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Medicaid Expansion and Behavioral Health

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Health Care Financing

SAMHSA

DEPARTMENT OF HEALTH & HUMAN SERVICES · USA

Key Takeaways

- The Medicaid expansion could provide coverage to millions of individuals with MH and SUD needs.
- The new adult group will offer at least the Essential Health Benefits.
- Enhanced Federal Medical Assistance Percentage (FMAP) (100% 2014-16, down to 90% in 2020)
- States currently engaged in financial impact analyses

Current Picture of Eligibility

Medicaid (as of January 2011)

- ***Pregnant women*** *– 40 states at or above 185 percent the federal poverty level (FPL)*
- ***Disabled adults*** *– 11 states more restrictive than SSI*
- ***Parents*** *– 1996 welfare income eligibility + waivers/state funds – benefit limits/cost sharing = mixed picture* ***(only 18 states offer full Medicaid at poverty level****)*
- ***Low income, non-disabled, childless adults***
  - **Eight offer benefits equivalent to Medicaid – early ACA option/waivers/state funds (AZ, CT, DE, DC, HI, MN, NY, and VT)**
  - **Eighteen provide more limited benefits, but five closed enrollment in 2011**

ACA Eligibility Level Changes

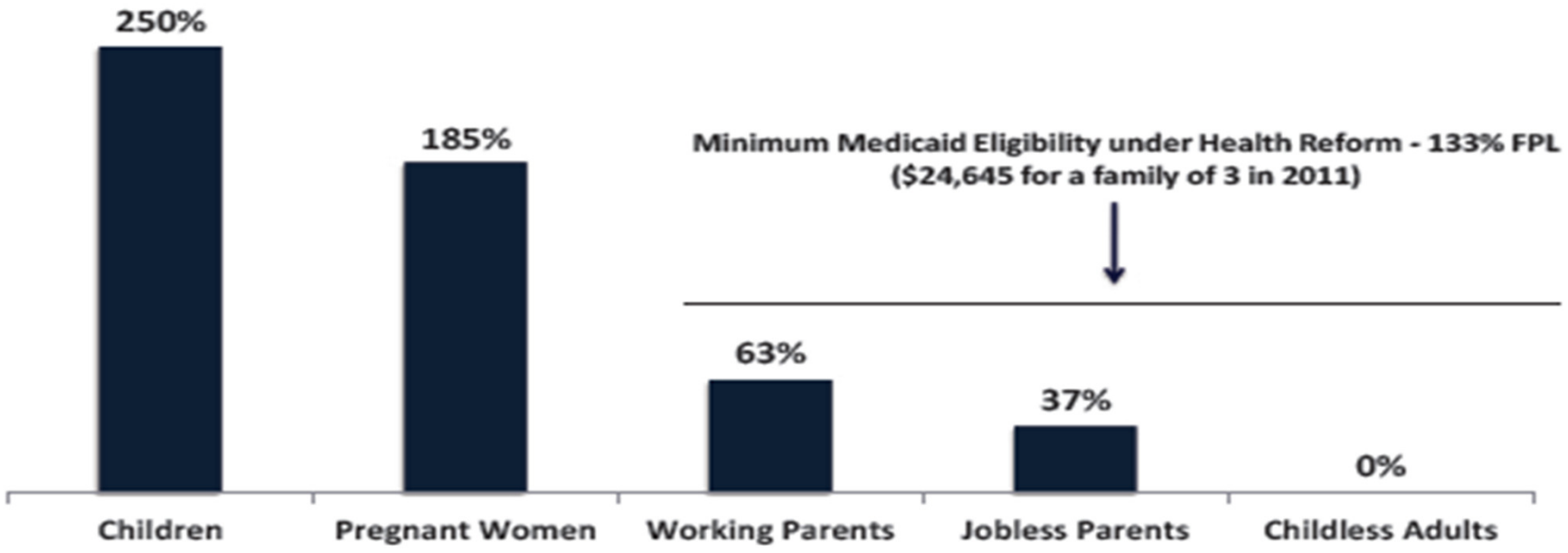
Medicaid

- *All individuals under 65 with income at or below 133 percent FPL ($14,404 for an individual and $29,327 for a family of four in 2009)*
- *Replace categorical groupings and limitations*
- *Modified Adjusted Gross Income (MAGI) – income calculation methodology*
- *Presumptive eligibility at hospitals (DSH payment reductions)*

