



Policy Memo	
KDHE-DHCF POLICY NO: 2024-12-01	From: Erin Kelley, Senior Manager
Date: December 4, 2024	MKEESM Reference(s): N/A KFMAM Reference(s): 02200
RE: Implementation of KanCare 3.0	Program(s): All Medical Programs

This memo sets forth instructions for implementation of changes related to KanCare 3.0, effective January 1, 2025. Specific dates associated with this implementation are noted in the applicable section. The KFMAM and MKEESM policy manuals will be updated with the next scheduled revision.

I. Implementation of KanCare 3.0

Since 2013, Kansas Medicaid and CHIP have been delivered under the KanCare program brand, with three Managed Care Organizations (MCOs) responsible for coordinating service delivery for most program beneficiaries. Beginning January 1, 2025, the program will upgrade to KanCare 3.0 with the implementation of benefit enhancements, new value-added services, and new quality initiatives. For eligibility staff, the most impactful change will be the transition of MCO contractors – with Healthy Blue replacing Aetna as a KanCare MCO effective January 1, 2025. This memo will only address changes and processes related to the MCO change. More information regarding other changes with KanCare 3.0 may be obtained on the KanCare website.

A. MCO Change

As indicated above, a new MCO choice will be offered to applicants beginning January 1, 2025 – Healthy Blue. Aetna will no longer be an active MCO provider after December 31, 2024. Aetna has been accepting limited new enrollment since November 1, 2024. For the next several months, Aetna will continue to provide support for any medical services provided on or before December 31, 2024. This includes coverage of

certain newborns, HCBS adjustments, and other changes even though the individual may now be assigned to another plan.

As with all MCO assignments, the fiscal agent, Gainwell Technologies, is responsible for ensuring beneficiaries are reassigned to a new plan beginning January 1, 2025. This process began in September with notifying existing beneficiaries regarding new plan choices. If a current Aetna beneficiary does not make a plan choice on their own, the individual will be automatically assigned to Healthy Blue effective January 1, 2025. The new assignment will be shown in KMMS. Most beneficiaries will also have a special open enrollment period that will allow an MCO change through April 4, 2025.

B. MCO Assignment Process

To comply with federal requirements regarding consumer choice of MCO plans, an applicant has the ability to choose an MCO as part of the application process. The choice is captured in KEES on the Individual Demographics page, but the information is transmitted to KMMS where the official assignment occurs. KMMS records and maintains all MCO assignment information and history.

1. KEES Impact on the MCO Assignment

The KEES MCO choice is a key factor in the MCO assignment logic; however, this is not the only factor. The MCO choice on the Individual Demographics page is only relevant at certain points throughout medical case processing. For new applicants this generally only applies when the case is initially processed. Changes reported later are not picked up by KMMS. The individual must call the Gainwell Managed Care Enrollment Center to make any plan enrollment change. The phone number of the Enrollment Center is 1-866-305-5147. The MCO Choice field on the Individual Demographics page in KEES is not updated when a new choice is made through Gainwell. Therefore, the choice listed here can be outdated and inaccurate.

Outside of the initial application, there are a few instances when the MCO listed on the Individual Demographics page will update in KMMS. These are generally when the consumer has a change in coverage or when there has been a lapse in coverage. Please see examples below.

- a. An MCO choice was set as United Healthcare when the child first applied. The child's MCO has since changed to Sunflower. When the worker completes a review, the coverage changes from Medicaid to CHIP. Because this is a KanCare assignment program change in KMMS, the old MCO choice will look like a new choice to KMMS and may cause an unwanted MCO change.

