

Medicaid

Who? What? How?

So many decisions, so
little time....

Sign up for Medicaid?

- Yes or no
- Optional program started in 1965
- Since late 1970s all states now participate

I'm in...now what?

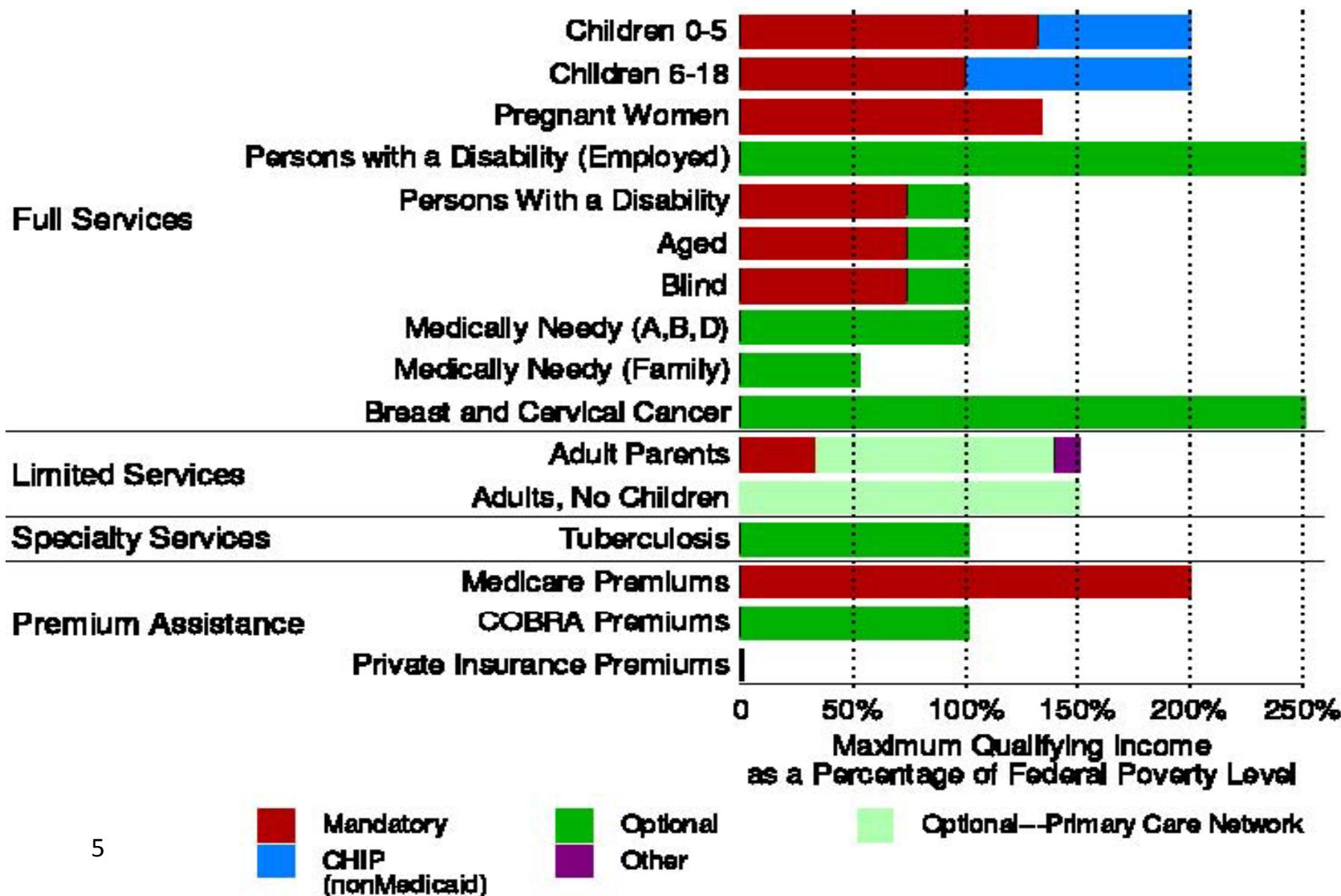
- Decisions to be made
 - Populations
 - Services
 - Funding
 - Administration
- Don't worry, the federal government already made several decisions for all states

