

# MEDICAID REPORT TO THE IDAHO HEALTH CARE COUNCIL

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## **CURRENTLY ELIGIBLE BUT NOT ENROLLED AND MANDATORY NEWLY ELIGIBLE POPULATION**

- No change in Medicaid benefit packages
- Should reflect the non-disabled Medicaid population
- Work absorbed with current staffing

## OPTIONAL MEDICAID NEWLY ELIGIBLES PROFILE - OTHER STATE PROGRAMS

STATE PROGRAM	ESTIMATED NEW ELIGIBLES
IDAHO CATASTROPHIC HEALTH CARE	6,000
IDAHO COMMUNITY HEALTH CENTERS	35,000
IDAHO ADULT MENTAL HEALTH SERVICES	4,300
CORRECTIONS	2,000

## OPTIONAL MEDICAID NEWLY ELIGIBLES PROFILE OF IDAHO NEWLY ELIGIBLE POPULATION

- Consist of both a younger, relatively healthy population as well as an older population with chronic conditions (treatable and non-treatable)
- Have prevalent mental health issues
- Some pent-up need for care
- Consist of a large childless adult population
- Have income below 100% Federal Poverty Level (FPL) – many are employed



## **OPTIONAL MEDICAID NEWLY ELIGIBLES**

### **OTHER STATES EXPERIENCES WITH THIS POPULATION**

- Utilization patterns and costs associated with how long population has been uninsured and prevalence of chronic conditions
- Overall health depend on level of participation in the Medicaid program
- Newly eligible population less costly than the traditional Medicaid population
- Pharmaceutical costs higher than expected



## **OPTIONAL MEDICAID NEWLY ELIGIBLES**

### **BENEFIT PACKAGE REQUIREMENTS**

- Meet rules and regulations for Benchmark benefit packages – Deficit Reduction Act 2005
- **Benchmark Benefit Options**
  - Standard Blue Cross/Blue Shield preferred provider option plan – Federal Employee Health Benefit Plan
  - Any State employee plan generally available in the State
  - State HMO plan with largest commercial, non-Medicaid enrollment
  - Secretary approved coverage

## OPTIONAL MEDICAID NEWLY ELIGIBLES BENEFIT PACKAGE REQUIREMENTS

- Meet Medicaid additional assurances
  - Early Periodic Screening and Diagnostic Treatment
  - Non-emergency medical transportation
  - Federally Qualified and Rural Health Centers
  - Family Planning Services
  
- Provide all Essential Health Benefits

## OPTIONAL MEDICAID NEWLY ELIGIBLES BENEFIT PACKAGE REQUIREMENTS

<b>Ambulatory patient services</b>	<b>Prescription Drugs</b>
<b>Emergency services</b>	<b>Rehabilitative and habilitative services and devices</b>
<b>Hospitalization</b>	<b>Laboratory services</b>
<b>Maternity and newborn care</b>	<b>Preventive and wellness services – chronic disease management</b>
<b>Mental health and substance abuse services</b>	<b>Pediatric services, including oral and vision care</b>

## OPTIONAL MEDICAID NEWLY ELIGIBLES BENEFIT PACKAGE REQUIREMENTS

- Idaho Basic Benchmark Plan has framework to meet essential benefits and additional Medicaid requirements – HHS Secretary approved
- Includes benefits required under the Deficit Reduction Act and Affordable Care Act
- Can be used in new delivery systems developed by State, including medical home and risk-based managed care models
- Will need to address limitations

## OPTIONAL MEDICAID NEWLY ELIGIBLES PERSONAL RESPONSIBILITY

- Cost sharing
  - Nominal amount only for adults below 100% FPL
  - Can increase cost sharing amount for adults above 100% FPL based on income
  - Exempt groups: pregnant women, certain children, and individual with special needs
  - Services exempt: preventive care for children, emergency care, and family planning services
- Potential for inclusion of incentive programs
  - Idaho Preventative Health Assistance (PHA) wellness incentive program
  - Indiana POWER account



