



Medicaid 101 and KanCare Overview

Mike Randol, Director of the Division of Health Care
Finance and State Medicaid Director

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Agenda

- Medicaid 101
- KanCare Overview
- Role of MCO

Overview of Medicaid

- Created in 1965 through an amendment to the Social Security Act
- Joint program between state and federal government
- Major payer in the U.S. health care system
- 56 entities have Medicaid programs – 50 states, Washington, D.C. and 5 territories
- Tailored by each state to meet the needs of the vulnerable populations of the state
- Growing

Medicaid Coverage and Cost

- Provides coverage for a broad range of health care services
- Serves children, pregnant women, the frail elderly, physically disabled individuals and individuals with intellectual or developmental disabilities
- Nationally, Medicaid state and federal expenditures in FY 2014 were over \$495 billion
- Average state share of costs is approximately 40%

What's The Difference?

- **Medicare** – national health insurance for people ≥ 65 and some people who have disabilities
- **Medicaid** – Health care program for people with very low incomes who also meet some other eligibility criteria:
 - Age (child or senior)
 - Condition (pregnancy)
 - Disability

FMAP

- Federal Medical Assistance Percentage (FMAP)
 - Match range is 50%-83%
 - Enhanced funding for Children's Health Insurance Program
- For the current federal fiscal year:
 - FMAP: 56.21%
 - Enhanced FMAP: 69.35%
 - plus ACA 23 point increase: 92.35%

What Flexibility Do States Have?

- Optional eligibility requirements
- Optional benefits
- Service delivery mechanisms:
 - Capitated managed care
 - Fee for service (FFS)
 - Primary Care Case Management (PCCM)

What is Covered By Medicaid?

- **Mandatory Services**

- Inpatient Hospital
- Outpatient Hospital
- Rural Health Clinic Services
- Federally Qualified Health Center (FQHC) Services
- Lab and X-Ray Services
- Transportation to medical care
- Home Health
- Early Periodic Screening Diagnosis & Treatment “Kan Be Healthy”
- Physician Services
- Dental Services (for children)
- Tobacco cessation counseling for pregnant women
- Nursing Facilities
- Family Planning
- Pregnancy Care
- Some Other Practitioner Services

What is Covered By Medicaid?

- **Optional Services**
 - Prescribed Drugs
 - Clinic Services
 - Physical Therapy
 - Occupational Therapy
 - Speech, Hearing and Language
 - Prosthetic Device
 - Eye Care Services
 - Eyeglasses
 - Rehabilitation Services
 - Home & Community-Based Services (HCBS)
 - Respiratory Care Services
 - Other diagnostic/screening services
 - Mental Health Services
 - Hospice
 - Targeted Case Management
 - Podiatry
 - Chiropractic Services
 - Intermediate Care for Individuals with Intellectual Disability

Medicaid State Plan

- Specifies the eligibility groups served (elderly & disabled, pregnant women, and children), the benefits provided, and the day to day operations of the program.
- Provides the basis for a state's claim for Federal Financial Participation (FFP)
- The state plan and all subsequent amendments must be reviewed and approved by the federal government

KDHE's Role in Kansas Medicaid

- Single State Medicaid Agency (SSMA)
- Primary contact with Centers for Medicare and Medicaid Services (CMS) at the federal level
- KDHE contracts with three managed care organizations (MCOs)