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Populations

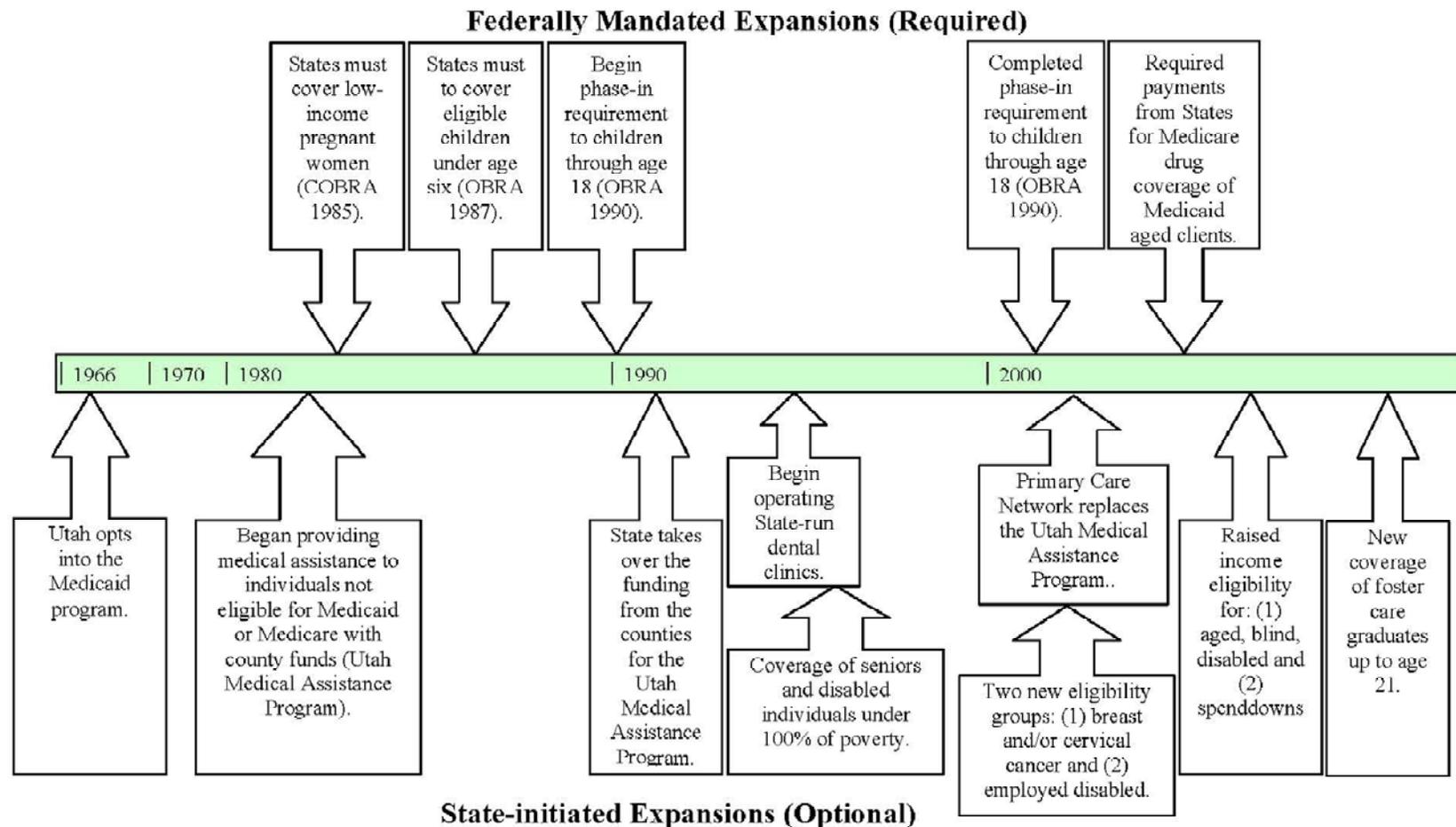
- Mandatory population qualifications
 - Low income AND
 - Child, parent, 65+, or have a disability
- Optional populations
- How does Utah compare to the rest of the nation?