Current Picture of Eligibility

Figure 4

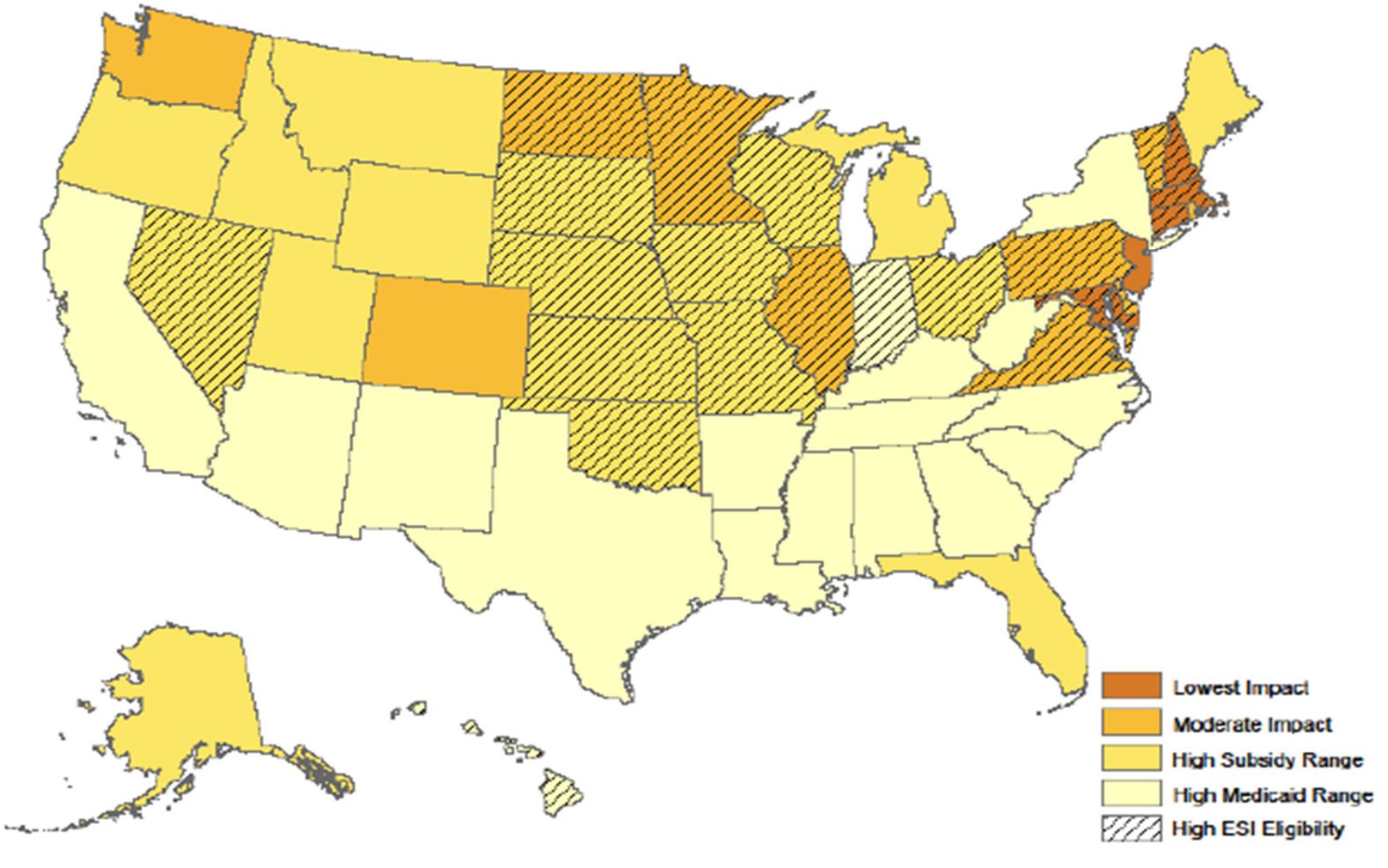
Median Medicaid/CHIP Eligibility Thresholds, January 2012



SOURCE: Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2012.

ACA Eligibility Level Changes

Figure 1: Map of Income Clusters with ESI Eligibility



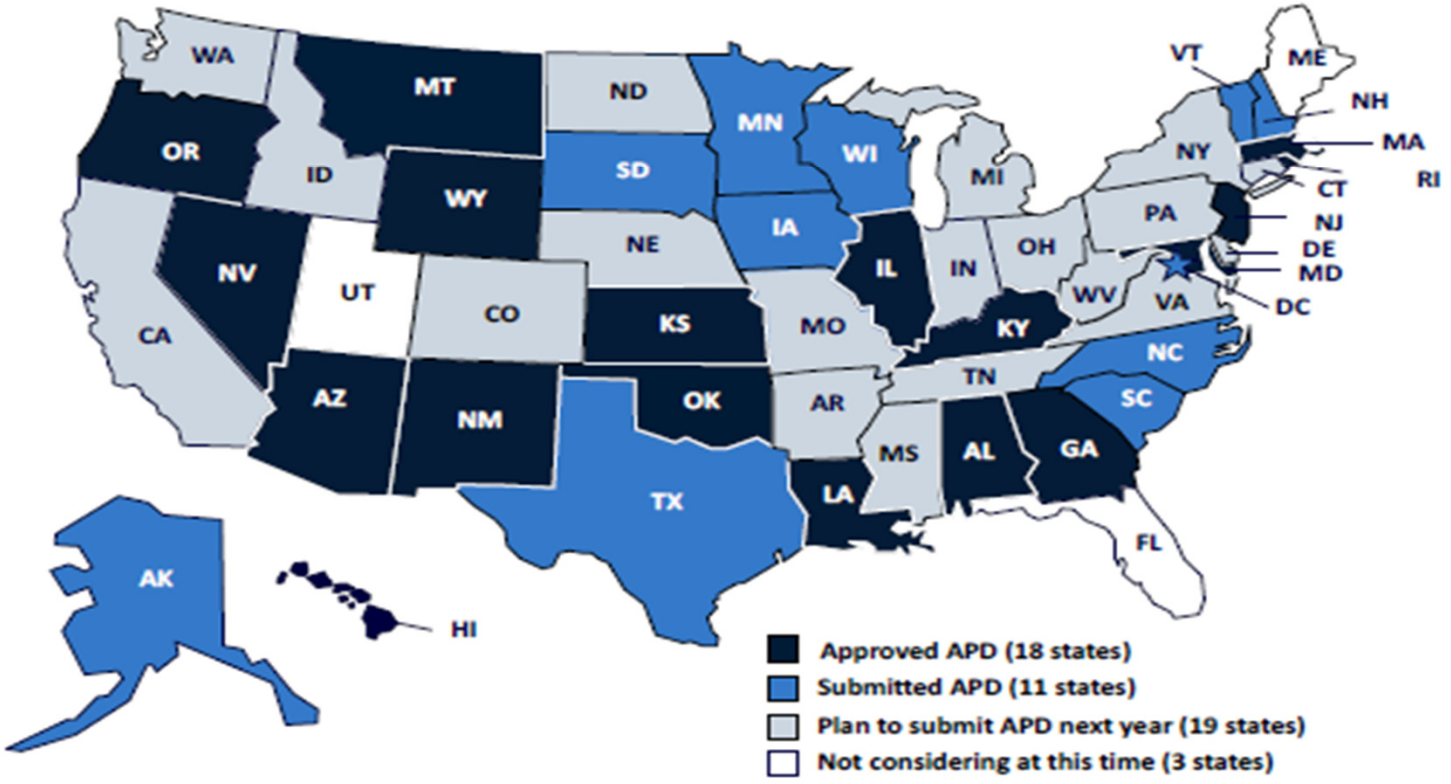
ACA Eligibility Determination System Changes