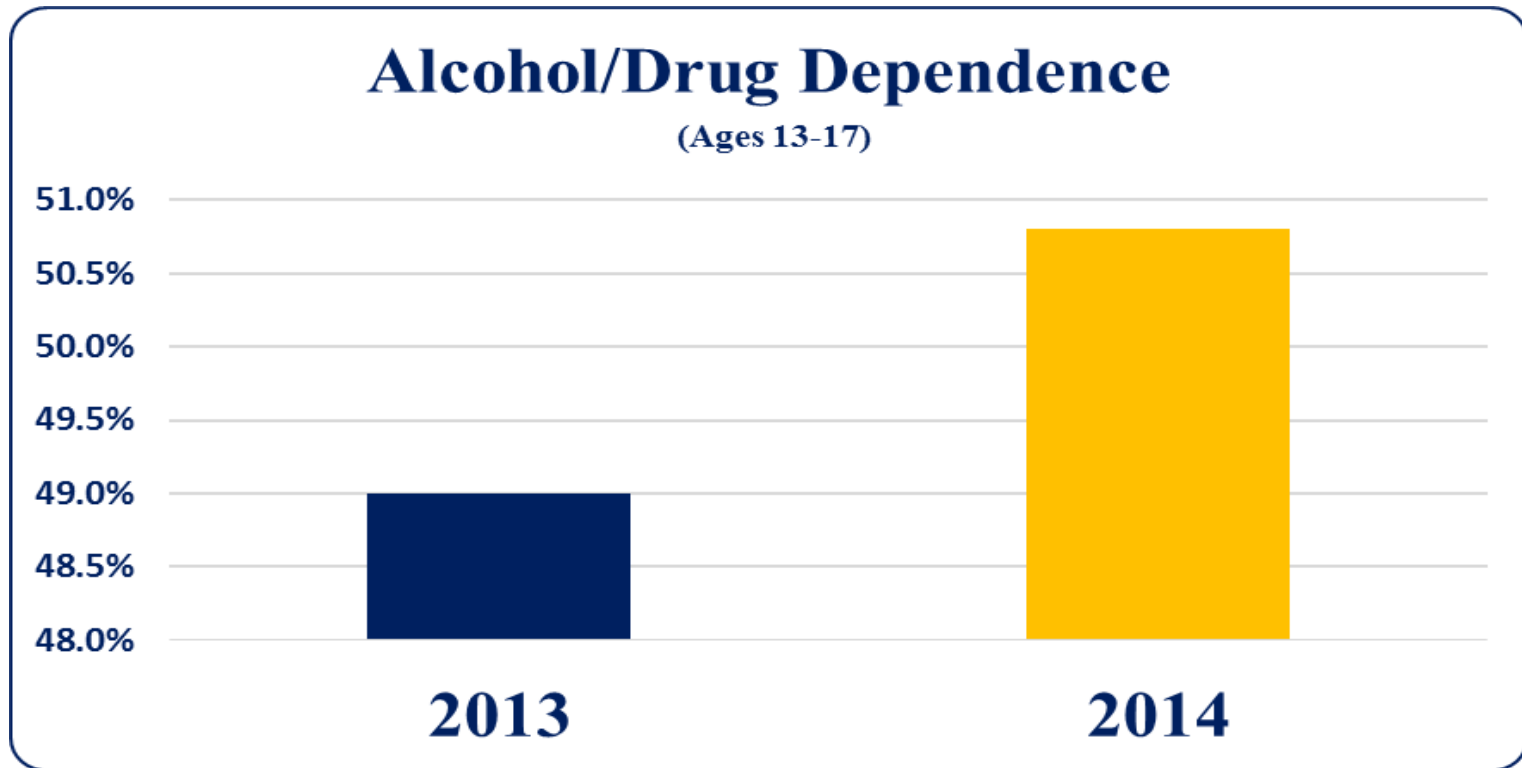
What is KanCare?

- Medicaid + Children's Health Insurance Program (CHIP) = KanCare
 - CHIP (Title 21 of Social Security Act) covers children in families with incomes too high to qualify for Medicaid)
 - Covers children up to age 19
 - Benefits almost identical to Medicaid

KanCare Goals

- Whole Person Care Coordination
- Clear Accountability
- Improved Health Outcomes
- Financial Sustainability

