

Medicaid Overview: State and Federal Partnership

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Medicaid: Learning More About Infrastructure, Lingo and

Coverage and Why it Matters Webinar

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FIGURE 2

Overview of Medicaid's Role in the Health Care System

FIGURE 3

Medicaid Has Many Vital Roles In Our Health Care System

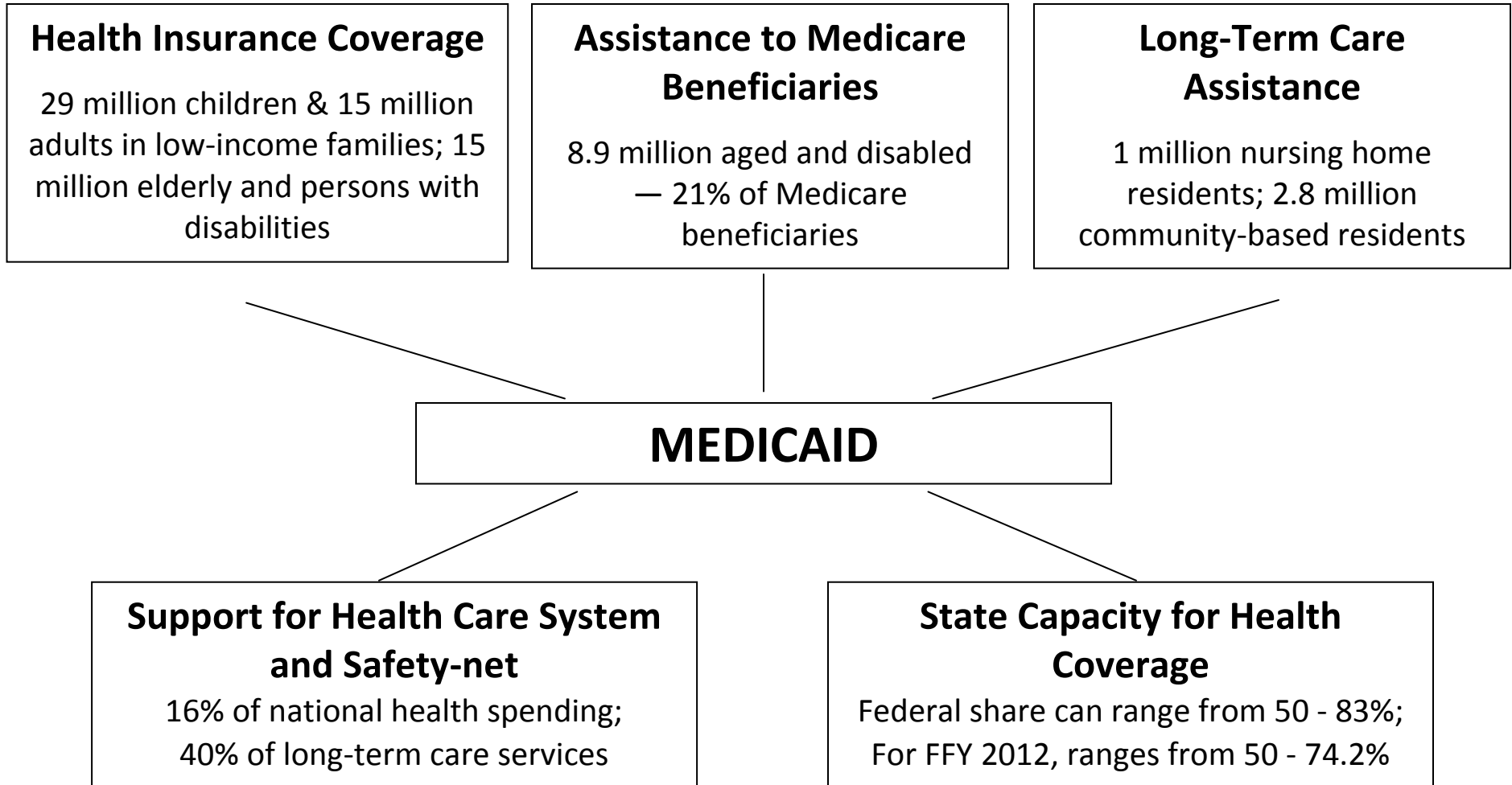
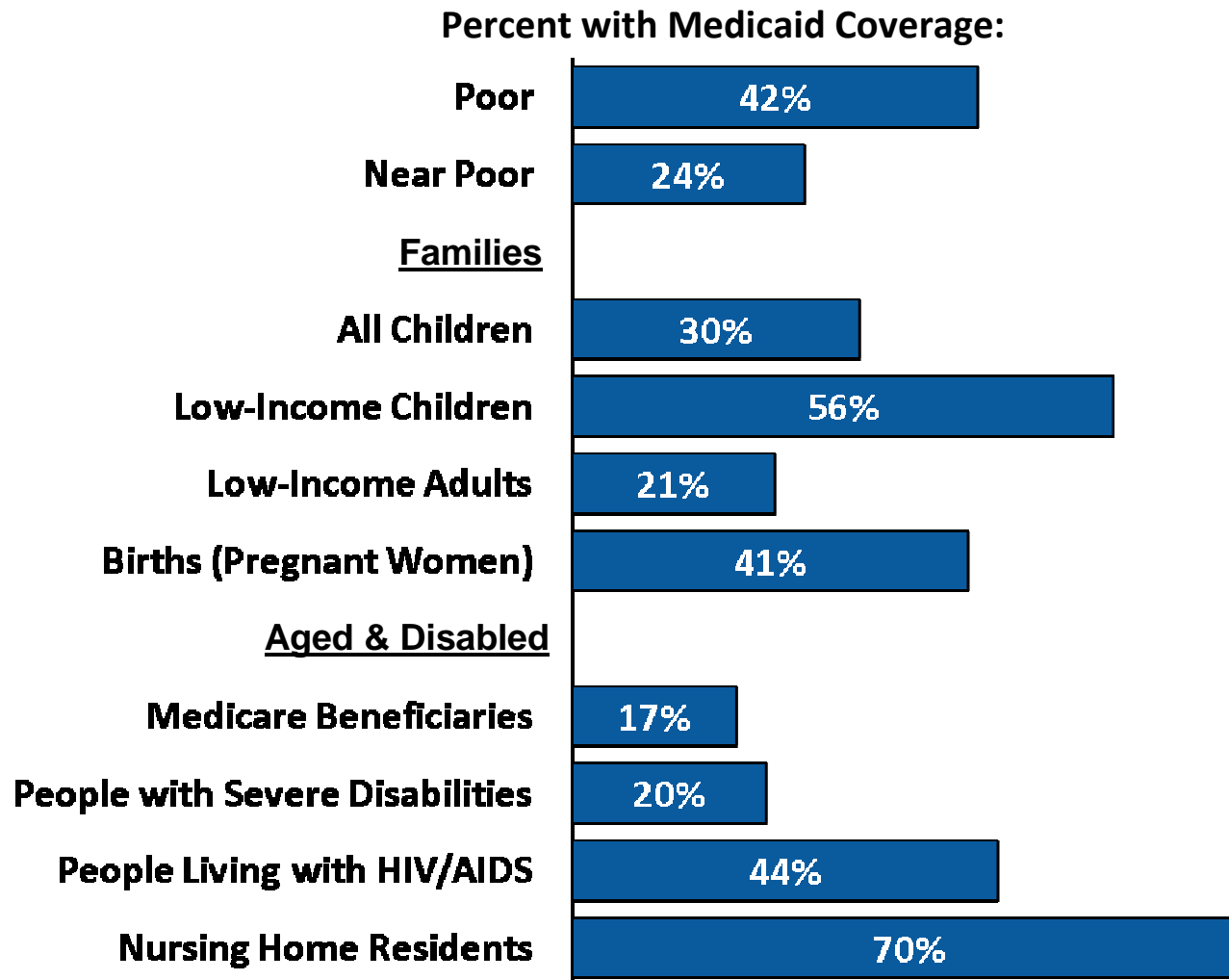