- Single streamlined application process, including high-quality online portal, phone, paper, fax, in person
- No wrong door
- Signed affidavits
- Data matching with HHS, IRS, DHS, SNAP, TANF
- Presumptive eligibility at hospitals
- Express lane for adults
- MAGI simplifications
- Authorized representatives
- Streamlined renewal process

Eligibility Determination Systems

Figure 6

Status of Major Medicaid Eligibility System Upgrades, January 2012



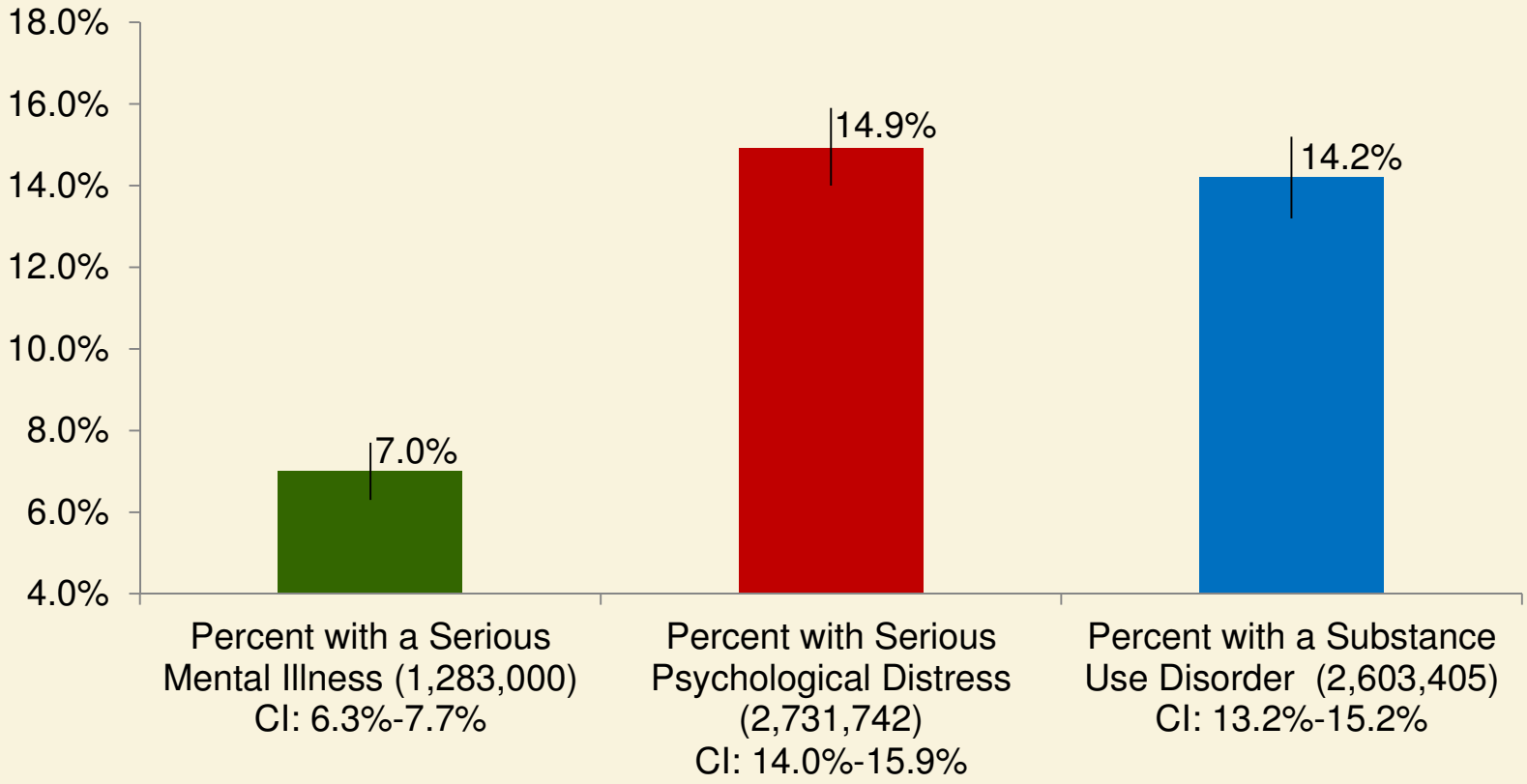
NOTE: "APD" refers to an Expedited Advanced Planning Document.
SOURCE: Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2012.

The Uninsured

- **37.9 million uninsured <400 percent FPL (NSDUH, 2010)**
  - *19.9 Million ACA Exchange eligible**
  - *18 Million ACA Medicaid eligible*
- **11.019 million (29 percent) currently uninsured <400 percent FPL have behavioral health conditions (NSDUH, 2010)**

*Eligible for premium tax credits and not eligible for expanded Medicaid

Prevalence of Behavioral Conditions Among Medicaid Expansion Population



CI = Confidence Interval

Sources: 2008 – 2010 National Survey of Drug Use and Health
2010 American Community Survey

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Characteristics of Uninsured 18-64 Year-Olds with SMI in Medicaid Expansion Population

Female	64%
Age 18-34	53%
Race/Ethnicity	
Non-Hispanic White	67%
Non-Hispanic Black	12%
Non-Hispanic Other	4%
Hispanic	17%
EDUCATION	
< High School	31%
High School Graduate	39%
College	30%
Population Density	
CBSA: 1 Million +	42%
CBSA: < 1 Million	33%
Non-CBSA	25%
Overall Health	
Excellent	9%
Very Good	22%
Good	31%
Fair/Poor	37%

A majority of people with SMI in Medicaid expansion population are:

- Female (64%)
- White or Hispanic (84%)
- Have a HS education or less (70%)

A plurality :

- Live in a metropolitan area
- Rate their health as fair or poor

CBSA: Core Based Statistical Area

Characteristics of Uninsured 18-64 Year-Olds with a SUD in Medicaid Expansion Population

