

MEDICAID & MANAGED CARE

A Discussion of Current Events & Likely
Changes Impacting HCH Providers &
Consumers

June 23, 2017

GOALS FOR TODAY

- To understand the current status of Medicaid and the changes being proposed at the federal & state level
- To understand the role of managed care currently and how that role would be altered in response to any federal or state changes
- To learn how the HCH community is currently engaged, and what any changes might mean for patients and providers

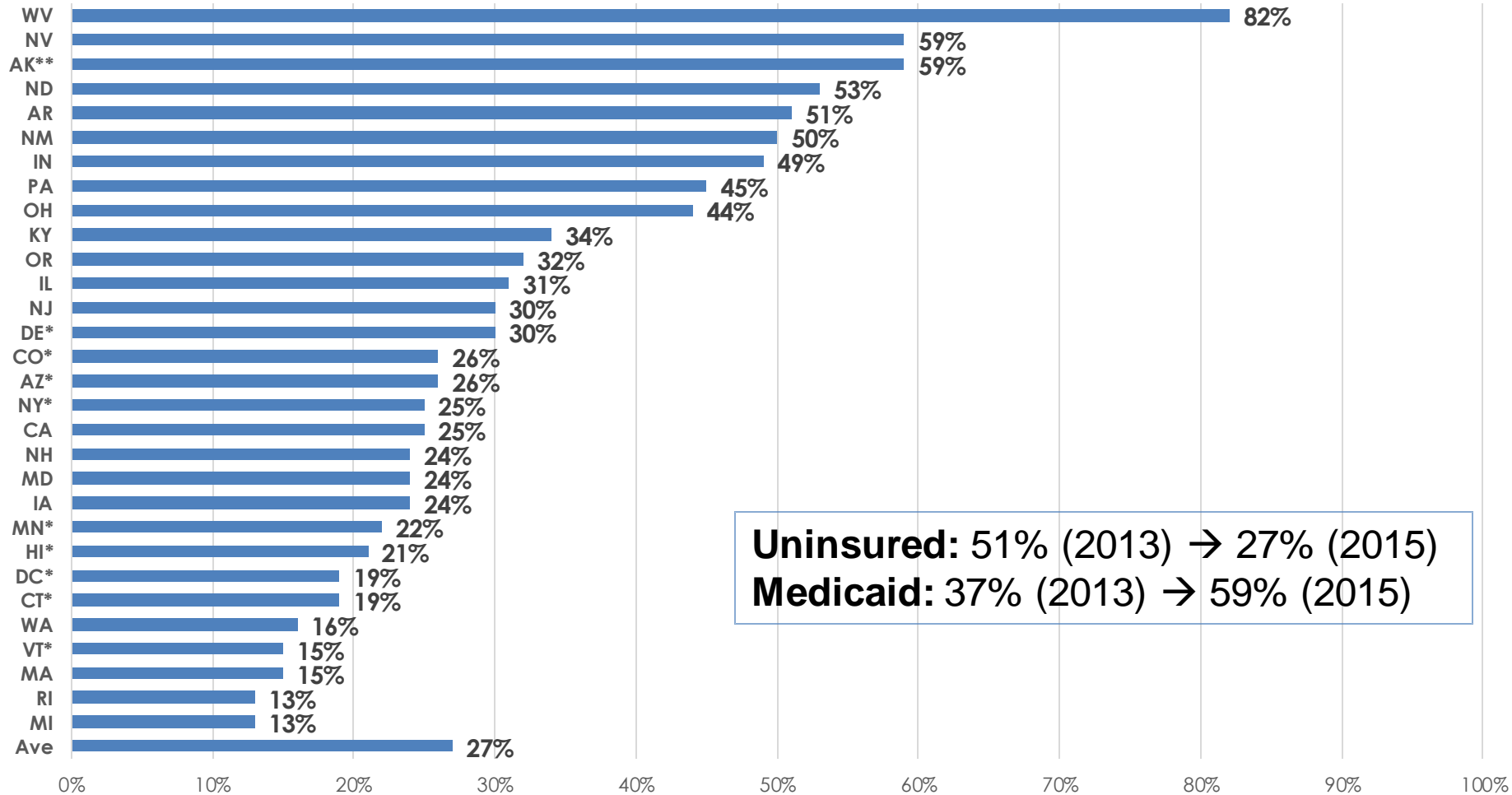
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HEALTH REFORM: STATUS AS OF NOVEMBER

