



# *Florida Medicaid: Program Overview*

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# *Medicaid*

## *A State and Federal Partnership*

- In 1965, the federal Social Security Act was amended to establish two major national health care programs:
  - Title XVIII (Medicare).
  - Title XIX (Medicaid).
- Medicaid is jointly financed by state and federal funds.
- States administer their programs under federally approved state plans.

## *The Medicaid Program Major Federal Requirements*

- States must submit a Medicaid State Plan to the federal Centers for Medicare and Medicaid Services (CMS).
- Mandatory eligibility groups and services must be covered.
- Services must be available statewide in the same amount, duration and scope.
- In order for states to implement programs which deviate from their state plan (to vary by geographic areas, amount, duration and scope), the state must request a waiver.
- A waiver is a program requested by a state and approved by the Centers for Medicare and Medicaid Services (CMS) that waives certain provisions of the Social Security Act.

## *Medicaid Structure*

- Federal Medicaid laws mandate certain benefits for certain populations.
- Medicaid programs vary considerably from state to state, and within states over time.
- State Medicaid programs vary because of differences in:
  - optional service coverages.
  - limits on mandatory and optional services.
  - optional eligibility groups.
  - income and asset limits on eligibility.
  - provider reimbursement levels.

## *Medicaid Structure*

*(continued)*

- Medicaid does not cover all low income individuals.
  - 27% of children.
  - 51.2% of deliveries.
  - 63% of nursing home days.
  - 1,162,020 adults - parents, aged and disabled.

# Medicare vs. Medicaid

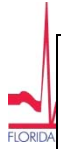
	<b>Medicare</b>	<b>Medicaid</b>
<b>Enacted by Congress</b>	1965	1965
<b>Alternate Program Name</b>	Title XVIII	Title XIX
<b>Financing</b>	Employee/Employer Payroll Tax; Premiums; Federal General Revenue	Federal and State Governments – Matching Rates Based on Per Capita Income
<b>Eligibility</b>	Not Income Based; All Persons Age 65+; Certain Younger Persons on Social Security Disability or Based on Disability and Specific Condition (ESRD); Totally and Permanently Disabled (24 months)	Income Based; All Ages; Mandatory Eligibility Groups; Optional Eligibility Groups
<b>Cost Sharing</b>	<p><b>Part A Premium</b> For most there is no premium. Buy-in available for those not otherwise qualified (\$461 for 2010)</p> <p><b>Part A Deductible</b> \$1,100/Benefit Period (2010)</p> <p><b>Part B Premium</b> \$110.50 (2010)</p> <p><b>Part B Deductible</b> \$155 (2010)</p> <p><b>Part B Coinsurance</b> 20%</p> <p><b>Part D Coinsurance up to 25% / Annual Deductible</b> \$310</p> <p>Co-payments are variable with Income</p> <p>Low Income Subsidies are provided for the above</p>	Nominal; Spend Down for Medically Needy Individuals
<b>Administering Agency</b>	HHS/CMS/Carriers – Financed by Federal Government and Beneficiary Cost Sharing	States – Jointly Financed by State and Federal Governments; Medicaid Programs Vary by State
<b>Benefits</b>	<p><b>Part A</b> Hospital Insurance for Hospital Care, Skilled Nursing Facilities, Hospice and Some Home Health Care (Qualifying Contributions)</p> <p><b>Part B</b> Medical Insurance for Physician Services, Outpatient Care and Other Medical Services</p> <p><b>Part C</b> Medicare+Choice – Health Maintenance Organization Coverage</p> <p><b>Part D</b> Medicare Prescription drug Insurance</p>	Acute and Long Term Care; Federal Mandated Services and State Optional Services

## *Florida Medicaid – A Snapshot*

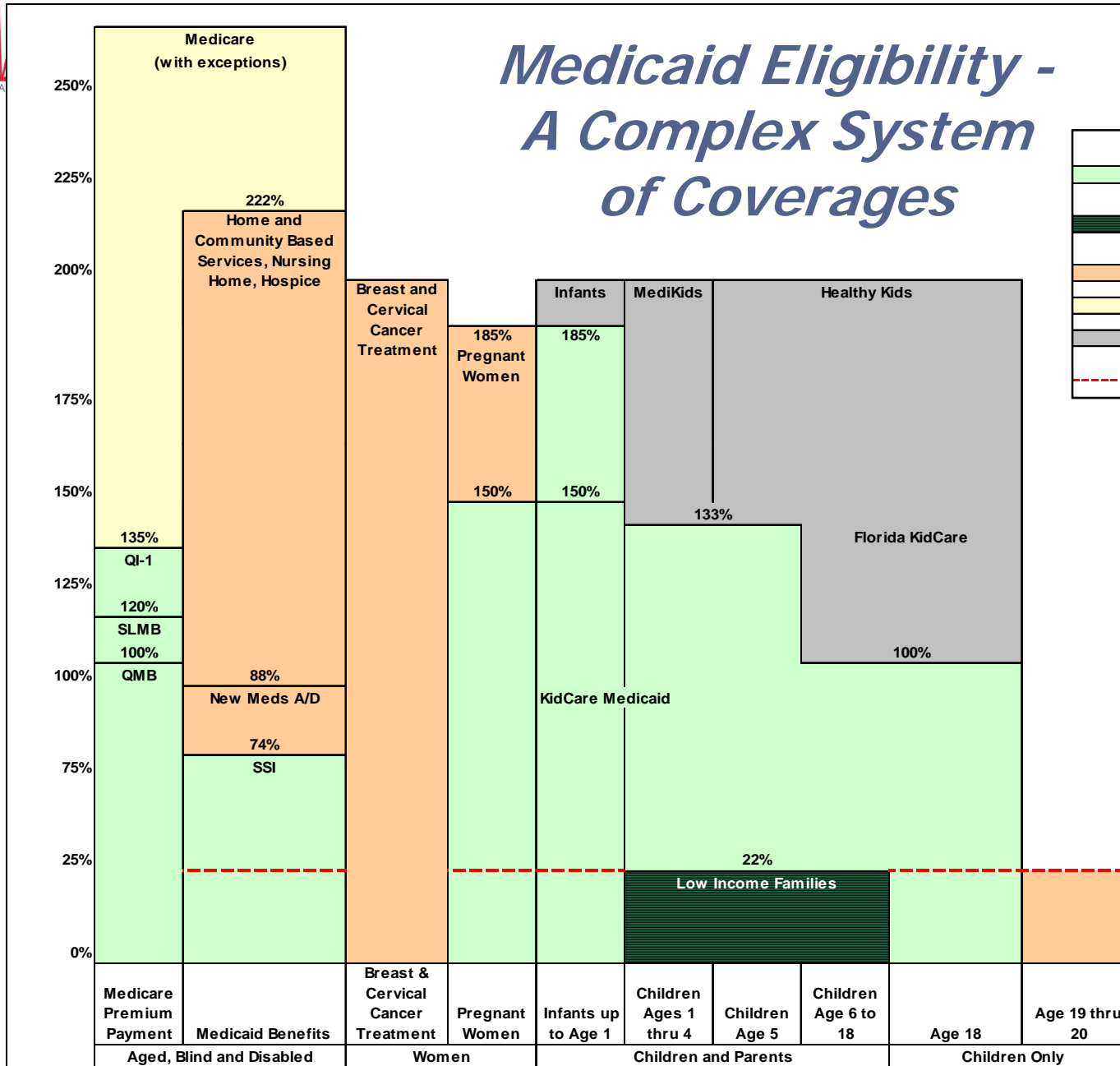
<p><b><i>Expenditures</i></b></p>	<ul style="list-style-type: none"> <li>• \$20.2 billion estimated spending in Fiscal Year 2010-11</li> <li>• Federal-state matching program –64.83% federal, 35.17% state.</li> <li>• Florida will spend approximately \$6,802 per eligible in Fiscal Year 2010-2011.</li> <li>• 45% of all Medicaid expenditures cover hospitals, nursing homes, Intermediate Care Facilities for the Developmentally Disabled (ICF/DD's); Low Income Pool and Disproportionate Share Payments.</li> <li>• Fifth largest nationwide in Medicaid expenditures.</li> </ul>
<p><b><i>Eligibles</i></b></p>	<ul style="list-style-type: none"> <li>• 2.97 million eligibles.</li> <li>• Elders, disabled, families, pregnant women, children in families below poverty.</li> <li>• Fourth largest Medicaid population in the nation.</li> </ul>
<p><b><i>Providers/Plans</i></b></p>	<ul style="list-style-type: none"> <li>• Approximately 107,000 enrolled Fee-For-Service providers; 18 HMOs and 6 PSNs.</li> </ul>

