State CFAC
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- Where we have BEEN
- Where we ARE now
- Where we are GOING
In the Beginning...

Medicaid Managed Care in the '90s

- States begin to contract management of Medicaid services to health plans
- Plans begin to take on risk for Medicaid costs
- Primary focus is on pregnant women and children
- Introduction of management of services and supports for special populations, including LTSS

North Carolina in the '90s

- Specialty services privatized
  - Mental Health
  - IDD
  - SU
- Local Management Entities (LMEs)
- Beginning of the Managed Care Organization (MCO) Pilot
- Medical care remained unmanaged
  - Coordinated through primary care case management
Medicaid Then... and Now

- From safety net to one-fifth of all Americans
- Medicaid in 1965
  - Welfare benefit for specific, limited populations
  - Publicly administered
- Medicaid in 2016
  - Means-test benefit for entire population
  - Privately managed
- Jointly Financed
  - All, 9, 4, 3 or 2 for 1 FMAP

Medicaid Today, By the Numbers

- Insures 1 in 5 Americans
- Finances 1 of every $6 of health spending nationally
- Covers 50% of all births
- 25% of all behavioral health
- 50% of all services and supports for the disabled and the elderly
- 35% of safety-net hospital revenues
- 40% of health centers revenues
- Approximately $550B total spending in 2016
- 77% of enrollees are in contracted managed care plans

More Numbers

- The disabled and the elderly
  - 25% of Medicaid enrollees are disabled or elderly
    - The disabled drive 42% of all spending
    - The elderly drive 21% of all spending
    - 63% total, or $347B per year
  - 14% of enrollees are disabled or elderly that are dually eligible for both Medicaid and Medicare
    - Duals drive 40% of all spending
    - $250B per year is attributable to less than 10 million (of 70 million) enrollees
Cardinal Innovations Healthcare

- Healthcare and home and community-based services (LTSS: long term services and supports)
- Members with mental health, substance use and/or intellectual and developmental disabilities
- 1% of members drive 52% of service costs
- For that 1% of members, between 83%-87% of the total cost of care is for specialty services
- Efficacy and cost of specialty services is directly correlated to non-healthcare community and social services
- Largest specialty plan in the country

Medicaid Reform

- It's BIG
- It's MANAGED
- And it's COMING to North Carolina

North Carolina 'Reformed' Medicaid

- CHOICE, CHOICE and CHOICE
- State will choose which plans receive contracts
- Providers will choose which plans they join
- Members and families will choose which plan and which providers they receive services from

> Different plans will provide different services
What's In Your Health Plan?

IDD Services

- Arkansas
- Louisiana
- Iowa
- New York
- New Mexico
- New Hampshire
- Texas
- Oklahoma
- Nebraska
  North Carolina and Kansas

New York Times, August 12, 2016

- IDD Providers
- Induction in managed care
  "...embrace the future by designing an approach that achieves the highest quality of life."
- Person centered
- Adequate funding
- Value based payment models
- Promote innovation and flexible models of care
What Do You Want In Your Plan?

North Carolina's Specialty System

- Disability specific services
- Care coordination
- Housing
- Transportation
- Customized services (B3 and In Lieu of)
- Community guide
- Peer supports
- Person centered
- Community based and local

What Next?