Male	73%
Age 18-34	63%
Race/Ethnicity	
Non-Hispanic White	51%
Non-Hispanic Black	18%
Non-Hispanic Other	3%
Hispanic	28%
EDUCATION	
< High School	43%
High School Graduate	32%
College	25%
Population Density	
CBSA: 1 Million +	47%
CBSA: < 1 Million	32%
Non-CBSA	20%
Overall Health	
Excellent	13%
Very Good	28%
Good	36%
Fair/Poor	23%

CBSA: Core Based Statistical Area

A majority of people with SUD in Medicaid expansion population are:

- Male (73%)
- 18-34 years old (63%)
- White or Hispanic (79%)
- HS education or less (75%)

A plurality:

- Live in a metropolitan area
- Rate their health as good/very good

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Expanding Medicaid

The District of Columbia's Experience

Presented by:
Claudia Schlosberg, J.D.
Director, Health Care Policy and Research Administration
D.C. Department of Health Care Finance

Objectives

- Overview of DC Medicaid and Alliance Programs
- Understand Expansion Population
  - State Plan
  - 1115 Waiver
- Identify Challenges
- Identify Responses to Challenges
- Understand future options and challenges

DC Medicaid and Alliance Programs

- Department of Health Care Finance (DHCF)is single state agency for Medicaid and responsible for all publicly funded health care coverage programs.
- DHCF is responsible for covering over 230,000 lives.
- DHCF populations represent nearly 40% of the District's population.

DC Health Care Alliance is Unique

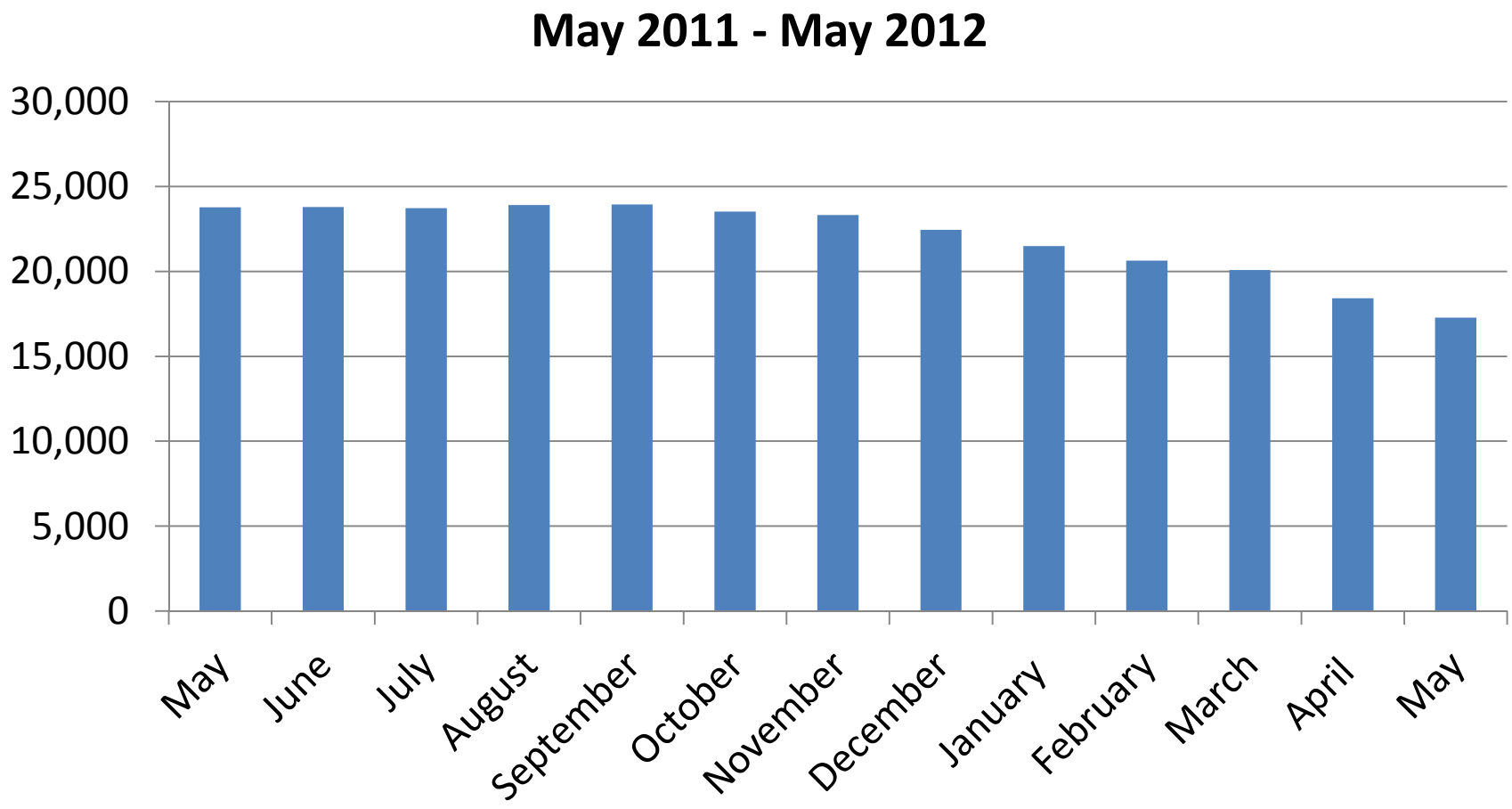
- Provides coverage to individuals up to 200% of FPL that are ineligible for Medicaid
- All Alliance members are enrolled inMCOs
- No cost sharing
- Benefit package is similar to Medicaid except Alliance does not pay for:

  - Emergency hospital services (ER and In-Patient Admission including Labor and Delivery) *
  - Dialysis
  - Mental Health Services and Substance Abuse Services
  - Transplants and Open heart surgery