## *Who's Eligible?*

- Medicaid eligibility is determined by:
  - Categorical groups, i.e., pregnant women; families and children; and aged, blind, and disabled individuals.
  - Income.
  - Assets.
  - Citizenship.
  - Residency.
  - Cooperation with Child Support Enforcement (when one or both parents are absent from the home).
  - Medical need for home and community-based services, and persons in nursing facilities.
  - Level of medical bills (for Medically Needy).



# Medicaid Eligibility - A Complex System of Coverages



- Mandatory Medicaid coverage (entitlement).
- Mandatory Medicaid coverage for low-income families using 1996 AFDC income standard (entitlement).
- Optional Medicaid coverage (entitlement).
- Federal Medicare coverage (entitlement).
- Optional child insurance coverage (non-entitlement).
- Optional Medically Needy income spend down level (entitlement).

Family Size	**Monthly Income
1	\$903
2	\$1,214
3	\$1,526
4	\$1,838
5	\$2,149
6	\$2,461
7	\$2,773
8	\$3,084
Each Additional	\$312

**\*Coverage for infants up to 185% Federal Poverty Level is required in order for states to receive Title XXI funding.**

**\*\*Federal Poverty Level as of January 2010**

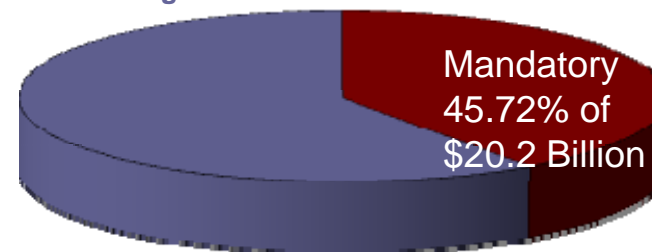
## *Estimates*

- ▶ Notes that figures within this presentation represent estimates from the July 2010 Caseload estimating conference and the August 2010 Expenditures estimating conference.

# *Florida Medicaid Mandatory Services*

- Advanced Registered Nurse Practitioner Services
- Early & Periodic Screening, Diagnosis and Treatment of Children (EPSDT)/Child Health Check-Up
- Family Planning
- Home Health Care
- Hospital Inpatient
- Hospital Outpatient
- Independent Lab
- Nursing Facility
- Personal Care Services
- Physician Services
- Portable X-ray Services
- Private Duty Nursing
- Respiratory, Speech, Occupational Therapy
- Rural Health
- Therapeutic Services for Children
- Transportation

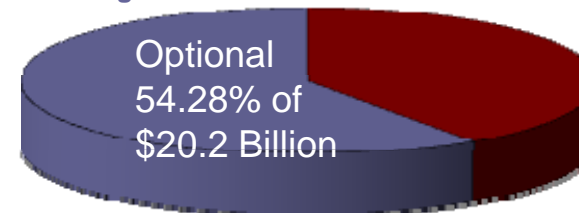
Florida Medicaid Mandatory Services for  
All Eligibles FY 2010-11



# Florida Medicaid Optional Services\*

- Adult Dental Services
- Adult Health Screening
- Ambulatory Surgical Centers
- Assistive Care Services
- Birth Center Services
- Hearing Services
- Vision Services
- Chiropractic Services
- Community Mental Health
- County Health Department Clinic Services
- Dialysis Facility Services
- Durable Medical Equipment
- Early Intervention Services
- Healthy Start Services
- Home and Community-Based Services
- Hospice Care
- Intermediate Care Facilities/  
Developmentally Disabled
- Intermediate Nursing Home Care
- Optometric Services
- Physician Assistant Services
- Podiatry Services
- Prescribed Drugs
- Primary Care Case Management (MediPass)
- Registered Nurse First Assistant Services
- School-Based Services
- State Mental Hospital Services
- Subacute Inpatient Psychiatric Program for Children
- Targeted Case Management)

