

## **1115 Primary Care Network (PCN) Demonstration Waiver Application for Extension**

### **Program Description**

The Utah 1115 Primary Care Network (PCN) Demonstration Waiver was originally submitted in December 2011 and implemented on July 1, 2002. This is a statewide waiver which expands Medicaid coverage to certain able bodied adults who are not eligible for Medicaid State Plan services. The Waiver also offers these adults and children on the Children's Health Insurance Program (CHIP) an alternative to traditional direct coverage. The Waiver provides a reduced benefit package for parents and caretaker relatives who qualify for Medicaid State Plan and requires higher cost sharing for these groups. This is referred to as "Non-Traditional" Medicaid. The savings from these reductions are used to fund a Medicaid expansion for up to 25,000 uninsured adults between the ages of 19 and 65 with household incomes up to 200% of the Federal Poverty Level (FPL). This expansion population of parents, caretaker relatives and childless adults is covered for a limited package of preventative and primary care services. This is referred to as the Primary Care Network (PCN) program.

In addition, high risk pregnant women, whose resources make them ineligible under the Medicaid State Plan, are covered under this Demonstration for the full Medicaid Package

In October 2006, the Waiver was amended to also use demonstration savings to offer assistance with payment of insurance premiums for employer sponsored insurance (ESI) through the Utah's Premium Partnership for Health Insurance program (UPP). The Waiver was later amended to allow for premium assistance for COBRA continuation coverage. The UPP uses Medicaid (Title XIX) funds to provide up to \$150.00 per month in premium assistance for eligible adults. UPP uses CHIP (Title XXI) funds to provide premium assistance up to \$120.00 per month per child. UPP Children receive dental coverage through direct CHIP coverage or they receive an additional \$20.00 per month if they receive dental coverage through ESI.

### **Demonstration Waiver Renewal.**

CMS only approves demonstration waivers for a period of three years. If the State wishes to continue a demonstration, the State must apply for and justify an extension to CMS. The current 1115 PCN Demonstration waiver is set to expire on June 30, 2013. Therefore, the State is submitting an application to renew the waiver for an additional three year period (July 1, 2013- June 30, 2016.) Pending a final decision from the Governor and the Legislature on Medicaid expansion under the Affordable Care Act, the Department believes it is prudent to pursue an extension of the Waiver. Failure to extend the waiver will mean termination of the PCN, High Risk Pregnant women and UPP programs effective June 30, 2013.