

# TERRITORIAL EVALUATION AND STRATEGIC PLAN FOR MEDICAID PROGRAM IMPROVEMENT

September 30, 2023

Guam Department of Public Health and Social Services  
Division of Public Welfare

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## Introduction

The Consolidated Appropriations Act of 2023 requires Guam to submit a strategic plan and evaluation to the Health and Human Services department (HHS) no later than September 30, 2023. This plan must outline the territory's four-year goals relating to workforce development, financing, systems implementation and operation, and program integrity with respect to the territory's Medicaid program under Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

This document intends to meet the requirements of federal law and align the trajectory of Guam Medicaid with the needs of the community. Evaluation of areas for improvement was performed through correspondence with directors of bureaus within the Guam Department of Public Health and Social Services and other key stakeholders for Guam Medicaid. Several common themes have consistently arisen among challenges identified through these correspondences. The program faces challenges that must be addressed to ensure long-term program sustainability and effectiveness, including outdated technology systems, workforce shortages, fragmented care coordination, and financial pressures.

This strategic plan and evaluation is structured using a framework that follows the four key areas provided in this legislation: 1) workforce development, 2) financing, 3) systems implementation and operation, and 4) program integrity. Section 1 provides a background on Guam and its Medicaid program. The remaining sections outline the various action items Guam's Medicaid State Agency is proposing.

## 1. Background

### 1.1. About Guam

Located in the heart of the Western Pacific, Guam is an organized, unincorporated territory of the United States. Guam was ceded to the United States after the Spanish American War in 1898. The island is 30 miles long, ranges from five to 12 miles in width, and has 209 square miles. It is the largest of the Mariana and Micronesian islands and is known for its strategic military and economic position between Asia and the North American continent. Guam's history dates back to 2000 BC, the period of ancient Chamorro life before a Spanish expedition led by Portuguese explorer Ferdinand Magellan arrived in 1521. Guam was previously a colony of Spain, then the US, Japan, and then the US again after World War II.

According to the 2020 Census, Guam is inhabited by 153,836. The median age on Guam is 33.7 years, whereas it is 38.1 for the country. In 2019, Guam's median household income was \$58,289 with 20.2% of individuals in households in poverty, the US figure for these is \$68,703 and 10.5%.

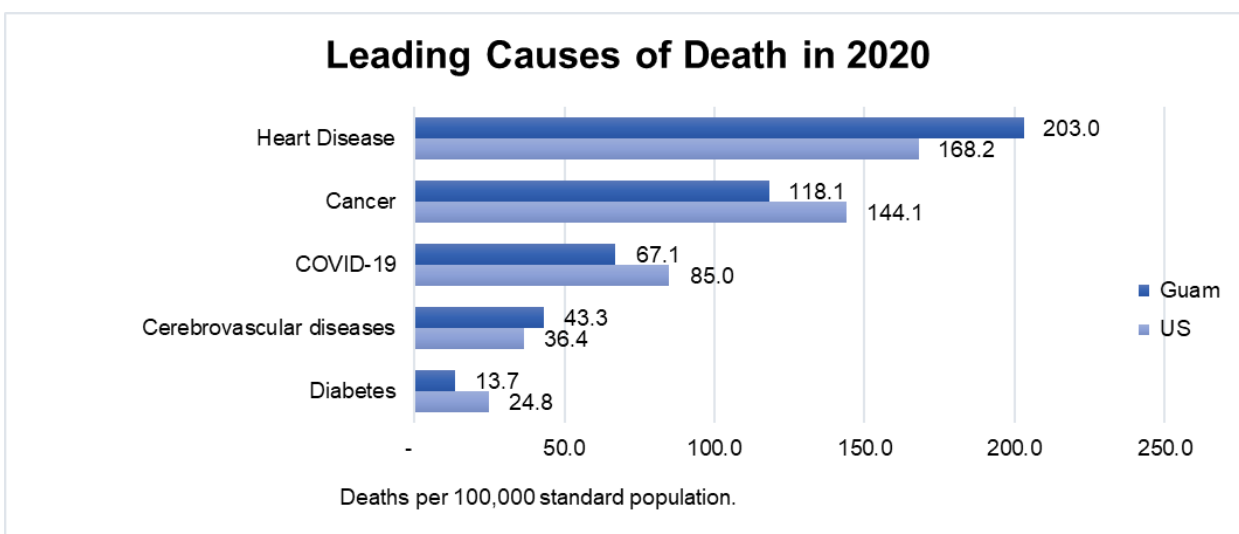
Guam's economy is primarily generated by tourism, particularly with visitors from Korea and Japan. Guam's economy also greatly benefits from the presence and activities of two major US military bases, namely Andersen Air Force Base in the northern village of Yigo and Naval Base Guam in Santa Rita-Sumai.

According to the Guam Bureau of Labor Statistics in 2022, Guam's unemployment rate of 4.0% is higher than the national rate of 3.6%. According to 2020 census data, 86% of adults 25 years and older on Guam have at least graduated high school or equivalent. The national average is 90.2%.

## 1.2. Guam's Disease Burden

Major health-care challenges on Guam include chronic disease management (diabetes mellitus, hypertension, asthma, heart disease); comprehensive prenatal care; routine childhood and adolescent immunizations; tobacco and alcohol use counseling; preventative care services; and behavioral health-care services.

Leading causes of death on Guam include heart disease, cancer, COVID-19, cerebrovascular diseases, and diabetes. Guam has exceeded the national death rates in most of these areas until 2020 with the advent of the COVID-19 pandemic which resulted in 67.1 deaths per 100,000. Guam exceeds the nation's deaths per 100,000 in heart disease.



**Figure 1.** Guam vs US age adjusted Deaths per 100,000 (CDC, National Vital Statistic Reports – Deaths Final Data for 2020; Figures in age-adjusted deaths per 100,000.)

### 1.3. Healthcare Facilities

Unlike many other island communities in the Western Pacific region, Guam residents have greater access to a wide variety of government - and privately-operated healthcare facilities. Yet, Guam's size and isolation sustains a health system that is similar in scope and size to those seen in most small communities in the mainland US.

#### Hospitals

Guam has three general acute care hospitals. One is the publicly-owned Guam Memorial Hospital Authority (GMHA) located in the central village municipality of Tamuning. GMHA has 161 acute care beds, 14 labor and delivery beds, and 14 intensive care unit beds. GMHA's original facility was constructed in 1954. GMHA also runs a 42-bed Skilled Nursing Facility in the village of Barrigada which is also in the central part of the island. The main hospital campus features an emergency department, intensive/critical care unit, and services in rehabilitation, radiology, and special services. Through an agreement with the Guam Department of Corrections, GMHA provides for the care of inmates at its facilities.

The civilian population is served by an additional privately-owned hospital called the Guam Regional Medical City (GRMC), which opened its doors in 2015, maintains 136 acute care beds<sup>1</sup> and is located in the village of Dededo in the northern portion of the island. GRMC services include wellness, cardiology, oncology, endocrinology, pulmonology, neurology, and other medical and surgical subspecialties.

Lastly, there is the US Naval Hospital Guam in the village of Agana Heights, which currently operates 42 acute care beds<sup>2</sup> and serves military personnel, military dependents, veterans and, in emergency cases, civilians. In addition to acute care and emergency services, Naval Hospital Guam provides family practice, obstetrics/gynecology services, pediatrics, general surgery, and internal medicine. Naval Hospital Guam is party to an agreement whereby seriously ill or injured persons are taken to the closest emergency room if judged time-critical.<sup>3</sup>

#### Other Publicly-Owned Facilities

Guam has two public community health centers run by the Department of Public Health and Social Services (DPHSS). The Southern Region Community Health Center (SRCHC) was

<sup>1</sup> GRMC Website

<sup>2</sup>

<https://installations.militaryonesource.mil/military-installation/joint-region-marianas-naval-base-guam/health/health-care>

<sup>3</sup>

<https://mchb.tvisdata.hrsa.gov/Narratives/Overview/08312f4f-d1b8-4988-a861-b6aa9678a13e#:~:text=G uam%20has%20ten%20specialty%20and,pharmacies%20for%20prescription%20drug%20needs>

constructed in the village of Inalåhan in 1972. Years later, the Northern Region Community Health Center (NRCHC) was constructed and strategically located in the densely populated village of Dededo.

Another public facility is the Guam Behavioral Health and Wellness Center (GBHWC), which provides comprehensive mental health services and substance abuse treatment. GBHWC provides an array of services including, but not limited to, child adolescent services, day treatment services, drug and alcohol treatment, psychological services, residential recovery, crisis counseling, adult counseling, rape crisis center services, and psychiatric services.

### Private Clinics

Guam has 10 specialty and primary care clinics and about 30 pharmacies for prescription drug needs.<sup>4</sup> There are specialized health-care facilities for radiology, renal care, birthing and outpatient surgical procedures.

### Geographic Isolation

The geographical isolation of Guam presents a challenge to health-care facilities and providers on Guam and the surrounding islands in the Micronesian region. This isolation limits health-care providers' access to professional medical staff and supply chains for equipment, pharmaceuticals, and medical supplies. This results in more costly health-care and limited access to specialty care. As a consequence, residents often seek such services outside of Guam, such as the Philippines, Hawaii, and California which are roughly 1,500, 4,000, and 6,000 miles respectively. This increases the cost of care substantially.