Florida Medicaid Optional Services for All Eligibles FY 2010-11

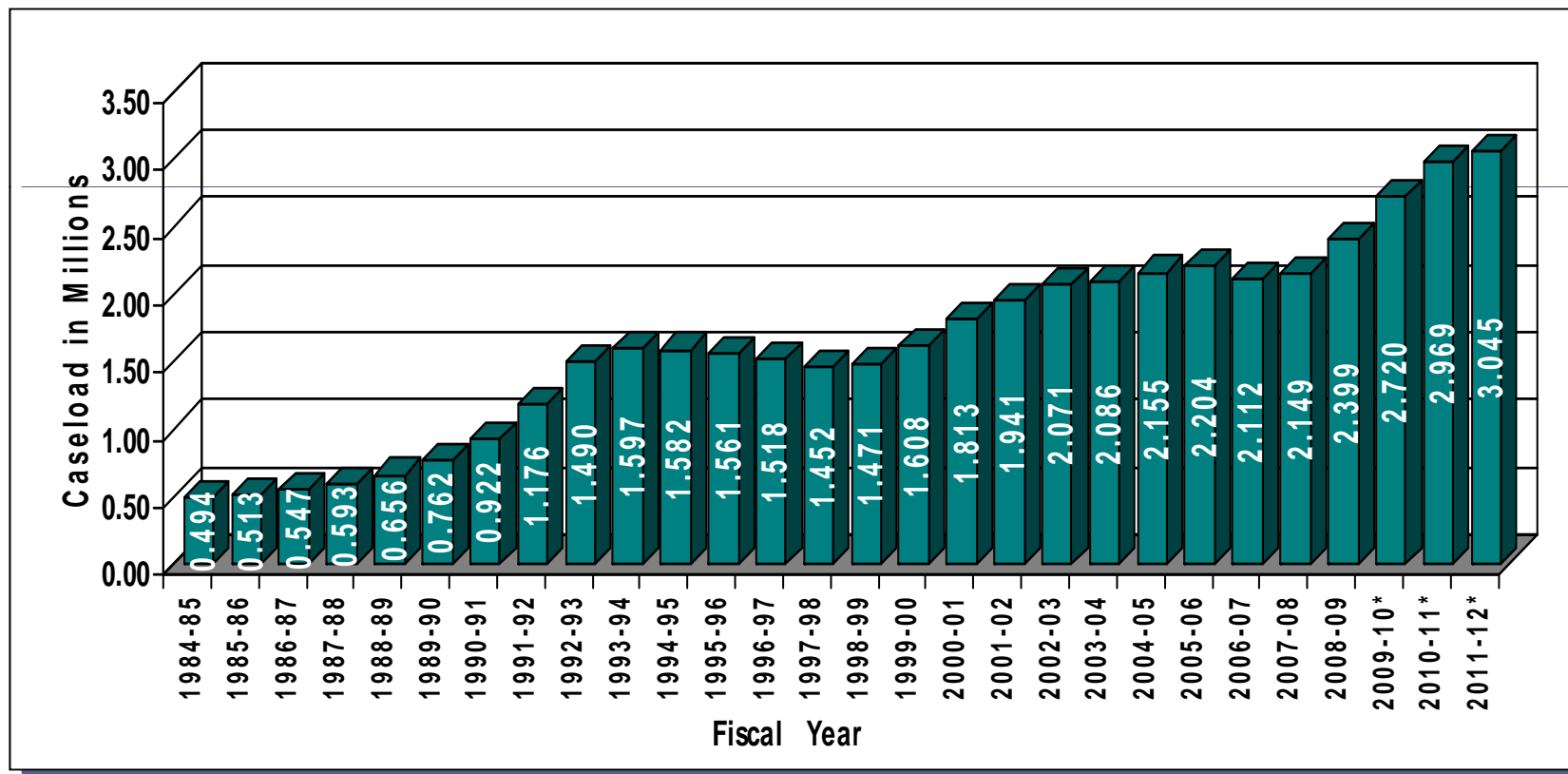


\*States are required to provide any medically necessary care required by child eligibles.

## *Who Can Provide Medicaid Services?*

- Any willing health care practitioner or entity who:
  - provides one of the Medicaid covered services;
  - submits an application to Medicaid;
  - is licensed or certified to practice in the State of Florida;
  - is not terminated from any government health care program; and
  - signs an agreement with Medicaid.
- Managed Care plans with appropriate provider networks.

## *Growth in Medicaid Average Monthly Caseload*



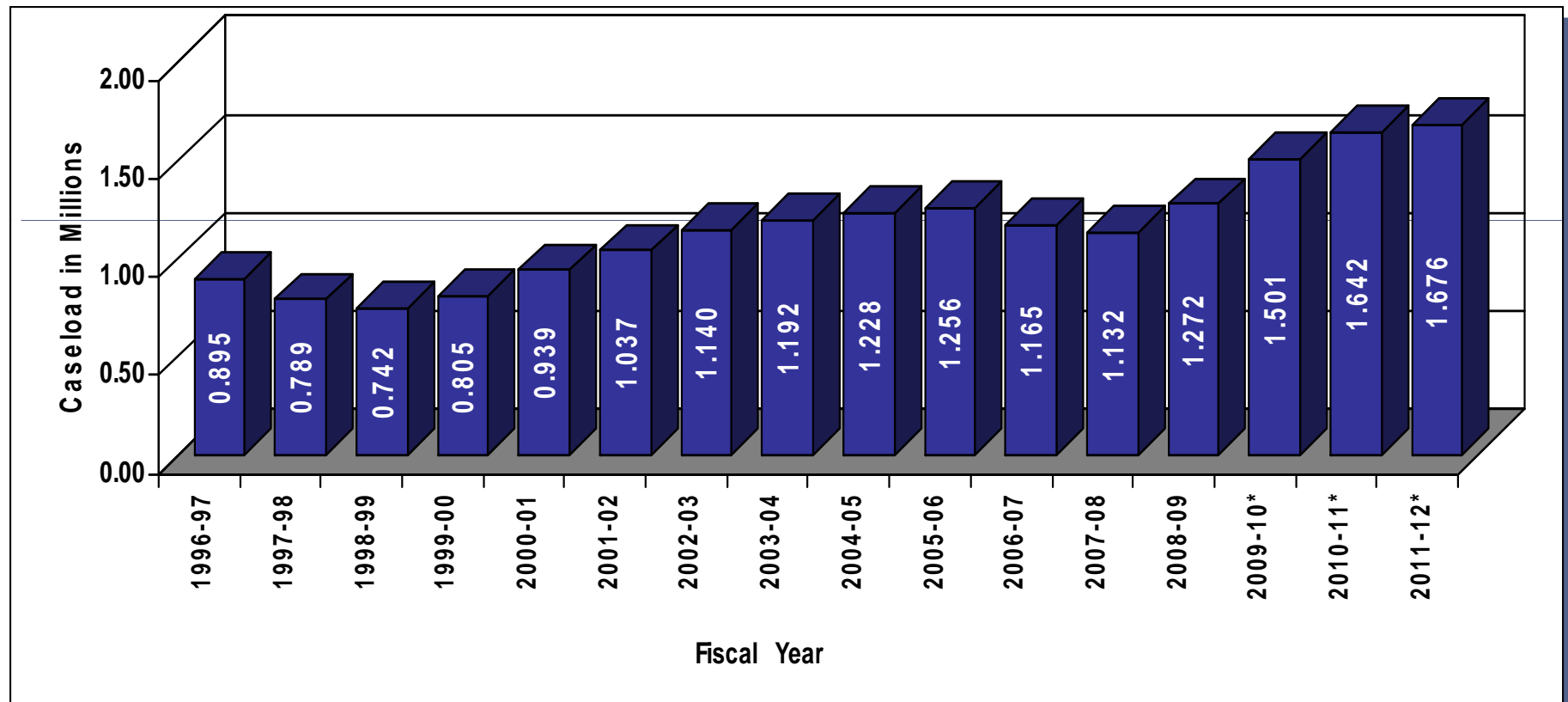
Source: Medicaid Services Eligibility Subsystem Reports.

