Medicaid under the ACA

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Uninsured Rate Drops: Adults 18-64

Percentage Uninsured in the U.S., by Quarter
Do you have health insurance coverage?
Among adults aged 18 and older

% Uninsured

Quarter 1 2008-Quarter 4 2015
Gallup-Healthways Well-Being Index
Eligibility Simplification

The ACA has transformed Medicaid into a modern, 21st Century health insurance program.

- Eligibility for children and families is based on a straightforward standard that aligns with eligibility for Marketplace coverage.
- In all states, enrollment for most individuals occurs online, by phone, or at a location convenient to applicants – information is verified electronically.
- In 37 states, eligibility for children and non-disabled adults is determined in real time (less than 24 hours).
Three states in which the vast majority of Medicaid/CHIP applications are being processed in real or near real-time*

- **Washington**: 92% of applications processed in under 24 hours
- **New York**: 80% of applications processed in one sitting
- **Rhode Island**: 66% of applications processed without manual intervention or additional information being required

*Processing timeframes vary by channels of application submission

CMS monthly Performance Indicator Data also tracks eligibility determination timeframes: < 24 hours; 24 hours-7 days; 8 days-30 days; 31-45 days; or more than 45 days

- In December 2015, among the states that reported MAGI processing time data (28), 32.7% of MAGI applications were processed in under 24 hours.
Gaps in Coverage in States that Do Not Expand Medicaid

Eligibility in states without Medicaid expansion
For non-elderly, non-disabled individuals, based on current median state eligibility

- 400% FPL
- 241% FPL
- 133% FPL
- 100% FPL
- 47% FPL

Exchange Subsidies

- Medicaid/CHIP
- Children

Other Adults
Parents
Pregnant Women

Varies by State
More Progress to Make: Medicaid Expansion Coverage Gap

In states that do not expand Medicaid under the ACA, there will be large gaps in coverage available for adults.
Currently, **30 states + DC** are covering the ACA Medicaid expansion group

*LA’s Governor Edwards signed an Executive Order to adopt the Medicaid expansion on 1/12/2016, but coverage under the expansion is not yet in effect.*
Benefits of Medicaid Expansion: Reduced Uncompensated Care

• Hospitals’ uncompensated care costs are estimated to have been $7.4 billion (21%) less in 2014 than they would have been in the absence of the coverage expansions.

• In 2014, expansion states saw a reduction in uncompensated care costs of 26 percent, compared to a 16 percent reduction in non-expansion states.
Impact of Medicaid Expansion: Improving Health

Research on the effects of expansion demonstrates that in expansion states

– access to primary care providers is higher, as evidenced by increased appointment availability

– rates of community health center visits, including preventive visits, are higher

– use of prescription medications is higher, and

– rates of diagnosis of diabetes increased
Many of those who could benefit from Medicaid expansion have behavioral health needs

– An estimated 28 percent of low income uninsured individuals in non-expansion states have behavioral health needs

Among low-income adults, Medicaid expansion is associated with a reduction in unmet need for mental health and substance use disorder treatment

– Low-income adults with serious mental illness are 30% more likely to receive treatment if they have Medicaid coverage
Modernizing Medicaid Managed Care

• 58 percent of Medicaid beneficiaries are enrolled in capitated, risk-based managed care

• Managed care in Medicaid is growing
  – Serving new populations, including seniors and persons with disabilities who need long-term services and supports
    – Individuals newly eligible for Medicaid

• Revision of 2002 regulations will improve accountability, transparency, and alignment with Medicare and the Marketplace
Delivery System Reform

• **Transforming payments**: moving away from paying for volume to paying for value

• **Transforming care delivery**: moving away from fragmented, uncoordinated care

• **Transforming information and data systems**: moving away from paper to electronic records
CMS is testing the ability of state governments to utilize policy and regulatory levers to accelerate health care transformation across payers, including Medicaid.

- 6 round 1 model test states (original performance period 2013-2016)
- 11 round 2 model test states (original performance period 2015-2019)
- 21 round 2 model design awardees (original performance period 2015-2016)
Medicaid Delivery System Reform: Evolving Payment Authorities

• States are using value-based payments:
  – episode-based payments,
  – population-based payments
  – additional payments in support of delivery system reform

• Health homes: 30 programs in 20 states

• Delivery System Reform Incentive Pools: 8 states

• Shared Savings states: 5 states

• Integrated Care Models
Medicaid Innovation Accelerator Program

- Four year commitment by CMS to build state capacity and support innovation in Medicaid through targeted technical assistance

- The end goal for IAP is to increase the number of states moving towards delivery system reform across program priorities

- Supports states’ efforts to build stronger delivery systems for
  - substance use disorder,
  - long term care/community integration,
  - physical and behavioral health integration,
  - beneficiaries with complex needs

- Provides functional support in data analytics, quality measurement, payment modeling, and performance improvement
MMDI – Medicare-Medicaid Data Integration
PHMI – Physical and Mental Health Integration
SUD HILC – Reducing Substance Use Disorders High Intensity Learning Collaborative
BCN – Medicaid Beneficiaries with Complex Care Needs and High Costs
Housing Partnerships – Promoting Community Integration through Long-term Services and Supports (State Medicaid & Housing Agency Partnerships)
IQO Planning – Promoting Community Integration through Long-term Services and Supports (Incentivizing Quality & Outcomes-Planning Track)

** - Invited, Not yet confirmed
Eligibility Simplification

Coverage Expansion

Delivery System Reform

SMILE!

YOU’RE HEALTHY!