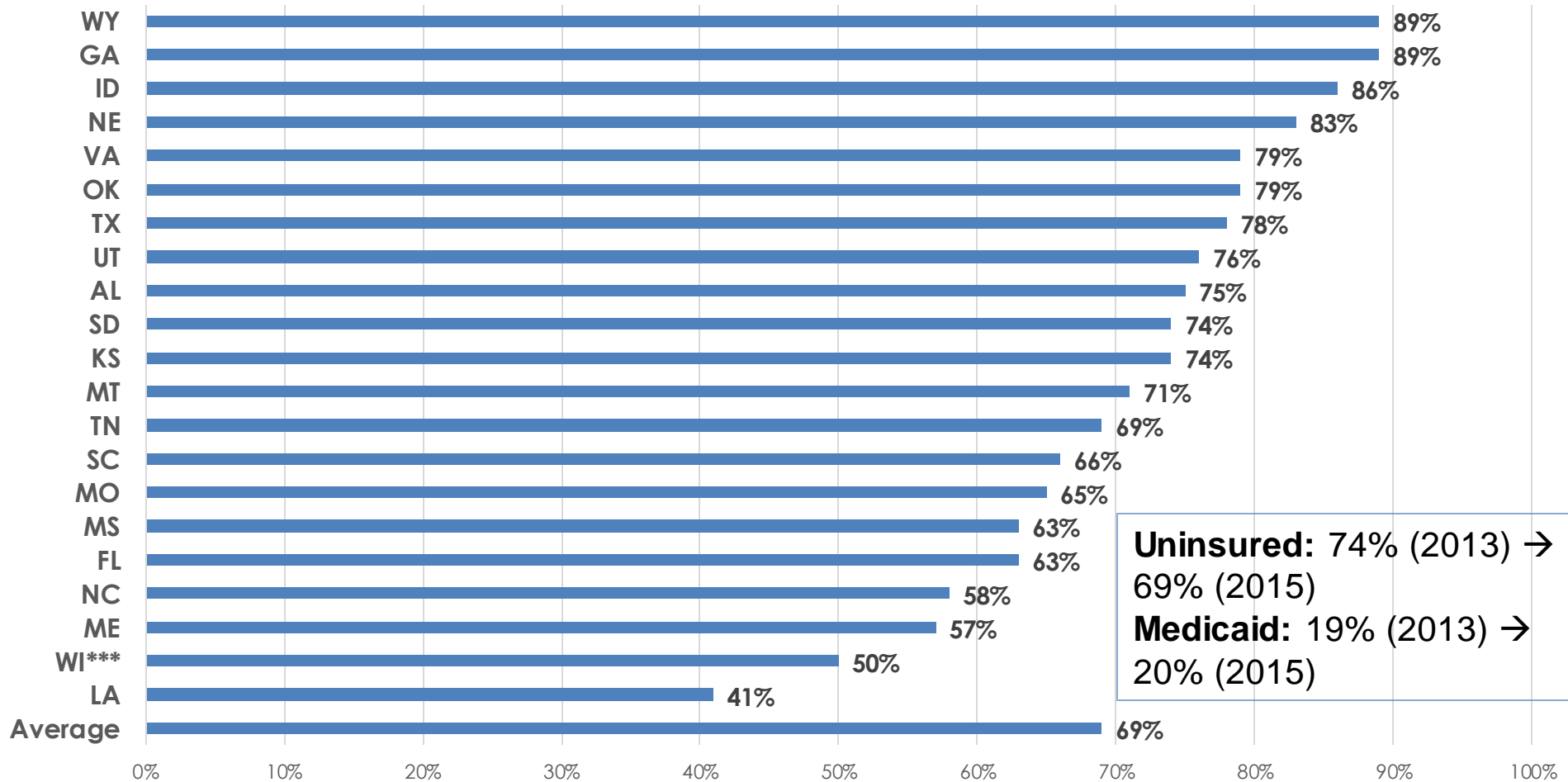
- Improving coverage & access to care
- Moving to value/quality-based care & payment reform
 - Includes risk/acuity adjustments
 - Recognizes social determinants of health
 - Incentivizes team-based care & data sharing across systems
- Strengthening Medicaid & MCO partnerships
 - Housing supports, medical respite, care coordination, etc.
- More fully integrating care

Percentage of **Uninsured** Patients at HCH Projects in **Medicaid Expansion States**, 2015



Uninsured: 51% (2013) → 27% (2015)
Medicaid: 37% (2013) → 59% (2015)