\*FY 2009-10 July 2010 Caseload Social Services Estimating Conference.

\*FY 2010-11 July 2010 Caseload Social Services Estimating Conference.

\*FY 2011-12 July 2010 Caseload Social Services Estimating Conference.

# *Growth in Medicaid Average Monthly Caseload for TANF*



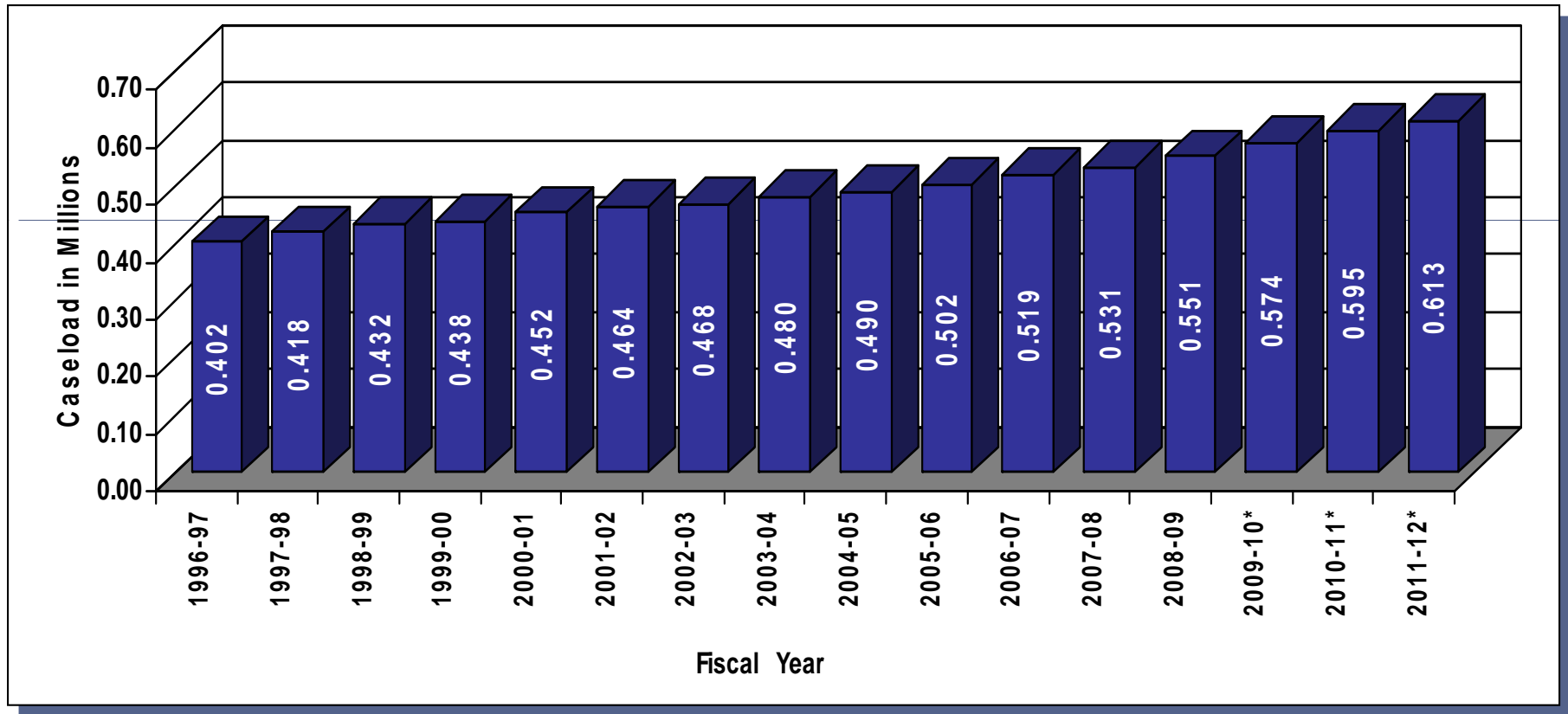
Source: Medicaid Services Eligibility Subsystem Reports. Caseload includes TANF and SOBRA Children

\*FY 2009-10 July 2010 Caseload Social Services Estimating Conference.

\*FY 2010-11 July 2010 Caseload Social Services Estimating Conference.

\*FY 2011-12 July 2010 Caseload Social Services Estimating Conference.

# Growth in Medicaid Average Monthly Caseload for SSI



Source: Medicaid Services Eligibility Subsystem Reports.

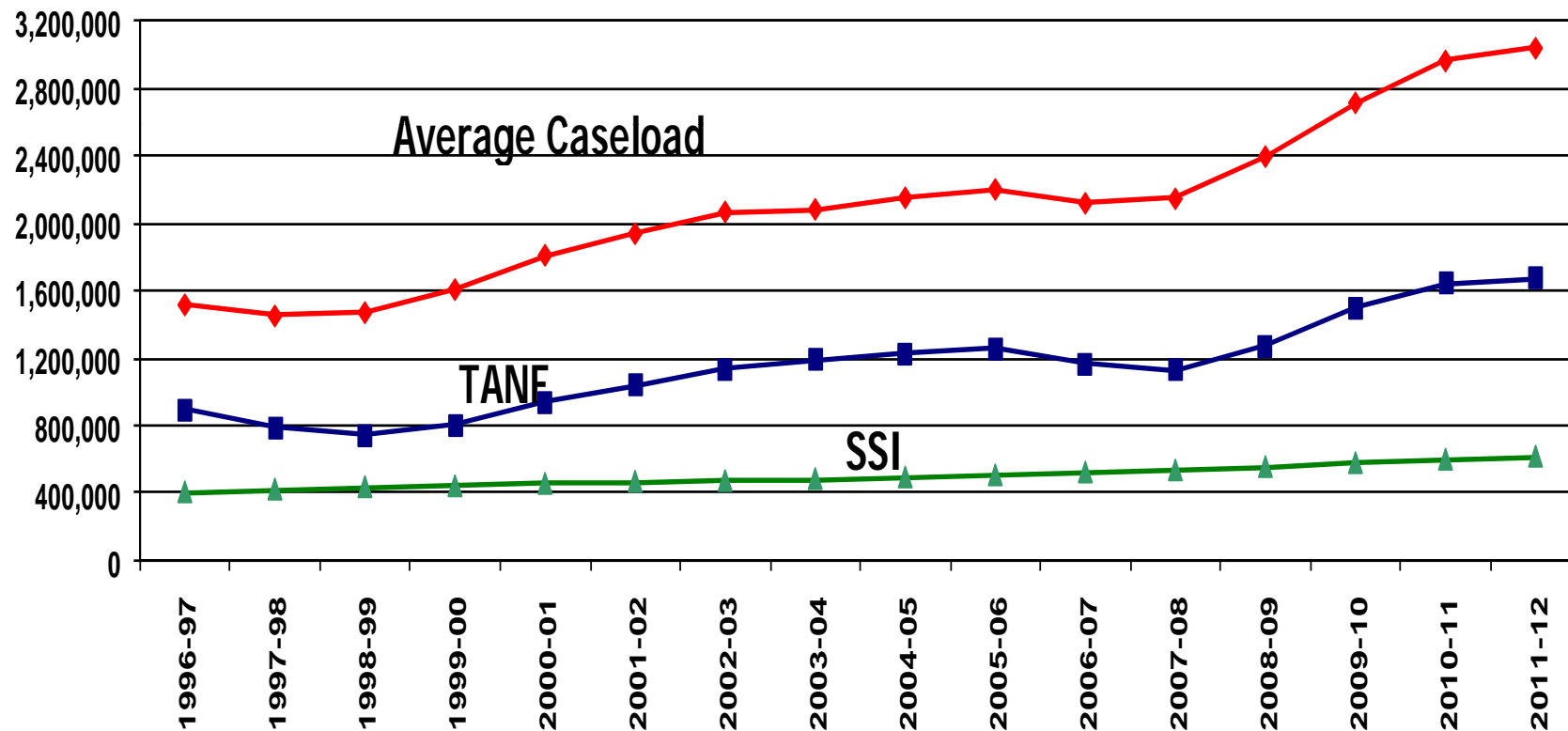
\*FY 2009-10 July 2010 Social Services Estimating Conference.