Mandatory vs. Optional Coverage of Major Groups By Qualifying Income Level (Utah)



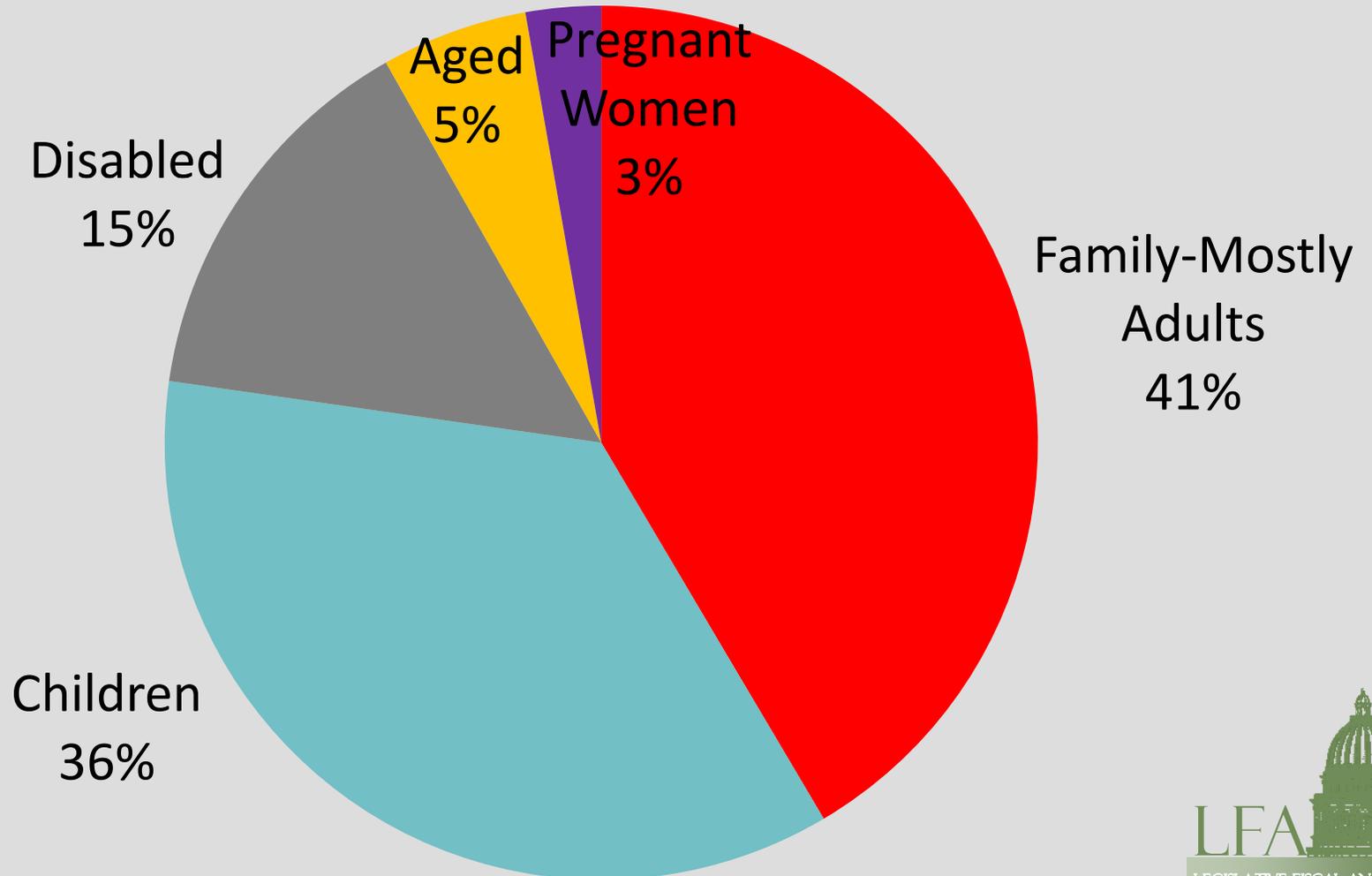
Populations

Medicaid Program Expansions



Populations

244,700 on Medicaid in June 2011



Services

- Two questions to answer
 1. What services to provide?
 2. How to provide those services?

Services

- Mandatory (14 services that must be provided)
- Optional (38 services a state can choose to provide)
 - Utah covers 27 of the 38

Services

Mandatory Services

1. Inpatient hospital
2. Outpatient hospital
3. Physician's services
4. Nurse midwife services
5. Pediatric and family nurse practitioner services
6. Federally qualified health center
7. Laboratories and x-ray services
8. Rural health clinic services
9. Prenatal care
10. Family planning services
11. Skilled nursing facility services for persons over age 21
12. Home health care services for persons over 21 who are eligible for skilled nursing services
13. Early and periodic screening, diagnosis, and treatment for persons under age 21
14. Vaccines for children

Services

Optional Services Utah Provides

1. Ambulance services
2. Clinic services, including services in Public Health and Mental Health Clinics and in Freestanding Ambulatory Surgery Centers
3. Critical access hospital services
4. Dental services for pregnant women over 20
5. Diagnostic, screening and preventive services
6. Emergency hospital services in non-Medicare participating facilities
7. Dentures
8. Hearing Aids
9. Hospice
10. Inpatient psychiatric care for under age 21
11. Institutions for Mental Disease for age 65 and older
12. Intermediate Care Facility services for Developmentally Disabled
13. Medical equipment and supplies
14. Medical and remedial care by other licensed practitioners (e.g. – psychologists)