Further, Guam is not immune to the nationwide shortage of nurses and rural physicians.<sup>5 & 6</sup> The shortage in specialty nurses was highlighted in 2020 when the island's two main hospitals were forced to go into divert status when patient volume overwhelmed the facilities' staffed hospital bed capacity, resulting in patients being left in emergency rooms and unable to be moved into a properly staffed acute care room.<sup>7</sup>

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<sup>4</sup> [www.hrsa.gov](https://www.hrsa.gov) - III.B. Overview of the State - Guam - 2021

<sup>5</sup> <https://www.gao.gov/products/gao-17-411>

<sup>6</sup> <https://www.gao.gov/blog/critical-shortage-nurses>

<sup>7</sup>

[https://www.postguam.com/news/local/patients-concerns-highlight-issues-with-nurse-shortage/article\\_9d4a66d4-32d2-11ea-b13a-c32f1f115dde.html](https://www.postguam.com/news/local/patients-concerns-highlight-issues-with-nurse-shortage/article_9d4a66d4-32d2-11ea-b13a-c32f1f115dde.html)

## 1.4. Islandwide Health Insurance Coverage

Most of Guam's population has some type of insurance coverage based on figures by the U.S. Census Bureau. Health-care coverage can be through an assortment of programs through the government and private insurance companies. Based on 2010 census data, 121,160 people, or about 78.9% of Guam's 153,625 civilian noninstitutionalized population had some form of insurance coverage, be it private health insurance, public health insurance, or combination of both. At that time 32,465, around 21.1%, were without any coverage.

Based on 2021 survey data from the CDC Behavioral Risk Factor Surveillance System (BFRSS), 86.4 percent of adults surveyed on Guam in 2021 had some form of health insurance compared to 92.9 percent in all states and DCs. The survey results for those who do not have any form of health insurance showed Guam at 13.6 percent versus 7.1 percent compared to all states and DC.

Based on billing data from the Guam Memorial Hospital Authority, major public insurance programs include Medicare, Medicaid, and the Medically Indigent Program (MIP). Several of Guam's major private insurance carriers include SelectCare, TakeCare, and Staywell.<sup>8</sup>

## 1.5. Guam Medicaid Program Overview

### History

Guam's Medicaid program was established in its current form in 1975<sup>9</sup>, but legislation dates back as far as the creation of Medicaid itself. Public Law 89-97 not only established the Medicaid program, but provided Puerto Rico, the US Virgin Islands and Guam with a Federal Medical Assistance Match (FMAP) of 55% under the Social Security Act Section 1905(b) (42 U.S.C. §1396d(b)) in 1965. In 1967, Congress passed an annual federal cap of \$900,000 in Public Law 90-248. Guam Medicaid's State Plan (State Plan) shows that the DPHSS, a line agency of the Government of Guam, has been the single State Agency designated to administer or supervise the administration of Medicaid at least since 1977.

### Program Eligibility

In addition to general requirements such as income level, eligibility to participate in Guam Medicaid is available based on two general factors: by categorical program or categorical need. Eligibility by categorical program means being eligible as a consequence of already qualifying for certain specified federal programs. These include persons who are already in the

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<sup>8</sup> 2021 Guam Statistical Handbook, Bureau of Statistics and Plans

<sup>9</sup> <https://www.medicaid.gov/state-overviews/guam.html>

Temporary Assistance to Needy Families (TANF) program; the Old Age Assistance (OAA) Program; and the Aid to the Blind (AB) Program; all established either through the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) or the Social Security Act.

Guam Medicaid is also available based on categorical need. These include five groups outlined specifically in the State Plan: parents and other caretaker relatives; pregnant women; infants and children under age 19; adult group; and former foster care children.

- **Parents and other Caretaker Relatives.** The parents or other caretaker relatives group, as defined in 42 CFR § 435.4, includes pregnant women of dependent children (defined in 42 CFR § 435.4) who are under the age of 18. Spouses of parents and other caretaker relatives are also included. The group may also include parents and other caretakers of children who are 18 years old, provided the children are full-time students in a secondary school or in the equivalent level of vocational or technical training.
- **Pregnant Women.** Pregnant women represent a distinct group in the State Plan. They must be pregnant or postpartum as defined in 42 CFR § 435.4. Pregnant women in the last trimester of their pregnancy without dependent children are eligible for this group, if they meet the income requirements of parents and other caretaker relatives.
- **Infants and Children under age 19.** Infants and children under age 19 are an eligible group as provided for in 42 CFR § 435.118.
- **Adult Group.** Non-pregnant individuals aged 19 through 64 are a categorical need group under the State Plan. This adult group is described in 42 CFR § 435.119. Individuals in this group must have attained the age of 19 but not age 65, are not pregnant, are not entitled to or enrolled for Part A or B Medicare benefits, are not otherwise eligible for or enrolled for mandatory coverage in accordance with 42 CFR Part 435 Subpart B. Guam elected to expand Medicaid to the Adult Group effective January 1, 2014.
- **Former Foster Care Children.** Former Foster Care Children is a categorical needs group in the State Plan. These include individuals under the age of 26, not otherwise mandatorily eligible, who were on Medicaid and in foster care when they turned 18 or aged out of foster care.

Effective January 1, 2021 Guam elected to cover otherwise eligible individuals who lawfully reside in Guam in accordance with Compacts of Free Association (COFA) agreements between the US and the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.



### Program Benefits

Like most states and territories, Guam offers services that are federally mandated in addition to a number of other services. Medicaid on Guam offers two general plans: the Medicaid Benefit Plan and the Alternative Benefit Plan (ABP). The Medicaid Benefit Plan applies to all eligible groups with exception to the Adult Group which has access to coverage under the ABP. As of Fiscal Year 2023, the types of services covered by Guam Medicaid are outlined below depending on the particular plan:

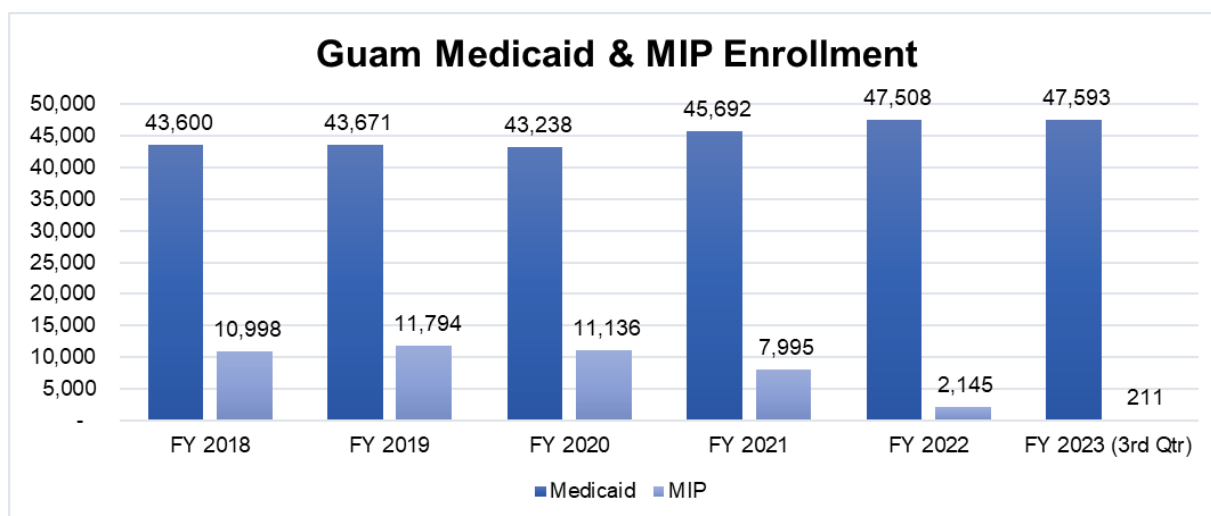
Medicaid & Alternative Benefits Plan	Inpatient Services*, Emergency Transportation, Ambulatory Surgical Center Care, Audiological Examination*, Birthing Center Services, Blood and Blood Products, Cardiac Related Services, Cataract Surgery, Chemical Dependency, Chemotherapy, Congenital Anomaly Disease Services, Elective Surgery*, Emergency Care, Emergency Room Services, Hemodialysis, Diagnostic Testing, Durable Medical Equipment/Supplies*, Hearing Aid*, Home Health Services, Hospice Care, Immunizations/Vaccinations, Inhalation Therapy, Laboratory Services, Maternity Care, Podiatrist, Optometrists, Other Practitioners, Mental Health Services, Nuclear Medicine*, Occupational Therapy*, Off-Island Medical Care*, Off-Island Medical Travel*, Orthopedic Services, Pharmaceutical Prescriptions, Preventive Care Services*, Physical Therapy*, Physician Care & Services, Prenatal Care, Prosthetic Devices, Radiological Services*, Radiation Therapy, Sleep Apnea Services*, and Voluntary Sterilization Services*
Medicaid Plan Only	Abortion (for life threatening conditions)*, Circumcision*, Eye Glasses*, Eye Refraction*, Dental Services, Non-Emergency Transportation, Tobacco-Use Cessation Treatment*, and Well Child Care/EPSTD
Alternative Benefit Plan Only	Acupuncture, Allergy Testing/Treatment*, Breast Reconstructive Surgery*, Chiropractic Services, and Fitness (gym membership)*

\* May require prior authorization.

The Adult Group population is served through an Alternative Benefit Plan, with co-payments for individuals at higher income levels. There are no deductibles or copayments for any other populations under the Guam Medicaid program.