- b. A former beneficiary lost eligibility in April and is now being reenrolled in October. He chose Sunflower originally but later changed to United Healthcare. When the new application is processed, the choice listed on the Individual Demographics page is still Sunflower. When eligibility is transmitted to KMMS, the MCO assignment will be Sunflower. However, if the MCO choice had been removed from the Individual Demographics page, the MCO assignment process would apply, and he would have been reassigned to his latest choice – United Healthcare.
- c. Consumer applied three years ago and indicated she wanted United Healthcare. However, she was approved for QMB only and was never assigned to an MCO. That choice is still listed on the Individual Demographics page when a request for nursing home coverage is approved. Because this is seen as new coverage by KMMS, she will be assigned to United Healthcare if nothing is done to remove or update the record. If the consumer still wanted that MCO, this is not a problem. However, if she wanted a different plan, the choice coming from KEES would take priority and she would be assigned to United Healthcare.

2. KEES MCO Choice – Best Practices

Eligibility staff are not required to know all detailed MCO assignment rules. Staff should be aware of how the information coming from KEES is used by Gainwell when making the assignment. Staff should use the following guidelines when working with the MCO choice field in KEES.

- a. Only record an entry on the Individual Demographics page if the consumer has specifically listed the choice on their application or communicated it to staff directly.
- b. When processing a change, only update the Individual Demographics page if the consumer has selected an MCO on the application or if the choice has been communicated to the agency directly within the last 3 months (e.g. a recent application or phone call recorded in the journal). This is true when adding a new person to a case.
- c. If a current choice has not been communicated, remove any previous selection from the Individual Demographics page – leaving it blank. Even though the change may not be used by KMMS, removing the choice from the system will reduce the chance of unintended MCO changes.
- d. Any changes or questions consumers have regarding the MCO assignment shall always be directed to the MCO Enrollment Center. The phone number is 1-866-305-5147.

3. MCO Process – HCBS Cases

HCBS cases require special processing, and it is necessary to identify the MCO when HCBS is initially authorized. This is because both the ES-3160, Notification of KanCare/HCBS Services, form and the electronic record must be sent to the appropriate MCO to begin developing the Person-Centered Service Plan and services. The following steps apply whenever a beneficiary is newly approved for HCBS:

- a. Check KMMS to determine if the individual is an active beneficiary and view the current MCO assignment.
- b. If the beneficiary has active coverage and is currently assigned to an MCO, enter this choice on the LTC Data Details page. Also, remove any MCO choice entry from the Individual Demographics page, as it could negatively impact assignment changes in the future. The ES-3160 will be sent to the current MCO.
- c. If the individual is not an active beneficiary or is eligible only for coverage that is not assigned to an MCO (e.g. QMB only, resident of a State Hospital) AND there was an active assignment within the past 90 days reflected in KMMS, the MCO reflected in KMMS will be assigned. KMMS will reattach the beneficiary to the previous plan regardless of what is entered on the Individual Demographics page. Staff should enter the previous MCO from KMMS on the LTC Data Details page. Also, remove the choice entry from the Individual Demographics page as this could negatively impact assignment in the future. The ES-3160 will be sent to this MCO.
- d. If neither condition (b) nor (c) is true, use the MCO choice selected by the consumer on the application. This is entered on both the Individual Demographics and the LTC Data Details page. If one was not selected, you must contact the consumer to determine the appropriate MCO. At least two contacts must be attempted to obtain the individual's choice.
- e. If you are unable to reach the individual to obtain the choice directly, contact the entity originating the ES-3160 (e.g. the ADRC) to determine if they have information regarding the choice.
- f. As a last resort, follow the LTC data clean-up process by allowing KMMS to generate an assignment. To do this, process the case using the MCO Placeholder Provider ID on the LTC data details page, therefore generating an eligibility record to KMMS. The next day, obtain the MCO from KMMS and update the LTC Data Details page. The ES-3160 will be sent to this MCO.

C. Application Changes

All medical assistance applications include the ability for an applicant to choose an MCO in the event they are approved for coverage. All paper applications, as well as the Medical SSP and Presumptive Eligibility (PE) Portal, are being updated to reflect the new MCO choice.

New paper applications will be printed and distributed beginning December 1, 2024. A supply of applications will be sent to Outstationed staff and other community contacts according to historical distribution volumes. Upon receipt of the new applications, all previous versions must be destroyed.