Percent of **Uninsured** Patients at HCH Projects in **Non-Expansion States**, 2015



NOW: BIG PICTURE



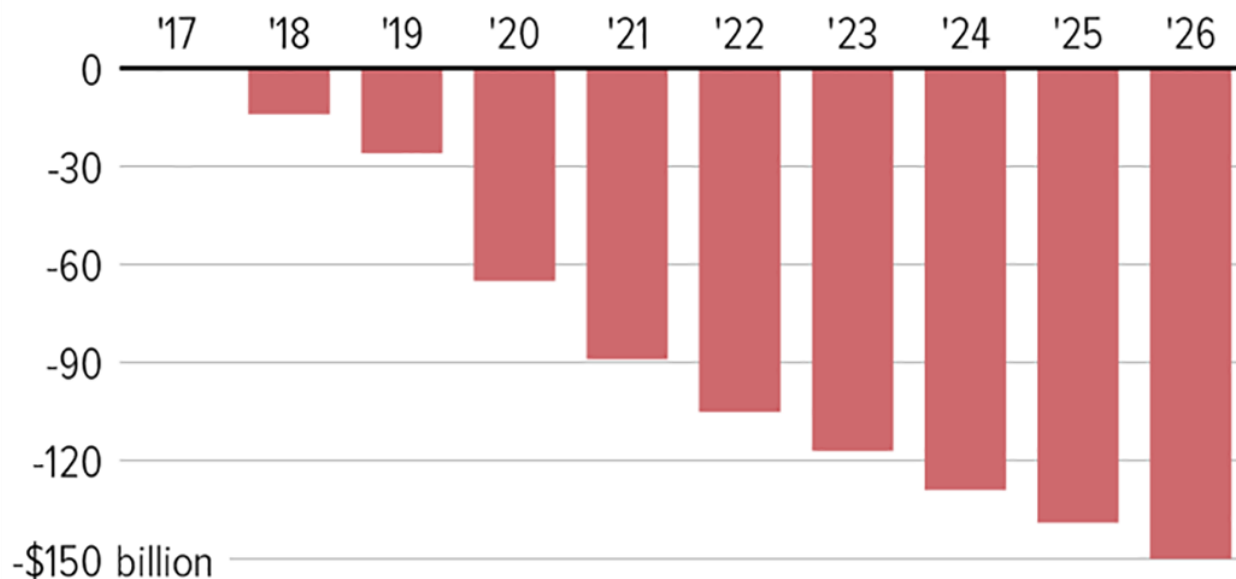
- High level of uncertainty; federal & state
- Recent health care debate highlights deep divides on Medicaid
- Administration & House budgets: safety net cuts
- Conservative leadership in Congress, Trump Administration & in many states
- Changes in health care and housing policy will have direct implications for states & HCH projects

HEALTH REFORM: THE AMERICAN HEALTH CARE ACT & MEDICAID

- Repeal Medicaid expansion
- Move to block grants/per capita caps
- Repeal/waive essential health benefits
- End retroactive coverage & limit presumptive eligibility
- Create option for work requirement
- Require stronger documentation prior to enrollment & re-determination every 6 months

How would the House-passed Republican health bill end Medicaid as we know it?