## MEDICAID MANAGED CARE ACTIVITY



### ACTUARY ANALYSIS SFY 2009, 2010 and 2011

- Six cohorts examined
  - Medicaid Only Mental Health Carve Out\*
  - Dual Eligible Adults\*
  - Medicaid Only Health Home Program (chronic conditions)\*
  - Medicaid Only Non-Health Home Disabled Clients\*
  - Medicaid Only Pregnant Women and Newborns
  - Medicaid Only TANF & CHIP
- Left over include foster care, a few dual eligible children, LTC benefits for TANF & CHIP and State Hospital South

\* High potential to impact

## MENTAL HEALTH SERVICES

- Relative stable costs over last 3 years
- Savings generated from Managed Care through more appropriate services meeting participant needs
- Top 5% cost between \$600 - \$690 PMPM – account for more than 60% of mental health expenditures

## MEDICAID MENTAL HEALTH MANAGED CARE

- Beginning in the Spring of 2011 – sought out input from public and others
  - Request for Information May 2011
  - Medicaid Mental Health Managed Care public forum August 2011
    - Transition
    - Integration with primary care
    - Outcome data driven – ongoing QA integral part of program
- Based on information received an RFP was developed and posted
  - Q&A sessions held
  - Bids due December 5, 2012
- Anticipate award in January 2013
  - [MedicaidMHManagedCare.dhw.idaho.gov](http://MedicaidMHManagedCare.dhw.idaho.gov)

## DUAL ELIGIBLE

- Expensive population with average benefit costs of approximately \$1,500 PMPM
  - \$825 - \$850 PMPM LTC benefits
  - \$370 - \$385 PMPM DD benefits
  - \$170 - \$225 PMPM Physical Health
  - \$95 - \$105 PMPM Mental Health
- Duals with DD/Mental Health diagnosis and chronic conditions present the most opportunity
- Opportunity to move participants from facilities to the community
- High incidence of chronic conditions – treatable and non-treatable

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## INTEGRATE CARE FOR DUAL ELIGIBLE

- Integrate and coordinate care for all full-benefit Medicare-Medicaid enrollees (“dual eligible”) to improve their health and quality of life.
- Develop a managed care plan for dual eligible that will result in an accountable care system with improved health outcomes.
- Idaho intends to enter into a three-way, three-year contract with CMS and health plans (managed care organizations) to provide integrated, comprehensive, seamless coverage to dual eligible.

## INTEGRATE CARE FOR DUAL ELIGIBLE

- Solicited input from insurers, providers, advocates and participants
  - Meeting with 5 health plans: Blue Cross of Idaho, United HealthCare, Pacific Source, Regence Blue Shield, and Sterling Health Plans **September 2011**
  - Meeting with more than 50 stakeholders statewide via teleconference **October 2011**
- Proposal brief posted on website **March 2012** Proposal, comments and responses on the following web page: [www.MedicaidLTCManagedCare.dhw.idaho.gov](http://www.MedicaidLTCManagedCare.dhw.idaho.gov)

## INTEGRATE CARE FOR DUAL ELIGIBLES

- Move from proposal to plan
  - Statewide stakeholder videoconference on proposal
  - Draft proposal submitted to CMS
  - Received comments submitted to CMS by stakeholders
  - Revised and submit final proposal to CMS **May 2012**
- Based on CMS comments will develop products
  - Request For Proposal **Spring 2013**
  - Medicaid waiver and State Plan changes **late Spring 2013**
  - Administrative rules **December 2013**
- **Implement January 1, 2014**



## CHRONIC CONDITION POPULATION

- Average cost for this population increased from \$1,200 PMPM to \$1,400 PMPM
- Increase identified in all benefit areas
- Opportunity to better manage the chronic condition population including serious mental illness



## MULTI-PAYER COLLABORATIVE PATIENT CENTERED MEDICAL HOME

- The patient-centered medical home (PCMH) model will transform the way patient care is provided throughout Idaho
- The potential of the PCMH was recognized by Governor Otter when he created the Idaho Medical Home Collaborative (IMHC), asking representatives from the healthcare sector to implement a pilot
- This pilot is Idaho's opportunity to learn what it takes to reform the state's primary care delivery systems in a way that puts the patient first, leads to better health outcomes and is cost effective.

