



**KHI  
POLICY  
SERIES**



**KANSAS HEALTH INSTITUTE**  
Informing Policy. Improving Health  
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**Exploring  
Medicaid Benefits:  
*How KanCare  
Addresses Health-  
Related Social Needs***

**March 11, 2025**

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# Who We Are

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- Nonprofit, nonpartisan educational institution based in Topeka.
- Established in 1995 with a multi-year grant from the Kansas Health Foundation.
- Committed to convening meaningful conversations around tough topics related to health.



# Kicking off the Medicaid Policy Series

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# Hello!

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**Sheena L. Schmidt, M.P.P.**

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# Agenda

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- 1:00 p.m.     **Welcome**
- 1:05 p.m.     **Setting the Stage:** *KanCare and Health-Related Social Needs Overview*
- 1:25 p.m.     **KanCare Conversation**
- 2:00 p.m.     **Community Perspective**
- 2:25 p.m.     **Closing Remarks:** *Wrap up and Upcoming Sessions*



# Panelists

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**Lucia Jones Herrera,  
M.S.N., R.N.**  
*Associate Director for SDOH  
and Maternal Program,  
UnitedHealthcare Community  
Plan of Kansas*



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**Stephanie Jerguson,  
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*Maternal and Child  
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**Angela Scott**  
*Community Health Worker  
Field Supervisor,  
Communities Organizing to  
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**Thamara Subramanian,  
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*Health Equity Director,  
Healthy Blue Kansas*



**We Want to Hear from You!**

*You can be anywhere today. What brings you to today's session?*



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# Background

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## KanCare

- The Kansas Department of Health and Environment (KDHE) and the Kansas Department for Aging and Disability Services (KDADS) have authority and oversight of KanCare and closely collaborate with the Kansas Department for Children and Families (DCF).
- The State of Kansas began contracting with managed care organizations (MCOs) for most Medicaid services in 2013 under the Brownback Administration.





# Background

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## **MCOs are responsible for:**

- Coordinating care, including visits to primary care, specialty care, nursing facilities, hospital stays, behavioral health (mental health and substance use disorders) and home and community-based services (HCBS)
- Developing a provider network that meets the needs of its members
- Paying providers for health care services
- Ensuring quality of care



# New Managed Care Organization (MCO) contracts awarded Jan. 1, 2025

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**The new contracts aim to implement several key improvements:**

Member Empowerment

Enhanced Care Coordination

**Addressing Health-Related Social Needs**

Maternal Health Focus

Provider Network Expansion

Rural Access Expansion



# Addressing Health-Related Social Needs



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# What are Health-Related Social Needs?

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**Health-Related Social Needs** refer to the individual-level, **non-medical factors** that impact health outcomes, such as housing, food security and transportation (i.e. social determinants of health).

- Medicaid enrollees have access to support like housing assistance, nutrition programs and transportation to medical appointments.
- States and MCOs can use Medicaid flexibilities to cover these services, improving access to care and reducing disparities.
- These services can help address factors that influence health, which can lead to better overall health and lower health care costs.