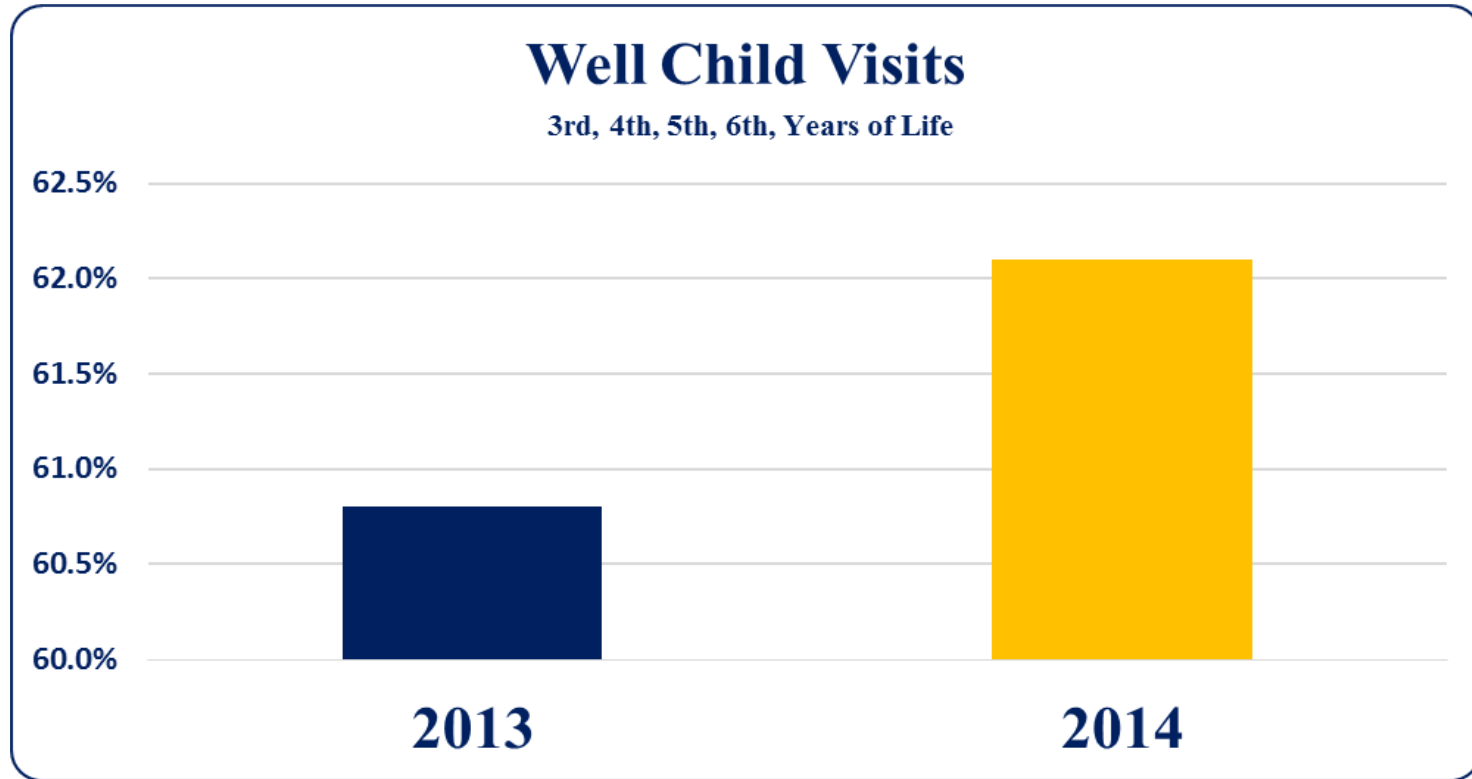
Improved Alcohol/Drug Treatment



- **Alcohol/Drug Dependence**

Initiation of treatment improved by 3.7% from 2013.