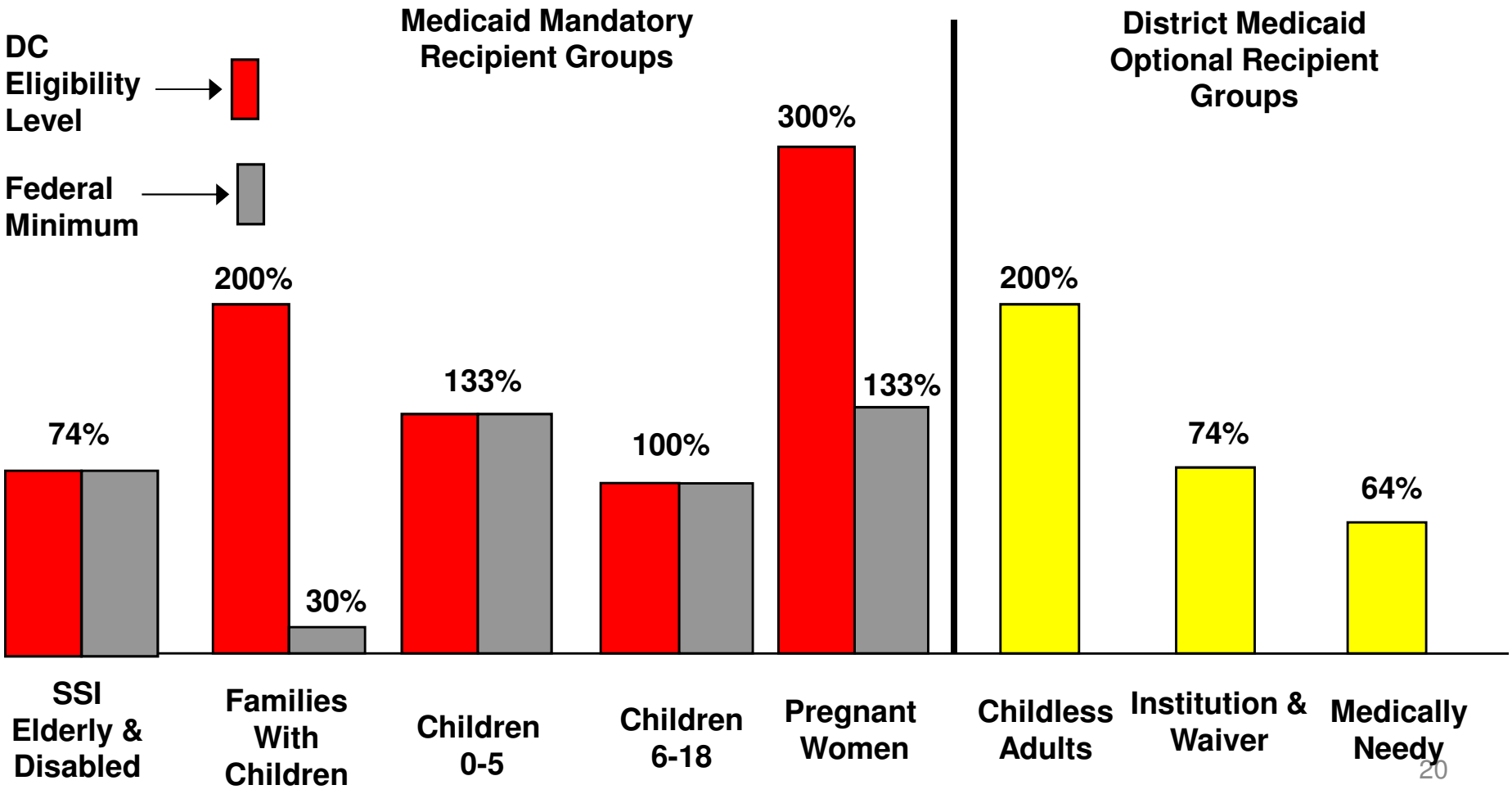
  Chiropractic Services

  - Vision Services
  - Dental services (capped at $1000 per year)

Alliance Enrollment Trends



District's Medicaid Eligibility Standards Typically Exceed Minimal Federal Requirements