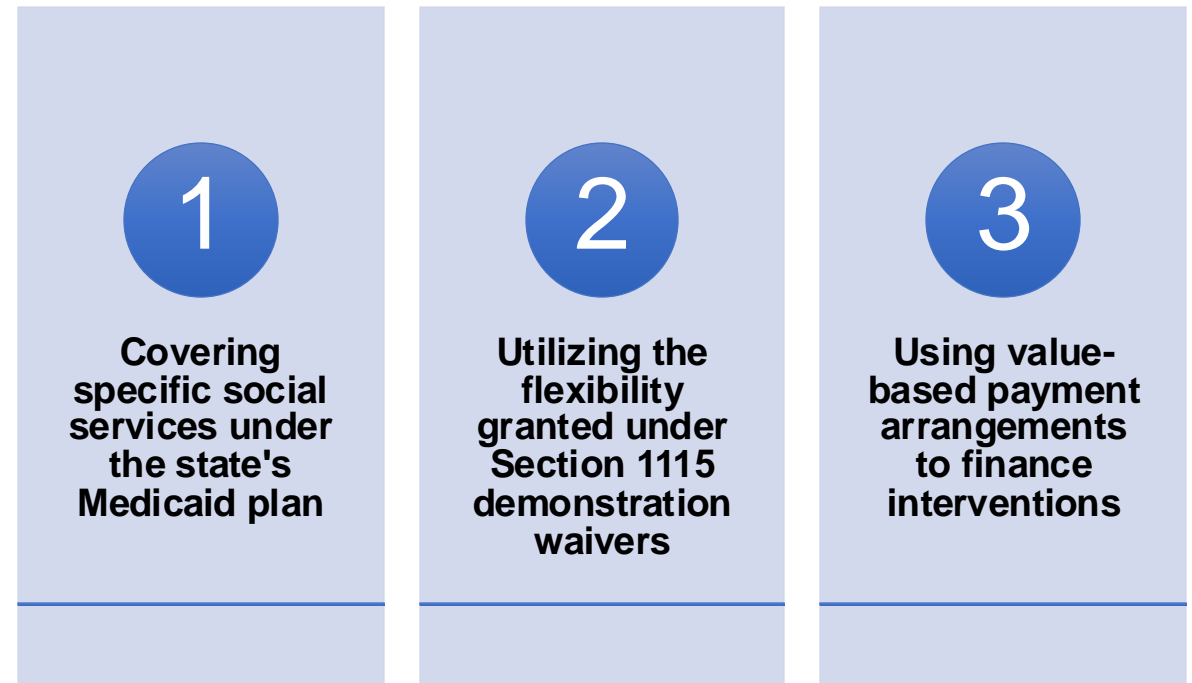


# Federal Strategies for Addressing Health-Related Social Needs

- Federal rules prohibit states from using Medicaid funds to pay for housing or food, but states can leverage existing authorities to support individuals with these needs.
- In early 2021, Centers for Medicare & Medicaid (CMS) issued a letter to states describing how Medicaid agencies can utilize managed care authorities.
- **March 4, 2025:** CMS rescinded previous HRSN Bulletins from November 2023 and December 2024.

## Options for States

*CMS now reviewing state proposals on a case-by-case basis*



# KanCare Stakeholder Input: Social Determinants of Health and Health Equity

## Stakeholder Recommendations

Require MCOs to provide robust plans and support for transportation, child care and housing.

Encourage MCOs to invest in Kansas communities.

Formally integrate Community Health Workers into the care team.

Data on services and outcomes should be disaggregated by gender, race and ethnicity to identify disparities and direct areas for improvement.

*Source: Considerations for Decision-Makers Regarding the Upcoming Medicaid Managed Care Procurement Process, REACH Healthcare Foundation, 2023.*



# KanCare Stakeholder Input: Addressing Social Determinants of Health and Health Equity

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## Included in KanCare RFP

- Identify and address factors that impact health to improve health outcomes.
- Enhance timeliness and accountability for non-emergency medical transportation.
- Improve access to interpretation services.
- Reduce health care disparities.
- Require MCOs to invest a portion of their profits in local communities in Kansas to improve health outcomes.



# How KanCare Addresses Health-Related Social Needs

## Key Elements Included in MCO Contracts



Develop a process for identifying social determinants of health needs (e.g., safe housing, food security, transportation, employment and career training and education)



Holistic, integrated care coordination, including social determinants of health needs



Include social determinants of health needs in plans of service for the members goals and service needs



Allows for Value-Based Purchasing arrangements that must be approved by the state and may address health-related social needs

*Source: KHI analysis of KanCare contracts*





# How KanCare Addresses Health-Related Social Needs

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Value-Added Benefits (VABs)



In Lieu of Services (ILOS)



# What are Value-Added Benefits (VABs)?

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**VABs** offer optional, **state-approved benefits** not covered under the Kansas Medicaid State Plan but are provided by MCOs.

