



Nassau County Board of County Commissioners

Florida Medicaid

National Health Reform Proposals

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Agency for Health Care Administration

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Goals of Medicaid Reform

- Improve access to health care services.
- Provide more choices (plans and services) for Medicaid recipients.
- Provide opportunities for recipients to take a more active role in their health care decisions.
- Reduce the administrative complexity of managing the Florida Medicaid Program.
- Slow the rate of growth of expenditures:
 - Better care coordination
 - Reduction of over-utilization
 - Reduction of fraud

Medicaid Reform in Nassau County

- December 2006: Application and Model Contract for Reform Plans in Baker, Clay and Nassau Counties available.
- October and November 2006 – Outreach and Public meetings held in Nassau County
- July 2007: Choice counseling hotline available for recipients in Baker, Clay and Nassau Counties.
- September 2007: Enrollment to begin for Baker, Clay and Nassau Counties.
- January 2008: “Full” enrollment for Baker, Clay and Nassau Counties.

Current Status: Medicaid and Medicaid Reform

Medicaid Enrollment (Reform and Non Reform)		
	Total Statewide Medicaid Enrollment	Total Nassau Medicaid Enrollment
January-08	2,133,942	6,117
December-09	2,727,362	8,392
Medicaid Reform Pilot Enrollment		
	Total Statewide Pilot Enrollment	Total Nassau Pilot Enrollment
January-08	195,229	3,133
December-09	251,682	5,052
Current (December 2009) Nassau County Pilot Enrollment		
	Sunshine Health Plan	United HealthCare
December-09	3,967	1,085

Experience with Key Elements of Reform

- Marketplace
- Choice Counseling
- Performance Measures
- Patient Satisfaction
- Risk Adjustment
- Encounter Data
- LIP
- Fraud and Abuse Prevention
- Cost Savings
- Enhanced Benefits
- Responsiveness and Adaptation

Marketplace

- Reform has attracted new plans to the Florida Medicaid Marketplace.
- New plans provide increased choice for Medicaid recipients.
- Helps to ensure a variety of health care choices to better meet the needs of recipients.
- Prior to reform, there were no health plans participating in Nassau County.

Marketplace

- 15 Plans participating in the Reform Pilot (December 2009)
 - 10 Health Maintenance Organizations Participating
 - 5 Provider Service Networks Participating
- Specialty plan for children with special health care needs established. (Children's Medical Services)
- Specialty plan for recipients with HIV/ AIDS has completed application process. (Positive Health Care)

Access PSN to Sunshine HMO Transition

- Access Provider Service Network entered into a purchase agreement with Sunshine Health Plan, an entity operating as a Florida Medicaid HMO. This action led to to a transition of recipients out of Access PSN.
- In Nassau County, that transition occurred beginning in September 2009.
- Continuity of Care:
 - Sunshine Health Plan was required to include 98% of the PSNs primary care providers in their network.
 - Behavioral health networks specifically reviewed to ensure continuity of care.
 - All Access enrollees received notice from both the plan and from Florida Medicaid of the upcoming transition.
 - Notification sent to enrollees 60 and 30 days prior to the transition.
 - All Access enrollees had the opportunity to choose another reform plan prior to the transition and 90 days after the transition.

Choice Counseling

- Choice Counseling under the Medicaid Managed Care Pilot is an enhanced service that provides recipients with a comprehensive level of information and assistance in order to help them choose the health plan best suited to their individual needs.
- Choice Counseling services include outbound calls, home visits and community site visits.
- Special Needs Unit staffed with nurses to assist medically complex recipients (or anyone needing extra assistance) make their plan choice.
- Navigator/ Plan prescription Drug Formulary comparison tool Implemented in October 2008 to assist recipients in making a plan choice that best meets their needs by providing comprehensive information on each health plans' prescription drug coverage.
- Enhanced monitoring and continuous improvement part of the process.

Performance Measures

- Reform plans outperformed Non-Reform in 20 of 27 plan performance measures.
- Improvement was noted in all but one performance measure in the Reform plans compared to last year, while there was no significant improvement overall between 2008 and 2009 for Non-Reform plans.
- Reform plans demonstrate a measurably lower Ambulatory Sensitive Conditions admission rate than other delivery systems over time. Ambulatory Sensitive (avoidable) Hospitalizations are those hospitalizations that could have been avoided through proper outpatient/ambulatory care. Results suggest that Reform has had a positive effect on ambulatory sensitive hospitalizations.

