

If Managed Care is the Answer, What is the Question?

Making Medicaid Better Forum

Alan Weil
Executive Director
National Academy for State Health Policy
November 17, 2010

Presentation Outline

- Managed Care History in Medicaid
- Managed Care is Not Just One Thing
- Conclusions about Medicaid Managed Care Are Hard to Reach
- Why Managed Care?
- The Bottom Line: Accountability

Brief History of Medicaid Managed Care

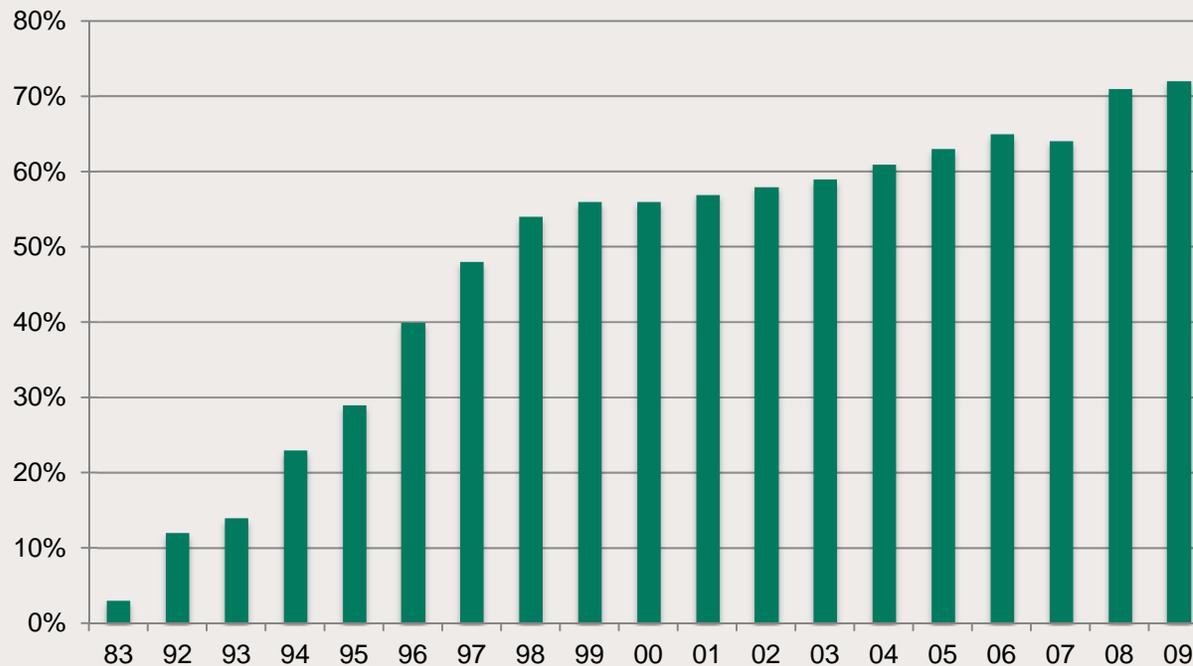
Managed Care Timeline

- 1981: Section 1915(b) freedom-of-choice waivers established
 - Allowed states to pursue mandatory managed care enrollment of certain Medicaid populations.
- 1993: Many states began greater use of Medicaid managed care for delivery of care and expanded coverage to previously uninsured populations like childless adults
- 1997: The Balanced Budget Act of 1997 permitted states to require most Medicaid beneficiaries to enroll in managed care plans without obtaining a section 1915(b) waiver.
 - BBA also eliminated Medicaid's "75/25" rule, which required that 25% of a Medicaid plan's enrollment be commercially insured. This change shifted the market towards Medicaid-dominated and Medicaid- only managed care plans.

Source: 1) Kaiser Family Foundation; "Medicaid: A Timeline of Key Developments"; retrieved 16 Nov. 2010; http://kff.org/medicaid/medicaid_timeline.cfm.
2) Kaiser Commission on the Medicaid and Uninsured, *Medicaid and Managed Care: Key Data, Trends, and Issues* (Washington D.C., 2010), 2.

