“Community Health Centers have been the health care safety net of our country, now we need them to become the foundation.”

Mike Leavitt, former Governor of Utah and Secretary of U.S. Department of Health and Human Services, September 2010

Community Health Centers have a 35-year history of providing cost-effective, quality primary care to our most vulnerable populations: rural communities, ethnic minorities, Medicaid enrollees and the uninsured.

This movement is America at its best. Each and every one of the 1,200 Community Health Centers across the country was started with grass roots inspiration and steam aimed at addressing local needs. Shared passion and values brought the centers together to earn Federal support. The end result – locally designed solutions amplified with Federal support and recognition.

It’s no wonder that Republican and Democratic administrations alike have celebrated the value and potential of Community Health Centers. -- Leavitt Partners, 2010

Medicare and Medicaid:
National Happenings

Budget, Deficit Reduction, and Debt Limit Negotiations

Court Cases – Individual Mandate/PPACA; Medicaid Rates

PPACA Implementation – ACOs; Insurance Regulation; Exchanges; Demos and Pilots;
Meanwhile, back in the States……
managing day to day fiscal realities continues.

ARRA FMAP “Cliff”  
Budget Deficits  
Budget Cuts  
State Debt & Bond Ratings

Medicaid MOE Restrictions

Provider Taxes/Assessments

And health care innovation continues……

Delivery System Reform  
Organizational Realignment

Waivers and CMMI requests  
Medicaid LTC Rebalancing

PCMH Implementation  
Coordinated Care for Duals

Consumer Engagement  
Expanded use of Managed Care

Payment Reforms  
Workforce Development

MEDICAID – LOOKING BACK

Chart: Change In Total Medicaid Spending And Enrollment, 1998–2013

Source: Kaiser Commission on Medicaid and the Uninsured using CMS and HHS data
MEDICAID – LOOKING FORWARD

Historical and Projected Medicaid Expenditures and Annual Growth Rates (1966-2019)

MEDICAID – LOOKING FORWARD

Past and Projected Numbers of Medicaid Enrollees by Category (2000-2019)

Michigan’s Medicaid Population Growth

What do we know about the Medicaid Expansion Population?

- Estimate is 17.1 m uninsured adults under 133% FPL, 37% of all uninsured in U.S.
- 49% have incomes below 50% FPL
- 30% have incomes between 50 and 99% of FPL
- 21% have incomes between 100 and 133% of FPL
- 31% are parents, 69% are childless adults
  - For those who are parents:
    - 37% are age 19-25
    - 81% are age 26-54
    - 2% are age 55-64
  - For childless adults:
    - 34% are age 19-25
    - 53% are age 26-54
    - 13% are age 55-64

Source: Kaiser Commission on Medicaid and the Uninsured, Expanding Medicaid under Health Reform: A Look at Adults at or Below 133% of Poverty, April 2010

What do we know about other High Opportunity Populations?

- 1 in 6 have “fair or poor health” status
- 1/3 have diagnosed chronic condition
- 60% have no usual source of health care
- Among those with diagnosed chronic condition, 43% did not see a doctor in the past year

Source: Kaiser Commission on Medicaid and the Uninsured, Expanding Medicaid under Health Reform: A Look at Adults at or Below 133% of Poverty, April 2010
What do we know about other High Opportunity Populations?

- “5/50” holds true for Medicare and overall health care expenditures as well, including those in managed care
- Within the “5/50” group:
  - 29% are age 65-79
  - 14% were age 80+
- Five most expensive health conditions: heart disease, cancer, trauma, mental disorders, pulmonary conditions
- Per person spending for those with 1 chronic condition twice as much; for those with 5+ chronic conditions, spending is 14 times greater


Opportunities Knocking on the Door …
…and on the Horizon

- CMS/Michigan Efforts to Integrate Care for Dually Eligible
- CMMI FQHC Advanced Primary Care Practice Demonstration
- Michigan Primary Care Transformation Project
- CMS/Medicaid Health Homes for Enrollees with Chronic Conditions
- CMMI ACOs and Pioneer ACOs
- CMS Community Based Transitions Program
- Hospital Readmission Reduction efforts
- CMS Independence at Home Demonstration
- Medicare and Medicaid Bundled Payment Demonstrations

Have you already connected?
If not, are you ready to?
What does it take?

“The arc of executive leadership is above all the taste for paradox, a talent for ambiguity, the capacity to hold contradictory propositions comfortably in one’s mind and the courage to act in a turbulent and chaotic environment.”

–Harlan Cleveland