

Perspectives on Medicaid

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Medicaid

- Medicaid is not an entitlement
 - Coverage based upon income **and** being aged, blind, disabled, pregnant or have dependents.
 - Medicaid does provide a broad range of services, including many not typically covered under standard health insurance.
 - Nursing facility care, full vision, dental and prescription drugs, for example.
 - Medicaid rules:
 - Limit the ability to require meaningful deductibles, copayments, coinsurance.
 - Limit the ability to penalize the beneficiary for non-compliance with care plans.
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Common Problems

- Overcoming the problem of poverty
 - Managing chronic health conditions for aged, blind and disabled.
 - Mental illness and addiction are mostly episodic, people enter the system very ill.
 - Non-elderly family may not have ongoing health needs, sporadic eligibility
 - Example: eligible due to pregnancy
 - Rural, dispersed population.
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Managed Care in Montana

- Montana has no true HMOs in the commercial insurance market.
- Rural states rarely offer traits that allows managed care to flourish:
 - Many providers willing to compete for contracts
 - Large enrollment over which to spread risk
 - Readily available primary care for access/specialty care for referrals.

Barriers to Medicaid Managed Care

- Distinct Medicaid Populations
 - Aged, blind and disabled
 - Mental Illness and Addiction
 - Non-elderly family
 - Eligibility Constraints
 - Eligibility is time limited, must be renewed
 - Must continuously meet eligibility criteria
 - Medicare and Medicaid “dual eligibility”
 - Provider Access
 - Medicaid reputation for “low, slow and no payment”
 - Medicaid population has no “skin in the game”
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Attempts at Medicaid Managed Care

- Mental Health Services Plan
 - Fully capitated managed care for mentally ill patients.
- Health Now Medicaid
- Pace Program (long term care)
 - Shared risk for managed care of elderly, disabled enrollees.

Alternative Forms for Managed Care

- Preauthorization, case management
- Medical review policies/best practices
- Peer review
- Preferred Provider Organizations
 - Steer patients to contract providers
 - Lower contract costs, some agreed medical protocols.
- Medicaid utilizes most of these strategies.

ACA Expansion

- Non-elderly, low income population
 - Does not require the “deprivation” of dependents.
 - Likely to include working families, and the ‘young and invincible’ adults.
- Could double the number of Medicaid population in Montana
 - Rates fully funded by Federal Government, for a while.
 - May not have the needed provider community for access.
- May impact local county eligibility workers, others due to volume of applicants.
- Interaction with FCHIP, IHS and Exchanges.

The Efficiency in Government Question

- Doubling the size of Medicaid won't double the administrative needs.
 - Technology: improved economy for enrollment and policy development.
 - Payment policies that align incentives; break up silo mentality.
 - Push for new state flexibility in federal reforms emerging from budget debate.
 - Focus on prevention and wellness.
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