Growth of Medicaid Managed Care

Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care, 1983 – 2009

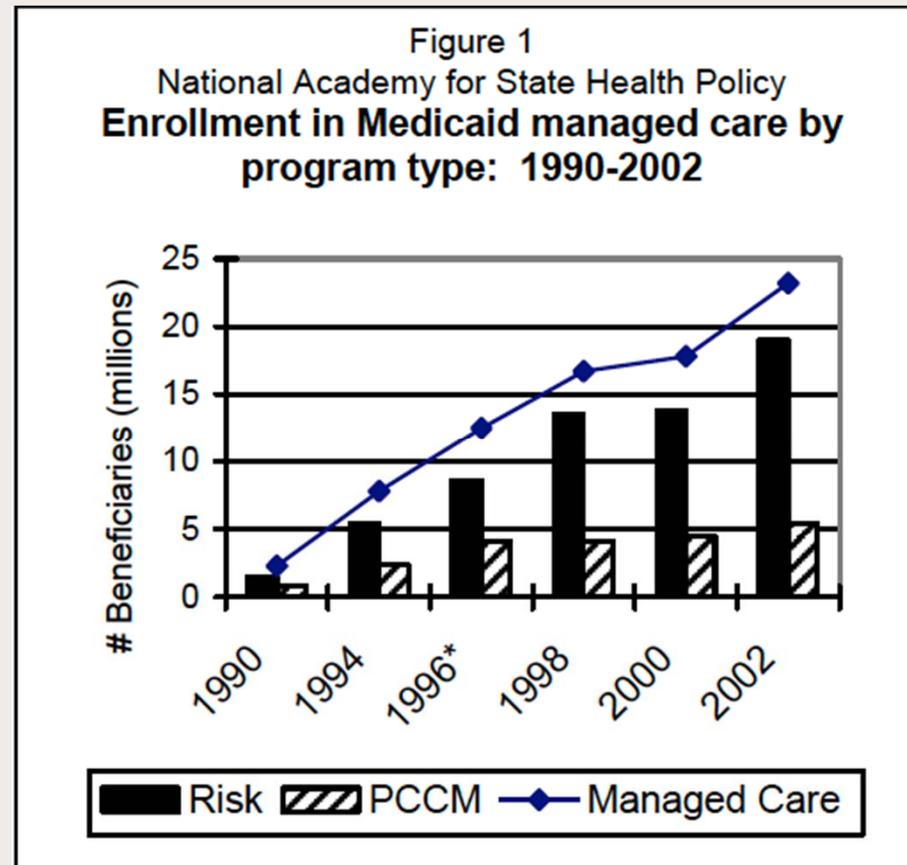


Source: Centers for Medicare & Medicaid Services. Medicaid Managed Care Enrollment Report as of June 30, 2009.

Types of Managed Care

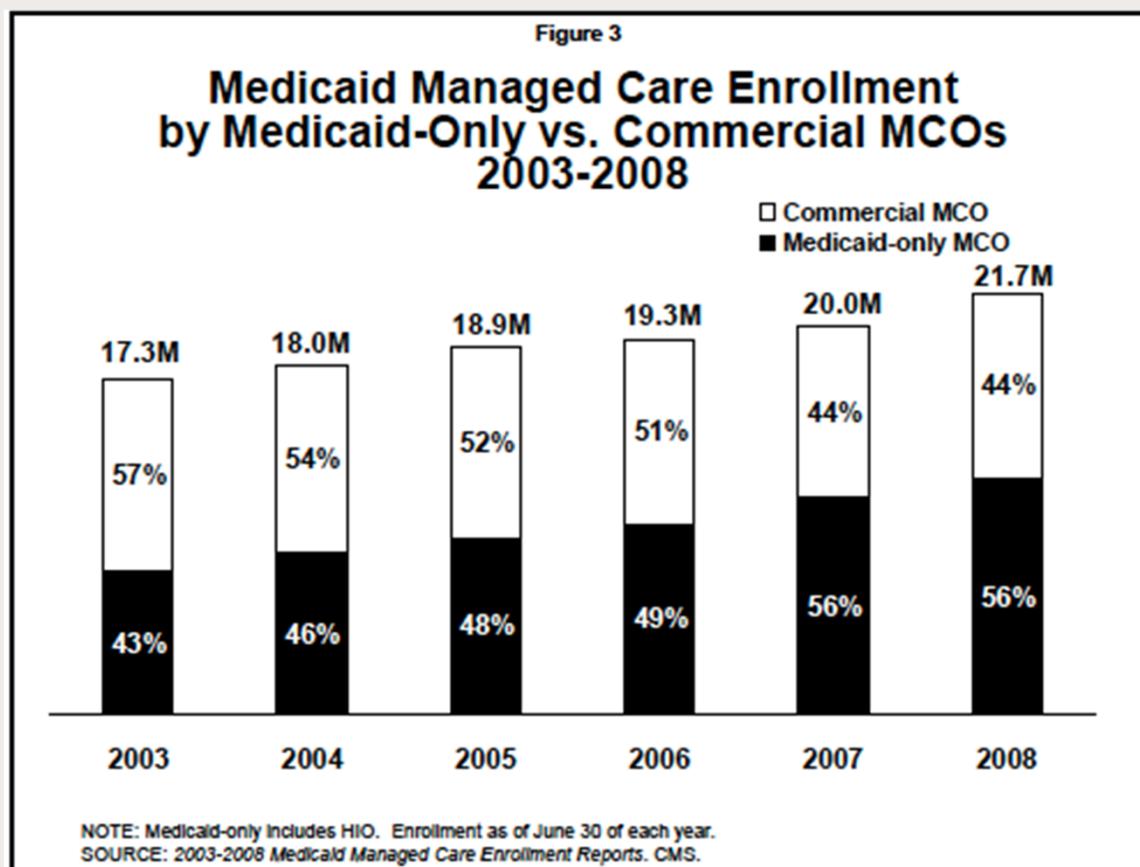
- Commercial HMOs
- Medicaid Only or Medicaid Dominant Plans
- Safety Net Plans
- Primary Care Case Management (PCCM)
- Carve Out Plans