<http://imhc.idaho.gov/>



## MEDICAID PATIENT CENTERED MEDICAL HOME

- Pediatric Medical Homes started at pilot sites May 2012 as part of Children's Health Improvement Collaborative
- Medicaid Health Homes - January 2013
  - Primary care practice must meet Health Home requirements
  - Medicaid participants with diabetes or asthma and at risk for an additional chronic condition or participants with serious mental illness are eligible
  - Multi-payer medical home pilot will launch at the same time – Medicaid's model

[www.idahohealthhome.dhw.idaho.gov](http://www.idahohealthhome.dhw.idaho.gov)



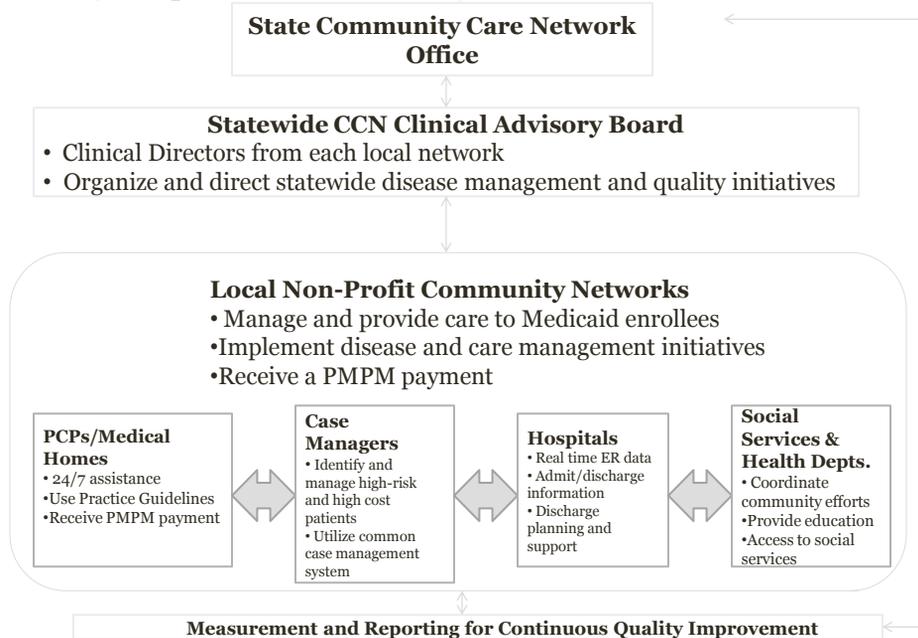
## COMMUNITY CARE NETWORK

- Medicaid Managed Care public forum suggestion to look at North Carolina Network Model
- National Academy for State Health Policy (NASHP) accepted Idaho application for a transformation grant to adopt or adapt the Community Care of North Carolina (CCNC) model
- Five member Idaho team invited to North Carolina along with three other states to study the CCNC model

# Community Care Network Workgroup

Paul Leary	Medicaid Administrator	Idaho Department of Health & Welfare
Denise Chuckovich	Deputy Director	IDHW, Division of Medicaid, Behavioral Health and Managed Care Services
Larry Tisdale	Vice President, Finance	Idaho Hospital Association
Susie Pouliot	CEO	Idaho Medical Association
Neva Santos	Executive Director	ID Academy of Family Physicians
Mary Sheridan	Health Policy Supervisor	IDHW Office of Rural Health

## Key Components of a Community Care Network (CCN) Model



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## DEVELOPING IDAHO'S COMMUNITY CARE NETWORK

- Presented concept to the Idaho Medical Association, Idaho Academy of Family Practice, Idaho Hospital Association, Idaho Primary Care Association, Governor's Multi-payer Medical Home Collaborative.....
- Strong support to adapt this managed care model for Idaho
- The big question – how do we move from concept to model?