House GOP Plan Would Cut Medicaid by \$834 Billion Over Ten Years

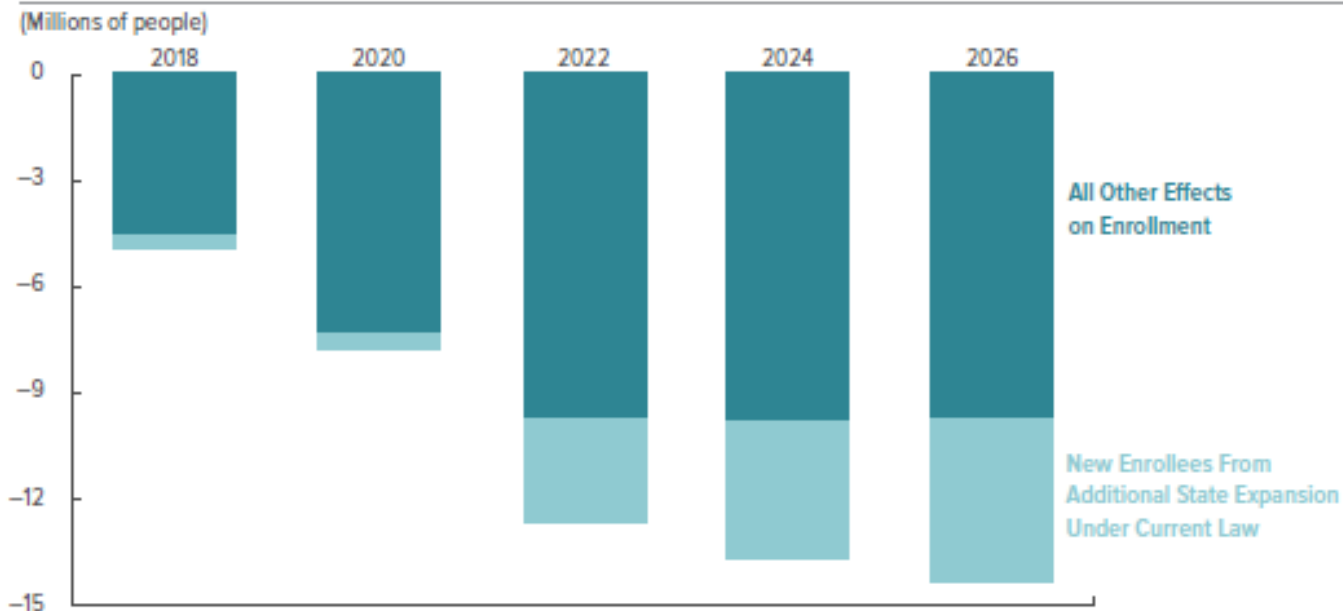


Source: Congressional Budget Office, May 2017

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

Figure 1.

Changes in Medicaid Enrollment Under the AHCA, Selected Years



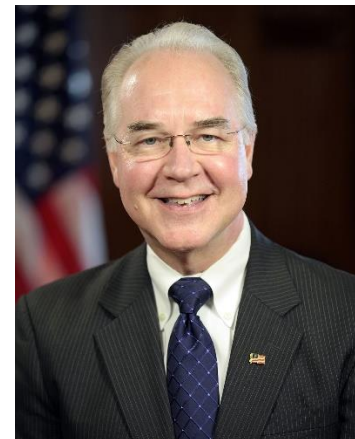
Source: Congressional Budget Office.

Estimates are based on CBO's March 2016 baseline, adjusted for subsequent legislation. They reflect average enrollment over the course of a year. Under CBO's current-law projections, additional states would expand Medicaid eligibility to people who are made newly eligible under the Affordable Care Act (adults under the age of 65 whose income is below 138 percent of the federal poverty level). Enrollment estimates associated with those future expansions are separated in the figure to highlight the change in Medicaid enrollment under the AHCA because CBO anticipates that states that would expand coverage in the future under current law would not do so under the AHCA.

AHCA = American Health Care Act.

HEALTH REFORM: HHS

“The expansion of Medicaid through the Affordable Care Act (ACA) to non-disabled, working-age adults without dependent children was a clear departure from the core, historical mission of the program.”