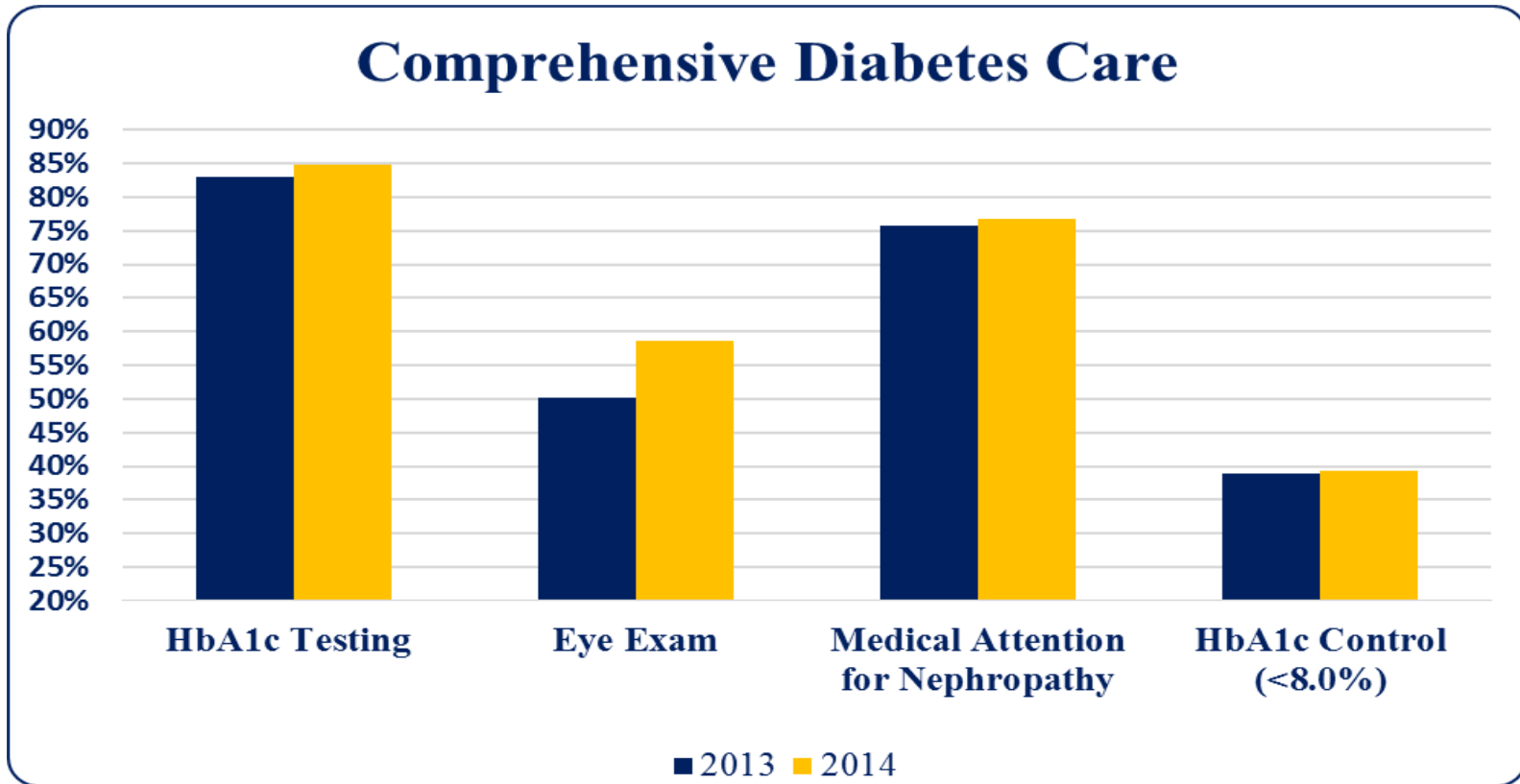
Improved Well Child Visits



- **Well Child Visits**

Children who attended their well child visit in the third, fourth, fifth, and sixth years of life increased 2.1% from 2013.

