



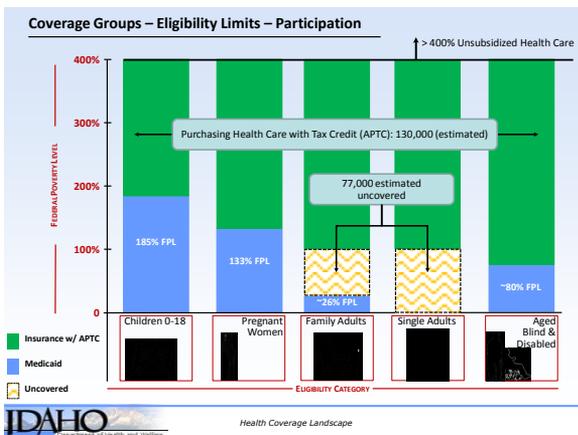
MEDICAID REDESIGN
 PERSONAL ACCOUNTABILITY
 HEALTHY BEHAVIORS
 VOLUME BASED TO VALUE BASED

Paul Leary, Administrator
 Presentation to Idaho Health Care Council
 October 29, 2013



Governor's Workgroup

- In 2012, Governor Otter appointed a working group to evaluate the advantages and liabilities of expanding Medicaid to low-income adults
- The workgroup universally supported expanding Medicaid coverage in a program with the following components:
 - Personal Accountability
 - Encourage prevention and behavioral strategies to improve health outcomes and decrease overall costs
 - A redesigned health service delivery system
 - Shift provider incentives from volume of visits to value of care by creating provider payment incentives to keep people healthy



CURRENT FEDERAL POVERTY

Household Size	26%	100%	133%	150%	185%	300%	400%
1	\$2,987.40	\$11,490	\$15,282	\$17,235	\$21,257	\$34,470	\$45,960
2	\$4,032.60	15,510	20,628	23,265	\$28,694	46,530	62,040
3	\$5,077.80	19,530	25,975	29,295	\$36,131	58,590	78,120
4	\$6,123.00	23,550	31,322	35,325	\$43,568	70,650	94,200
5	\$7,168.20	27,570	36,668	41,355	\$51,005	82,710	110,280
6	\$8,213.40	31,590	42,015	47,385	\$58,442	94,770	126,360
7	\$9,258.60	35,610	47,361	53,415	\$65,879	106,830	142,440
8	\$10,303.80	39,630	52,708	59,445	\$73,316	118,890	158,520

IDAHO DEPARTMENT OF HEALTH & WELFARE



PERSONAL ACCOUNTABILITY

ENCOURAGE HEALTHY BEHAVIORS



Incent Personal Responsibility & Accountability for Health

- Incentivizes members to be cost-conscious consumers of health care services
- Holds members accountable for improving their health
- Requires financial participation in healthcare
- Aligns member and provider incentives
- Provides member access to contributions through an Health Responsibility Account (HRA) debit card



Member Cost-Sharing

- All members are required to pay co-pays for services they receive, including doctor visits, hospital care, prescription drugs and therapies
 - Preventive services, family planning services, and pregnancy-related services and office visits for chronic disease management are exempt from co-pays
- All members pay maximum allowable co-pays up to 5% of their income, as permitted by federal regulation



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- Co-payments are assessed for all services
Total cost-sharing is limited to 5% of family income

	Payment ≤100% FPL*	Payment 101% - 138% FPL*	Current Medicaid Co-payments^
Preferred Prescription Drugs	\$4	\$4	N/A
Non-Preferred Prescription Drugs	\$8	\$8	N/A
Non-Emergency use of ER	\$8	\$8	\$3.65
Outpatient Services	\$4	Not to exceed 10% of the cost of the service	\$3.65
Inpatient Services	\$75	Not to exceed 10% of the total cost of entire stay (based on IDHW fee schedule for service)	N/A

*All HIP participants will be required to share the cost of their care through co-payments.



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Healthy Behavior Bonuses

- Incentives will be developed to encourage healthy behaviors and encourage the member to actively participate in their healthcare.
- These may include examples such as:

Healthy Behavior	HRA Bonus Contribution
Completing Health Risk Assessment	\$20
Annual Physical	\$20
Completion of Preventive Services	\$20
Adhering to Prescribed Drug Regimens	\$20
Participating in Smoking Cessation	\$20
Participating in Weight Management Class	\$20



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Member Health Responsibility Account

- All members will have a Health Responsibility Account (HRA) established & accessible via a debit card.
- Debit card can be loaded with incentive payments which can be used to offset co-pays.
- HRA funds can be used to pay member's cost-sharing requirements as well as to purchase State approved health related services and products.
- All members receive a monthly statement of debit card activity, incentive payments, etc.