Patient Satisfaction

- As part of University of Florida's (UF) evaluation of the Demonstration, UF completed an analysis to measure health care experiences and satisfaction levels of Reform enrollees
- Before Medicaid Reform was implemented satisfaction levels for those enrolled in the MediPass program has historically been high.
- The evaluation showed that enrollee satisfaction has remained relatively unchanged with over 60% rating their overall satisfaction with care at the highest level (9 or 10).
 - A higher percentage of enrollees reported high level of satisfaction with their personal doctor than prior to the pilot.
 - Anticipated decline in satisfaction due to normal negative reaction to change did not occur.

Risk Adjustment

- *Risk Adjustment:* Reimbursing plans based on the mix of patient acuity.
 - Risk adjustment is a process which predicts health care expenses from diagnoses, age, gender, and other factors.
 - Allows distribution of payments to health plans based on the health risk of their enrollees resulting in more efficient use of Medicaid dollars by better matching payment to risk.
 - Individuals are assigned a “risk score” and health plans are paid based on the collective risk scores of their enrollees.

Encounter Data

- Encounter data are electronic records of covered services provided to the enrollees of a health plan.
- Encounter data document the patient's diagnosis and all of the services rendered to the patient during the visit.
- Encounter data will be used, in part, in the process of setting fully risk adjusted rate.
- All health plans have submitted their historical data and are submitting their current data.
- Data is being validated now.

Low Income Pool

- The LIP consists of an annual allotment of \$1 billion, funded primarily by intergovernmental transfers from local governments matched by federal funds. The objective of LIP is to ensure support for the provision of health care services to Medicaid, underinsured and uninsured population.
- Funding is provided through the LIP to hospitals, federally qualified health centers and County Health Departments working with community partners.
 - Baptist Medical Center - Nassau
- Take advantage of opportunities for more cost effective primary and preventive care / systems of care for the uninsured.

Fraud and Abuse Prevention

- Fighting fraud and abuse is a top priority for the Agency for Health Care Administration.
- Medicaid experience and data indicate that fraud and abuse is primarily a fee-for-service system problem.
- Increased managed care results in cost avoidance and expenditure predictability through additional fraud and abuse prevention.
- Opportunity for ensuring accountability through plan contract requirements regarding prevention and reporting of fraud and abuse.

Cost Savings

- *Cost Savings:* Evidence shows that the pilot is achieving its stated goals. The independent evaluation being conducted by the University of Florida has published findings that show a cost savings.
 - PSN: Expenditures in the pilot counties declined while expenditures in comparison counties increased.
 - HMOs: Expenditures in the pilot counties either declined or increased more slowly than expenditures in the comparison counties.
 - It is clear that expenditures are, for the most part, lower in the pilot counties than they likely would have been without the pilot.
 - More appropriate utilization of services. (Example: Ambulatory Sensitive Hospitalizations)

Enhanced Benefits

- More than 308,000 recipients statewide have received credits for healthy behaviors, totaling \$25,951,718 in credit dollars.
- More than 152,171 recipients have used \$12,108,114 in credits.
- While during the first year of the Pilot use of enhanced benefits credits was low in comparison to the number of credits earned - spending has steadily increased during the second and third year of the Pilot.

Month of Purchases	Recipient Count	Dollar Amount Spent
Total (Fiscal Year 2006-07)	4,913	\$113,158.97
Total (Fiscal Year 2007-08)	46,739	\$2,431,769.30
Total (Fiscal Year 2008-09)	107,542	\$6,384,976.60
Total (Fiscal Year 2009-10) *thru 12/18,/09	82,539	\$3,178,209.46
Grand Total	152,171	\$12,108,114.33

- Health plans have some concerns about the funding of the program.

Plan Benefit Design

- Health plans operating in Reform counties can offer differing benefit packages designed to appeal to recipients based on their individual needs. Plans have responded by offering additional services not available in traditional Medicaid.
- Additional Services provided by many plans – and include:
 - Over the Counter Pharmacy
 - Adult Dental
 - Adult Vision

The Opt-Out Program

- Employed Medicaid recipients are offered the choice to opt-out of Medicaid and direct their premium paid by Medicaid to an employer-sponsored plan.
- If a beneficiary chooses to opt-out, the state pays up to the amount it would have paid a Medicaid Plan towards the employee's share of the premium.
- Families can combine premiums to purchase family coverage through their employer.