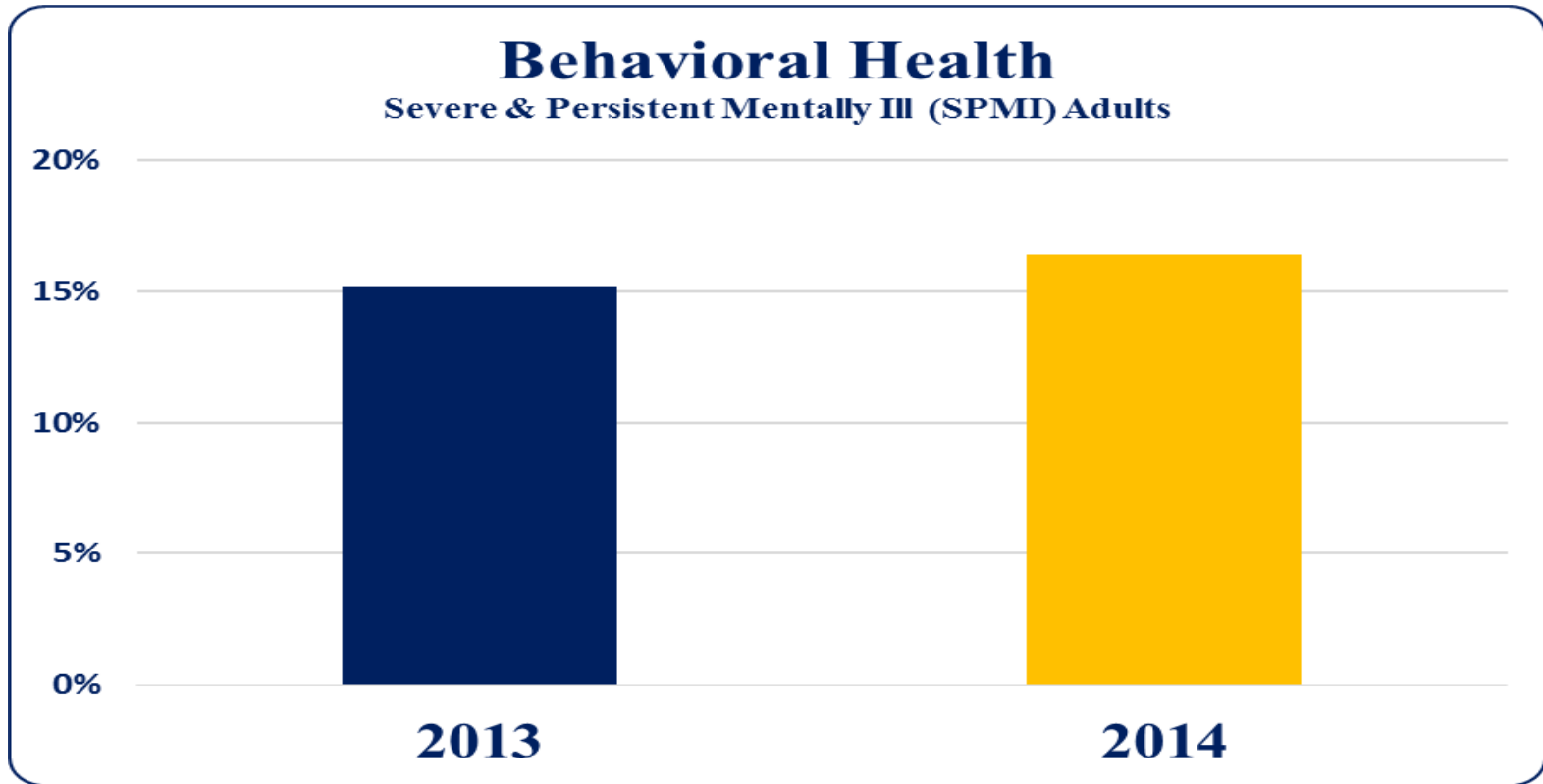
Improved Diabetes Care



- **Comprehensive Diabetes Care**

Diabetes Care measures have improved since 2013 and improved since old Medicaid measures in 2012.

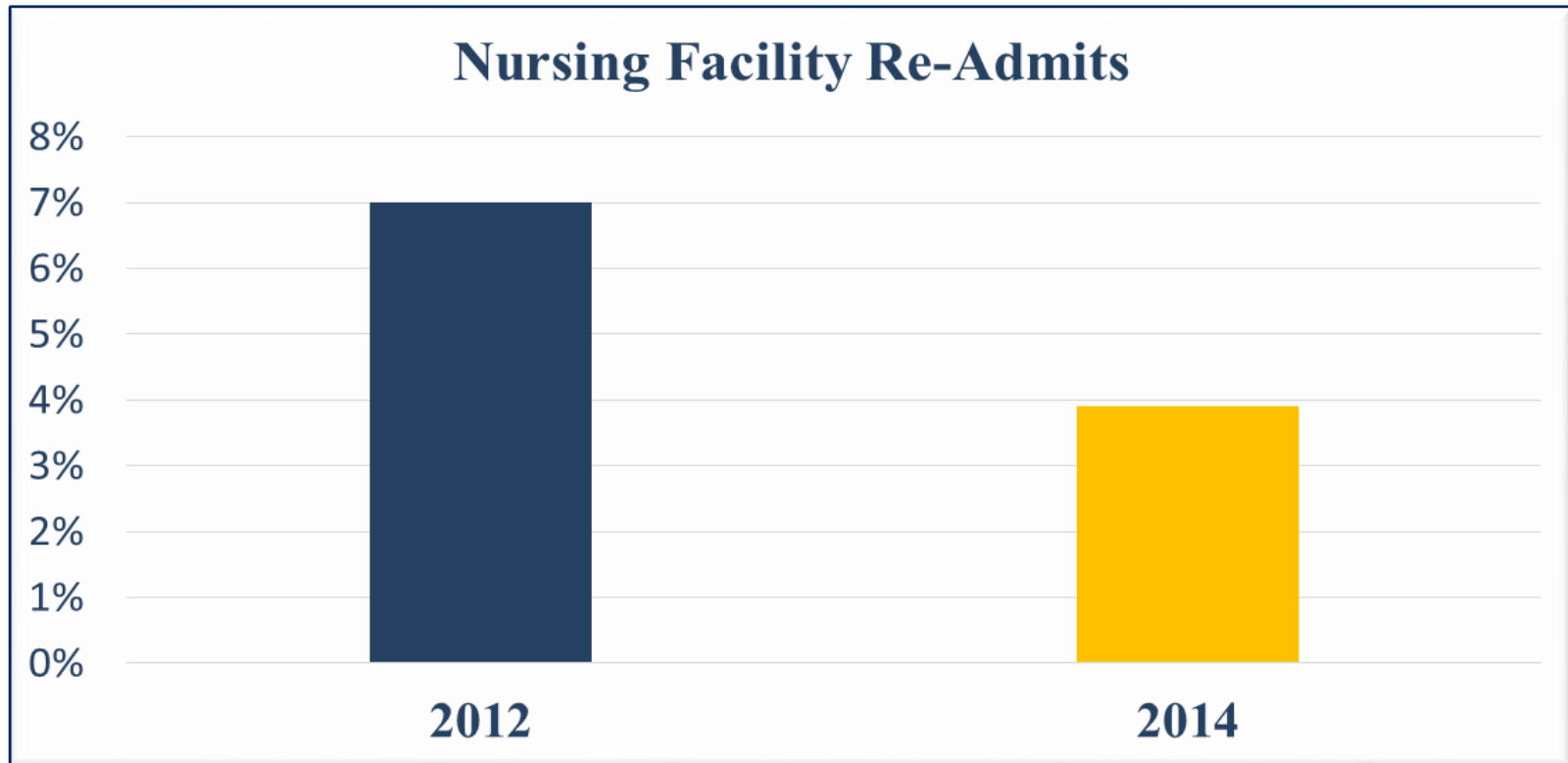
Improved Employment Status



- **Behavioral Health**

Severe and Persistent Mentally Ill adults (SPMI) competitively employed Q1 of 2014 increased by 1.3% into Q4 2014.