### Program Enrollment

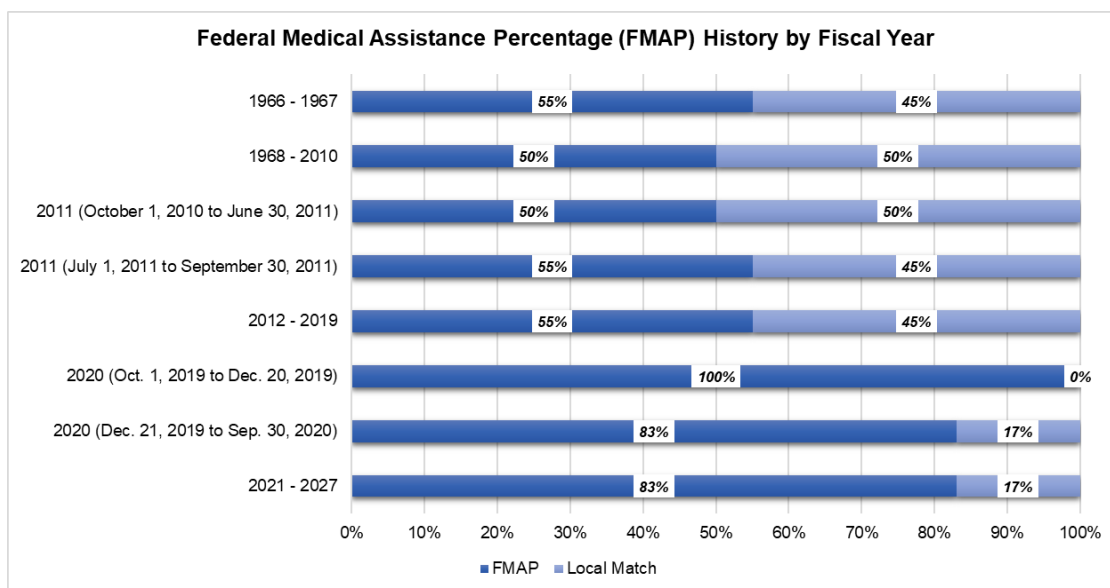
As of the end of 3rd quarter of FY 2023, there were 47,593 eligibles in the Guam Medicaid program. In recent years, enrollment in the program has increased largely because of the allowance of migrants from the COFA states to participate in Medicaid. Prior to that such persons sought enrollment in the Guam-only funded Medically Indigent Program (MIP). Their migration from MIP to Medicaid is illustrated below with the gradual decrease in MIP enrollment and corresponding increases in Medicaid enrollment.



**Figure 2.** *Guam Medicaid and Medically Indigent Program enrollment by fiscal year. Source: DPHSS Quarterly Demographics Reports to the Guam Legislature.*

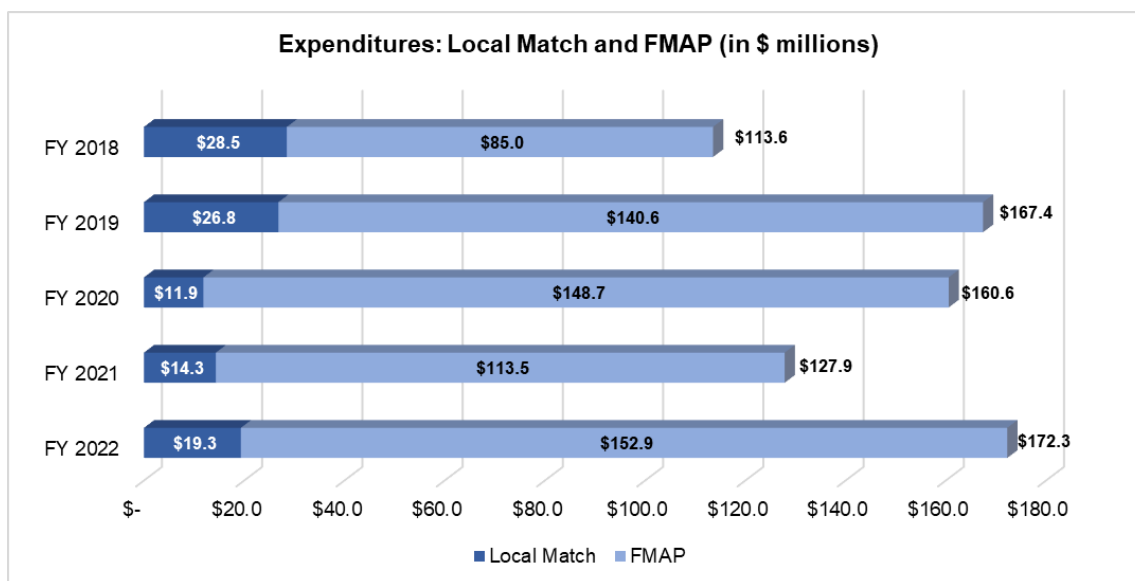
### Funding

Guam and the other territories' Medicaid programs operate as block grants with annual ceilings. Guam's ceiling is currently \$137 million in FY 2023. This grant is matched with state funds against the Federal Medical Assistance Percentage (FMAP) rate which is the measurement used by the Federal Government to determine its match rate for services and activity conducted in facilitating a state's Medicaid program. Up until FY 2020, Guam's regular FMAP has been either 50 or 55%. In 2021, it was temporarily increased to 83%. In 2023, federal legislation was passed to permanently increase the FMAP to 83%.



**Figure 3.** Guam Historical FMAP rates. Source: Congressional Research Service.

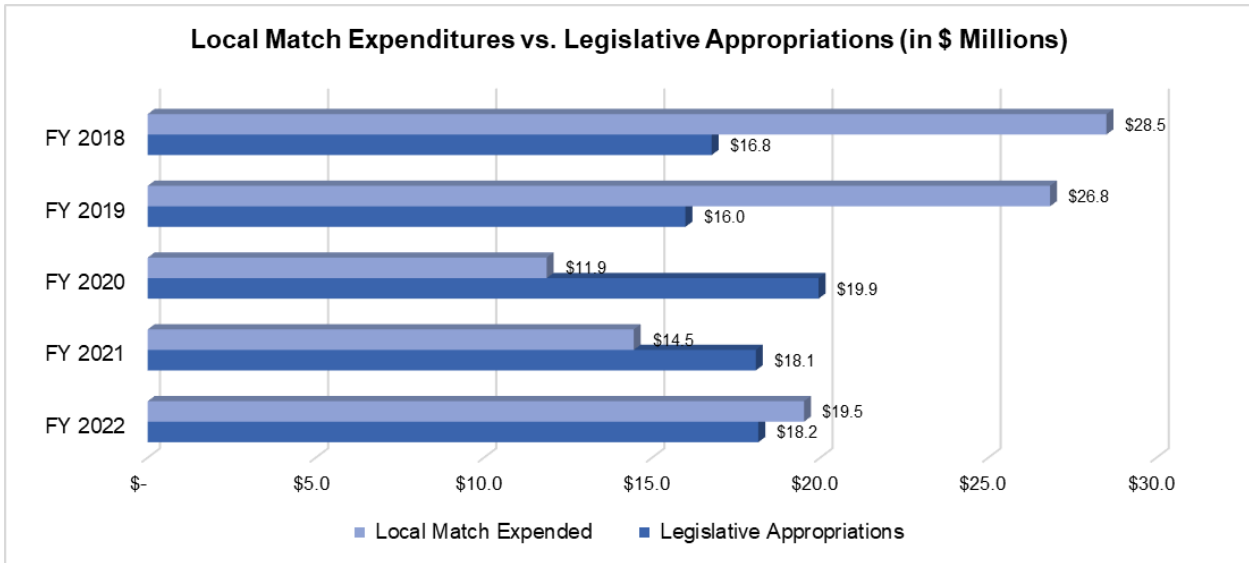
In FY 2022, Guam's government matched about \$19.3 million to the federal share of \$152.9 million for a total expenditure of \$172.3 million. Historically, Guam has availed of certain Social Security Act § 1108 funds with higher FMAPs (i.e., Adult Groups at 90% FMAP) thereby resulting in a higher degree of leveraging of local funds.



**Figure 4.** Breakdown of Guam and federal share of Medicaid expenditures by fiscal years.

Guam legislative appropriations to Medicaid have varied over the years and have not always aligned with actual program expenditures. In years where the expenditures exceeded the local

match appropriation, a sufficient match was expended because the appropriations from previous fiscal years were allowed to remain available until fully expended as was authorized by the Guam Legislature. The governor also has transfer authority from other local appropriations.



**Figure 5.** Legislative appropriations versus local match expenditures for Medicaid.

#### Other Program Funding

Guam residents are not eligible for Medicare Part D low-income subsidies; instead the Medicaid program receives an additional grant through the Enhanced Allotment Plan (EAP) which must be utilized solely for the distribution of Part D medications to dual-eligible or low-income Medicare eligible individuals. Guam also receives Children Health Insurance Program (CHIP) funds through which claims are paid for eligible children in Medicaid. Guam does not administer a CHIP program.

#### Affordable Care Act Funding

The Affordable Care Act (ACA) provided Guam an additional \$268.3 million in Medicaid federal funding that expired on September 30, 2019 and increased the FMAP by 5%. Furthermore, in lieu of the standard Health Insurance Exchange, ACA § 1323 provided additional funding to Guam Medicaid. This funding expired on December 31, 2019. Throughout this period, Guam had difficulty in fully expanding funding allocated due to limitations presented by the local matching requirement. The temporary increase provided through Public Law 116-20 General Provisions § 802 and Public Law 116-59 Title III - Medicaid Extenders § 1302 allowed for 100% of Medicaid expenditures to be paid for by the Federal government between January 1, 2019 to

November 21, 2019. It was only during this period was the government able to maximize utilization of the full ACA allotment and was able to pay program providers timely.

## **1.6. Administrative structure of Guam Medicaid Program**

Guam Medicaid is administered by DPHSS, the State Agency, through its Division of Public Welfare (DPW). Functionally, there are two bureaus within the division which play significant roles in administering the program. Firstly, the Bureau of Economic Security (BES) oversees eligibility and enrollment for Medicaid. Secondly, there is the Bureau of Healthcare Finance Administration (BHCFA). BHCFA oversees the processing of claims, program integrity, budgeting, and policy with respect to Medicaid.

