

Strong Start: Preparing Your Budget for the Medicaid Funding Opportunity

Webinar 3

Centers for Medicare and Medicaid Services

March 20, 2012



Strong Start Initiative: Two Efforts to Improve Birth Outcomes

This one “*Strong Start*” initiative has two strategies:

1. Reducing Early Elective Deliveries

A test of a nationwide public-private **partnership and awareness campaign** to spread the adoption of best practices that can reduce the rate of early elective deliveries before 39 weeks for all populations

2. Delivering Enhanced Prenatal Care

A **funding opportunity** for providers, States and other applicants to test the effectiveness of specific enhanced prenatal care approaches to reduce pre-term births in women covered by Medicaid

Strategy 2: Delivering Enhanced Prenatal Care

Cooperative Agreement funding opportunity:

- For providers, states, managed care organizations, and conveners
- To test evidence-based approaches to delivering enhanced prenatal care that can improve health outcomes and reduce costs for mothers and infants in Medicaid

Three Approaches to Evidence-based Enhanced Prenatal Care

One model: “Enhanced Prenatal Care”

Three approaches:

1. Enhanced Prenatal Care through Centering/Group Care
2. Enhanced Prenatal Care at Birth Centers
3. Enhanced Prenatal Care at Maternity Care Homes

Eligible Applicants

1. State Medicaid agencies
 2. Providers of obstetric care (provider groups and/or affiliated providers and facilities)
 3. Managed Care Organizations (MCOs)
 4. Conveners in partnership with other applicants. The convener may be a direct applicant, or may convene and support other organizations to become applicants
- Non-provider applicants must partner with providers and States
 - Non-State applicants must partner with States and providers

Conveners

- A “convener”
 - brings together multiple participating health care providers.
 - needs to partner with providers and State Medicaid agencies.
 - may be any entity that is eligible to receive federal funds.
- Examples of conveners include:
 - national trade or professional associations
 - a collaborative of states
 - a collaborative of providers
 - care or other health services related organizations

Combination of Approaches

- While an awardee can receive funds to administer more than one option of enhanced prenatal care, individual practices must enroll in only 1 of the 3 approaches.
- In cases where a practice delivers more than one approach, we ask the applicants to identify the approach that *that best describes their current practice* (and not ask them to change how they deliver care)

What does the 500 minimum include?

- 500 total beneficiaries per year is required per application
- 500 pregnant women enrolled in Medicaid
- 500 women receiving the intervention of enhanced prenatal care in addition to traditional prenatal care services
- Does not include control/ comparison group
- It is not necessary to include 500 women in each approach if your application includes more than one approach to enhanced prenatal care

Total funding opportunity

- Up to \$43.2 million available
 - Total for all 4 years (3 years of service delivery + 1 year of data collection and reporting)
 - Includes all direct and indirect charges
 - This is a one-time award – no “annual renewal”
- We expect to fund cost of care for 90,000 women (30,000 in each of the three approved delivery models)
- This equates to \$480 *average* cost per beneficiary
 - However, applicants may propose costs that are lower or higher
 - No maximum or minimum specified by CMS

Evaluation Criteria

Design of Project
35 points

Administration,
Organization,
And Staffing
40 points

Budget
25 points

Efficient use of funds
Cost effective
Clearly justified
Primarily for services

What does it mean to be “cost effective?”

- *The ultimate purpose of this initiative is to achieve the three-part aim of better care, improved health and reduced costs by improving outcomes for high-risk pregnant Medicaid beneficiaries.*
- “Cost effective” is about *value*...
 - Achieving better care and improved health at the lowest cost
 - Using funds primarily for service delivery with the lowest possible administrative costs
 - But be realistic!

Budget-related documents required

- SF424A
 - Record all *direct* and *indirect* charges
- Budget Narrative
 - Description consistent with evaluation criteria
 - Direct charges (matching SF424A) categorized into intervention costs, administrative costs, data costs, and/or startup costs (if applicable) - see page 36 of Funding Opportunity Announcement

Ineligible use of funds

- Funding for enhanced prenatal care varies by state
- Funds cannot be used to
 - Supplement payments for services already covered
 - Supplant funding for services already authorized
 - Pay for services to women not enrolled in Strong Start
 - Pay for enhanced prenatal services unrelated to the three approved options
- Refer to detailed information on pages 37 and 38 of FOA

Data Collection with States

- Applicants are expected to make arrangements with their state to access the Medicaid data necessary to support evaluation
 - Costs of this data collection should be included in the proposed budget
- CMS will provide additional guidance on process, requirements, and cost estimation prior to the application deadline
 - For the budget estimate on the Letter of Intent, applicants may assume 5% of intervention costs as a placeholder for obtaining state Medicaid data and Vital Records data.

Next Steps

- All questions submitted to StrongStart@cms.hhs.gov are being compiled into a comprehensive FAQ
- FAQ will be updated and posted to the Innovation Center website at <http://www.innovation.cms.gov>
- Additional webinars will be scheduled

Questions?

Additional information is available on our website:

<http://innovation.cms.gov/>

For further questions, please email:

StrongStart@cms.hhs.gov