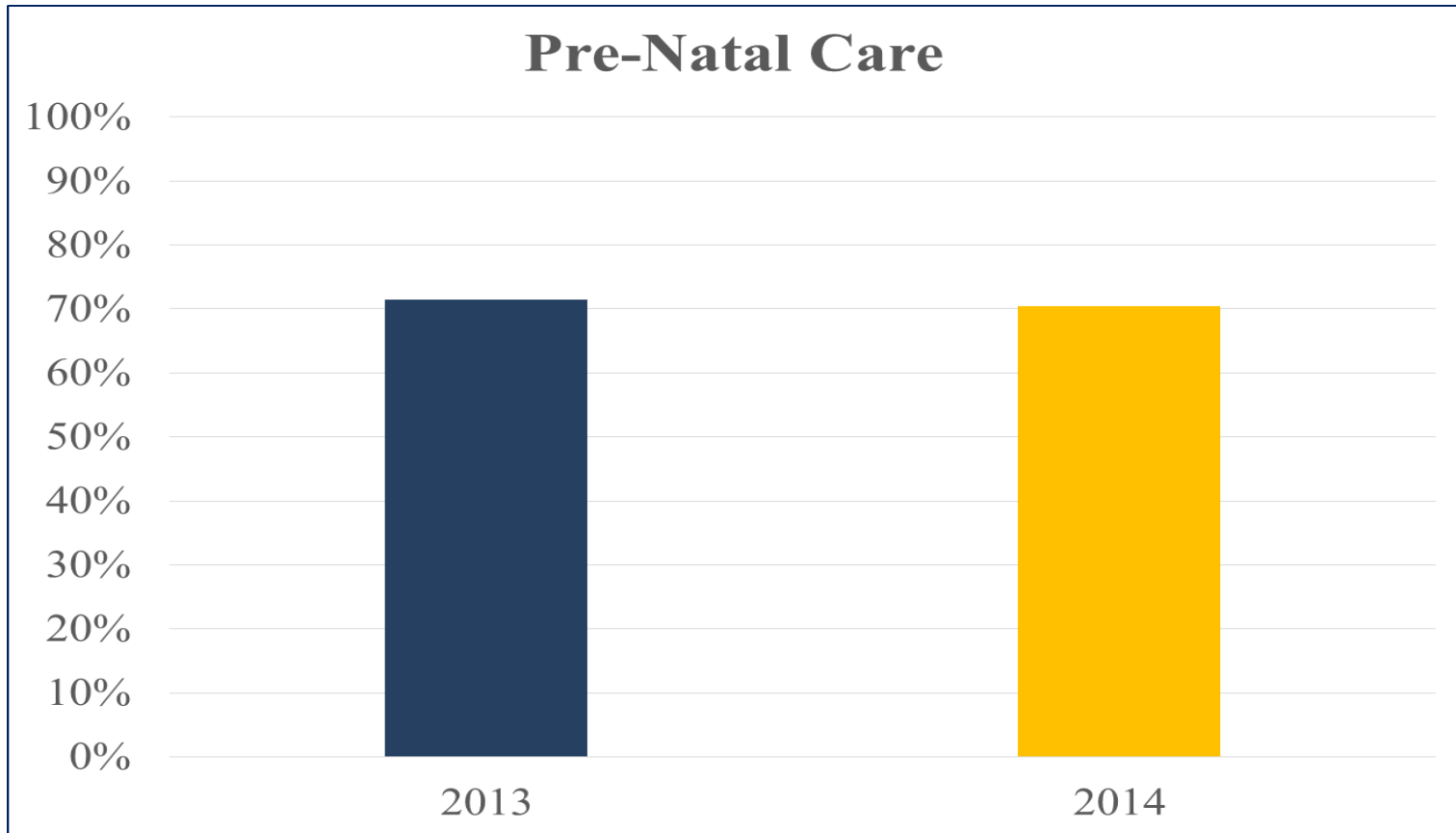
Reduced NF Re-admits



- **Nursing Facility Re-admits**

The percentage of nursing facilities' (NF) Medicaid members readmitted to a hospital decreased by 44% from 2012 to 2014.