\*FY 2010-11 July 2010 Social Services Estimating Conference.

\*FY 2011-12 July 2010 Social Services Estimating Conference.

# Growth in Medicaid

## Average Monthly Caseload including TANF and SSI



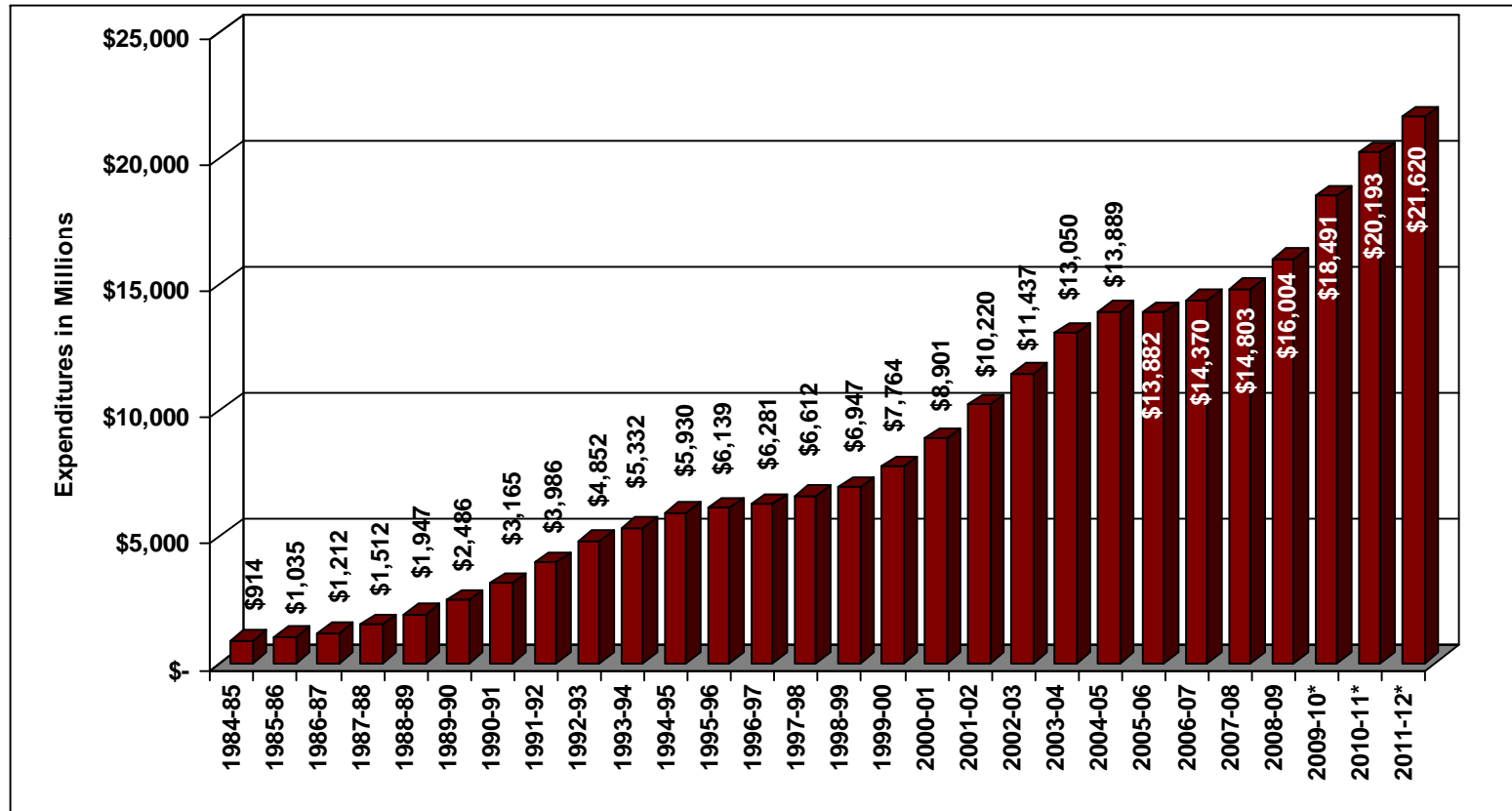
# Title XIX Federal Medical Assistance Percentage (FMAP)

<b>Federal Fiscal Year</b>	<b>Federal Share</b>	<b>State Share</b>	<b>Total</b>
<b>2005</b>	58.89%	41.11%	100%
<b>2006</b>	58.76%	41.24%	100%
<b>2007</b>	56.83%	43.17%	100%
<b>2008</b>	55.40%	44.60%	100%
<b>2009</b>	67.64%	32.36%	100%
<b>2010</b>	64.83%	35.17%	100%
<b>2011</b>	56.04%	43.96%	100%

# *TANF and SSI Related Eligibility Groups for 2010-11*

	Total Budget	Avg Monthly Caseload	PMPM
Supplemental Security Income (SSI)	\$10,682,030,927	595,097	\$1,496
Temporary Assistance for Needy Families (TANF)	\$2,888,309,665	876,731	\$275
Medically Needy	\$1,102,910,637	43,425	\$2,117
Children < = 100% of Poverty	\$1,199,343,261	693,771	\$144
Children > 100% of Poverty	\$152,176,541	71,663	\$177
Children – Medicaid Expansion Under Title XXI	\$3,334,416	790	\$352
Pregnant Women < = 100% of Poverty	\$726,100,064	68,674	\$881
Pregnant Women > 100% of Poverty	\$155,691,796	15,088	\$860
Family Planning Waiver	\$12,148,383	52,120	\$19
Categorically Eligible	\$524,799,560	226,477	\$193
Elderly and Disabled (MEDS AD)	\$743,088,189	38,404	\$1,612
Qualified Medicare Beneficiaries (QMB/SLMB/QI)	\$516,433,338	278,452	\$155
Refugee General Assistance	\$21,580,660	7,969	\$226
Other	\$1,464,679,257	N/A	N/A
<b>Total</b>	<b>\$20,192,626,694</b>	<b>2,968,661</b>	<b>\$567</b>

# *Growth In Medicaid Service Expenditures*



Source: Medicaid Services' Budget Forecasting System Reports.