Enrollment in Medicaid managed care by program



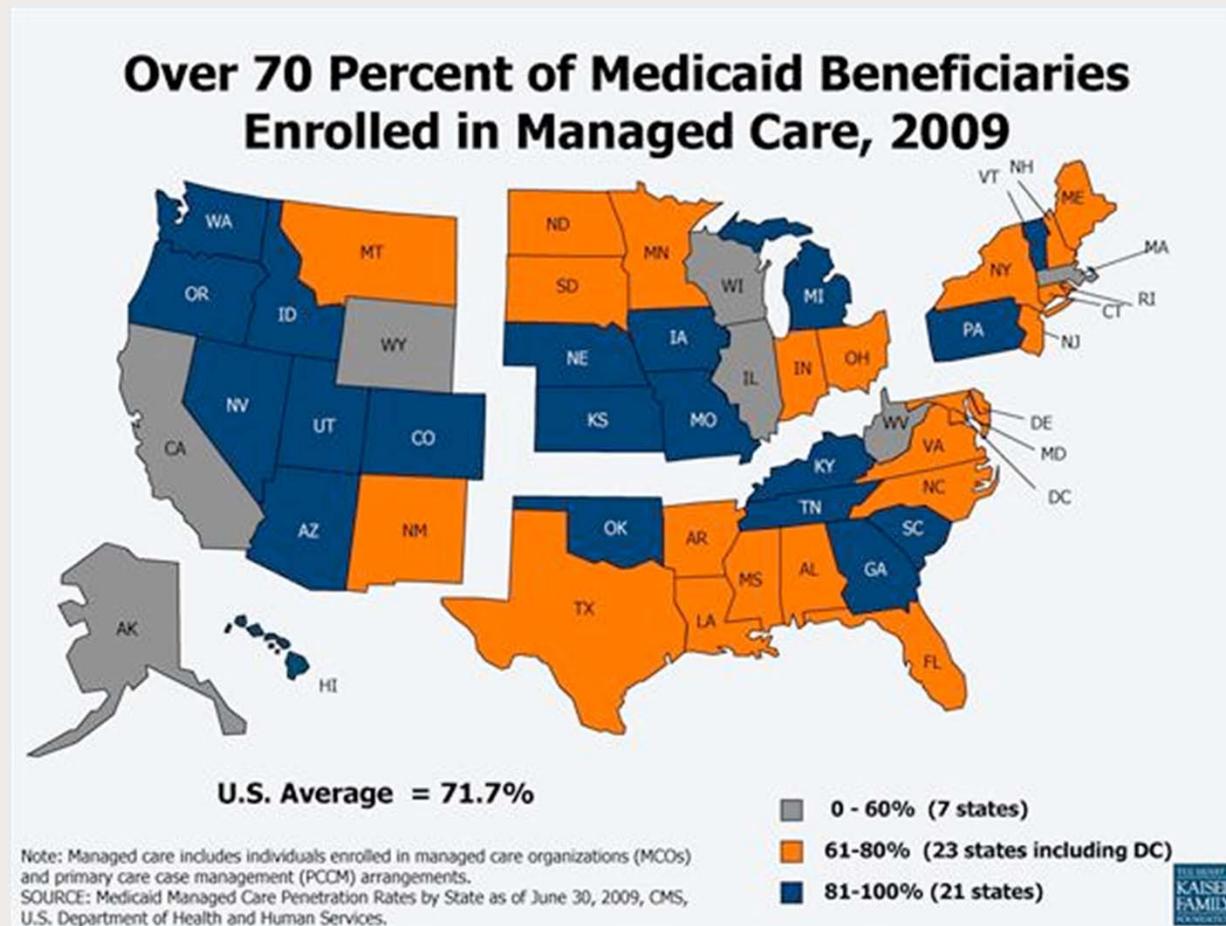
Source: Kaye, *Medicaid Managed Care: Looking Forward, Looking Back* (Portland, ME: National Academy for State Health Policy, 2005), 1.