FIGURE 4

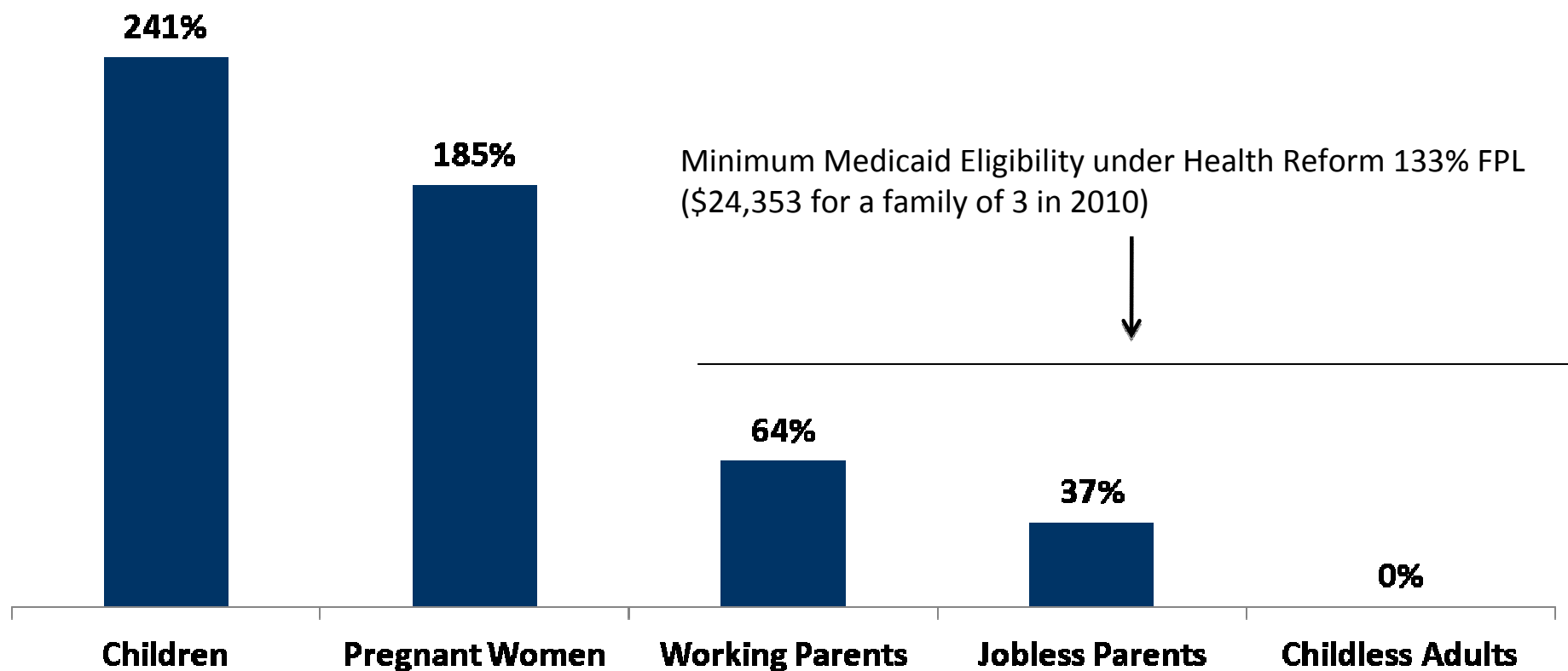
Medicaid Plays a Critical Role for Selected Populations



SOURCE: Kaiser Commission on Medicaid and the Uninsured and Urban Institute analysis of 2009 ASEC Supplement to the CPS; Birth data from *Maternal and Child Health Update: States Increase Eligibility for Children's Health in 2007*, National Governors Association, 2008; Medicare data from USDHHS.