Services

Optional Services Utah Provides (continued)

15. Non-emergency medical transportation services
16. Nursing facility services for under age 21
17. Occupational therapy (excluding home health)
18. Physical therapy
19. Optometrist services
20. Personal care services
21. Podiatrist services
22. Prescription drugs
23. Primary care case management
24. Private duty nursing services
25. Prosthetic and orthotic devices
26. Respiratory care for ventilator dependent beneficiaries
27. Targeted case management

Services

Optional services Utah does **not** provide:

1. Adult dental services (excluding pregnant)
2. Home health occupational therapy
3. Home health speech and language
4. Eyeglasses
5. Home health audiology
6. Speech, hearing and language
7. Nurse anesthetist
8. Chiropractor
9. Program of All-Inclusive Care for the Elderly
10. Respiratory care
11. Qualified Religious Nonmedical Health Care Institutions

Services

- How to deliver medical services?
 - Fee-for-service (any willing provider)
 - Current plan to be the main system for rural Utah
 - Managed health care contracts
 - Select Access – fee-for-service payment with \$0.70 monthly access fee per member
 - Molina – 100% risk contract, capitated payment
 - Healthy U - non-risk Prepaid Ambulatory Health Plan
 - Health Choice – Accountable Care Organization with 100% risk contract, capitated payment

Funding – How to pay for it?

- For every \$1 spent on Medicaid services...
 - \$0.70 federal (\$1.4B in FY 2011)
 - \$0.30 state
 - 68% or \$389M from General and Education Fund
 - 32% or \$179M from assessments & seeding
- Limited cost sharing
 - Ranges from \$0 for some populations to \$500 annual maximum
- How much money will I give for Utah's Medicaid program?