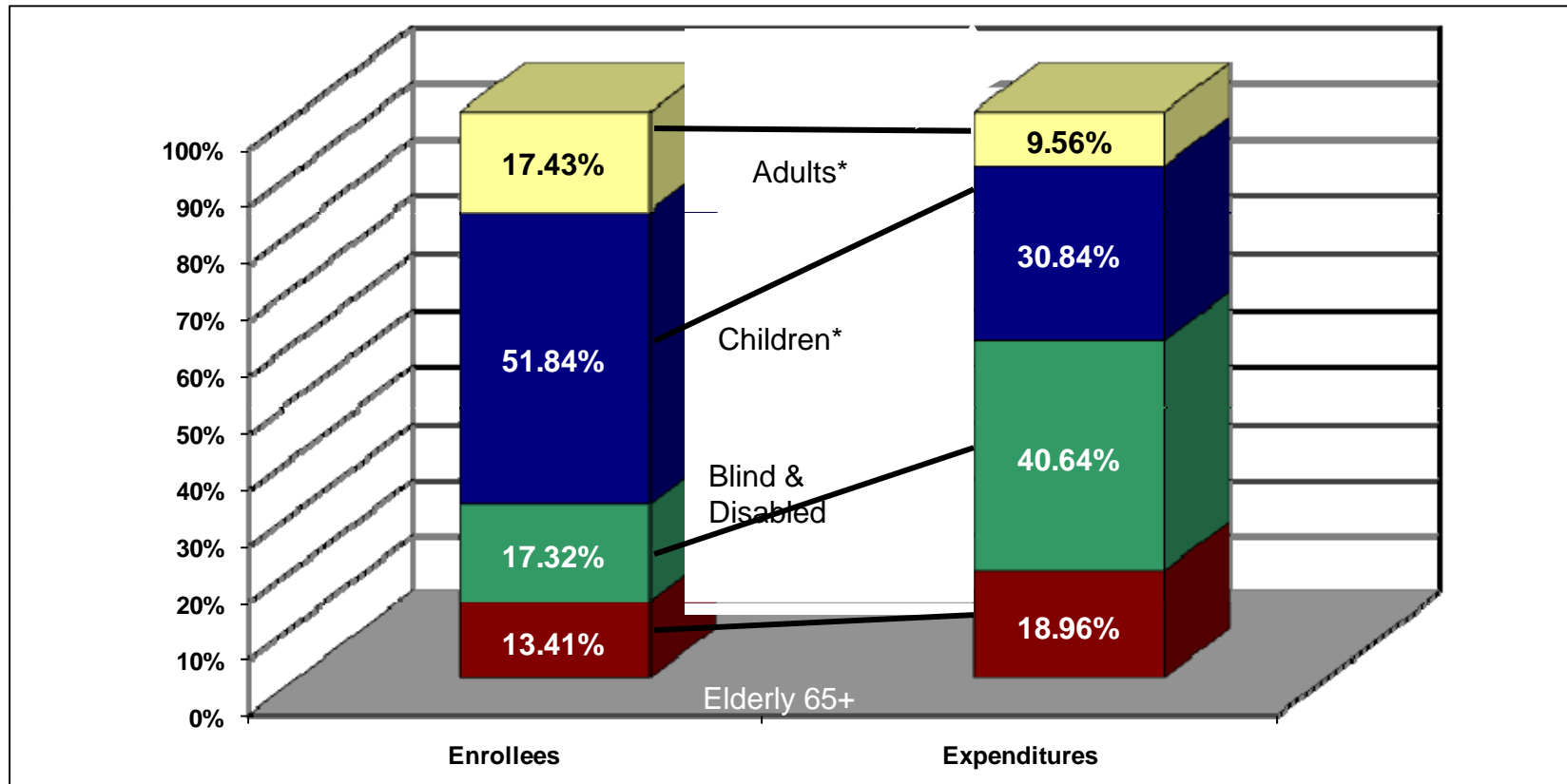
\*FY 2009-10 Estimated Final Expenditures.

\*FY 2010-11 August 2010 Social Services Estimating Conference.

\*FY 2011-12 August 2010 Social Services Estimating Conference.

# Medicaid Budget - How it is Spent

## Fiscal Year 2009-10



\* Adults and children refers to non disabled adults and children.