- MCOs offer VABs to improve enrollee health and prevent costly medical interventions.
- These services aim to enhance quality of care and support better health outcomes for Medicaid enrollees.



# Requirements for VABs

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- Costs are paid by MCOs and cannot be passed to the state, members or providers.
- Benefits must be available statewide but can vary by MCO.
- Beneficiaries cannot file a grievance or appeal if they are denied a value-added benefit.
- MCOs must outline eligibility requirements, limitations and the level of provider involvement needed.



# Value-Added Benefits (VABs) for Enhanced Health and Well-Being

VABs	Description
<b>Adult Dental Care</b>	May include <b>preventive care, restorative services</b> (fillings, extractions) and potential <b>denture support</b> .
<b>Tobacco Cessation Incentives</b>	Offers <b>incentives</b> to encourage tobacco cessation.
<b>Pregnancy &amp; Postpartum Support</b>	Supports <b>expecting and new mothers</b> with additional resources, including: <ul style="list-style-type: none"><li>• <b>Doula services</b> to provide emotional and physical support during labor.</li><li>• <b>Home visits</b> for maternal health assessments and infant wellness.</li><li>• <b>Lactation support</b></li><li>• <b>Safe sleep initiatives</b></li><li>• <b>Transportation assistance</b> for prenatal/postnatal appointments</li></ul>

Source: KHI analysis of KanCare contracts, section 2.3.4



# Value-Added Benefits (VABs) for Enhanced Health and Well-Being

VABs	Description
<b>Behavioral Health Services for Infants</b>	Provides <b>preventive behavioral health interventions</b> for infants and young children at risk of developmental, social or emotional challenges. Includes <b>early screening, parent coaching, home-based therapy, and mental health support</b> for families.
<b>Independent Living &amp; Housing Support</b>	Assistance with housing and daily activities
<b>Job Counseling &amp; Transition Support</b>	Offers <b>employment assistance</b> to help beneficiaries enter or return to the workforce.
<b>Transportation Assistance</b>	Provides <b>non-medical transportation</b> support.

Source: KHI analysis of KanCare contracts, section 2.3.4



# What are in Lieu of Services?

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In **Lieu of Services** (ILOS) refers to alternative health care services provided by Medicaid managed care plans.

- ILOS must be offered statewide and must be medically appropriate, cost-effective alternatives to traditional Medicaid services, such as inpatient or institutional care.

**These services are designed to improve health outcomes while reducing overall health care expenditures.**



# What is considered an alternative service?

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**MCOs may offer approved alternative services if cost-effective and medically appropriate.**

- **Approved alternative services include** psychiatric care, providing medical supplies, nutrition therapy, home care, telehealth, housing support and community participation aids.
- New services **require** a cost-benefit analysis and state approval.
- Members **cannot be required to** use alternative services.
- **Approved services may factor into rate setting** unless prohibited by federal law.



# ILOS: Expanding Access to Community-Based Services

Service	Description
<b>Behavioral Health Alternatives</b>	<b>Covers alternatives to inpatient psychiatric care.</b> Can include mobile crisis response, psychiatric urgent care and community-based stabilization services. Supports peer-led crisis respite programs to prevent unnecessary hospitalization.
<b>Substance Use Disorder (SUD) Treatment</b>	<b>Expands access to medically necessary SUD treatment programs.</b> Covers intensive outpatient programs, medication-assisted treatment (MAT) and withdrawal management services in community-based settings. May include recovery coaching, peer support and wraparound services.
<b>Housing Support</b>	<b>Can provide temporary housing assistance for individuals transitioning from institutional or inpatient settings.</b> Includes tenancy support, housing navigation and case management for individuals with behavioral health or SUD challenges.