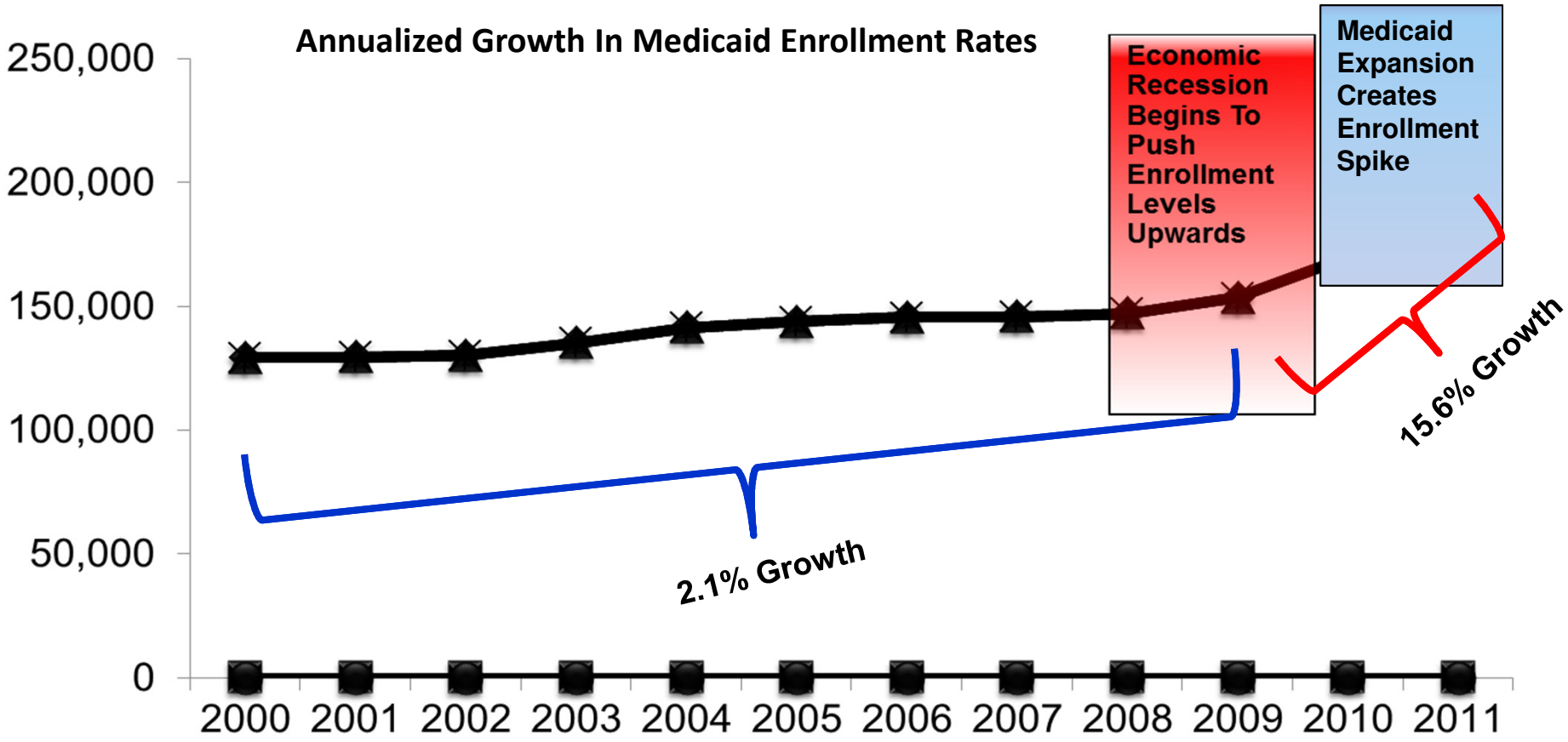
Medicaid Expansion - SPA

- July 1, 2010 – State Plan Amendment expanded coverage to childless adults up to 133% FPL
- All members are enrolled in MCOs
- No cost sharing
- Service Package is same as package for other state plan MCO populations.
- Current enrollment: 42,580

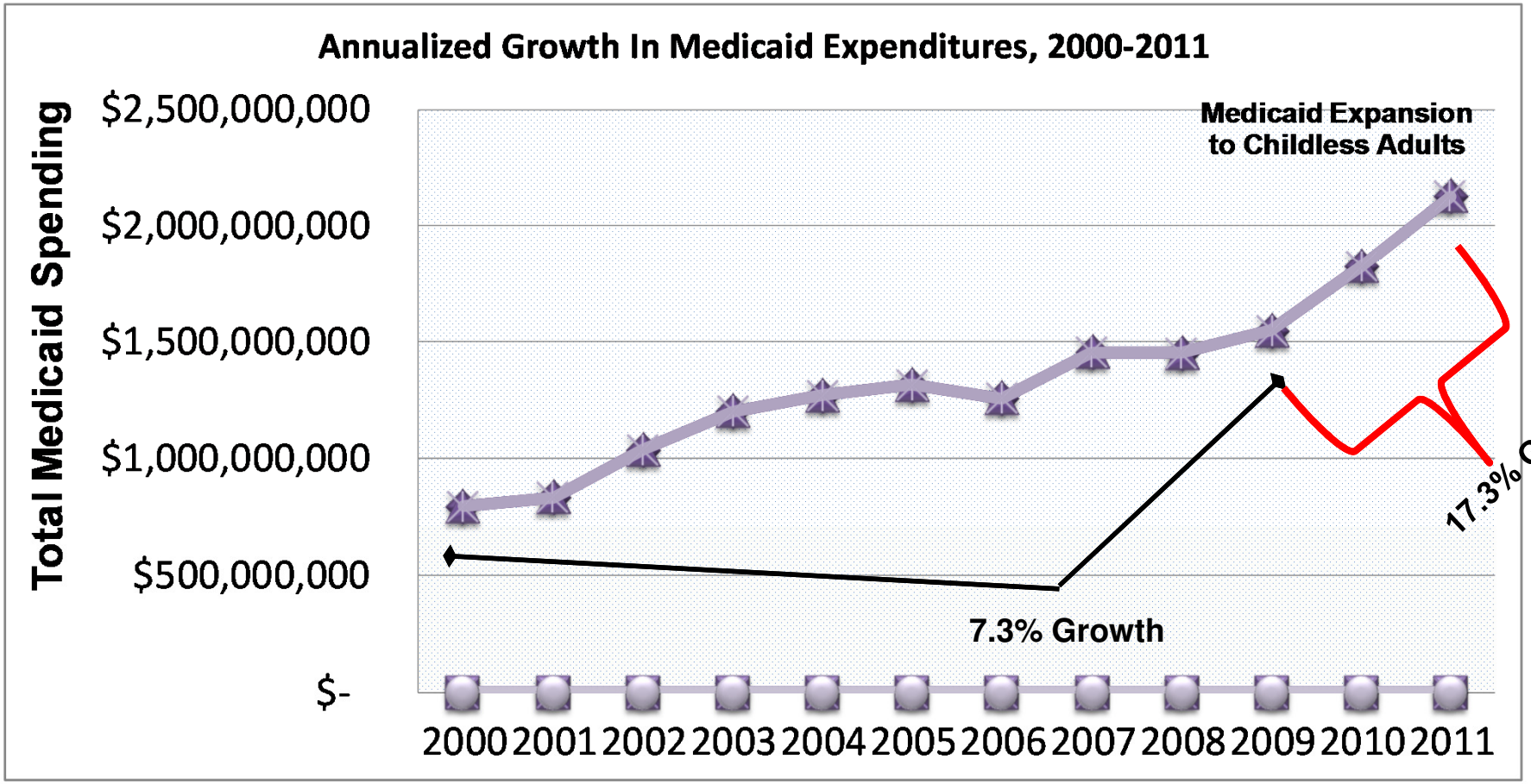
Medicaid Expansion 1115 Waiver

- Medicaid 1115 waiver expands covers for childless adults up to 200% FPL
- Effective December 1, 2010
- Funded by diverting a specified amount of DSH funds
- Services delivered by MCOS
- Same benefits as Childless Adult SPA (no cost sharing)
- Current enrollment: 3,721
- Waiver expires 12/31/2013