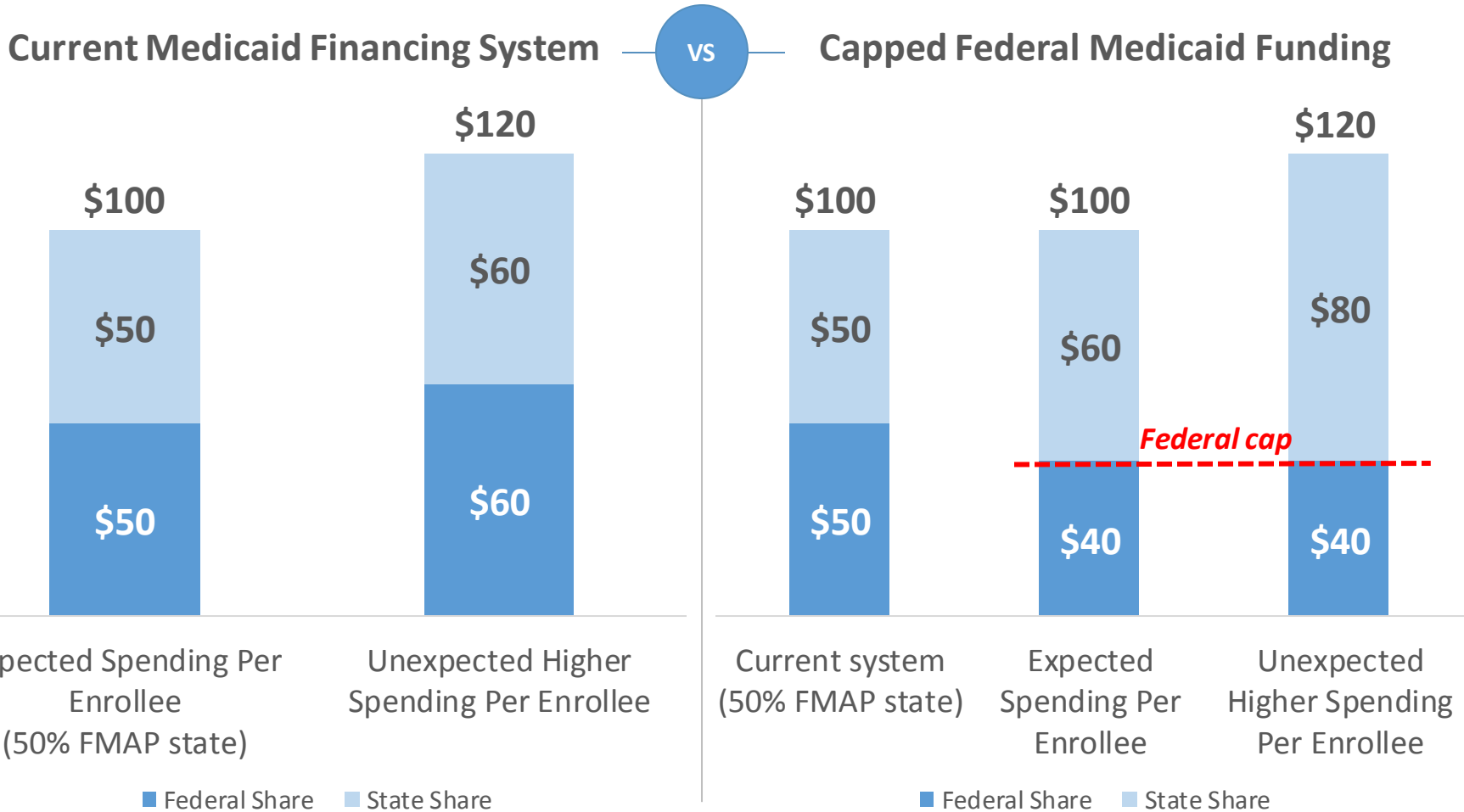
→ **Tom Price**, HHS Secretary & **Seema Verma**,
CMS Administrator, Letter to Governors,
March 17, 2017

HEALTH CARE:

TRUMP ADMINISTRATION & HHS

- Conservative philosophy toward government role in health care
- HHS letter to Governors invites states to:
 - Implement work requirements, HSAs, premiums, out of pocket costs at all income levels
 - Waive presumptive eligibility & retroactive coverage
 - Waive non-emergency transportation
- Little support for current law
 - First Executive Order indicated lack of support for ACA
 - **Vehicles for change:** HHS regulations, state Medicaid waivers, lack of enforcement of laws & regulations

Medicaid Per Capita Cap Would Shift Costs to States



HEALTH CARE: IMPLICATIONS FOR STATES

- Pushes federal debate to state level
- Emphasis on “state flexibility”
- Federal cuts = state problems
- How to respond to decreased federal funding & leadership?
- Pressure to contain Medicaid \$
- Possible cooling effect on innovations for single adults