Enrollment in Medicaid-Only vs Commercial MCOs



Source: Kaiser Commission on the Medicaid and Uninsured, *Medicaid and Managed Care: Key Data, Trends, and Issues* (Washington D.C., 2010), 3.

Prevalence of Managed Care



Source: Kaiser Family Foundation, "Over 70 Percent of Medicaid Beneficiaries Enrolled in Managed Care, 2009", retrieved 16 Nov 2010, <http://facts.kff.org/chart.aspx?cb=56&sctn=154&ch=999>.

Louisiana Managed Care

Medicaid Managed Care Enrollees as a Percent of State Medicaid Enrollees, as of June 30, 2009

LA	US
68.7%	71.7%

Enrollees in Comprehensive Medicaid Managed Care Plans as a Percent of State Medicaid Enrollees, as of June 30, 2009

LA	US
0.0%	46.5%

Source: State Health Facts, "Louisiana: Medicaid Managed Care Enrollees as a Percent of State Medicaid Enrollees, as of June 30, 2009", Kaiser Family Foundation, retrieved 17 Nov 2010, <http://www.statehealthfacts.org/profileind.jsp?ind=217&cat=4&rgn=20&cmpgrn=1>.

State Health Facts, "Enrollees in Comprehensive Medicaid Managed Care Plans as a Percent of State Medicaid Enrollees, as of June 30, 2009", Kaiser Family Foundation, retrieved 17 Nov 2010, <http://www.statehealthfacts.org/profileind.jsp?ind=830&cat=4&rgn=20&cmpgrn=1>.

Louisiana Managed Care

Medicaid Enrollment in Managed Care by Plan Type, as of June 30, 2009

	LA #	US #
Commercial MCO	0	10,284,082
Medicaid-only MCO	0	13,176,581
PCCM	729,219	7,275,241
PIHP	0	8,593,773
PAHP	0	8,162,741
PACE	119	17,091
Other	0	2,113,534

State Health Facts, "Louisiana: Medicaid Enrollment in Managed Care by Plan Type, as of June 30, 2009", Kaiser Family Foundation, retrieved 17 Nov 2010, <http://www.statehealthfacts.org/profileind.jsp?ind=218&cat=4&rgn=20&cmprgn=1>.

Louisiana

- Commonwealth Fund State Scorecard

Rankings		
	2009 Scorecard	Revised 2007 Scorecard ^a
OVERALL	49	46
Access	37	34
Prevention & Treatment	45	44
Avoidable Hospital Use & Costs	51	51
Equity ^b	42	35
Healthy Lives	46	48

Source: Commonwealth Fund, "Louisiana State Scorecard", Retrieved 16 Nov 2010, <http://www.commonwealthfund.org/Maps-and-Data/State-Scorecard-2009/DataByState/State.aspx?state=LA>.

Why Managed Care?

- Reallocate Resources
 - Upstream
 - Management and Coordination
 - Payment
- Selectivity
- Quality Improvement
- Quality Measurement

Models Vary By Group

- Low income families
- People with disabilities
- Dually eligible (Medicare and Medicaid)

Accountability

- Access
- Outcomes
- Processes
- Financial
- Providers
- Patients

NATIONAL ACADEMY
for STATE HEALTH POLICY

Alan Weil
Executive Director
aweil@nashp.org

www.nashp.org