# *Medicaid Spending for Fiscal Year 2010-11*

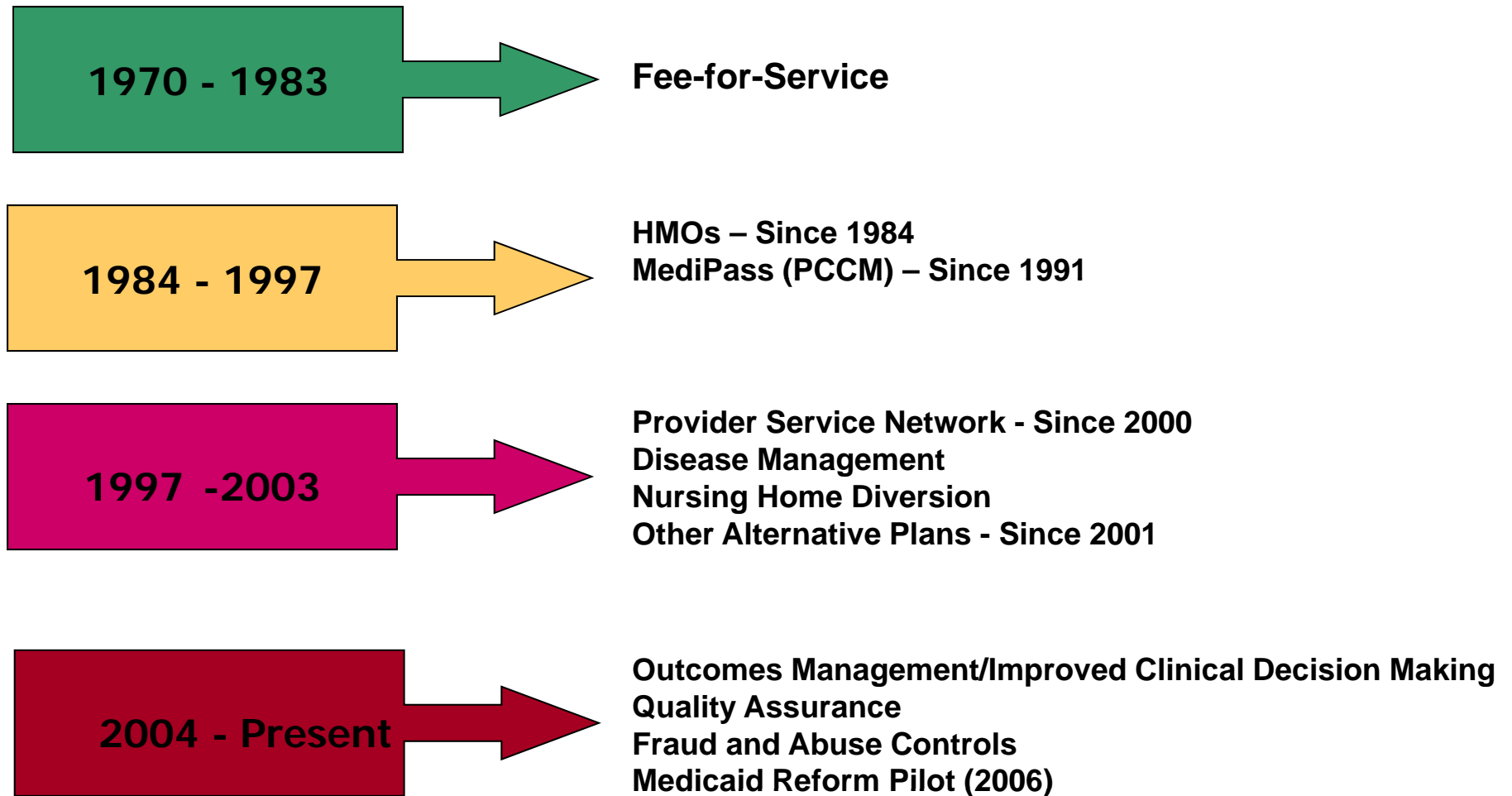


Service	FY 2010-11 Estimated Spending	Percent of Total
<b>Hospital Inpatient Services</b>	\$3,797,901,173	18.81%
<b>Prepaid Health Plans</b>	\$3,125,828,565	15.48%
<b>Nursing Home Care</b>	\$2,903,605,738	14.38%
<b>Prescribed Medicine/Drugs &amp; Part D</b>	\$1,694,364,084	8.39%
<b>Physician Services</b>	\$1,191,907,167	5.90%
<b>Supplemental Medical Insurance</b>	\$1,177,758,564	5.83%
<b>Hospital Outpatient Services</b>	\$1,074,193,151	5.32%
<b>Home &amp; Community Based Services</b>	\$1,000,476,633	4.95%
<b>Low Income Pool</b>	\$1,000,249,994	4.95%
<b>Intermediate Care Facility/DD</b>	\$362,423,190	1.79%
<b>Nursing Home Diversion Waiver</b>	\$347,884,910	1.72%
<b>Hospice Services</b>	\$340,131,687	1.68%
<b>Disproportionate Share Hospital Payments</b>	\$246,570,577	1.22%
<b>Private Duty Nursing Services</b>	\$192,248,924	0.95%
<b>Early and Periodic Screening/Children</b>	\$188,316,688	0.93%
<b>Other</b>	\$1,549,765,649	7.67%
<b>Total</b>	<b>\$20,192,626,694</b>	<b>100.00%</b>

## *Medicaid Enrollment in Florida Today*

- The Florida Medicaid program is growing at an unprecedented rate, with enrollment anticipated to grow to more than 3 million enrollees during 2011-2012.
- Expenditures are anticipated to grow to more than \$21 billion during 2011-2012.
- Medicaid recipients in Florida receive services through several different delivery systems, each with a different level of care coordination.

# *The Evolution of Florida Medicaid Delivery Systems*



## *Fee-For-Service*

- The fee-for-service system serves those Medicaid recipients who are not eligible for or enrolled in MediPass, Managed Care or Disease Management.
  - The recipients include new eligibles, those in the Medically Needy program, the Family Planning Waiver, or residing in institutions.
- Fee-for-service recipients may receive services from any enrolled Medicaid provider, with limited coordination of care.
- Within the fee-for-service system enrolled Medicaid providers have the option to choose whether they accept a certain number of clients or whether they accept new Medicaid clients.
- Providers do not bear any financial risk for their patients.
- There are more than 107,000 enrolled and 71,000 active providers (providers who have had a paid claim within the past 12 months).

## *MediPass*

- MediPass is the Florida Medicaid primary care case management program.
- Services to MediPass members are reimbursed on a fee-for-service basis.
- MediPass primary care providers are paid a \$2.00 per member per month case management fee.
- Primary care providers (PCPs) are responsible for providing primary care and authorizing the specialty care provided to their MediPass enrollees.
- Services such as vision, hearing, dental, mental health and family planning services are not managed by the MediPass PCP.
- MediPass providers do not bear risk for their patients but do have requirements in place for case management, care coordination, and preventative care.
- There are approximately 2,500 enrolled MediPass provider practices with 5,000 total individual providers.

## *Medicaid Provider Service Networks*

- Provider Service Networks (PSN) are defined in s. 409.912 (4)(d), as an integrated health care delivery system owned and operated by a health care provider, or group of affiliated health care providers which provides a substantial proportion of the health care items and services under a contract directly through the provider or group of affiliated providers.
- PSNs are reimbursed on a fee-for-service or capitated basis.
- PSNs are required by contract to ensure that their enrollees have access to all Medicaid state plan services and a complete network of providers.
- The PSN does bear risk for enrolled recipients.
- Capitated PSNs must meet qualifications similar to HMOs.
- There are currently 6 PSNs participating in Florida Medicaid (reform and non-reform).

## *Health Maintenance Organizations*

- A Health Maintenance Organization (HMO) is an entity licensed under Chapter 641, Florida Statutes.
- HMOs provide comprehensive Medicaid services to a defined population of Medicaid recipients.
- The Agency contracts with HMOs on a prepaid fixed monthly rate per member (i.e. capitation rate) for which the HMO assumes all risk for providing covered services to their enrollees.
- HMOs are required by contract to ensure that their enrollees have access to all Medicaid state plan services and a complete network of providers. HMO networks are not limited to Medicaid participating providers.
- Some plans have expanded their benefits beyond those normally required; example: preventive adult dental.
- There are currently 18 HMOs participating in Florida Medicaid (reform and non-reform).

