Data and Methodological Challenges for §1115 Waiver Evaluations: Opportunities and hurdles for cross-state evaluations

State Flexibility in a New Era: What are the Research Priorities for §1115 Expansion and §1332 Waiver Evaluations?
Washington, D.C.

October 17, 2017

Maggie Colby
Associate Director of Research and Senior Researcher
National Evaluation of 1115 Demonstrations

• Purpose is to conduct cross-state evaluations of four different types of 1115 demonstrations
  – Alternative Medicaid expansions:
    • Beneficiary engagement (= premiums and incentivized behaviors)
    • Premium assistance
  – Delivery system reform incentive payments (DSRIP)
  – Managed long-term services and supports (MLTSS)

• Rapid-cycle reports focus on demonstration implementation
  – Issue briefs on focused topics
Implementation Analyses Designed to Support Outcome Analyses

- Suggest important control variables
- Identify subgroup analyses and/or key outcome measures
- Aid interpretation of findings
## Shifting Policies Create Challenges in Identifying Demonstration Effects

<table>
<thead>
<tr>
<th>State</th>
<th>Coverage Start Date</th>
<th>Premiums or Other Monthly Contributions</th>
<th>Incentivizes Specific “Healthy Behaviors”</th>
<th>Mandatory Medicaid-supported QHP enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indiana</td>
<td>Feb. 2015</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Michigan</td>
<td>Apr. 2014</td>
<td>✓</td>
<td></td>
<td>✓ (some groups, beginning 2018)</td>
</tr>
</tbody>
</table>
Nuances in Design and Implementation of Monthly Payments

• Monthly payments can be reduced/waived in some states depending on other behaviors (Iowa, Indiana, Michigan)

• Third-party payment of monthly payments

• “Fast track” payments for initial enrollment (Indiana)

• Exemption from monthly payments for special groups
  – Medically frail (all states)
  – Hardship (Iowa)
  – Live in areas with insufficient providers (Montana)

• When disenrollment for nonpayment is allowed, some exemptions to this policy are possible
  – Students, veterans, job-training participants, participants in certain healthy behavior programs (Montana)
Implications for Evaluation

• Variation in amount and timing of monthly payments, creates opportunities to compare across states
  – Open questions - How many beneficiaries will ultimately be required to make monthly payments? Will the data we obtain facilitate the identification of these beneficiaries in administrative data? Can we observe in the data how grace periods and debt monitoring function?
  – Often not “just” a monthly payment – links with other benefits and variation in amount based on behavior may make it hard to pinpoint premium effect on ongoing enrollment.

• Indiana only state with lock-out period when disenrolled due to nonpayment
  – May be hard to disentangle and identify policy-specific effects
  – Montana also disenrolls some beneficiaries for non-payment, but there is no lock-out period
Nuances in Design and Implementation of Beneficiary Engagement Policies

• Health plans in all states can add incentives that may reinforce or amplify demonstration incentives (e.g., gift cards for accomplishments)

• Indiana
  – Receipt of preventive care can lead to reductions in monthly payments in the next year
  – Variation in design and content of plans’ monthly account statements

• Iowa
  – State will allow individuals to attest to completing incentivized behaviors (health risk assessment and wellness visit)
  – Health plans may design and use their own health risk assessment

• Michigan
  – Health risk assessment must be done with PCP
  – Rewards for healthy behaviors received in current enrollment year
Implications for Evaluation

• Additional incentives from health plans
  – Cannot conclude impacts due to demonstration design alone
  – State average response may obscure important plan-level variation

• Reduced strictness of verification
  – Will likely reduce the effects of the incentives

• Timing of rewards
  – Research in behavioral economics suggest that the timing of rewards will affect the strength of beneficiary response

• Beneficiary communication strategies
  – Likely moderate the effectiveness of different incentive programs

• Emphasis on formation of primary care relationship, rather than specific list of health behaviors
  – Specific behaviors often plan-driven through quality improvement initiatives or disease management programs offered by plans
Overall value of taking a cross-state look

• States that have common goals, but take different approaches offer a learning opportunity
  – Researchers can think about arraying policies along a continuum based on the number of beneficiaries actually affected and the strength of the associated incentives

• More successful strategies may become evident when consistent methods are used across states
  – Differences in evaluation design strategy and rigor make direct comparison of state-specific evaluations challenging

• Attainment of comparable outcomes under different policies would be good to know
  – May be many paths to common goals
Opportunity to ensure better comparability across state-specific evaluations

• Complementary approach to cross-state evaluations: federal guidance to better align state-specific evaluations for waivers that address common goals

• Consider common set of critical outcomes

• Comparable level of methodological rigor could be required for evaluation of critical outcomes
  – Variation in comparison group strategies may be necessary, depending on policy history and data availability

• State-specific evaluators better positioned to leverage administrative data that are not collected in federal systems
  – Ensure these data sources are used in state-specific evaluations
For More Information

• Maggie Colby
  – MColby@mathematica-mpr.com