In addition to Medicaid, BES oversees eligibility and enrollment for the federally-funded Supplemental Nutrition Assistance Program (SNAP) and the Temporary Assistance for Needy Families (TANF) program. Thus, the State Agency runs an integrated eligibility and enrollment system. BES also determines eligibility and enrollment for the state-funded Guam Medically Indigent Program which is also overseen by BHCFA for claims processing, program integrity, budgeting and policy purposes. Within DPW is a third bureau, namely the Bureau of Management Support which oversees program integrity and quality control for Guam's SNAP and TANF programs.

The Director of DPHSS is appointed by the Governor with the advice and consent of the Guam Legislature as provided for in the Organic Act of Guam – a federal statute. DPW, as a division of DPHSS, is overseen by a Chief Human Services Administrator who reports to the Director. Both BES and BHCFA are overseen by their respective Administrators who report to the DPW's Chief Human Services Administrator.

## **2. Workforce Development**

### **2.1 Prioritize Eligibility Specialist Recruitment and Retention**

BES has a history of staffing shortages. As of July 2023, there were 20 vacancies in the bureau. These include customer services representatives, eligibility specialists, eligibility specialist supervisors, and administrative support staff. The total vacancies represent a 23.5% vacancy rate. Continuous enrollment under the Public Health Emergency (PHE) and the ensuing requirements for redeterminations through the unwinding period has added to the workload.

To address staffing shortages, in August 2022 the Leon Guerrero-Tenorio Administration recruited 13 limited term appointees (LTAs) for clerks and customer service representatives. In

April 2023 the Governor also instituted and the Guam Legislature approved initial funding for a 22% salary increase for all Government of Guam General Pay Plan employees, which includes all BES positions. This measure should assist with recruitment and retention of staff. Nonetheless, improving the supply of capable eligibility professionals will be a continuing need on Guam. Guam Medicaid program must adhere to standards for personnel administration under 42 CFR Part 432 Subpart A. To improve the capacity of the agency to process Medicaid applications and determine eligibility, the State Agency intends to employ several different strategies.

#### Eligibility Specialists & Eligibility Officers

The State Agency shall review and propose updates on the compensation and nature of its eligibility specialist and supervisory positions. Specifically, the State Agency shall seek partnership with the Guam Department of Administration's human resources division and possibly the Guam Legislature to draft legislation to establish a new Eligibility Specialist and Officer series within the government of Guam. This legislation will describe new specifications pertaining to the nature of work of eligibility professionals, promote enhanced employee skills, and provide higher compensation through additional training and competency. Such training shall be a beginning level path to employment through a formal training and/or apprenticeship program such as through a boot camp. There will be special emphasis on professional certification incentives, competitive salaries, the creation of local talent pipeline, and cultural competency.

The local talent pipeline will be created by establishing partnerships with local schools, colleges, and vocational institutions. Scholarship programs, internships, and mentorships can encourage students to pursue careers in healthcare and foster a sense of commitment to the community.

**The State Agency will draft a plan and, if necessary, legislation for consideration and partnership with Guam lawmakers by September 30, 2024, with the intent of implementation of the new employment series on or before September 30, 2025.**

## 2.2 IT Professional Recruitment and Development

The State Agency is determined to facilitate systemic digitalization throughout the program, the vitality of these systems will rely on proper supply of information technology (IT) professionals. However, the State Agency is affected by an islandwide shortage of IT professionals. Currently, the State Agency is supported by IT professionals with the Government of Guam's Office of Technology (OTECH) which is overseen by the local government's Chief Technology Officer. OTECH was created under Guam law with the authority to coordinate the government's IT infrastructure.

As of FY 2023, OTECH was staffed with 19 professionals. OTECH's services are shared throughout the entire executive branch of the government of Guam consisting of over 40 different agencies and 3,500 personnel. There currently is no formal arrangement between OTECH and the state agency to properly manage the various IT systems needed to support Medicaid.

As a matter of practice, direct IT and system-related services for Medicaid purposes have been acquired through procurement from local and off-island providers. However, the technical skills needed to properly plan, prepare, evaluate, and procure such services and expertise are not within BHCFA staff's skills set. And with the increased requirements for both claims and enrollment data tied to Medicaid, it is imperative that the State Agency formalize and strengthen its relationship with OTECH. This partnership should include provisions for the hiring of dedicated OTECH staff and to properly plan, manage, and procure technical expertise (ie. consulting) needed to improve Medicaid. Because of Guam's shortage in IT professionals in general, it is imperative that the State Agency strengthen its partnership with OTECH to ensure it has the requisite expertise to properly acquire the right services from outside Guam.

**The State Agency shall develop and propose a Memorandum of Understanding (MOU) with OTECH by no later than March 2024 with the goal of fully executing the MOU by September 30, 2024. The MOU shall include provisions for the coordination of IT funding, support, and proper staffing to procure, and manage IT-related acquisitions.**

## 2.3 Healthcare Provider Workforce Development

Similar to communities of similar size, Guam suffers from a shortage of physicians and other health-care providers. This shortage contributes to the difficulty residents face in obtaining health care. There are no community health center graduate education programs at which physicians may choose to do residency training on Guam. Having one may help to ensure Guam meets the statutory requirements to assess and maintain sufficiency of healthcare access.

Through the Jesus U. Torres Professional/Technical Award (PROTECH), Guam is able to provide a scholarship for students that matriculate to education programs of medicine and other professional health careers for which the training is not available on Guam. The maximum award, however, is currently not sufficient to cover the cost of attendance for the average medical school program.

For physicians that have been able to finance their education, loan repayment would serve as an attractive recruitment incentive. Guam currently does not have a state physician education loan repayment program. The closest iteration of a loan repayment program is the National Health Service Corps (NHSC) which provides funding to participants that serve as healthcare providers in facilities that have been registered as Health Professional Shortage Areas (HPSA)



by the Health Resources and Services Administration (HRSA). The only two facilities that participate in the program on island are designated as NHSC sites. Additionally, Guam only receives \$826,268 in funding from the HRSA for the State Loan Repayment Program that is overseen by the NHSC.

To increase recruitment of physicians and other healthcare providers, the State Agency will advocate for and seek partnership with community stakeholders, including the Guam Legislature, for the development of a State Loan Repayment Program. To facilitate the development of local students into physicians that will return home, Guam will further develop its local scholarship program. To foster ambitions to pursue careers in medicine to local youth, Guam will support community efforts to provide mentorship and education for students in the Guam education system.

Additionally, by working with community stakeholders such as consumer and patient advocates, providers, and a newly empaneled Guam Medicaid Community Advisory Board (MCAB) described in a later section of this plan, the State Agency shall devise a provider reimbursement plan targeting those specialties in the community. Given the degree of Guam's reliance on the Medicaid program, the State Agency also takes the position that provider reimbursements should serve as a catalyst to supporting the financial viability of those specialties and services that are most needed by the community. This Strategic Plan shall serve as a basis for reviewing and amending Guam's State Plan on an ongoing basis. By September 30, 2025, the State Agency will have devised a physician specialty priority listing with the input from the MCAB and other external stakeholders. This priority listing will be used as a guide for formulating reimbursement policy.

#### Access Monitor Review Plan Update

In the context of framing payment policies directly affecting critical physician specialties, the State Agency intends to also update its Access Monitoring Review Plan (AMRP). Federal regulations at 42 CFR § 447.203 and § 447.204, implementing § 1902(a)(30)(A) of the Social Security Act, describe procedures for states and territories to follow in order to document that Medicaid payment rates are sufficient to enlist enough providers so that care and services are available under the State Plan at least to the extent that such care and services are available to the general population in the geographic area.

In 2016, Guam Medicaid provided an AMRP. The plan considered the availability of Medicaid providers, utilization of Medicaid services and the extent to which Medicaid beneficiaries' healthcare needs were fully met. It was developed in the summer of 2016 and posted on the DPHSS website through the month of September 2016 to allow for public inspection and feedback. The methodology employed in creating the AMRP included the Guam Patient Experience of Care Survey (GPECS) which was developed from Consumer Assessment of



Healthcare Providers and Systems (CAHPS) used by Centers for Medicare and Medicaid Services (CMS). The survey was meant to be conducted every three years. The survey provided standardized questions on how patients experienced or perceived key aspects of their care such as the communication skills of providers and ease of access to health-care services.

**To comply with 42 CFR § 447.203 and § 447.204 Guam Medicaid program will devise and execute an updated AMRP by September 30, 2026. This plan will review and assess the following components: beneficiary population, Review Analysis of Primary Care Services, Review Analysis of Physician Specialists, Review Analysis of Behavioral Health Services, Review Analysis of Pre- and Post-Natal Obstetric Services, and Review Analysis of Home Health Services. The AMRP will also deploy the GPECS.**

## 2.4 Partnership with Higher Education Institutions

Higher education institutions on Guam including the University of Guam (UOG) and the Guam Community College (GCC) provide programs to train and certify students in pursuing non-physician professions that are critical to delivery of health care. These include nurses, health aides, social workers, and other allied health professions. The State Agency desires to assume a greater advocacy role in the community for the development and fostering of such professionals on Guam. To that end, the state agency will on an ongoing basis seek partnerships with the Guam Legislature to support and fund UOG and GCC to strengthen programs in these professional fields. This may include the provision of tuition assistance and loan repayment programs to incentivize graduates to work on Guam for a specified number of years.

The State Agency, through information sharing and collaboration, will seek partnerships with organizations such as the Guam Board of Nurse Examiners and the Guam Nurses Association to develop and implement programs that will improve the recruitment, retention, and training of nurses. This may include the development of a plan for nursing programs that are specifically tailored to meet the needs of Medicaid beneficiaries.

The State Agency will foster partnership with the UOG Margaret Perez Hattori-Uchima School of Health - Division of Social Work to develop elements of curriculum that more properly prepares and introduces students to processes and systems that pertain to Medicaid enrollment and administration. This curriculum should better prepare students in the social work program for pursuing a career within the State Agency and increasing the pool of skilled social workers.