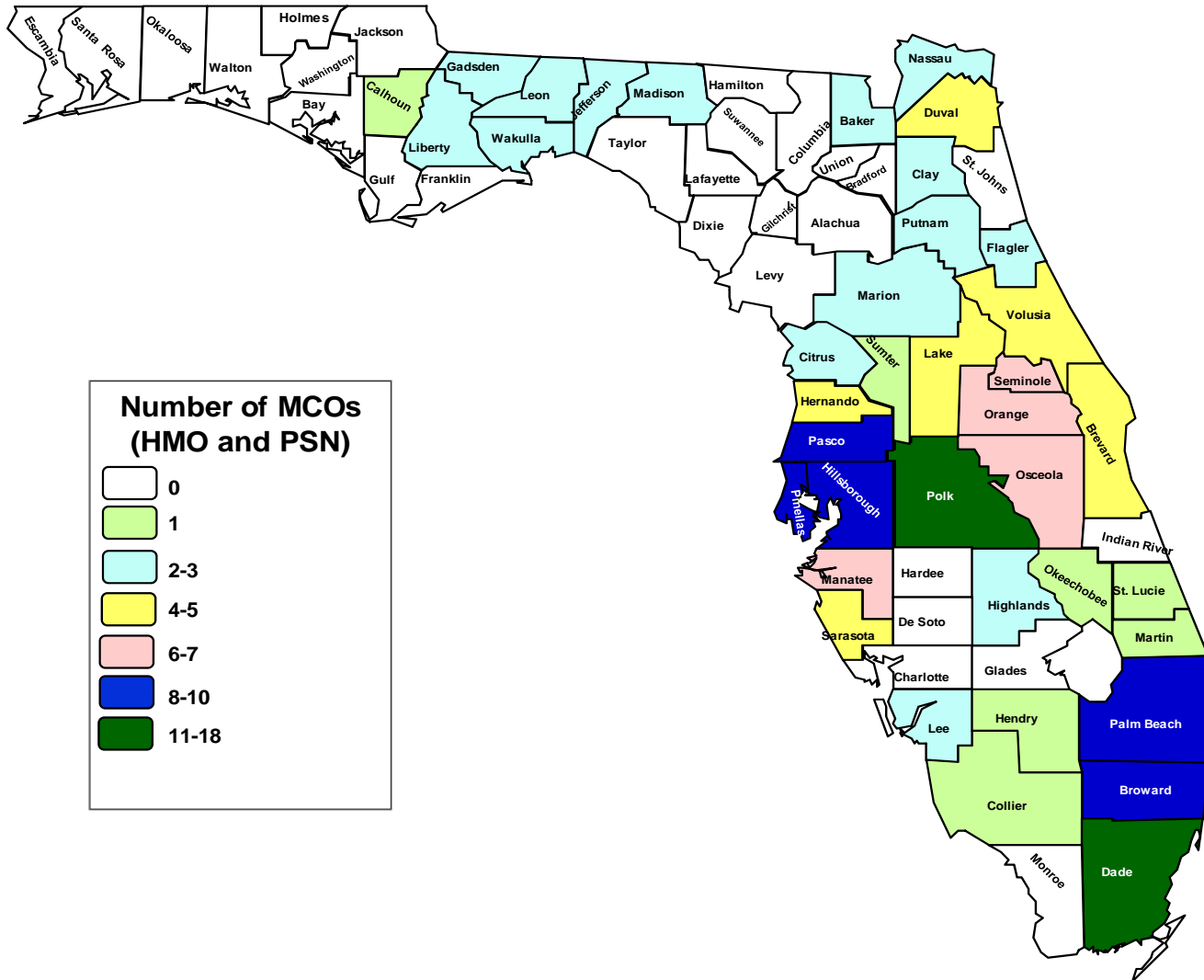
## *Managed Care in Florida Medicaid Medicaid Enrollment Today*

*(November 1, 2010)*

<b>Delivery System</b>	<b>Number of Plans</b>	<b>Non-Reform County Enrollment as of November 1, 2010</b>	<b>Reform County Enrollment as of November 1, 2010</b>	<b>Statewide Enrollment</b>
Health Maintenance Organization (Non-Reform)	17	940,126	963	941,089
Health Maintenance Organization (Reform)	8	0	154,066	154,066
FFS Provider Service Network	3	8,458	116,827	125,285
Capitated Provider Service Network	3	57,702	0	57,702
Minority Physician Network	1	13,626	125	13,751
Nursing Home Diversion	17	17,036	2,851	19,887
Fee-For-Service	N/A	806,026	131,769	937,795
MediPass	N/A	599,098	5,472	604,570

NOTE: Most recent enrollment data available is for November 1, 2010. Since that time, the remaining MPN has ceased operation.

# Managed Care in Florida Medicaid by County as of December 1, 2010



## *Who is Eligible Managed Care Florida's 1915(b) Managed Care Waiver*

- Florida's 1915(b) Managed Care Waiver (non-reform) provides the State with the authority to mandatorily assign eligible beneficiaries and, within specific areas of the state, limit choice to approved providers.
- Some beneficiaries are *required* to enroll with a managed care provider, some have the *option* of enrolling with a managed care provider and some are *prohibited* from enrolling with a managed care provider. These beneficiaries can be referred to as “mandatory”, “voluntary”, or “excluded” from managed care enrollment.

## *Who is Eligible Managed Care Florida's 1115 Medicaid Reform Waiver*

- Allows Florida Medicaid to conduct a Pilot requiring managed care plan enrollment for most Medicaid eligibles in certain areas of the state.
- Provides the State with the authority to mandatorily assign eligible beneficiaries.
- Provides authority to enroll additional populations not included under the 1915(b) Managed Care Waiver:
  - Children with Chronic Conditions
  - Children in Foster Care
  - SOBRA Pregnant women
  - Individuals with Medicare coverage

## *Voluntary and Excluded Groups*

- Groups not required to enroll include (but are not limited to)
  - Recipients without full Medicaid benefits (Dual eligibles, Medically Needy, Family Planning, etc.)
  - Recipients residing in an institution (nursing home, ICF/DD, etc.)
  - Foster Care Children
  - Breast and Cervical Cancer eligibles

## *Services Provided*

- Capitated health plans are required to provide their enrollees with all Medicaid state plan services, with certain exceptions.
- Some services have been “carved out” from the rates paid to capitated plans and are provided to plan enrollees through other service delivery systems outside of the plan network. Examples include:
  - Long term care
    - Nursing Home
    - Home and Community Based Waivers

## *Benefits of Managed Care*

- Contract requirements ensure accountability
- Improve access to health care services.
- Recipient choice.
- Flexibility to offer services not otherwise covered
- Slow the rate of growth of expenditures:
  - Improved care coordination
  - Reduction of over-utilization
  - Effective method of fighting fraud

## *Critical Issues for Managed Care*

- Issues needing resolution:
  - Hospital Rate Negotiation with Managed Care plans
  - Impact on “carve outs” (Behavioral Health, Dental, Transportation)
  - Impact on Intergovernmental Transfers (exempt rate, buy-backs, DSH)
  - Low Income Pool funding



*Questions?*