Responsiveness and Adaptation to Meet the Needs of Medicaid Recipients

- Florida Medicaid has been continuously open to both positive and negative feedback on the Reform Pilot received from any and all stakeholders, including recipients, providers, advocates and researchers.
- Based on this feedback, the program has taken advantage of opportunities to adapt and improve components of Reform, including:
 - Focus groups and public meetings
 - Revision of publications and call center scripts
 - Choice Counseling Special Needs Unit
 - Choice Counseling Navigator system
 - Centralized Complaint Tracking System

Future of Florida Medicaid Reform

- The current Medicaid Reform Waiver expires June 30, 2011
- Submit renewal request to federal Centers for Medicaid and Medicare Services?
- Submit request with modifications?
- Request must be submitted by June 30, 2010
- Florida Legislature directed the Agency to apply for and implement the current program, and will ultimately be who decides the future of this program.



National Health Reform Proposals

Key Elements

- Individual mandate for health insurance coverage
- Assistance for premiums and cost sharing < 400% FPL
- Requirements for business to offer employee coverage
- New regulations/ requirements for health insurers
- Creation of health insurance exchanges or cooperatives
- Federal pharmacy rebate pricing
- Reduction in Disproportionate Share funding to states
- Medical Home Component
- Administrative Costs for States
- Medicaid Fraud and Abuse Requirements
- Medicaid and CHIP Maintenance of Effort
- Medicaid Expansion
- CHIP Changes

KEY ELEMENT	Senate Patient Protection and Affordable Care Act (12/24/2009)	House Affordable Health Care for America Act (10/29/2009)
Medicaid Expansion	Expand eligibility to 133% Federal Poverty Level – beginning 1/1/2014 •133% FPL for a family of 4: \$29,326	Expand eligibility to 150% Federal Poverty Level – beginning 1/1/2013 •150% FPL for a family of 4: \$33,075.
FMAP/ Expansion	Provides for enhanced FMAP for expansion population: •100% CY 2014 •100% CY 2015 •100% CY 2016 •57.44% + 34.3 = 91.74% CY 2017 •57.44% + 33.3 = 90.74% CY 2018 •57.44% + 32.3 = 89.74% in CY 2019 and beyond	Provides for enhanced FMAP for expansion population: •100% CY 2013 •100% CY 2014 •91% CY 2015 •91% CY 2016 •91% CY 2017 •91% CY 2018 •91% CY 2019 and beyond
FMAP/ Current Eligibility Level	Regular FMAP (57.44%)	Regular FMAP (57.44%)
CHIP Transition	Children under 133% FPL move from Title XXI CHIP Program to Title XIX Medicaid program 1/1/2015 (Through regular annual eligibility redetermination process)	Children under 150% FPL move from Title XXI CHIP Program to Title XIX Medicaid Program 1/1/2014
FMAP/ CHIP	Enhanced FMAP for CHIP Population begins 10/1/2015. (134% Federal Poverty Level and above) •1/1/2014 – 9/30/2015: 70.21% •10/1/2015 - 70.21+23.0=93.21%	CHIP Program ends 12/31/2013. Those below 150% FPL move to Medicaid and those above 150% FPL move to exchange and receive subsidies and tax credits to assist with cost of coverage
Increased Rate for Practitioners	Not addressed	Increases payments to Medicaid Primary Care Providers to the Medicare rate. Phased in over three years. Federal government to pay: •100% CY 2010-2014 •90% CY 2015 and beyond



Preliminary Estimated



Fiscal Impact for Coverage of Florida Medicaid and CHIP Population

KEY ELEMENTS	Senate Patient Protection and Affordable Care Act (Manager's Amendment 12/24/09)		House Affordable Health Care for America Act (10/29/2009)	
	<i>Fiscal Impact</i>	<i>Additional Enrollment</i>	<i>Fiscal Impact</i>	<i>Additional Enrollment</i>
Total Cost CY 2013	N/A	N/A	\$5,504,052,627	
State Cost CY 2013	N/A		\$218,423,625	826,204
Total Cost CY 2014	\$2,819,204,311		\$9,621,612,402	
State Cost CY 2014	\$245,526,890	708,623	\$536,305,871	1,735,291
Total Cost CY 2015	\$6,300,697,417		\$10,538,011,855	
State Cost CY 2015	\$464,523,746	1,594,401	\$1,399,407,269	1,936,403
Total Cost CY 2016	\$7,005,497,158		\$10,538,011,855	
State Cost CY 2016	\$414,796,110	1,771,556	\$1,399,407,269	1,936,403
Total Cost CY 2017	\$7,005,497,158		\$10,538,011,855	
State Cost CY 2017	\$867,222,824	1,771,556	\$1,399,407,269	1,936,403
Total Cost CY 2018	\$7,005,497,158		\$10,538,011,855	
State Cost CY 2018	\$921,996,034	1,771,556	\$1,399,407,269	1,936,403



Questions?