FIGURE 5

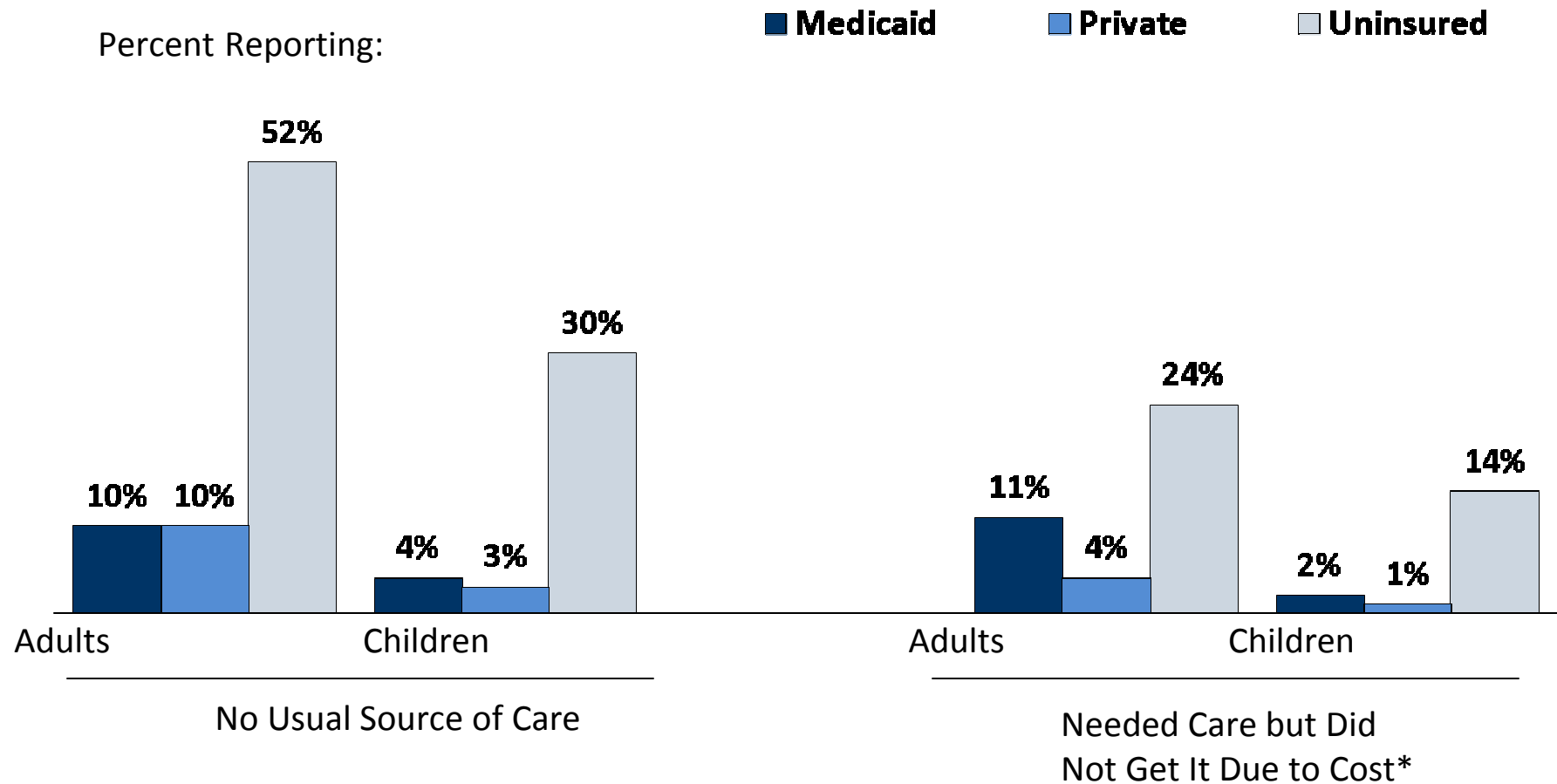
Median Medicaid/CHIP Eligibility Thresholds, January 2011



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, 2011

FIGURE 6

Medicaid Provides Access To Care That Is Comparable To Private Insurance and Far Better Than Access For The Uninsured