Matching Funds	Source	FY 2011	% State Funding	General Fund	Education Fund	% of All Matching
Health Department - Medicaid	State	\$ 272,990,700	100%	\$ 272,990,700		48%
Pharmacy Rebates	companies	\$ 76,331,700	0%	\$ -		13%
Human Services	State	\$ 59,695,700	98%	\$ 58,710,700		11%
Hospital Assessment	companies	\$ 32,443,900	0%	\$ -		6%
Capitated Mental Health	counties	\$ 23,648,700	82%	\$ 19,432,700		4%
Workforce Services	State	\$ 20,678,100	100%	\$ 20,678,100		4%
Nursing Home Assessment ¹	companies	\$ 19,441,000	0%	\$ -		3%
School Districts	schools	\$ 13,762,300	52%	\$ -	\$ 7,156,400	2%
Inpatient Payment Seeds	U Hospital	\$ 12,503,700	0%	\$ -		2%
Disproportionate Share Hospital	companies	\$ 7,015,600	0%	\$ -		1%
Physician Enhancement	U Hospital	\$ 6,276,200	0%	\$ -		1%
Health & Dental Clinics	State	\$ 4,031,900	0%	\$ -		1%
Reimbursed Medical Billing	State	\$ 3,801,900	0%	\$ -		1%
Family Health & Preparedness	State	\$ 3,541,800	100%	\$ 3,541,800		1%
Healthy U Health Plan	Healthy U	\$ 2,956,300	0%	\$ -		1%
Substance Abuse	counties	\$ 2,175,800	83%	\$ 1,813,200		0%
Other Restricted Revenue	State	\$ 1,847,600	100%	\$ 1,847,600		0%
Disease Control and Prevention	State	\$ 1,436,800	100%	\$ 1,436,800		0%
CHIP Allocation	State	\$ 1,248,700	20%	\$ 251,100		0%
Primary Care Network Fees	clients	\$ 582,400	0%	\$ -		0%
Child Health Eval. and Care	counties	\$ 546,300	28%	\$ 153,000		0%
Local Health Departments	counties	\$ 533,700	28%	\$ 149,400		0%
Medicaid Fraud Control Unit	State	\$ 402,100	100%	\$ 402,100		0%
Early Intervention	State	\$ 344,500	100%	\$ 344,500		0%
Center for Health Data	State	\$ 180,000	100%	\$ 180,000		0%
Other	misc.	\$ 97,600	0%	\$ -		0%
Total 16		\$ 568,515,000		\$ 381,931,700	\$ 7,156,400	100%

Administration

- Who will administer Medicaid?
 - Federal requirement to have one designated state agency (the buck stops there)

FY 2011 Admin. (\$ millions)		
State Agency	\$	%
Health	\$45	42%
Workforce Services	\$41	39%
Human Services	\$18	17%
Attorney General	\$2	2%
Total Funds	\$106	