Source: KHI analysis of KanCare contracts, section 2.3.5





# ILOS: Expanding Access to Community-Based Services

Service	Description
<b>Hospital Diversion Programs</b>	<b>Includes crisis stabilization units (CSUs) and crisis intervention programs that provide short-term, intensive support as an alternative to emergency hospitalization.</b> Covers services such as 24/7 crisis residential programs, de-escalation services and intensive case management.
<b>Enhanced Home &amp; Community-Based Services</b>	<b>Provides in-home behavioral health support, including intensive case management and wraparound care.</b> May include caregiver support services, home visits by behavioral health specialists and telehealth options.

**Plans must ensure cost-effectiveness and maintain equivalent or improved health outcomes compared to traditional services.**

Source: KHI analysis of KanCare contracts, section 2.3.5



# KanCare Reporting Requirements: Health-Related Social Needs



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# KanCare Measures: Health-Related Social Needs

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**Contract Reporting Requirements** ensure that managed care organizations (MCOs) meet state and federal standards by tracking health outcomes, service delivery and financial performance.

- **MCOs must report monthly**
  - Various indicators associated with in lieu of services
  - Report on the utilization by member population type of the MCO's benefits that are offered beyond the State Plan services

*Source: KHI analysis of KanCare contracts, Appendix H*



# KanCare Conversations

## *Exploring Medicaid Benefits: How KanCare Addresses Health-Related Social Needs – Panel*

### Moderator

- **Sheena Schmidt**, Access to Care Strategy Team Lead and Senior Analyst, Kansas Health Institute

### Featured Panel:

- **Lucia Jones Herrera**, M.S.N., R.N., Associate Director for SDOH and Maternal Program, United Healthcare Community Plan of Kansas
- **Stephanie Jerguson**, B.S.N., R.N., C.C.M. Maternal and Child Health Program Coordinator, United Healthcare Community Plan of Kansas
- **Thamara Subramanian**, M.P.H. Health Equity Director, Healthy Blue Kansas



# Hello!

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**Emma Uridge, M.P.H.**  
*Analyst,*  
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# What's Happening on the Ground: Community Perspective

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## **Angela Scott**

*Community Health Worker Field Supervisor*

Communities Organizing to Promote Equity (COPE)

University of Kansas Medical Center  
Department of Family Medicine and  
Community Health





# KHI POLICY SERIES



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# A Look Ahead:

**June 10:**


**Exploring KanCare and  
Behavioral Health:**

*Certified Community  
Behavioral Health Clinics*



[bit.ly/3XzZzA1](https://bit.ly/3XzZzA1)

# Stay Informed



## Exploring Medicaid Benefits: How KanCare Addresses Health-Related Social Needs

The first session of the 2025 policy series Exploring Medicaid in Kansas highlights how KanCare, Kansas' Medicaid program, addresses health-related social needs through policies, initiatives and partnerships. Use this guide to dive deeper into key resources, reflect on discussion questions and capture your thoughts or takeaways as we explore Medicaid policy in Kansas.

### Resources

Explore the *Kansas Medicaid: A Primer 2024* for an overview of Medicaid and CHIP in Kansas

**ACCESS THE REPORT >**

Explore recommendations to enhance social determinants of health data collection.

**EXPLORE THE GUIDANCE >**

Discover stakeholder recommendations to strengthen KanCare managed care.

**ACCESS THE SUMMARY >**

Listen and learn more about the COPE Project on KHI's rural health podcast, *Health on the Plains*.

**LISTEN TO THE EPISODE >**

Invite others to join the series! Share the registration link for future sessions.


**SHARE THE LINK >**

### Discussion Questions

- What strategies could be used to ensure KanCare beneficiaries know how the program can address their health-related social needs?
- What roles could managed care organizations and communities play in ensuring Medicaid enrollees receive the support they need beyond medical care?

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- Visit [khi.org](https://khi.org) to explore more resources on health and public health policy
- Follow us on social media @KHlorg
- Register for [upcoming events](#)
- Have questions? Reach out at [info@khi.org](mailto:info@khi.org)—we'd love to hear from you!



**Watch the Recording Here!**

KHI Policy Series: Exploring Medicaid in Kansas      March 11, 2025

Access your  
Resource Guide  
in the chat!





# We Value Your Feedback!

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