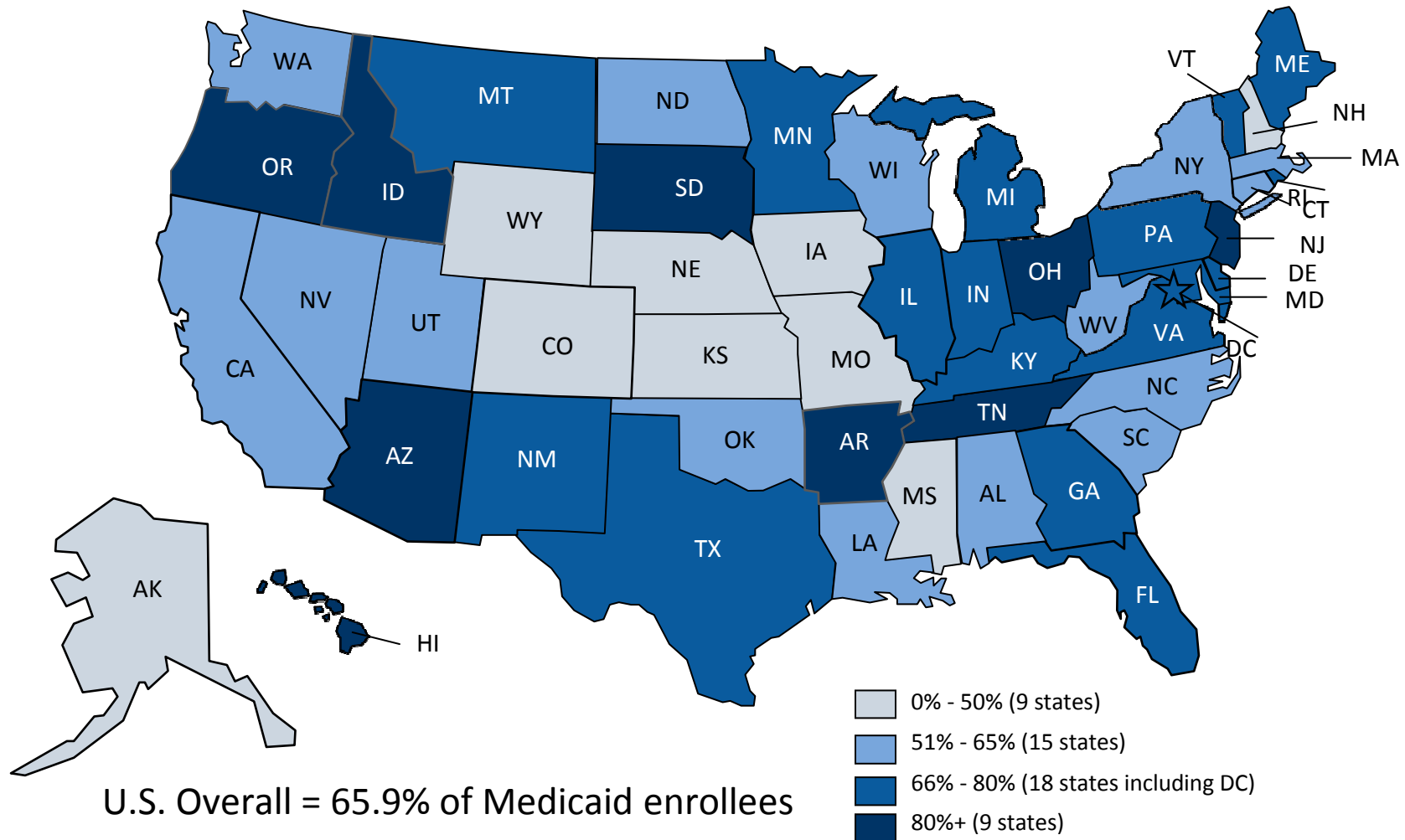
*In the past 12 months

NOTE: Respondents who said usual source of care was the emergency room were included among those not having a usual source of care

SOURCE: KCMU analysis of 2008 NHIS data

FIGURE 7

Most Medicaid Enrollees Receive Care Through Managed Care Arrangements



NOTE: Data as of October 2010. Includes enrollment in MCOs and PCCMs.

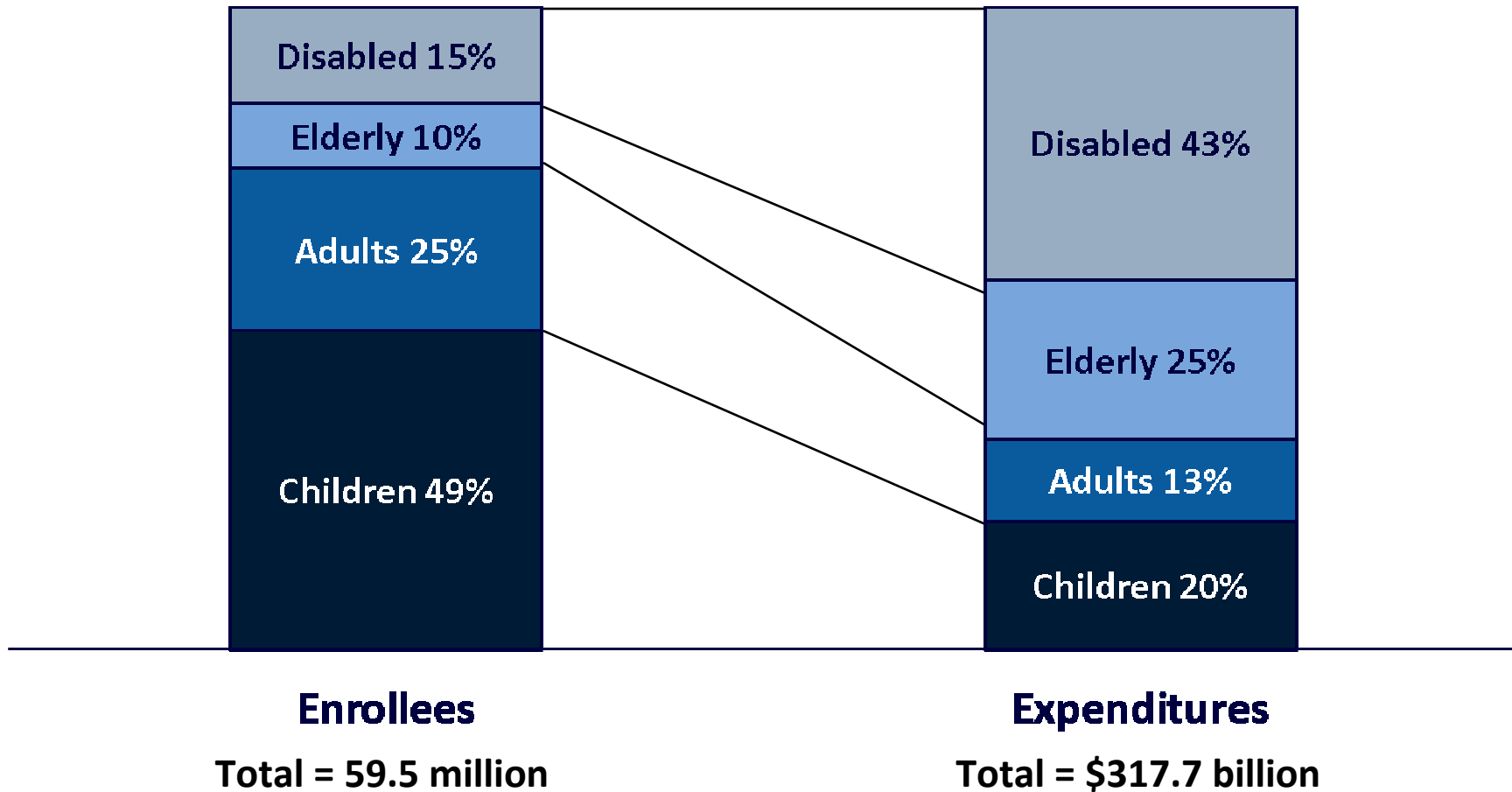
SOURCE: Smith, V. et al. *A Profile of Medicaid Managed Care Programs in 2010: Findings from a 50-State Survey*. Kaiser Commission on Medicaid and the Uninsured, September 2011.