The State Agency will all seek to partner with GCC to develop a certification course to educate participants on the procedures and requirements for Medicaid enrollment. This program will provide individuals who do not have a social work background, but otherwise possess

desirable characteristics of a candidate for social work, with the knowledge and technical skills necessary to be more readily implemented into the eligibility and enrollment workforce.

## 2.5 Leverage Community Organizations Resources

As mentioned earlier in this document, the State Agency largely operates enrollment and eligibility with an integrated benefits paper application form. Thus, applicants for Medicaid are usually processed simultaneously with other programs such as SNAP and TANF in an often time-consuming and tedious manner. With the challenge of recruiting and maintaining adequate eligibility staffing this can be difficult.

The State Agency shall seek to leverage the resources of organizations in the community to educate and assist applicants to obtain Medicaid services. With external organizations providing assistance to new and renewal applicants, the number of application errors, client follow-ups, visits, and calls to BES can be reduced. The reduced workload on BES will foster more timely eligibility determination by qualified merit-based BES personnel and correspondingly expedite the beneficiary's access to Medicaid coverage.

There are various governmental (ie. village mayors' offices), non-governmental, not-for-profit organizations, and even private for-profit organizations (including some Medicaid providers) on Guam that could provide information and assistance to Medicaid applicants. The assistance may include educating applicants about required documentation, the application process, and the maintenance of enrollment (ie. periodic change reports). Some organizations provide support services to specific populations on Guam that stand to benefit from this, such as COFA migrants who may have challenges with English proficiency.

To address statutory requirements facilitating access to care as provided in 42 CFR § 447.203, the State Agency shall work to engage external organizations that wish to assist in the application and maintenance for coverage under Medicaid.

**On or before September 30, 2025, the State Agency shall have developed and implemented a program to enroll organizations to participate and receive continuous training, technical assistance, and (where permitted under federal regulations regulation) financial support in carrying out the enrollment and maintenance of status function for Medicaid clients.**

## 2.6 Community Health Navigator Program

In the spirit of engaging external organizations to facilitate enrollment in Medicaid, the State Agency intends to develop a similar program for those at the individual level to include community volunteers, social workers, college students, or other individuals who are willing to lend support to persons seeking Medicaid. This will be an additional strategy not only to

mitigate BES' staffing challenges but also ensure that eligible individuals have access to the healthcare services they need.

Community Health Navigators (Navigators) are professionals who have been trained and demonstrated competency in providing assistance to Medicaid applicants. States that feature community navigators often do so to provide assistance to individuals who may experience difficulty in completing tasks associated with accessing healthcare, for example applying for public benefits. They will undergo a certification process which requires training in basic eligibility documentation. Upon issuance of certificate of completion, individuals will need to complete a security agreement form prior to beginning work as a community health navigator.

This program will help to provide proper education to applicants while properly preparing them for applications. It hoped that this preparational assistance would translate to decreased time consumption by Eligibility Specialists to finalize applications. Successful implementation of this program will bring the Guam Medicaid program more closely in alignment with statutory requirements stipulated in Social Security Act § 1902(a)(4)(B).

Navigators serve as essential intermediaries between the Medicaid agency and the community members seeking enrollment and eligibility assistance. Their responsibilities include information dissemination, application assistance, and culturally competent support. Navigators will provide hands-on support to individuals in completing Medicaid applications. This includes guiding applicants through the required documentation, ensuring accurate completion of forms, and addressing any questions or concerns. They will assist in gathering necessary documentation to assist eligibility professionals to verify eligibility criteria, streamlining the enrollment process.

Navigators will disseminate accurate, up-to-date information about Medicaid programs, coverage options, and eligibility criteria. They will proactively reach out to various community settings, such as local clinics, community centers, and social service organizations, to ensure information reaches those in need. Regular training sessions will be conducted to ensure they are well-versed in Medicaid policies, and application procedures. These training sessions will also focus on building communication skills and cultural competence to better serve the diverse needs of the community. The impact of the community navigator program will be measured through metrics such as increased enrollment rates, reduced application errors, and improved community engagement.

**Regular feedback from navigators and beneficiaries on a quarterly basis will provide valuable insights for program refinement and enhancement. It is the goal of the State Agency to establish a Navigator program on or before September 30, 2025.**

### 3. Financing

#### 3.1 Optimize Efficiency of Claims Systems

When providers submit claims to be reimbursed for services provided to Medicaid beneficiaries, the amount of time before providers receive reimbursement is proportional to the agency's capacity to process these claims. The State Agency is committed to improving and enhancing for a more automated claims processing system that meets the standards described in 42 CFR Part 433 Subpart C.

**The State Agency will conduct an evaluation of the efficiency of claims processes within BHCFA and identify areas for major improvement. This evaluation and execution of improvements will be completed by September 30, 2026.**

The objective of this initiative is to ultimately implement a mechanized claims processing system that will allow the program to be in compliance with the expectations associated with the administrative Federal Financial Participation (FFP) provided by 42 CFR Part 433 Subpart A. This initiative seeks to reduce program costs and retain funds available for beneficiary services by optimizing the efficiency of operational systems and procedures that facilitate the processing of service provider claims and distribution of reimbursement. The implementation of a Medicaid Management Information System (MMIS) that is more conducive for increased claims processing standards will be helpful in the pursuit of this initiative. By reducing the retention of ample staff positions, the vacancies created should translate to more funds available for beneficiary services.

#### 3.2 Expand & Enhance Guam Medicare Buy-In Program

Guam's current Medicare Part B premium buy-in program is an avenue through which eligible beneficiaries are able to leverage Medicaid to maintain their enrollment in Medicare. This promotes health care accessibility as beneficiaries, through Medicare, can obtain a wider market and more comprehensive set of services throughout the country that are not available on Guam. Importantly, the Medicare buy-in program results in savings to Medicaid.

The State Agency is committed to identifying dual eligibles. This fiscal year, the State Agency sought and received technical assistance from CMS on the appropriateness of using claims data to identify potential Medicare eligibles. Guam Medicaid can now create a special referral program through partnership with the State Agency's Division of Senior Citizens, so existing Medicaid beneficiaries can avail of existing services to assist in enrollment in Medicare. Data from Guam's existing claims processing will be used to identify potential eligibles based on Medicare's general eligibility criteria inclusive of the following:

- Individuals 65 years in age or better;

- Individuals with end stage renal disease;
- Individuals who have a disability; and
- Individuals with Lou Gehrig's disease (amyotrophic lateral sclerosis).

**Within Fiscal Year 2024, the State Agency shall also assess its claims processing system and eligibility determination work plans to find other opportunities to strengthen its ability to ensure third-party liability payments of claims before Medicaid. By September 30, 2024, the State Agency shall have either implemented or formulated a work plan for improvements in this area.**

This work plan may include engaging local health plans and providers via coordination and information sharing and creating some kind of continuous internal procedure to audit and verify Medicare enrollment.

**Within Fiscal Year 2024, the State Agency shall have implemented its Medicare Buy-In Referral Program to identify and assist in the enrollment of Medicaid beneficiaries in Medicare Part B. Additionally, the State Agency shall also assess the feasibility of expanding the Buy-in program to include coverage for Medicare Part A premiums for those beneficiaries who did not avail of Part A when they first became eligible. If projected savings in claims for beneficiaries warrant it, the State Agency shall seek technical assistance from CMS on initiating the necessary State Plan amendments or waivers to accomplish this.**

### **3.3 Certified Public Expenditure Program (CPE)**

In accordance with 42 CFR § 433.51(b), Guam's public hospital is eligible to certify public expenditures or costs incurred in serving Medicaid beneficiaries as determined in accordance with Medicare cost principles. Under this program, CMS allows such existing public facility costs as the required state match as opposed to a direct cash outlay to match claims. These savings on the local match may be redirected to improving program services and eligibility in accordance with requirements for financial participation by the State (Section 1902(a)(2) of the Social Security Act). The Commonwealth of the Northern Mariana Islands and the U.S. Virgin Islands have availed of this program for many years whereas Guam has not.

**In FY 2024, the State Agency will seek technical assistance from CMS to designate CPEs at the GMH and it will also explore the feasibility of applying the CPE to Guam's federally qualified health centers and GBHWC.**

**Guam Medicaid program shall work with GMH to ensure that a strategy is created for the timely completion of the cost assignment exercise. The State Agency shall seek to implement GMH's CPE by September 30, 2026.**

### 3.4 Pharmacy Benefit Manager (PBM)

Due to increasing pharmacy expenditures and the required implementation of the Medicaid Drug Rebate Program (MDRP), the State Agency must find ways to overcome the challenges of Guam's remoteness and limited access to the global pharmaceutical market.

**The State Agency shall study the feasibility of delegating the administration of its prescription drug benefit to a Pharmacy Benefit Manager (PBM) by September 30, 2025.**

The State Agency shall also explore leverage and reuse opportunities in this area. Claims for prescription drugs on Guam ranged between \$19.5 to \$22 million annually over the past four years (FY 2019 to FY 2022).

Social Security Act § 1927 provides state Medicaid programs flexibility in administering their prescription drug programs. Due to the rising pharmacy expenditure and Medicaid budget concerns, most states have implemented pharmacy cost containment strategies, including preferred drug lists (PDLs), supplemental rebate programs, state maximum allowable cost programs, multi-state purchasing pools, and prior authorization policies linked to clinical criteria. They routinely update and improve their drug utilization controls to respond to changes, especially new product offerings available in the pharmaceutical marketplace. Also, states may implement prescription limits or institute recipient cost-sharing for certain groups to control prescription drug utilization.