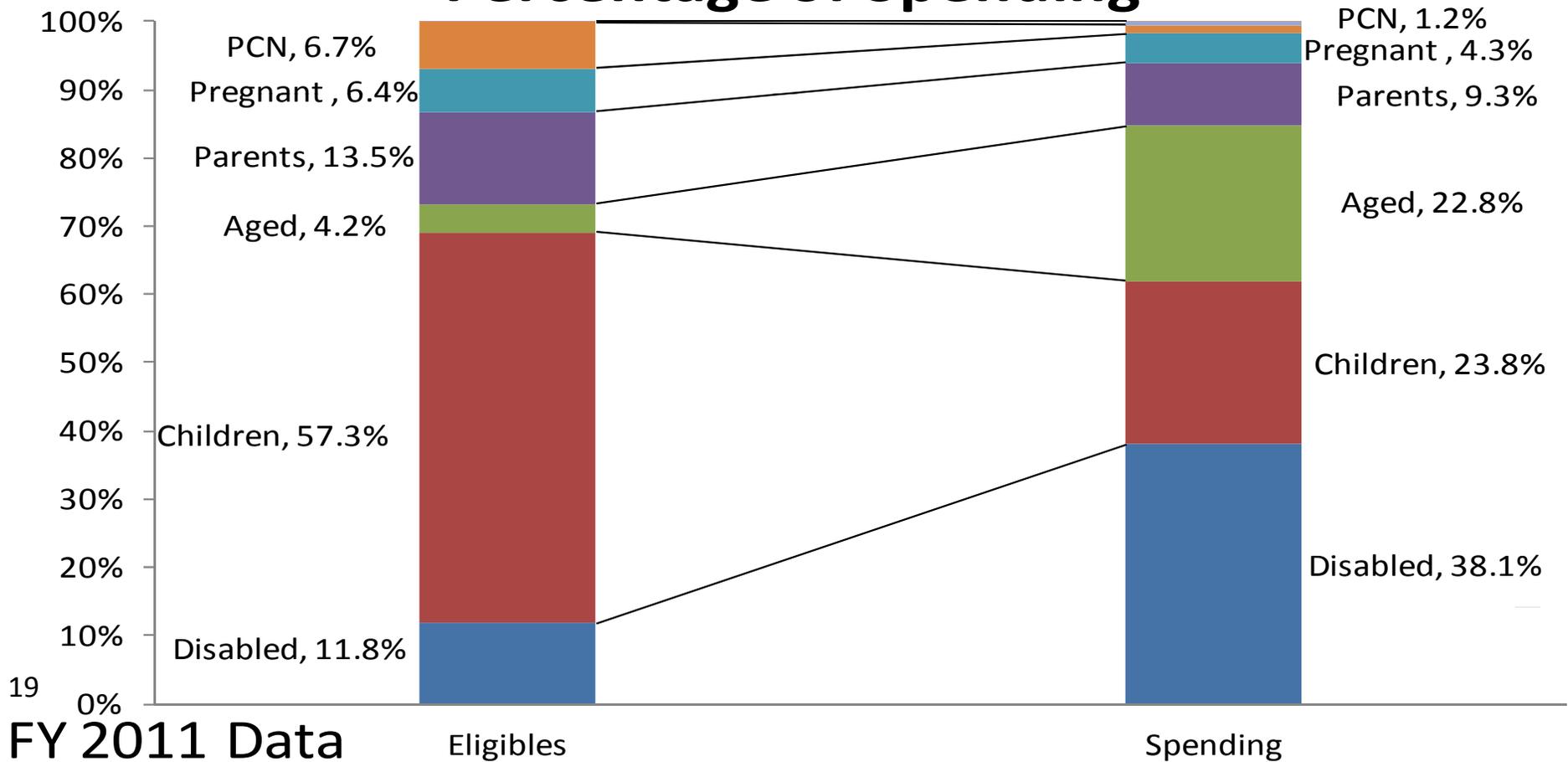
- Functions (in-house vs contracted)