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FIGURE 8

Medicaid Enrollees and Expenditures, FY 2008

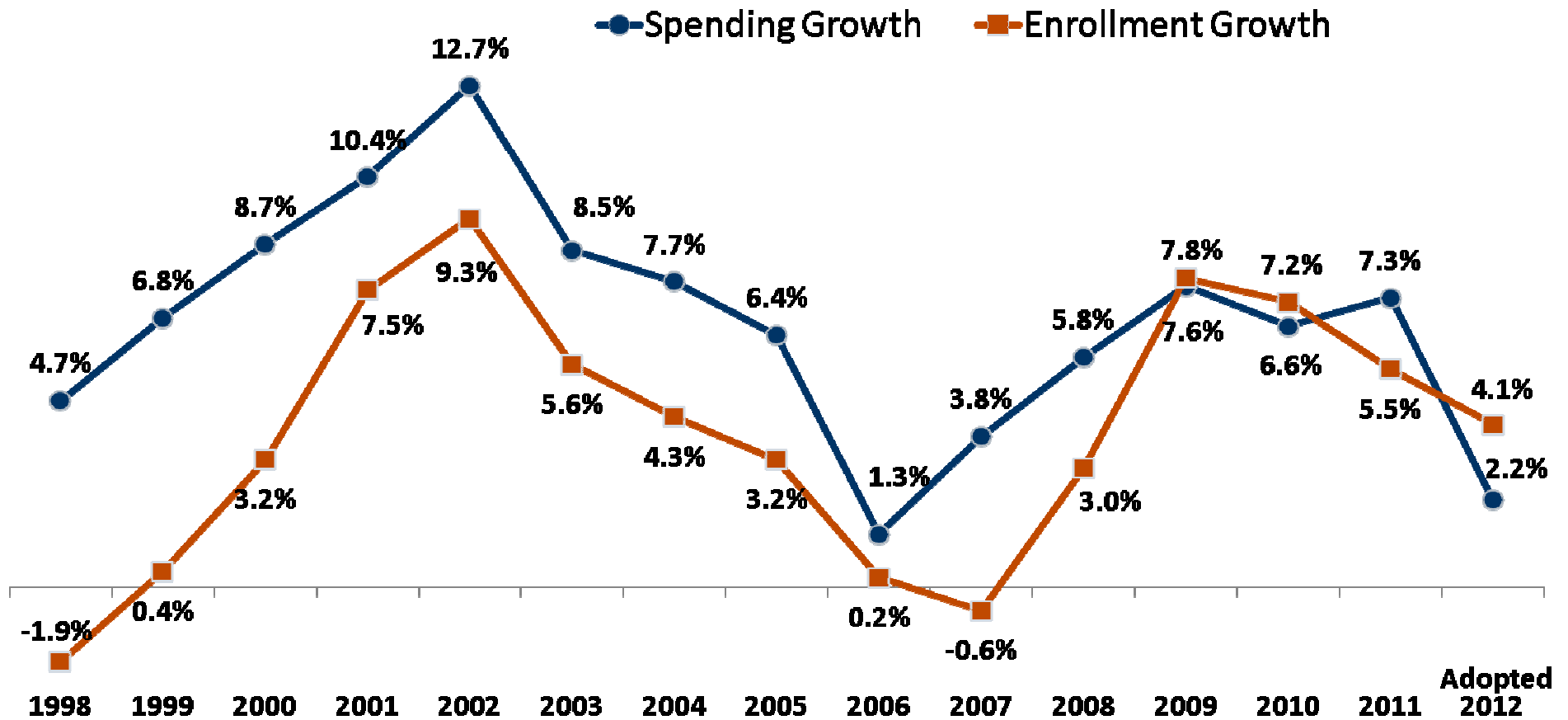


NOTE: Percentages may not add up to 100 due to rounding.

SOURCE: KCMU/Urban Institute estimates based on data from FY 2008 MSIS and CMS Form-64, 2010.

FIGURE 9

Percent Change in Total Medicaid Spending and Enrollment, FY 1998 – FY 2012



NOTE: Enrollment percentage changes from June to June of each year. Spending growth percentages in state fiscal year.

SOURCE: *Medicaid Enrollment June 2010 Data Snapshot*, KCMU, February 2011. Spending Data from KCMU Analysis of CMS Form 64 Data for Historic Medicaid Growth Rates. FY 2011 and FY 2012 data based on KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, September 2011.