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## STATE HEALTH CARE INNOVATION INITIATIVE

- Announced July 19, 2012
- Competitive funding opportunity for up to 30 States to design or implement multi-payer payment and service delivery models.
  - Authorized by the Affordable Care Act
  - Financial, technical and other related support for up to 30 States



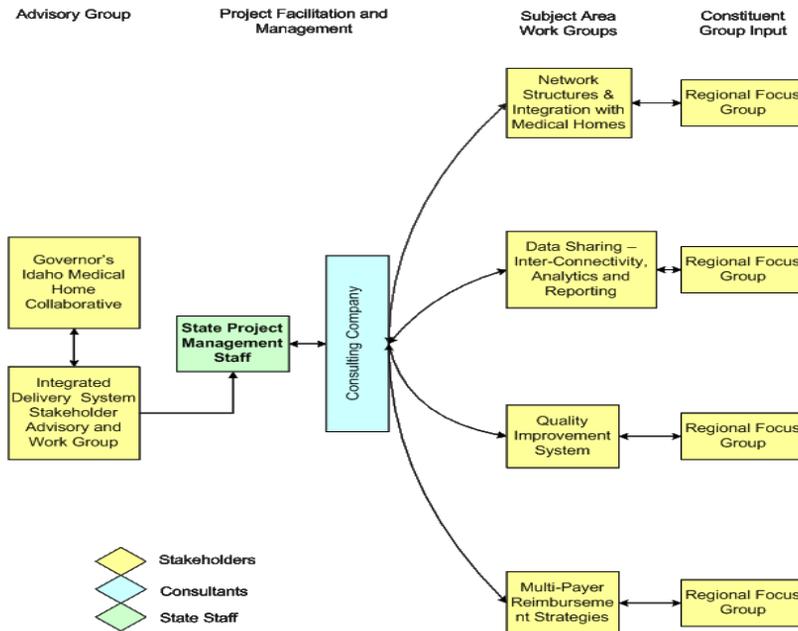
## STATE HEALTH CARE INNOVATION INITIATIVE

- Model design awards
  - Model design funding is for states that would like to develop transformative payment and delivery reform.
  - Provides financial and technical support to States for their planning and design efforts.
  - Up to 50 million dollars available for a maximum of 25 States.
  
- Idaho submitted their application on September 24, 2012
  - \$2.7 million requested



## STATE HEALTH CARE INNOVATION INITIATIVE

- Bring a broad range of stakeholders into the design process
  - Involvement of workgroups/committees engaged in existing initiatives
    - Governor's multi-payer medical home initiative
    - Idaho Health Data Exchange
    - Community care network work group
    - Existing network models – Northern Idaho Health Network for example
  
- Develop multi-payer payment and service delivery models
  - Builds on and supports the work of the Governor's Multi-payer Medical Home Collaborative



## WHAT'S AFTER MODEL DEVELOPMENT?

- Second round of implementation funding targeted for release in 2013
- State plans from the Model Development grant form basis for this funding
- Amount of grants for the second round of implementation has not been specified
  - First round funding for implementation is \$225 million total
  - Awards to as many as 5 states
  - Grant for three to four year period



## OTHER ACTIVITY

- Coordination and integration
- Multidisciplinary group looking at needs of the adult developmentally disabled
- Developing infrastructure in Medicaid to support quality reporting requirements
- State staff transitioning to support managed care
- Medicaid Managed Care Plan to Idaho Legislature June 2013

[www.MedicaidManagedCare.dhw.idaho.gov](http://www.MedicaidManagedCare.dhw.idaho.gov)



## Questions

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