Administration

- Federal-state partnership
 - Rules
 - Waivers
 - Disallowances

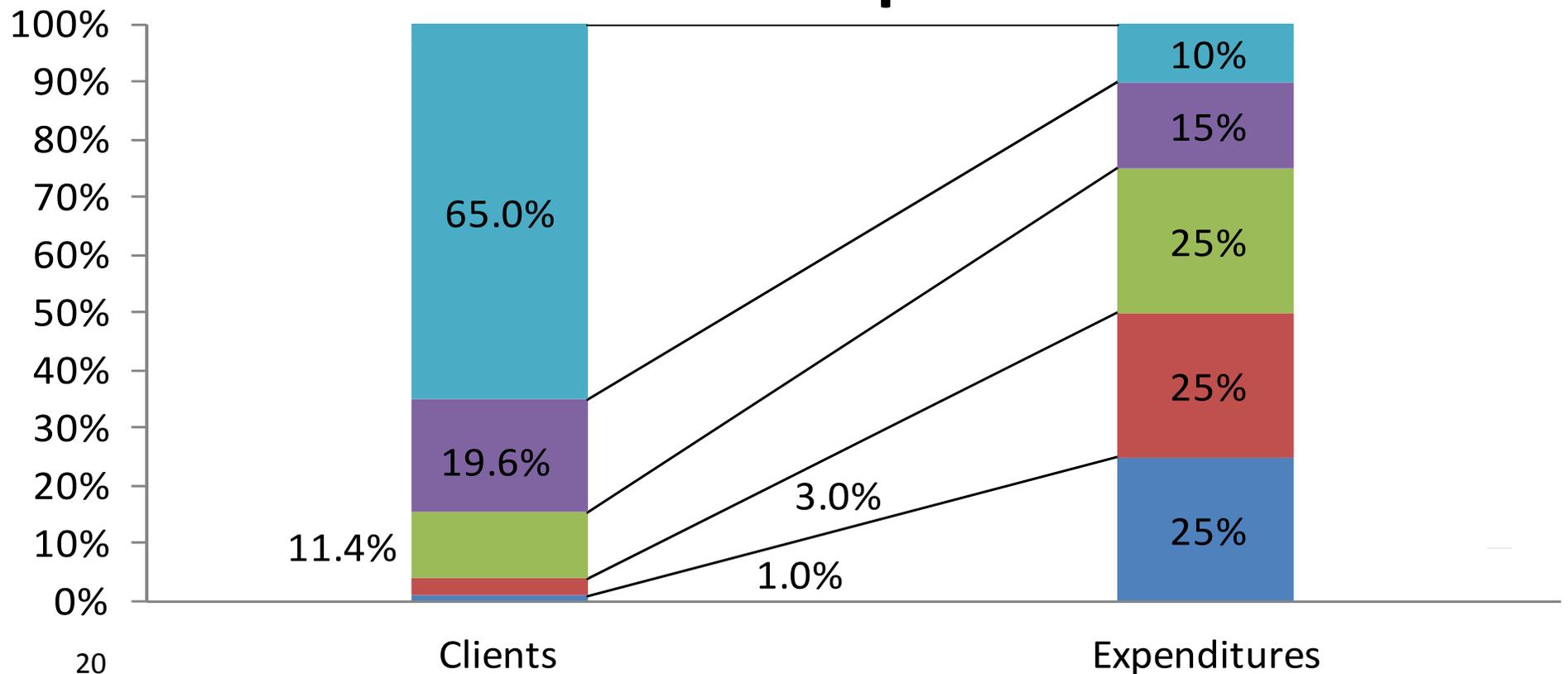
Where does the money go in Medicaid?

Percentage of Eligibles vs Percentage of Spending



Where does the money go in Medicaid?

FY 2011 Medicaid, % Clients vs. % Expenditures



Where does the money go in Medicaid?

Specific Service	FY 2011 Exp.	%
Inpatient Hospital-General	\$ 265,794,555	14%
Inpatient Hospital-Seeding	\$ 198,214,363	11%
Molina Health Care	\$ 161,741,798	9%
DHS Home/Comm. Based Services	\$ 154,214,187	8%
Pharmacy	\$ 154,152,350	8%
Capitated Mental Health Clinics	\$ 104,844,716	6%
Outpatient Hospital	\$ 102,438,847	5%
Physician Services	\$ 91,824,301	5%
Nursing Facility III	\$ 84,308,059	5%
Healthy Utah	\$ 68,828,725	4%
Nursing Facility II	\$ 49,787,822	3%
Dental/Orthodontia	\$ 35,646,820	2%
Community IMR	\$ 32,288,002	2%
Skills Development	\$ 25,337,340	1%
All Medicaid Service Expenditures	\$ 1,868,872,700	84%

What does the future hold?

- “As the federal government becomes more serious about deficit reduction and entitlement reform the dissonance between Medicaid as an open-ended, individual entitlement and the funding sources available to support it (both state and federal) will become/should become one of the major policy issues in the coming months.” Joy Wilson, Health Policy Director and Senior Federal Affairs Counsel with the National Conference of State Legislatures (June 6, 2012 personal correspondence)
- Federal health care reform