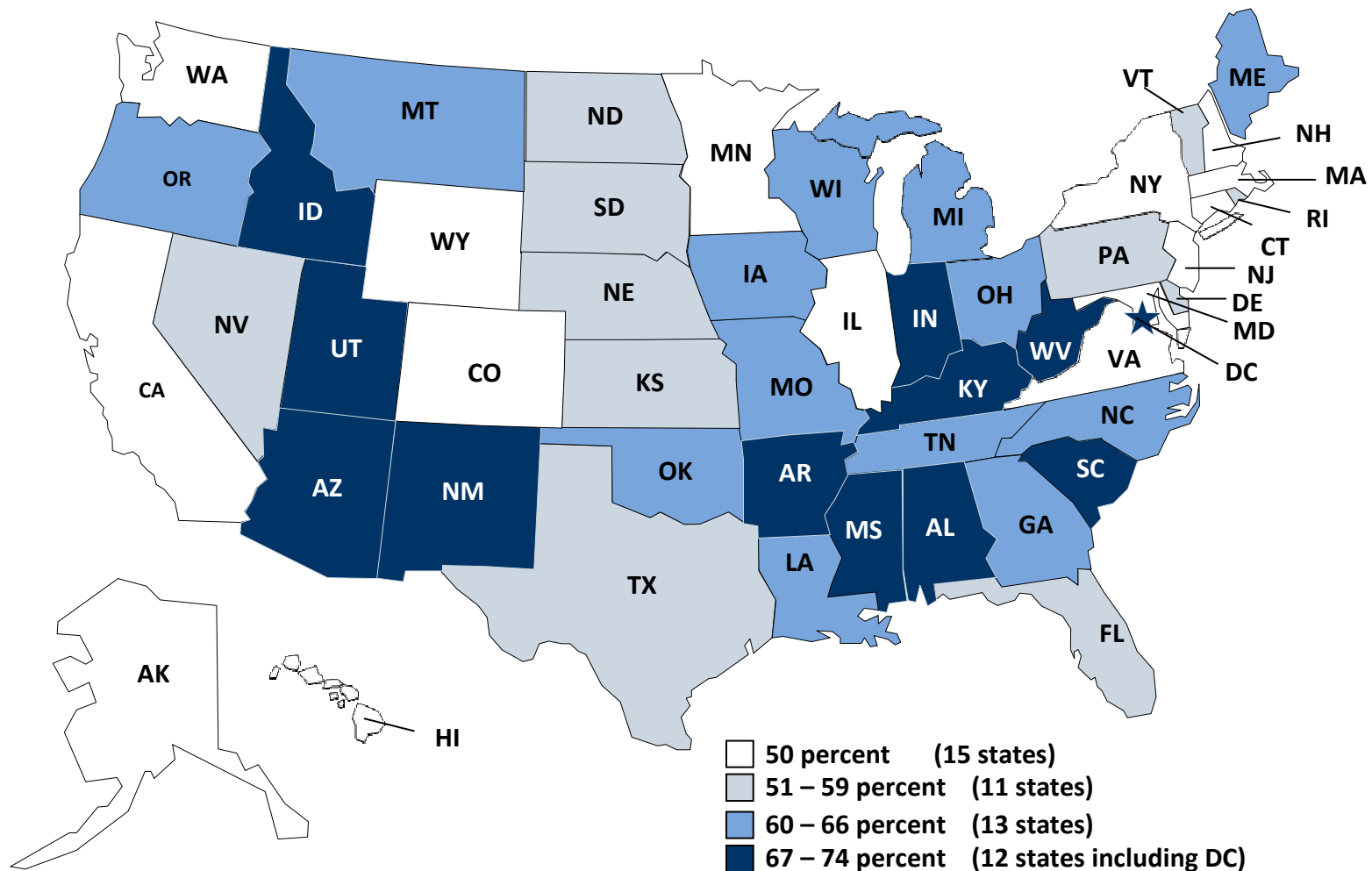


FIGURE 10

Medicaid: The State-Federal Partnership

FIGURE 11

Statutory Federal Medical Assistance Percentages (FMAP), FY 2012

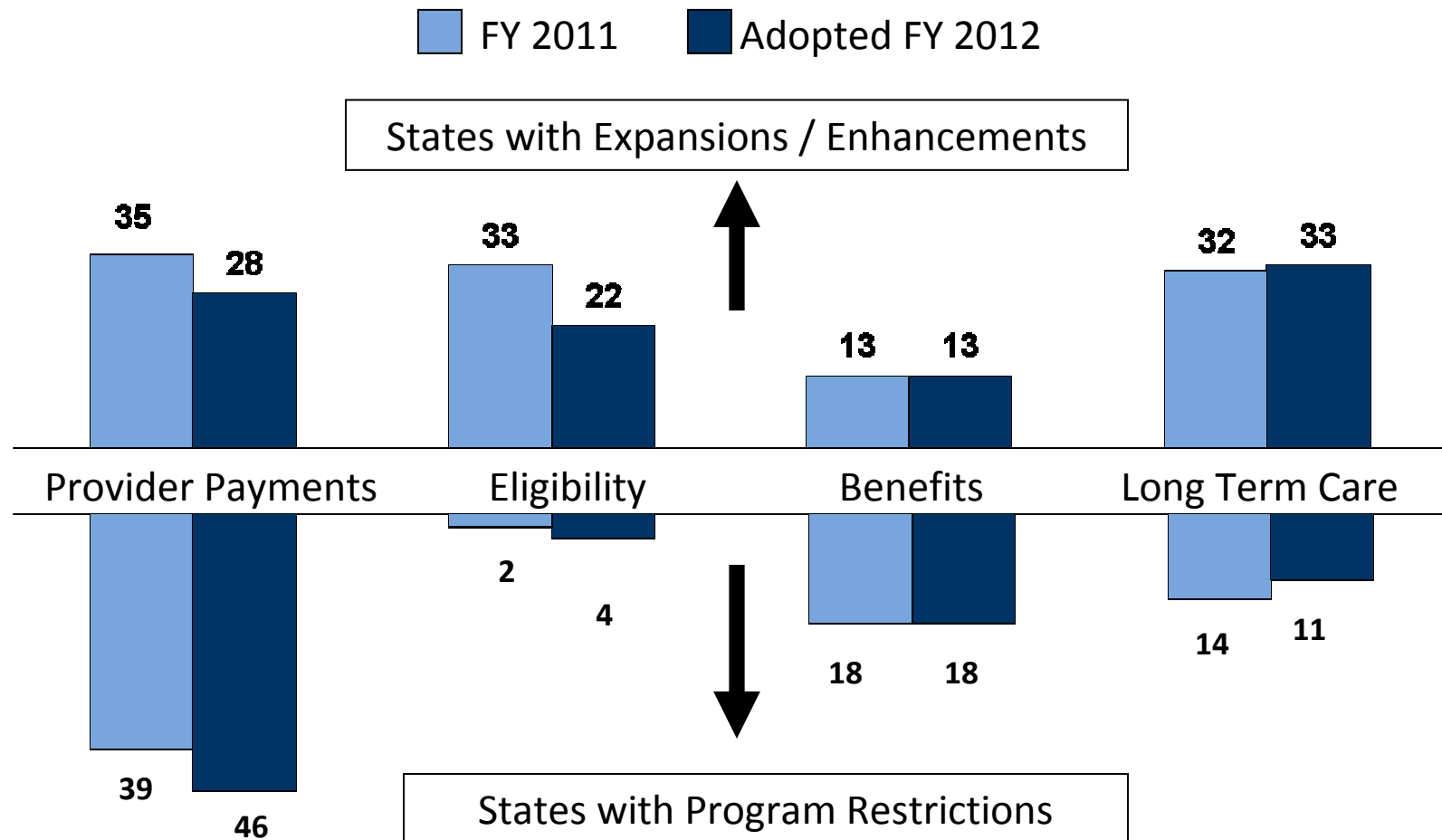


NOTE: Rates are rounded to nearest percent. These rates will be in effect Oct. 1, 2011 – Sept. 30, 2012.

SOURCE: Federal Register, Nov 10, 2010 (Vol. 75, No. 217), pp. 69082-69083.

FIGURE 12

State Policy Actions Implemented in FY 2011 and Adopted for FY 2012



NOTE: Past survey results indicate not all adopted actions are implemented. Provider payment restrictions include rate cuts for any provider or freezes for nursing facilities or hospitals.