The State Agency was granted approval by CMS on its request for demonstration titled, "Guam Alternative Drug Coverage Program Demonstrations," under which the territory would elect not to provide optional prescribed drug coverage consistent with § 1902(a)(54) of the Social Security Act. The Act requires compliance with requirements in § 1927, and instead covers prescribed drugs under the State Plan, using expenditure authority in § 1115(a)(2). The approval is effective from April 7, 2023 through March 31, 2028, unless extended or otherwise amended. The demonstration effectively exempts Guam from certain MDRP requirements with respect to providers carrying a complete formulary for Medicaid. It is envisioned that the use of a PBM can address this requirement and allow Guam to fully avail of the MDRP and enjoy the rebates the program provides.

### 3.5 Explore Feasibility of Managed Care

Healthcare costs on Guam are heavily impacted by the payment structure that the industry takes on. On Guam, a fee-for-service payment model dominates the healthcare services market. All of Guam's Medicaid providers deliver care within a fee-for-service (FFS) model. This is in contrast with only 20% of Medicaid dollars spent through the fee-for-service model. While differences in improvement in health outcomes are marginal, there are significant cost saving benefits to assuming an outcome-based payment structure. Managed Care

Organizations (MCOs) often utilize this payment structure to incentivize provider groups to focus on quality rather than volume.

**On or before September 30, 2026, the State Agency shall study the viability of part or all of Guam’s Medicaid population being managed through an MCO. The State Agency shall evaluate the feasibility of transitioning away from the FFS payment and delivery system to one that relies on risk-based managed care. The State Agency intends to issue a Request for Information (RFI) by September 30, 2025 and enlist the services of an actuary to determine capitation rates and which services Guam Medicaid should transition to a managed care organization.**

Under the FFS system, beneficiaries could see any provider who accepted Medicaid, and providers are reimbursed for each individual service or visit. Under managed care, Guam Medicaid program would contract with health plans to deliver Medicaid benefits to enrollees in exchange for a monthly premium, or “capitation” payment for each enrollee. The plans are accountable for and at financial risk for providing the services in the contract. Working with all plan providers initially will be essential to see if this path is viable. The expansion of Medicaid managed care will be explored as a way to control costs while ensuring access to quality healthcare services.

### 3.6 Emergency Housing

The State Agency recognizes that stable housing contributes to better health outcomes by providing a secure environment for clients to address medical needs and manage chronic conditions. Access to housing can reduce hospital readmissions and emergency room visits, leading to cost savings for both clients and the healthcare system.

**By September 30, 2024, the State Agency shall have evaluated its state plan for home and community based services and sought technical assistance from CMS to make the necessary amendment or to develop a waiver for the provision of emergency housing.**

Emergency housing ensures that clients have a consistent address, which facilitates communication and coordination with health-care providers. This leads to improved access to medical services, medication management, and follow-up appointments, resulting in better disease management and prevention. Swift intervention through emergency housing can prevent clients from falling into chronic homelessness, reducing the burden on emergency shelters and minimizing the negative consequences associated with prolonged homelessness. Emergency housing programs encourage collaboration among local organizations, government agencies, and healthcare providers. This collaboration fosters a sense of community responsibility and solidarity, promoting a holistic approach to clients' well-being.



### 3.7 Continuing Advocacy for Territorial Equity

Guam and other U.S. territories have a cap on the amount of Federal Matching Funds available for the reimbursement for services provided to Medicaid beneficiaries. Guam would only receive up to \$127 million for Medicaid expenditures before this fixed allotment is exhausted (Social Security Act § 1108). This limits each territory's ability to expand the programs and offer coverage to a larger portion of their respective populations. **Removal of the cap would allow for expanded services and coverage toward achieving universal health care.** Guam joins all other territories in continuing to advocate for the cap to be removed. This will also allow Guam to be more competitive in attracting more providers to help aid in better healthcare outcomes for all Medicaid beneficiaries.

The State Agency will also advocate to have the \$200,000 waiver for local match funds approved under P.L. 96-205 Title VI Section 601 updated to meet today's current economic conditions. According to the Bureau of Labor and Statistics, \$1 dollar in 1980 is equivalent to \$3.71 today, which represents a 271% increase. If we applied the purchasing power in 1980 to match purchasing power today, the \$200,000 waiver would be \$542,000. That, combined with an increased FMAP for individual territories, would allow territories to avail of more federal funding without a corresponding local match, allowing Guam and other territories to leverage its local match funding to enhance benefits or expand eligibility which will benefit the residents of Guam and other territories. The resulting total amount in expenditure at an 83 percent FMAP would be \$3.2 million instead of \$1.2 million.

## 4 Systems Implementation and Operation

### 4.1 Engage a Project Management Organization

The State Agency will seek to engage the services of an experienced, responsive, responsible and qualified Project Management Organization (PMO). This may offer substantial benefits to Guam Medicaid as it navigates the requirements of the newly passed Consolidated Appropriations Act (CAA) passed by Congress in 2023. PMOs bring a wealth of expertise in project management, process evaluation, and technology implementation the State Agency does not have.

A PMO can assess existing processes and systems, helping the State Agency identify gaps and inefficiencies. A qualified PMO has experience implementing complex projects with other states and territories will ensure that the State Agency receives expert guidance tailored to Guam's specific needs. While the CAA mandates the deployment of new technology and data



reporting, a PMO can align the State Agency's efforts with these requirements, ensuring that the technology adopted and the data reports meet the standards set by Congress.

Implementing new technology and processes carries risks to the program and a PMO can help identify those potential risks, develop mitigation strategies, and ensure smoother implementation. This would minimize disruptions to operations and prevent costly setbacks. Their specialized skills in dealing with complex overhauls of other jurisdictions, could significantly reduce costs. A PMO's experience in procurement and contract negotiation can lead to cost savings.

Partnering with a PMO aligns with Guam's goals of achieving compliance with the CAA while optimizing resources and processes. Their expertise will position Guam Medicaid for successful technology implementation, data reporting, and program integrity. This collaborative approach will ensure that Guam remains well-prepared for the changes ahead.

**It is the goal of the State Agency to fully execute an agreement with a PMO by September 30, 2024. Said MOU shall include provisions for the coordination of IT funding, support, and staffing.**

## 4.2 Leverage and Reuse of State Partner Technology

In meeting federal requirements particularly in the area of health information and sophisticated data reporting, procuring and sourcing resources and expertise can be both a costly and tremendous endeavor for Guam and other remote territories.

Federal rules already allow states and territories to leverage and reuse existing systems from other jurisdictions to enter into joint or cooperative agreements on technology that have already been approved by CMS (42 CFR § 433.112). This saves jurisdictions the costs of design, development and installation (DDI). Leverage and Reuse Agreements (LRAs) with other states and territories, organizations like the National Association of State Procurement Officers (NASPO), and National Cooperative Purchasing Alliance (NCPA) competitively bid out contracts for use by members in their organizations. Guam is a member organization in NASPO and is listed as a participant in NCPA. Use of Joinder and/or Mutual Use of Contracts will expand the number of providers for Technology, Specialized Services and other types of items that are not readily available on island.

An experienced PMO can also aid the State Agency in leveraging current agreements with the NASPO or NCPA. These contracts have been competitively procured through these organizations and are available to be procured by participating states and territories. A PMO can analyze these contracts, assess their suitability, and advise on selecting the most fitting options. This saves time, reduces administrative overhead, and facilitates compliance.

Currently, Guam law allows the State Agency to engage in joint and mutual use of contracts for specific programs including BES. It is the intent of the State Agency to explore all leverage and reuse opportunities such as in the areas of claims processing, reporting of TMSIS data required by CMS and eligibility necessary to meet federal requirements.

**On or before September 30, 2024, the State Agency shall begin the process of procuring existing CMS approved and available systems through joinder and/or mutual use contracting. If necessary, the State Agency shall also seek partnership with the Guam Legislature to enhance Guam's ability to leverage and reuse state partner technology approved by CMS.**

### 4.3 Implement Digital MMIS and E&E System

A reliable and secure online platform for eligibility, enrollment, and documentation is a goal of the State Agency. Currently, the State Agency largely receives Medicaid paper applications and all other required documents for eligibility determinations. These physical documents are then scanned into a document imaging system. An assessment of eligibility must then be completed before an applicant can be notified of the outcome of their application. This correspondence with applicants also requires a manual phone call or a message through postal services.

Further, Guam uses a Medicaid Management Information System (MMIS) built upon a browser platform that may not have support beyond 2027. The State Agency must ensure that its systems are functioning beyond that time frame in order to meet the information retrieval standards stipulated through Social Security Act § 1903 (a)(3) and (r). Addressing this issue ensures the maintenance of operational federal financial participation under CFR 42 § 433.120.

Better technology will help beneficiaries avail of Medicaid benefits and not be constrained by the limitations of a paper application and understaffed enrollment and eligibility and enrollment bureau. Thus better information technology systems will help Guam in meeting the statutory requirements for information retrieval systems (CFR 42 Part 433 Subpart C).

**The State Agency will either transition away or enhance its existing MMIS in order to meet the regulatory and productivity expectations by September 30, 2026. The intended outcome for the implementation of this MMIS is to reduce the administrative burden facing eligibility specialists. Relieving these agents of clerical aspects through the use of an MMIS will increase their capacity to make timely determinations of eligibility. This will serve to enhance enrollment and improve community access to health care. Guam Medicaid will also enhance or procure a new Medicaid Eligibility and Enrollment (E&E) system no later than September 30, 2027.**

This system must include a feature that will allow applicants to upload files through their local files or a separate scanning device. This system must also include an interface that is

managed by the State Agency where staff will be able to access the submitted information and determine eligibility for the corresponding applicant.