Decrease in Pre-Natal Care



- **Pre-Natal Care**

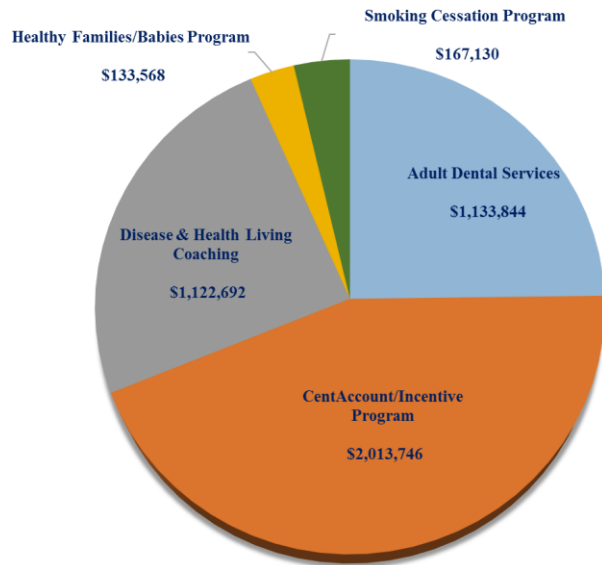
Over 70% of pregnant women continue to get pre-natal care.

KanCare New Services

At No Cost to the State

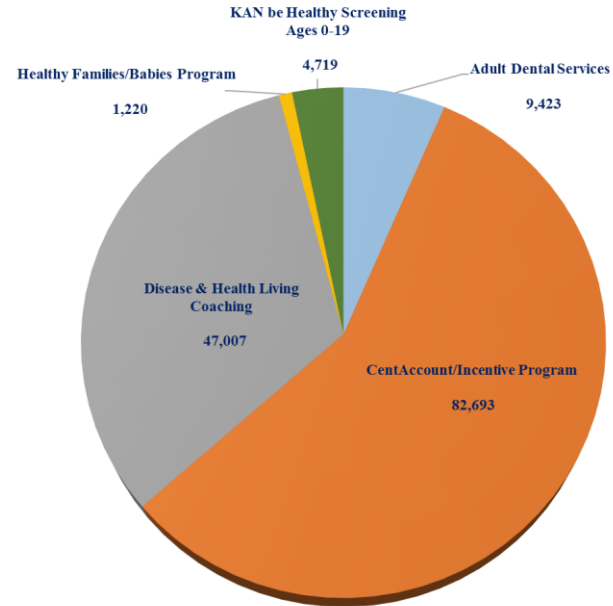
Top 5 Services by Expenditures

Calendar Year 2015



Top 5 Services Accessed by Members

Calendar year 2015



- In 2015, 133,012 members received value added services; this was an increase of 32% since 2014.
- Since the beginning of KanCare, members have been provided over \$12 million dollars in total value of services **at no cost to the state.**
- These services were not available to members under old Medicaid.

KanCare Utilization

- Members have used their Primary Care Physician 24% more with KanCare.
- Members are more likely to attend their appointments; Transportation up 33%.
- Costly inpatient hospital stays have been reduced by 23%.
- Emergency Room use down by 1%.

KanCare Utilization	
KanCare (2015) vs. Pre Kancare (2012)	
Type of Service	% Utilization Difference
Primary Care Physician	24%
Transportation	33%
Outpatient Non-ER	10%
Inpatient	-23%
Outpatient ER	-1%
Dental	32%
Pharmacy	7%
Vision	15%