NOTE: Previous versions of the application will be accepted and treated as a valid application. If a choice of Aetna is indicated on the application, staff shall leave the MCO choice field 'blank' in KEES.

For SSP applications, a message has been displayed on the medical self-service portal notifying applicants that Aetna will no longer be a valid choice after December 31, 2024. On December 1, 2024, the option to select Aetna from both the SSP and the PE Portal was removed, and Healthy Blue added as a third option.

D. ES-3160 Update

The ES-3160, Notification of KanCare HCBS Services, form has been updated to reflect the new MCO choice. The new version is to be used for all communication on or after January 1, 2025. If a 3160 is received with a choice of Aetna, the worker must contact the individual to obtain the correct MCO (see item (B)(3) above).

E. KEES Changes

To support the transition to the MCO, changes are made to the KEES system.

1. Change in MCO Choice

Changes are being made to the MCO carriers listed on the Individual Demographics page in KEES. After December 1, 2024, Aetna will no longer be a valid option on this page and Healthy Blue will be listed as a valid option.

Staff will encounter cases impacted by these updates. For example, an application processed on or after January 1, 2025, for an applicant who filed an SSP application on or before December 31, 2024, and selected Aetna as their choice, or an applicant who submits an old application and selects Aetna in 2025.

The KEES options on the Individual Demographics page will not support these selections. When these situations are encountered the following rules apply:

- a. Do not select an MCO choice for the consumer. If the individual hasn't indicated an option, do not pick one randomly.
- b. When the consumers choice cannot be accommodated, such as the situations above, do not select any value and leave the field 'blank'.
- c. HCBS cases require special processing, as indicated in item (B)(3) above.

2. Removing Aetna Records in KEES

To avoid incorrect assignment information being sent to KMMS, a KEES update will occur the evening of December 1, 2024, to eliminate all existing Aetna choices in the KEES system. This update will literally remove all pending, current, and historic choice selections of Aetna from KEES for both active and inactive persons. Historic information regarding MCO assignment or selection should be obtained through KMMS or by reviewing selections made on the application.

For processing purposes, the next time the Individual Demographics page is accessed, staff may be prompted to make an MCO selection on this page. Do not select a new assignment. Following the rules above, staff should only select a new entry if they have a specific choice from the consumer made within the past three months, as indicated on an application or other communication coming directly from the individual. Otherwise, leave the selection with choice of 'blank'. Gainwell will ensure the appropriate assignment is made.

If staff encounter an Aetna record inadvertently missed by the KEES update, they should manually remove the selection by selecting the blank option. Effective January 1, 2025, if Aetna is selected as the MCO of choice on the Individual Demographics page, and staff try to save and continue from this page, an error will display. This is a prompt to make a valid MCO selection. Again, unless the consumer has specifically chosen an MCO in the last three months, this field should be left 'blank'. A recent MCO choice would be indicated in a recent application or other communication coming directly from the individual.

3. Resource Databank (RDB) and LTC Data Details

The change in MCO will also require changes to options available on the LTC Data Details page for HCBS cases. The KEES update will also eliminate all pending, current, and historic Aetna selections from the LTC Data Details page. The next time this page is accessed for an HCBS recipient, staff may be

prompted to make an MCO selection on this page. It will be necessary for staff to access KMMS to ensure the appropriate MCO is selected.

A new resource, below, has been loaded into the RDB for Healthy Blue consumers. This resource is to be used for persons receiving HCBS.

Resource ID: 2316692

Healthy Blue

1133 SW Topeka Blvd, Bldg A
Topeka, KS 66629

The Aetna Resource ID, 1912024, shall be end dated effective December 31, 2024. This ID is not to be selected after this date.

II. QUESTIONS

For questions or concerns related to this document, please contact the KDHE Medical Policy Staff at KDHE.MedicaidEligibilityPolicy@ks.gov.

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Questions regarding any KEES issues are directed to the KEES Help Desk at KEES.HelpDesk@ks.gov.