO, a customer may change once during the first year for any reason. Subsequently, the customer can change only during their annual open enrollment date unless they have good cause, such as moving out of the jurisdiction served by the MCO. Foundation Health will be making an extensive outreach effort to protect the customer's choice in selecting an MCO. They will ensure that Medicaid customers receive accurate, understandable information about the new program. A toll free line will be available in June for customer enrollment or for general information (1-800-492-5231).

Enrollment in *HealthChoice* does not change how LDSS Case Managers determine eligibility for Medical Assistance. As more information becomes available about *HealthChoice*, you will be advised.

INQUIRIES: Call Phyliss J. Arrington, MA Programs Policy Specialist, on (410) 767-7079

cc: DHR Executive Staff
FIA Management Staff
Constituent Services