Waiver Utilization

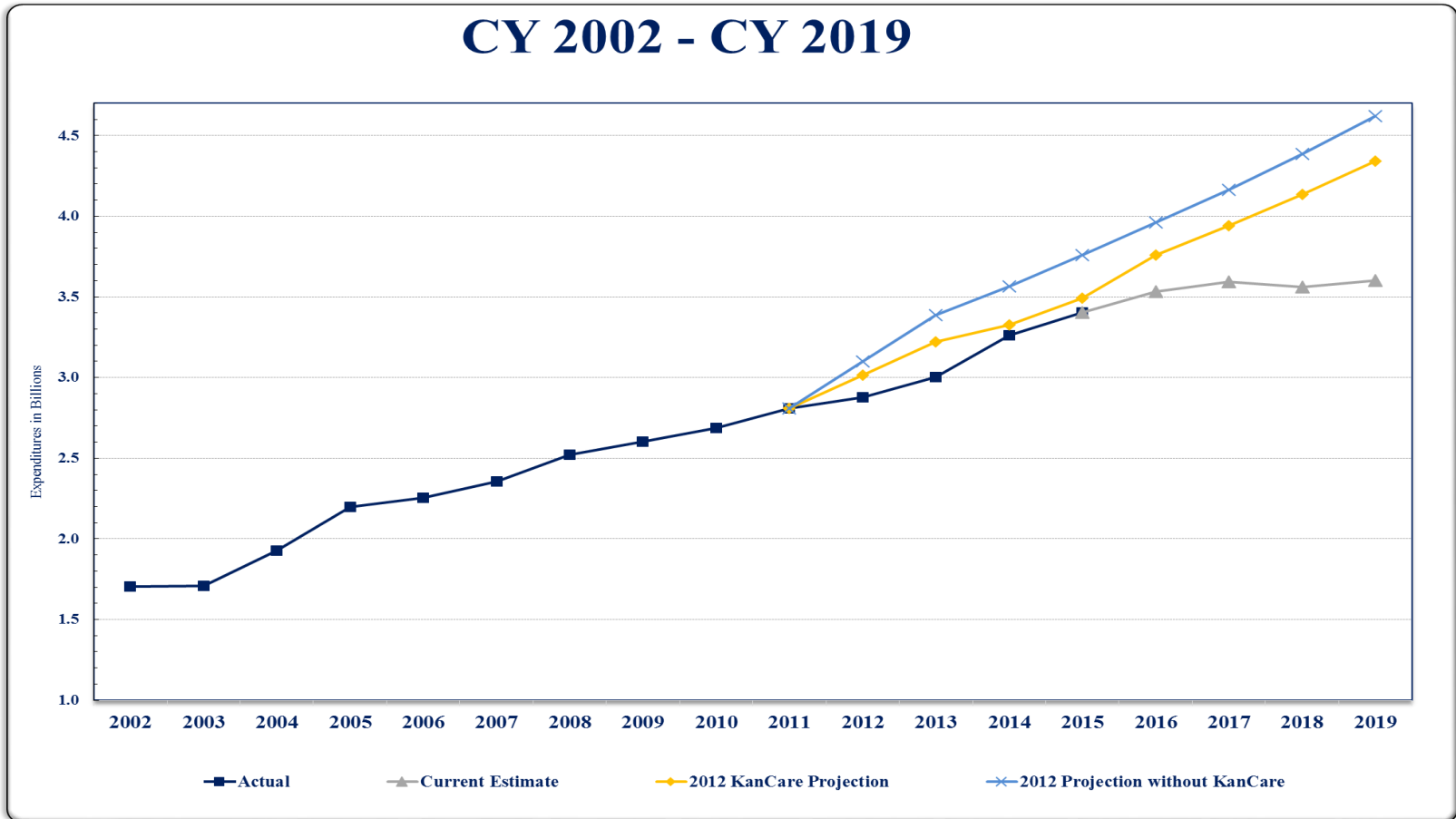
- Waiver members have used their Primary Care Physician 80% more with KanCare.
- Members are more likely to attend their appointments; Non-Emergency transportation up 56%.
- Costly inpatient hospital stays have been reduced by 29%.
- Emergency Room use down by 7%

KanCare Waiver Utilization	
KanCare 2015 v. Pre KanCare 2012	
Type of Service	% Utilization Difference
Primary Care Physician	80%
Transportation	56%
Outpatient Non-ER	10%
HCBS Services	34%
Inpatient	-29%
Outpatient ER	-7%
Dental	36%
Pharmacy	2%
Vision	14%

*SED, DD, PD, FE, Autism, TA, and TBI

KanCare Cost Comparison

KanCare has produced more than \$1.4B in savings to the state. A portion of these savings has allowed us to invest in eliminating the PD waiver, as of August 2016, and reducing the DD waiver waiting lists.



KanCare 2.0

- Extending request for proposal (RFP) development
 - Looking at exciting possibilities around potential future reforms
 - Identifying opportunities that will enhance KanCare's position as a model program for the nation
- Providing opportunities to greatly reduce provider burden and member satisfaction
 - Uniform credentialing requirement
 - Care Coordination services
 - Timing
 - Level of Interaction
 - Documentation
 - Value-Based Purchasing Guidance
 - More meaningful access to data to monitor and manage MCOs
- Currently working with vendor on drafting of RFP

MCO Role

- Ensure provision of medically necessary physical and behavioral health services, and long term supports to all eligible KanCare members
- Coordinate care for all members to ensure needed services are provided, members needs are met, and unnecessary or duplicative services are not provided
- Provide customer service call centers, handbooks and other web-based and printed material for both providers and members to assist with questions and any issues or concerns
- Credential and contract with willing providers to ensure an adequate network for all services statewide