SOURCE: KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, September 2011.

FIGURE 13

Medicaid Benefits: Mandatory vs. Optional Benefits

“Mandatory” Items and Services

- Physician services
- Laboratory and x-ray services
- Inpatient hospital services
- Outpatient hospital services
- Early and periodic screening, diagnostic, and treatment (EPSDT) services for individuals under 21
- Family planning
- Rural and federally-qualified health center (FQHC) services
- Nurse midwife services
- Nursing facility (NF) services for individuals 21 or over
- Home Health care services for individuals 21 and over
- **Smoking cessation services for pregnant women**
- Free-standing birth center services

“Optional” Items and Services

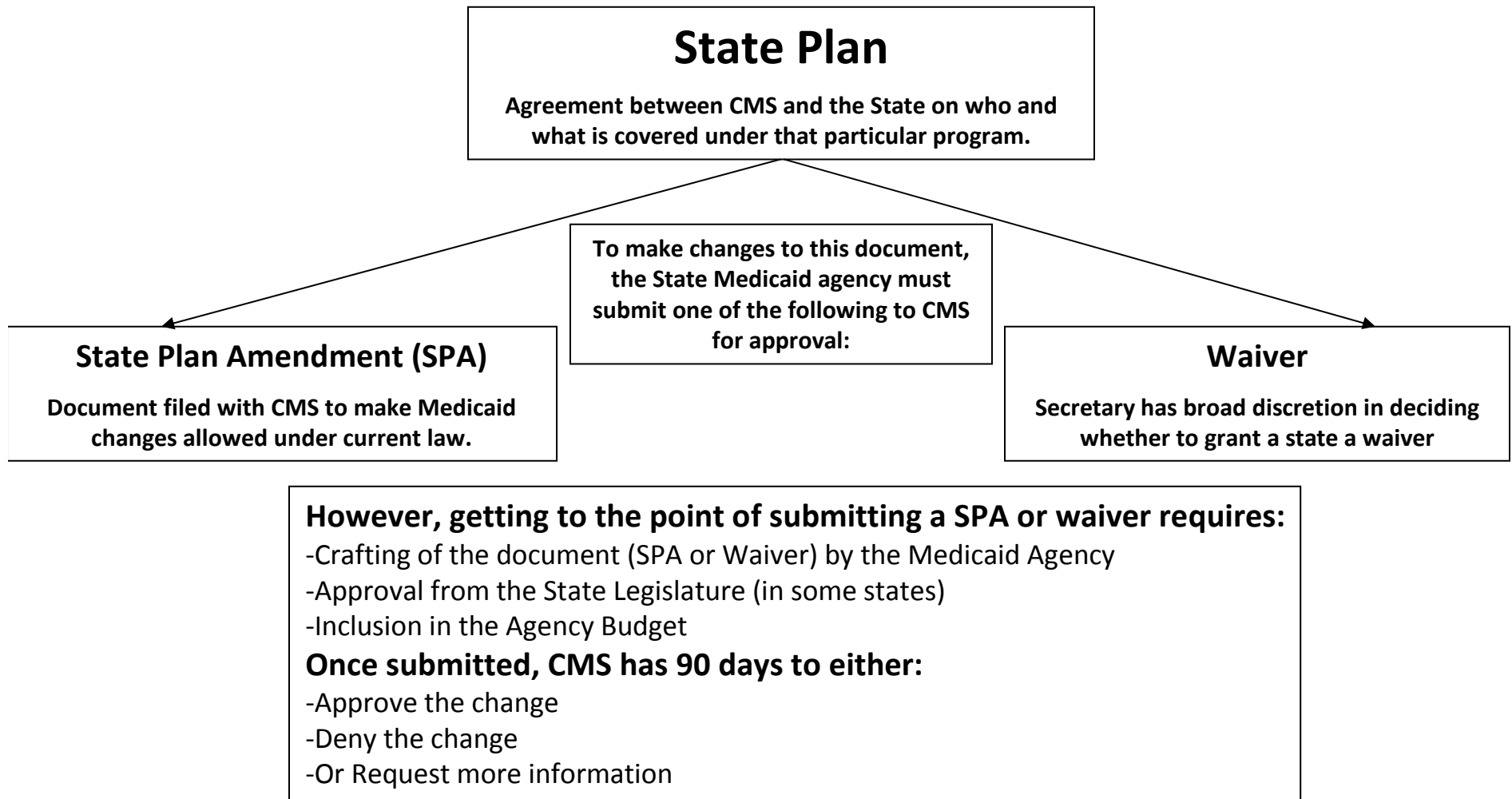
- Prescription drugs
- Clinic services
- Dental services, dentures
- Physical therapy and rehab services
- Prosthetic devices, eyeglasses
- Primary care case management
- Intermediate care facilities for the mentally retarded (ICF/MR) services
- Inpatient psychiatric care for individuals under 21
- Home health care services
- Personal care services
- Hospice services

Tobacco Smoking Cessation Coverage

- Prior to the Affordable Care Act
 - States were required to cover smoking cessation therapy and counseling when determined to be medically necessary through EPSDT (children).
 - 45 States already provided some coverage of smoking cessation to pregnant or non-pregnant women before the expansion under the ACA.
- As of October 1, 2010, states are required to cover tobacco cessation services for pregnant women without cost-sharing (Section 4107 of the ACA)
 - The required services must be comprehensive and include diagnostic, therapy and counseling services as well as pharmacotherapy for cessation of tobacco use.
 - States may require that the service be provided by or under the supervision of a physician or by any other health care professional legally authorized under State law or designated by the Secretary of the US Department of Health and Human Services to furnish such services.
 - Quitlines are now eligible for reimbursement at the administrative matching rate (50 percent).
- Beginning in 2014, states will be required to cover smoking cessation drugs under Medicaid. (Sect. 2502 of the ACA)
 - Includes over-the-counter drugs approved by the FDA.

FIGURE 15

Making Changes to State Plans



Research Findings Supporting on Tobacco Cessation

Massachusetts study on the Return on Investment of their Medicaid Tobacco Cessation Program

- Recent study found that \$1 in program costs for their Medicaid Tobacco Cessation Program was associated with \$3.12 in medical savings.
- Study focused on the savings related to inpatient admissions avoided for various heart conditions.
- Study used a combination of state administrative data and national survey data.