Thorough research should ensure that the selected digital solution meets the unique set of needs of the Guam Medicaid program. It may be prudent to acknowledge solutions that are utilized in other state Medicaid programs. Select examples of state MMIS and E&E are provided in the following paragraphs and may help to explore potential solutions.

- **Hawaii.** The MMIS utilized by the state of Hawaii for both its Managed Care and Fee for Service Medicaid programs is contracted and operated from the Arizona State Medicaid program. For eligibility and enrollment programs, the State of Hawaii uses an E&E system operated by Unisys Corporation.
- **Oregon.** The MMIS utilized by the state of Oregon for its Medicaid programs is contracted and operated from the DXC Technology Services. For eligibility and enrollment programs, the State of Oregon uses an E&E system operated by Deloitte.
- **Minnesota.** The state of Minnesota contracts several health-care technology solutions for different aspects of its program. It uses an MMIS and Electronic Visit Verification (EVV) system operated by HHAeXchange. For eligibility and enrollment functions, the State of Minnesota currently contracts with IBM Merative Professional to operate its E&E system.

Development and implementation of this MMIS will require collaboration with OTECH and will adhere to the guidelines provided in CFR 42 Part 433 Subpart C.

#### 4.4 Implement Digital module for Medicaid provider management

The limited capacity on Guam creates a necessity to support providers in private practices on the island in serving Medicaid beneficiaries. Among the private practices on the island, not all are CMS-certified and are eligible to bill Medicaid for services provided to beneficiaries. This can pose a challenge for the Guam Medicaid program in meeting the statutory requirements for mechanized claims processing (42 CFR Part 433 Subpart C; Mechanized Claims Processing and Information Retrieval Systems).

**The State Agency will assure that the MMIS will be configured to include a module for Medicaid provider management and enrollment no later than September 30, 2027. To maximize the supply of providers for which Medicaid beneficiaries may avail services from, providers and provider groups must be empowered with services to be assisted with the provider enrollment process.**

## 5. Program Integrity & Transparency

### 5.1 Medicaid Community Advisory Board

It is the goal of the State Agency to inspire the public's confidence in how decisions are made with regard to Guam's Medicaid program. To that end, there is a need for greater community stakeholder input. Accordingly, the State Agency recognizes the need to empanel and foster an active and engaged Medicaid Community Advisory Board (MCAB).

Community stakeholders such as beneficiaries and providers evaluating the program with program data will help to meet statutory requirements to maintain standards in institutions where services and care are received under §1902 (a)(9) of the Social Security Act.

Currently, the activities of the Guam Medicaid program are monitored primarily by administrative staff within the State Agency. An active and engaged MCAB will provide a formal mechanism for which stakeholders can proffer recommendations for improvement. This will help the State Agency also satisfy statutory requirements to source public input for its Access Monitoring Review Plan under 42 CFR § 447.203(b).

**The State Agency will empanel the MCAB no later than September 30, 2024, to guide State Agency program priorities and policies. The State Agency shall work to ensure the MCAB consists of a broad section of the community to include client advocates and health related community organizations. This group will meet regularly and assess to what degree the program reflects the unique needs of the community. Program data will be available to this group including that which is reported through the Transformed Medicaid Statistical Information System (T-MSIS) reporting program.**

### 5.2 Participation in T-MSIS for Existing MMIS

Among the tools available for ensuring program integrity, careful data assessment is critical for proper evaluation of program performance and compliance. In most states, Medicaid claims data is available for usage and management through the T-MSIS. Data available through T-MSIS has been utilized to enrich the vigilance of public health systems. The State Agency currently is not registered to submit data to T-MSIS. Without a set of data reporting standards equivalent to that set by T-MSIS, the State Agency has its challenges complying with statutory requirements to facilitate database check (42 CFR § 455.436).

#### Overview of Guam's T-MSIS Enhancement Plan

In November 2019, the State Agency began communication with CMS to begin a plan to submit its Medicaid data. Further, in 2020, congress passed P.L. 116-94 that added a provision

for the U.S. Territories by demonstrating progress in implementing methods, satisfactory to the Secretary, for the collection and reporting of reliable data to the T-MSIS, not later than October 1, 2021. Since then, Guam has been working with CMS to modify and enhance its existing MMIS system to enable compatibility with T-MSIS.

In FY 2021, the source to target mapping reviews have been developed as required and documented in the T-MSIS Data Dictionary developed by CMS. Including completion of its modifications to the Provider, Eligibility and Third Party Liability, Outpatient, Inpatient, Pharmacy data files. The State Agency submitted its initial Implementation Advance Planning Document (I-APD) for CMS approval. The purpose of this I-APD is for the State Agency to meet the T-MSIS requirements of complete, accurate, and timely data reporting in accordance with guidelines set forth in statute and federal regulations of § 4753 of the Balanced Budget Act of 1997, P.L. 105-33, amended § 1903(r) of the Social Security Act to include a statutory requirement for states to submit claims data, enrollee encounter data, and supporting information. § 6504 of the Patient Protection and Affordable Care Act, P.L. 111-148, as amended by the Health Care and Education Reconciliation Act, P.L. 111-152 (collectively, the Affordable Care Act) strengthened this provision by requiring states to include data elements the Secretary of Health and Human Services determines necessary for program integrity, program oversight, and administration. The Medicaid managed care regulation published in May 2016 further describes the requirements for the submission of encounter data (see 42 CFR §§ 438.242, 438.604 and 438.818) and H.R. 1865, Further Consolidated Appropriation Act of 2020, P.L. 116-94.

This project covered the creation of a new Guam T-MSIS Data Reporting System, along with software modifications and enhancements to the following existing systems: BHCFA module, BES module, Provider Self Data Entry Systems (PSDES) and EDI Health Care File System to include equipment and hardware upgrades for external systems.

In FY 2021, the State Agency contracted the programming and technical activities relative to the enhancement of its existing MMIS system – BHCFA and BES Modules and related systems that included a Statement of Work that defines the scope of work to be performed by the State Agency's existing MMIS contractor that has full licensing rights of the Guam's system for the BHCFA, relative to: (1) The analysis, planning, and development of the Guam T-MSIS data reporting system; and (2) the enhancement of the existing MMIS BHCFA and BES Modules and related systems, to enable compatibility with T-MSIS data quality requirements. However, all system code and documentation resulting from this Project will become the property of the State Agency.

The proposed solution to procure services included a work task letter (WTL) between the State Agency and its existing MMIS contractor to provide existing system enhancement to enable compatibility with the T-MSIS in order to transmit to CMS data quality requirements. To

successfully accomplish the scope of this WTL, the State Agency requested the support of its contractor to provide the following services for FY 2021:

- Review and develop a source to target mapping of its MMIS data to the T-MSIS data as required and documented in the T-MSIS Data Dictionary developed by CMS.
- Complete modifications of Provider data files and programs for the MMIS and PSDES systems.
- Complete modifications of Eligibility and TPL data files and programs for the system.
- Complete modifications for EDI and PSDES to interface programs.
- Complete development of the T-MSIS Data reporting system for PRV, ELG, TPL, OT, IP, RX, LT, and Managed Care files for STM (Source-To-Target) Reviews and production readiness.
- Complete modifications of data files and programs for the existing MMIS and PSDES systems related to T-MSIS OT file requirements.
- Complete modifications of data files and programs for the existing MMIS and PSDES systems related to T-MSIS IP file requirements.
- Complete modifications of data files and programs for the existing MMIS and PSDES systems related to T-MSIS RX file requirements.

#### Four-Year Strategic Plan Timeline and Goals

The overall goal of the State Agency is to meet the requirements of T-MSIS reporting that states and territories must maintain monthly production submissions of T-MSIS formatted data files by updating its current system that will include the following T-MSIS data sets containing the following:

- Enhanced information about beneficiary eligibility;
- Beneficiary and provider enrollment;
- Service utilization;
- Medical Claims data; and
- Expenditure data for Medicaid and CHIP.

The State Agency through the BHCFA is tasked with administering the Medicaid program for the Territory of Guam. BHCFA administers the Medicaid program through the existing MMIS system, a custom built public health management system designed, developed, and supported by the current MMIS contractor.

The following table provides an overview of the roles and responsibilities of the Project team members with roles associated with the procurement and implementation of Contractor services work for all components of the T-MSIS project and for the duration of the T-MSIS project.

<b>Role</b>	<b>Responsibility</b>
Project Manager	Management of implementation project activities including schedule timelines and assistance to program managers for Statement of Work and Contract activities for the procured DPHSS project components. DPHSS Project Manager for BHCFA and BES modules. Contract and Task Plan Manager for testing support services.
Project Lead	Day-to-day management of project activities, schedule timeline and technical liaison/advisor.
Project Support	Advance Planning Documents, Request for Proposals, Contract administration; oversight of deliverables and liaison with vendor management. DPHSS financial, budget, procurement and expenditure activities.
System Administrator	Responsible professional and technical work of considerable difficulty implementing and supporting GovGuam's computer servers and client workstations.
Computer System Analyst	Design and implement new systems by choosing and configuring hardware and software and oversee the installation and configuration of new systems to customize them for GovGuam.

A T-MSIS data reporting system is necessary to properly and routinely extract data from the existing MMIS and prepare files in compliance with the CMS T-MSIS formatting requirements.

In order to comply with the T-MSIS data quality requirements, needed modifications to the existing MMIS have been identified. Targeted application changes and additions defined in this project are expected to satisfy critically-identified requirements, as well as a significant number of elements deemed as required, of the T-MSIS claim data files currently applicable to Guam; specifically, the project will address requirements for CLAIM-IP (Inpatient), CLAIM-OT (Outpatient), CLAIM-RX (Pharmacy), ELIGIBLE, TPL, and PROVIDER files. T-MSIS files for CLAIM-LT (Long-Term Care) and Managed Care Plan Information will be included in the new data reporting system, as required, but as "empty data" submissions.