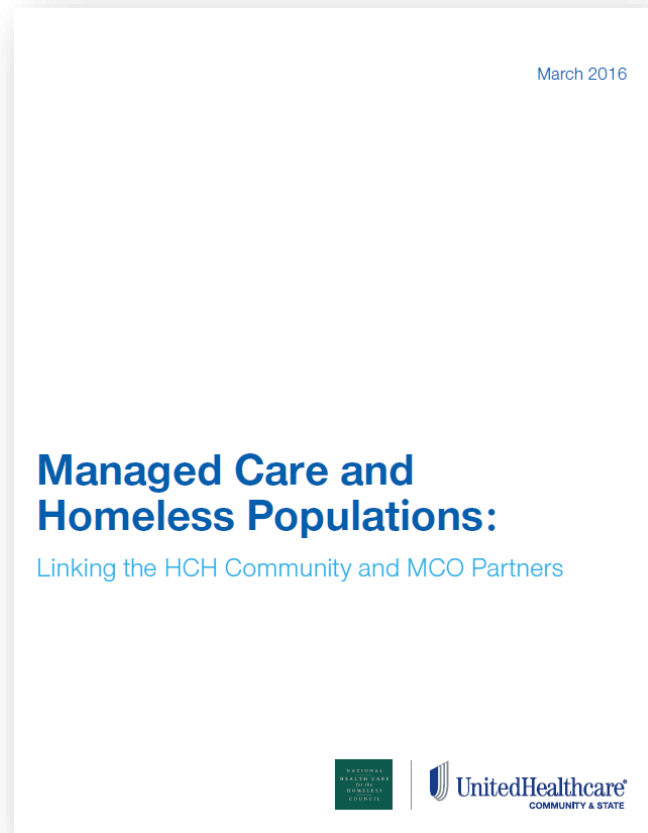


STATE PROVISIONS TO LOOK FOR

- More frequent re-determinations
- Higher levels of documentation
- Time limits on benefits
- Work requirements (WI, ME)
- Drug-testing (WI)
- Premiums & co-pays (KY, ME, WI, IN)
- Reducing eligibility
- Reducing/cutting benefits
- Health savings accounts (IN)



MANAGED CARE PERSPECTIVES



Jenny Ismert

Vice President of Policy

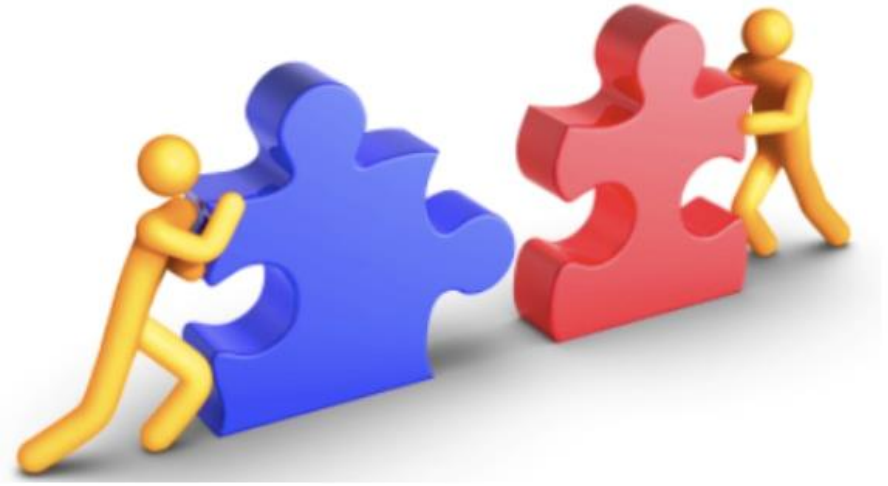
UnitedHealthcare Community & State

MANAGED CARE 101

- What does managed care mean?
- How is managed different from when it was first introduced as a model?
- Are all Medicaid beneficiaries enrolled in managed care?
- What does Medicaid managed care offer that non-managed care does not?

COMMON GOALS WITH HCH PROJECTS

- Health and stability of clients
- Case management/care coordination
- Outreach and engagement
- Continuity of benefits
- Quality and outcomes
- Social determinants of health



DEMONSTRATING “VALUE”

- Value-based contracting/alternative payment models
- Role of data and coding
 - Z59.0 = Lack of housing
 - Other social determinants of health codes
- Demonstrating outcomes



BEST VALUE

MEDICAL RESPITE & SUPPORTIVE HOUSING

- Role of managed care in these models
- Starting and/or bringing to scale
- Incentives for building these models further
- Strategies for engaging MCOs as partners
- Concerns about standardization



CHANGING PHILOSOPHIES IN HEALTH CARE

- Health care as a “catch-all” for all community needs
- Accountable Care Organizations, Health Homes, delivery system reforms (DSRIP, etc.)
- Integrated care
- Broader range of partners
- Sharing data and linking systems

TRENDS IN PAST YEAR

- States using Medicaid waivers to test new approaches
 - 1115 demonstrations or 1915 HCBS services
 - Services in housing, re-entry services, expanded SUD treatment, etc.
- Social impact investments
- Outreach & care coordination
- Medical respite

THOUGHTS ON CURRENT PROPOSALS

- Changes in the role of managed care under spending caps
- Willingness to participate in local markets
- Role of states in determining expectations for managed care

ADVICE FOR HCH COMMUNITY

- Know your value story and understand impact – both short term and long term
- Understand state strategies for health care reform
- Explore non-traditional opportunities – it may be that many individuals revert back to being uninsured, services will still impact state and/or county budgets
- Value based partnerships & strategies are here to stay

DISCUSSION & QUESTIONS