Ku, Leighton et al. (2012) *The Return on Investment of a Medicaid Tobacco Cessation Program in Massachusetts*, PLoS ONE. Available at:
<http://www.plosone.org/article/info%3Adoi%2F10.1371%2Fjournal.pone.0029665>

FIGURE 17

Health Reform

FIGURE 18

Medicaid Today *and Tomorrow*

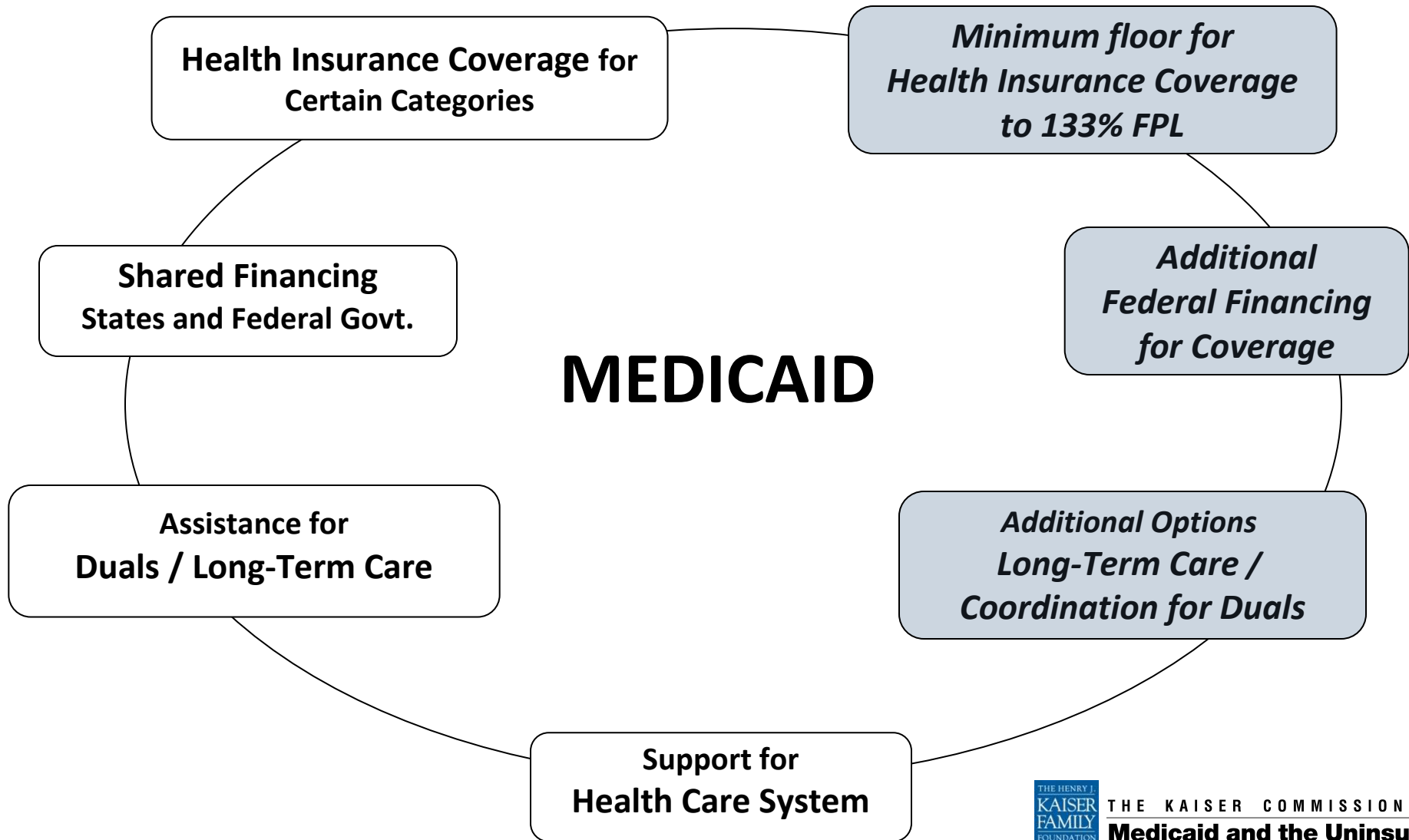


FIGURE 20

The Federal Government Will Pay for the Large Majority of Medicaid Coverage Costs in Health Reform

Total \$464.7 Billion



Note: Adults less than 133% FPL. Standard participation scenario approximates participation rates used by the CBO to estimate national impact of Medicaid expansion. Enhanced participation scenario assumes more robust participation among newly eligible (75% percent participation) and higher participation among those currently eligible for coverage than in standard participation scenario

SOURCE: Analysis for KCMU by The Urban Institute, May 2010

FIGURE 21

ACA Promotes Prevention & Primary Care in Medicaid

- 2013 – 2014: Increases payment rates for primary care to Medicare rates 100% federal financing.
- 2013: Provides a 1% increase in the FMAP for coverage of recommended prevention services if offered with no cost sharing.

U.S. Preventive Services Taskforce: A and B Level Recommendations				
Lifestyle/Healthy Behaviors	Cancer	STI/STDs	Chronic Conditions	Pregnancy
Alcohol Screening	Colorectal screening	HIV testing	Hypertension	Tobacco interventions
Depression Screening	Breast Screening	Gonorrhea screening	Diabetes	Rh Incompatibility Screening
Healthy Diet Counseling	Breast Chemoprevention	Chlamydia screening	Obesity Screening	Hepatitis B Screening
Tobacco interventions	Breast/Ovarian High Risk/BRCA	Syphilis screening	Osteoporosis	Iron Deficiency Anemia Screening
Immunizations	Cervical Cancer	STI counseling	Lipid Disorders	Bacteriurea Screening

Looking Ahead

- States still feeling effects of the Great Recession, but see some positive signs although conditions vary across states.
- Focus remains on cost containment as states struggle with depressed revenues and increased demand for coverage.
- Federal deficit reduction efforts continue.
- Federal government and states moving forward with health reform implementation but face challenges.