In FY 2022, the State Agency was still working with its contractor to complete the system modifications. An Advance Planning Document (APD) was submitted to CMS for approval to extend the deployment of these modifications.

In FY 2023, these modifications were completed and deployed. To date, the State Agency is working with CMS technical assistance contractors in submitting test files to review for data quality and prepare for production readiness by December 31, 2023.

#### **Goal #1 - CMS Systems Implementation and Compliance:**

- Electronic Visit Verification (EVV)
- T-MSIS Enhancement and Implementation – Go Live
- T-MSIS Enhancement and Implementation – Phase 1
- T-MSIS Enhancement and Implementation – Phase 2
- CMS Interoperability and Patient Access Final Rule
  - Patient Access API
  - Provider Directory API
  - Payer-to-Payer Data Exchange

T-MSIS data has already started to be stored for federal reporting. However, Guam was hit by Typhoon Mawar in May 2023 and this impacted the early stages of T-MSIS reporting. As the State Agency transitioned to provide emergency assistance to our residents, unfortunately the State Agency also fell behind in its claims processing and T-MSIS reporting. Now that the storm response has concluded, the State Agency is moving towards the next phase of its plan. By September 30, 2024, the State Agency will have begun Phase 1 and actually report its T-MSIS data to CMS for review. It will also begin to search for, or develop Electronic Visit Verification to expand home health care services, create a more accessible platform for our patients, and update our provider directory API.

Design, Development and Implementation of a new MMIS system will begin in earnest in FY 2024. Research of available systems for Leverage and Reuse and or joinder/ mutual use contracts is ongoing. Among the improvements Guam Medicaid requires for its new MMIS system are:

1. Proposed Eligibility and Enrollment system must possess;
  - Easy to navigate online enrollment application
  - Automated Eligibility Processing
  - Easy to use document uploads using a mobile device.
  - System Messages for clients and staff to expedite processing times
  - Real Time Benefit Monitoring
2. Proposed Claims module must;
  - Automate claims processing to improve our timely claims process.



- Automate Provider Application
  - Create an online provider portal for online submission of claims
  - Collect the data required for federal TMSIS reporting
  - Produce Federal Reports such as CMS-64 and CMS-37
  - Have the capability to manage a Pharmacy Benefits Manager
  - Ensure federal compliance in regards to availability of personal health records to our clients
3. Proposed Provider module must;
- Allow providers to initiate, save, and apply to become a Medicaid provider.
  - Track provider enrollment period to ensure that the state initiates provider revalidation at least every five years.
  - Review the status of criminal background checks, fingerprinting, and site visits for a provider as required based on their risk level and state law.
  - Send and receive provider sanction and termination information shared from other states and Medicare to determine continued enrollment for providers.
  - Create system messages to maintain continuous communication with providers.
  - Allow beneficiaries to view and search a provider directory.

These requirements are subject to change as research and development continues.

**If it is determined to be both cost effective and appropriate, the State Agency in FY 2025 will procure, or leverage and reuse a new MMIS system from another jurisdiction. In FY 2026 or sooner, training on the new MMIS system will begin in a testing capacity to ensure the procured system is configured to meet the needs of Guam's Medicaid program. After training and configuration of the new MMIS system is complete, the new MMIS system will be implemented by September 30, 2026 running parallel to the existing MMIS until all beneficiaries have gravitated to the new system.**

### 5.3 Establishment of Medicaid Fraud Control Unit (MFCU)

Guam Medicaid Agency was granted by CMS Center for Program Integrity a waiver for establishing the Medicaid Fraud Control Unit (MFCU) in accordance with the Social Security Act § 1902(a)(61) initially on January 18, 2017. This was extended on January 11, 2022 and will expire on January 11, 2027.

The latest waiver indicated that the State Agency employs strict and comprehensive processes for ensuring Medicaid integrity with employees specifically dedicated to program integrity. These processes are managed by the BHCFA Prior Authorization Unit, Utilization Review and Claims Unit, Quality Assurance and Fraud Unit (QAFU), and the Program Management Unit. The main goal of these units is to detect, reduce, deter, and eliminate fraud, waste and abuse of the Medicaid program.

Also, the QAFU monitors the program to ensure that beneficiaries receive appropriate and quality healthcare services, as well as safeguarding the program against unnecessary utilization of care and services. It works collaboratively with the Investigation and Recoupment Office under the Bureau of Management Support, DPW, for the legal prosecution of fraudulent, abusive or illegal acts by providers and beneficiaries, and the arrangement of a Fair Hearing with an Attorney General or designee. It was also stipulated in the waiver that the agency believes that minimal fraud exists in connection with the provision of covered services to eligible individuals under the state plan. As of December 2021, the Medicaid program has 168 participating providers, all of which have been screened. Stringent mechanisms are in place to ensure program integrity such as rigorous prior authorization and utilization review of each claim is performed before payment is made.

The State Agency has provided data that beneficiaries under the plan are currently protected from abuse and neglect in connection with the provision of medical assistance under the current plan, without the existence of a MFCU and that the establishment of a MFCU within the Guam Office of the Attorney General would be extremely costly.

The State Agency may elect to renew the waiver or establish a MFCU should its capability change before the waiver's expiration on January 11, 2027. Thus, over the next 4 years, the agency aims to meet the requirements for Medicaid Fraud Control Unit (MFCU) Certification pursuant to 42 CFR Part 1007 Subpart B. The plan is outlined as follows:

#### **Year 1 and 2:**

- 1. Set-up Medicaid Fraud Control Unit at the Guam Office of the Attorney General.**
- 2. The Unit will employ sufficient professional, administrative, and support staff to carry out its duties and responsibilities in an effective and efficient manner. The Unit will comprise of the following categories of professional employees, whose exclusive effort is defined in §1007.1: MFCU director; attorney(s); auditor(s); senior investigator; investigators, and administrative and support staff which includes but not limited to the following: an administrative assistant, paralegals, IT personnel and interns.**
- 3. MFCU will have a memorandum of agreement (MOU) with Guam Medicaid Agency pursuant to 42 CFR §1007.9 (d).**
- 4. The MFCU Director will submit to the Office of Inspector General (OIG) a certification application approved by the Governor of Guam.**

#### **Year 3 and 4:**

**Medicaid Fraud Control Unit is certified by the OIG and fully operational in conducting a statewide program for investigating and prosecuting (or referring for prosecution) violations of all applicable State laws, including criminal statutes as well as civil false claims statutes or other civil authorities.**

## 5.4 Maximize the Collaboration with Unified Program Integrity Contractor for the Western Jurisdiction (UPICW)

The State Agency signed a Joint Operating Agreement (JOA) with Qlarant Integrity Solutions, LLC, CMS Unified Program Contractor for the Western Jurisdiction (UPICW) on November 15, 2018 to reinforce the quality assurance and fraud detection program in accordance with 42 CFR 455 Subpart A. The collaboration aimed to identify potential fraud, waste, and abuse across the Medicaid and Medicare programs. It incorporates data matching, coordination, and information sharing to identify fraudulent or wasteful billing behavior that goes undetected when the programs are reviewed in isolation. The collaboration efforts include activities such as those found in the National Medicaid Audit Program.

**Since the initiation of the joint agreement, the cases reviewed mainly focus on the providers. In the next four years, the agency will reconstitute its Program Integrity (PI) Unit pursuant to the requirements as stated in 42 CFR 455 Subpart A § 455.13 through § 455.23 on fraud detection and investigation on both Medicaid providers and recipients. The PI Unit will perform the following:**

- 1. Review and if necessary, update Program Integrity Unit's mission and visions;**
- 2. Review and revise all existing program policies;**
- 3. Create new policies to support the activities of the unit;**
- 4. Provide training to staff, providers and beneficiaries;**
- 5. Coordinate with lawmakers to amend and/or create local laws on health-care fraud and abuse;**
- 6. Active engagement with UPICW on potential fraud and abuse by both providers and recipients; and**
- 7. The Medicaid PI Unit will establish a memorandum of understanding (MOU) with the Office of Attorney General's Medicaid Fraud and Control Unit (MFCU).**

## Conclusion

In conclusion, the State Agency of Guam's Medicaid program, DPHSS, has evaluated its program and outlined many of its strategic goals for the next four years relating to workforce development, financing, systems implementation and operation, and program integrity.

In the area of workforce development, the State Agency shall seek to prioritize eligibility specialist recruitment and retention, support IT professional recruitment and development, support programs to strengthen the community's health-care provider network, seek partnerships with higher education institutions, and leverage the resources of community organizations and health navigators.

The State Agency shall seek opportunities in the area of financing such as working to optimize the efficiency of its claims systems, strengthening its Medicare premium buy-in program, availing of certified public expenditures, engaging the services of a pharmacy benefits manager (PBM), exploring the feasibility of managed care arrangements, exploring the feasibility of emergency housing, and continuing to advocate for territorial equity in Medicaid.

The State Agency shall seek opportunities in the area of systems implementation and operations including in engaging the services of a project management organization (PMO), leveraging and reusing state partner-acquired technology, implementing its digital MMIS and E&E systems, and implementing a digital module for provider management.

In the area of program integrity and transparency, the State Agency shall work to stand-up its Medicaid Community Advisory Board, implement its T-MSIS goals in order to deliver statutorily required data, lay the groundwork for establishing its Medicaid Fraud Control Unit, and strengthen its collaboration with the Unified Program Integrity Contractor or the Western Jurisdiction.

The State Agency recognizes that this strategic plan is subject to regular and ongoing guidance, technical assistance, and review by its stakeholder partners in CMS and shall evolve over time as other opportunities for improvement arise. The State Agency also remains committed to ensuring Guam's Medicaid program is set on a trajectory that not only satisfies federal law but responds to the unique needs of the territory and its people.