Medicaid Enrollment Trends

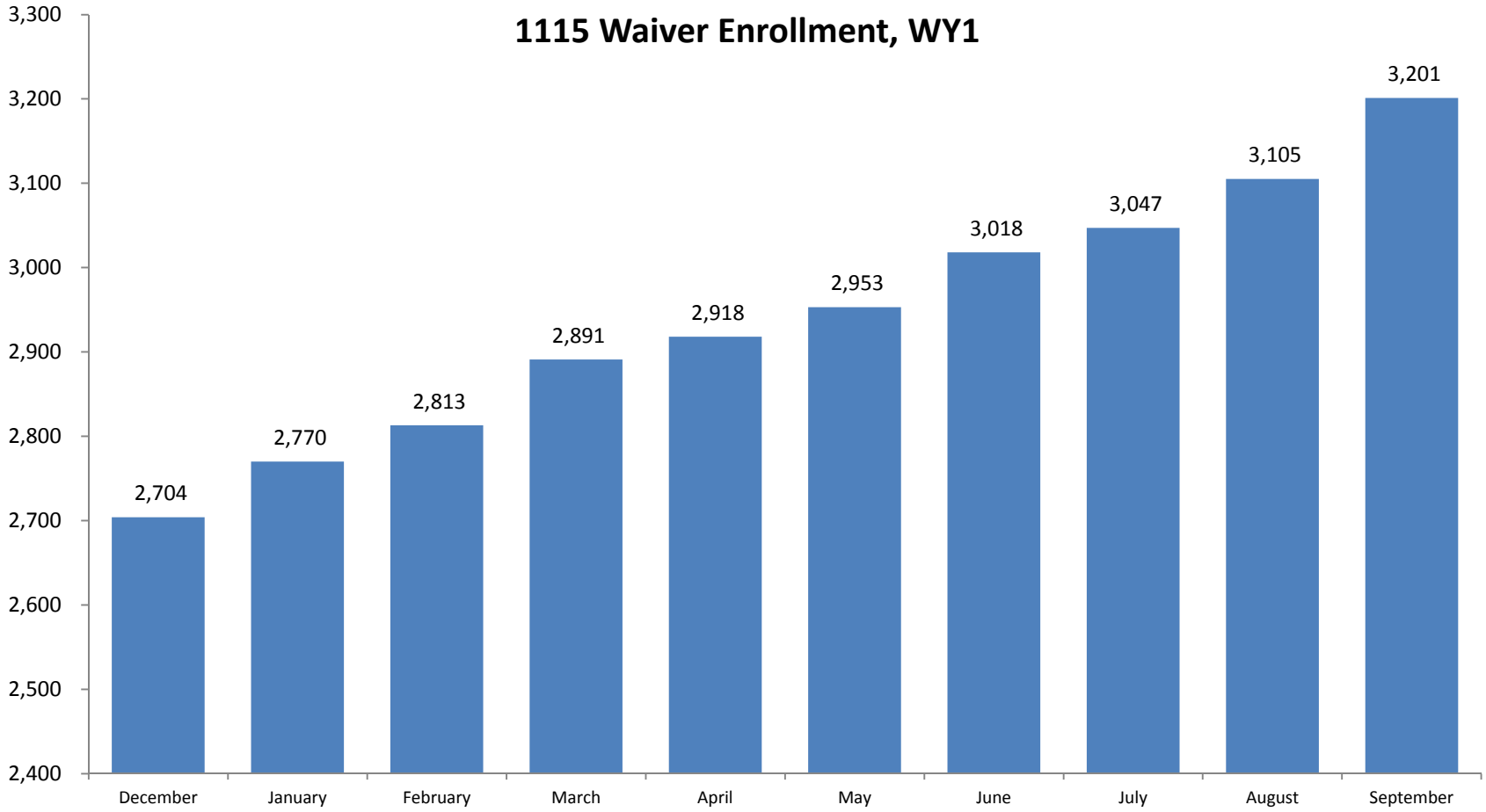


Similar But Sharper Growth Patterns Are Evident For Medicaid Expenditures



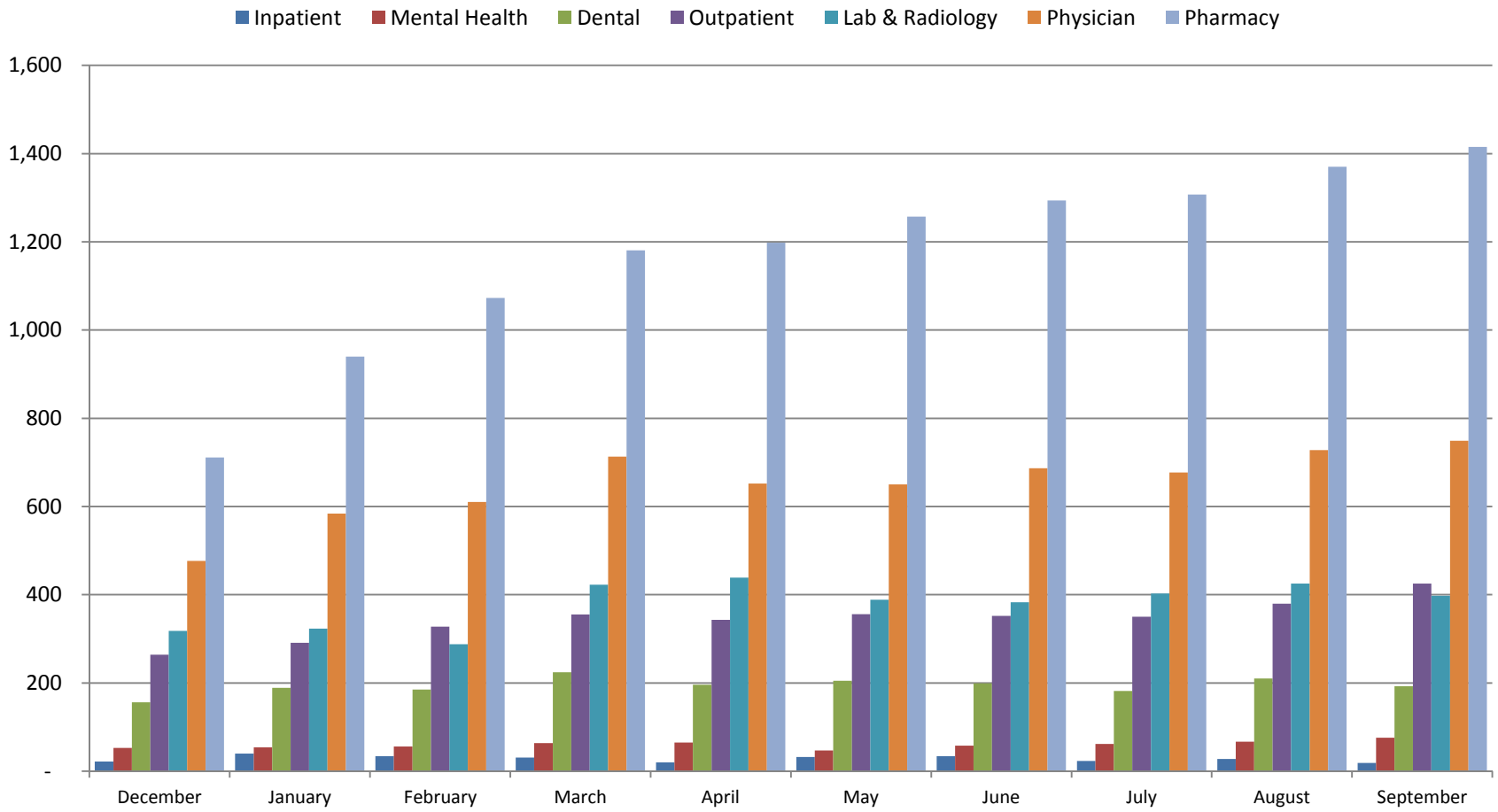
Waiver Enrollment Trends

December 2010 – September 2011



Waiver Service Utilization

December 2010 – September 2011



Cost Drivers for the CAM Population

- Dramatically higher pharmacy costs
- Pharmacy costs attributed primarily but not exclusively to HIV/AIDS drugs
- One plan reported six-fold pmpm for pharmacy ($21.06 compared to $3.44 for legacy enrollees)
- Increased utilization of physician services
- Increased prevalence of mental health issues
- High levels of chronic disease

Challenges

- Spike in MCO costs, largely attributed to HIV/AIDS drugs
- Evidence of Churn – 45.7% of waiver recipients who recertified transferred to childless adult SPA (incomes up to 133% FPL). 28% transition to other Medicaid eligibility categories
- Stability of MCOs
- Growth rate in Medicaid spending

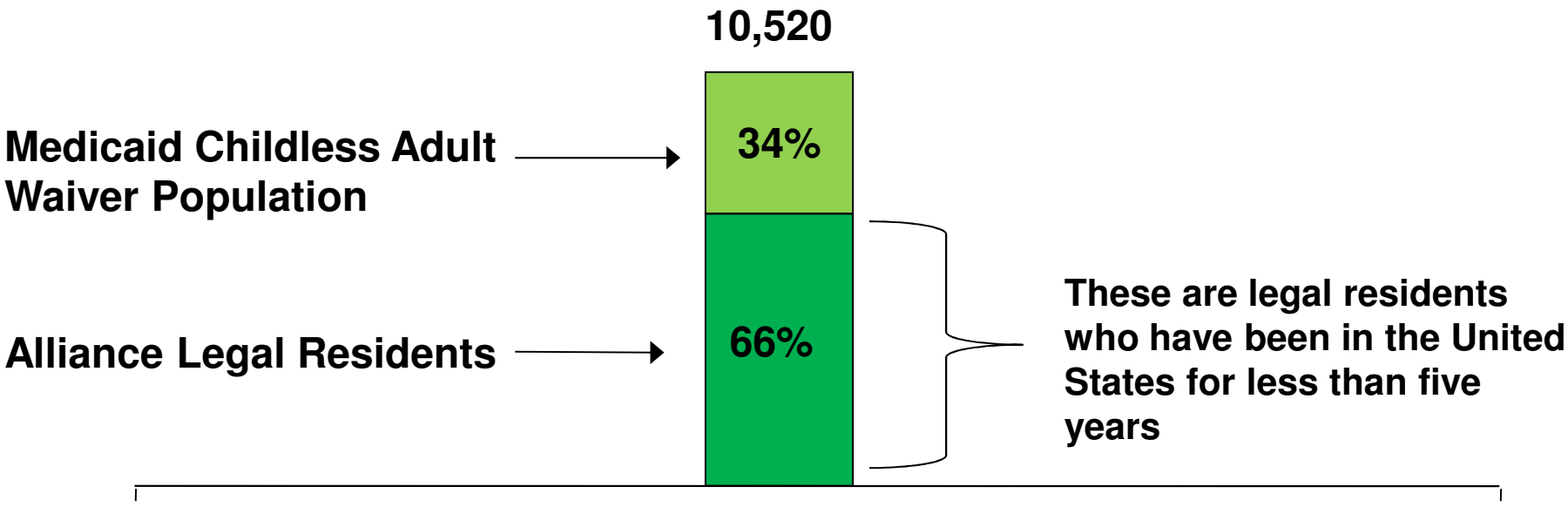
Responses

- HIV/AIDS pharmacy carve out through 1915(b)(4) waiver
- New cap rates for Medicaid MCOs including a separate rate cell for the 1115 waiver population – rates set at highest rate allowable for actuarial soundness
- New MCO contract language addressing coordination of mental health care with DMH
- One MCO in receivership; new MCO under contract

Options For Covering the Population from 133%-200% of FPL in 2014

- DHCF is currently examining a number of options to cover the Population from 133%-200% of FPL
- Options under consideration include:
  - Implement the Basic Health Plan under ACA
  - Keep the population in Medicaid and Alliance
  - Place the population in Qualified Health Plans on the Exchange
- Analysis suggests that the BHP is most cost-effective for the District
- However, CMS will not finalize rules before 2014
- Alternative: Continue the 1115 Waiver

Estimated BHP Eligible Individuals, 2014



Questions?

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