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Remaining Balances

- At year end, members may have money left over from contributions and Healthy Behavior Bonuses
- The State proposes to roll over these funds to reduce contributions for the member for the following year
- If member leaves the program the funds in the HRA revert back to the program.



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VOLUME BASED TO VALUE BASED
HEALTH CARE DELIVERY REDESIGN
PUBLIC TO PRIVATE
WORK WITH THE MARKET PLACE



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Public to Private

- Through RFP process, State selects Qualified Health Plans (QHPs) to offer Medicaid plan:
 - Carrier is a QHP, but the benefits & cost-sharing are modified to comply with Medicaid rules
 - Carrier maintains same network as Marketplace plans
 - Carrier QHP approved by the Idaho Marketplace
- QHP plan is offered in the Marketplace for other Idaho citizens
- State pays selected QHPs negotiated monthly per member per month capitation rate



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Public to Private

- QHPs required to maintain network of patient-centered medical homes (PCMH) and allow members to select their PCMH
- Benefits are similar to Marketplace Plans
 - The State will supply wrap-around services to comply with Medicaid requirements such as EPSDT and non-emergent medical transportation.
- Participant Cost-Sharing:
 - Requires participants to make copays for services they receive up to allowable Medicaid limits.



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Idaho Medical Home Initiative

- Idaho Medical Home Collaborative (IMHC)
 - Collaboration of primary care physicians, private health insurers, healthcare organizations, and Idaho Medicaid
 - Recommendations on the development, promotion, and implementation of patient-centered medical home (PCMH) models statewide
- Pilot Program
 - Participants: Blue Cross of Idaho, Idaho Medicaid, Pacific Source and Regence Blue Shield of Idaho
 - Kicked off January 1, 2013



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Medical Home Integration

- Patient Centered Medical Homes (PCMH) provide comprehensive primary care by helping patients access, coordinate, and understand healthcare options.
- Positive Outcomes:
 - Quality of care, patient experiences, care coordination and access are demonstrably better
 - Reductions in ER visits and inpatient hospitalizations produce cost savings
 - Physician-patient relationship (care team) encourages a move from acute-focused episodic care to proactive preventive care
 - Provides care coordination, disease and case management and conducts health risk assessments



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Improves Health Outcomes

- All members select or are assigned to a medical home
 - Physician-patient relationship encourages a move from acute-focused episodic care to proactive preventive care
- Conducts health assessments and provides care coordination, disease and case management
- Provider incentive programs to achieve key outcomes
 - Encourage risk assessments, preventive health services, and goals related to diabetes care, hypertension, depression, asthma, and patient satisfaction
- Monitor positive outcomes to identify best and most cost-effective programs
- Modify goals and incentive programs to address emerging public health issues and priorities



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Member Movement - Churn

- Members who move above 138% FPL will no longer be eligible for the program and will move to a Marketplace plan
- HRA Accounts:
 - Closed immediately upon the termination.
 - Balance of the State contributions made for Healthy Behavior Bonuses shall be refunded to the State within sixty (60) calendar days of the termination date.
 - If a member transfers to another QHP issuer at any time during the enrollment period, the entire HRA balance will be transferred to the new QHP issuer for the member's use.



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Coordination with Health Insurance Exchange

- **Members churning between Exchange and Medicaid will have comparable plan, benefit, and networks**
 - Creates seamless coverage and reduces issues surrounding churn as members move between Medicaid and Exchange
 - Strengthens and supports Idaho Health Insurance Exchange by providing more covered lives for Exchange carriers
 - Exchange plans have vested interest in participating as it gives them greater market share and attracts clients that move in and out of Medicaid



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Next Steps

- **Legislative approval to cover new adult group**
- **CMS Approval**
 - Program is within CMS Regulations:
 - Should not require a waiver
 - Will require a State Plan Amendment
 - CMS approvals typically within 90 days
- **Release of Request for Proposal to Identify private QHPs to offer plan**
 - Select vendor & negotiate contract with QHP
- **Coordination with Idaho Marketplace**



Questions

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