

# Medicaid under the ACA

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# 50

MEDICARE

1965-2015

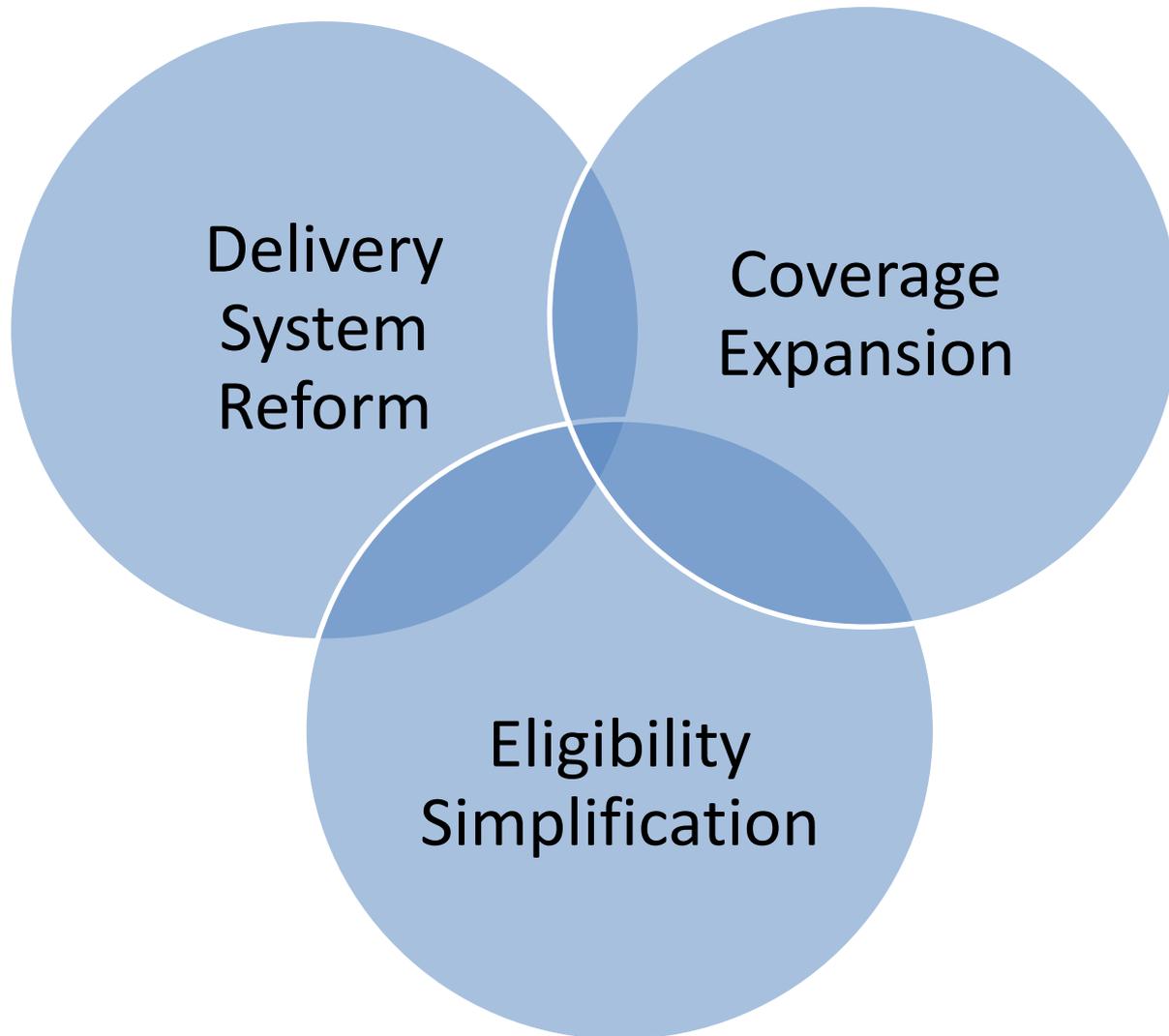
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# Medicaid Moving Forward



# 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

GALLUP®

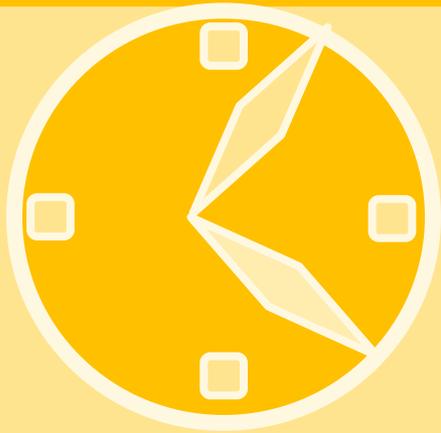
# Eligibility Simplification

The ACA has transformed Medicaid into a modern, 21<sup>st</sup> 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 on line, 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)

# The Vision is Attainable

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

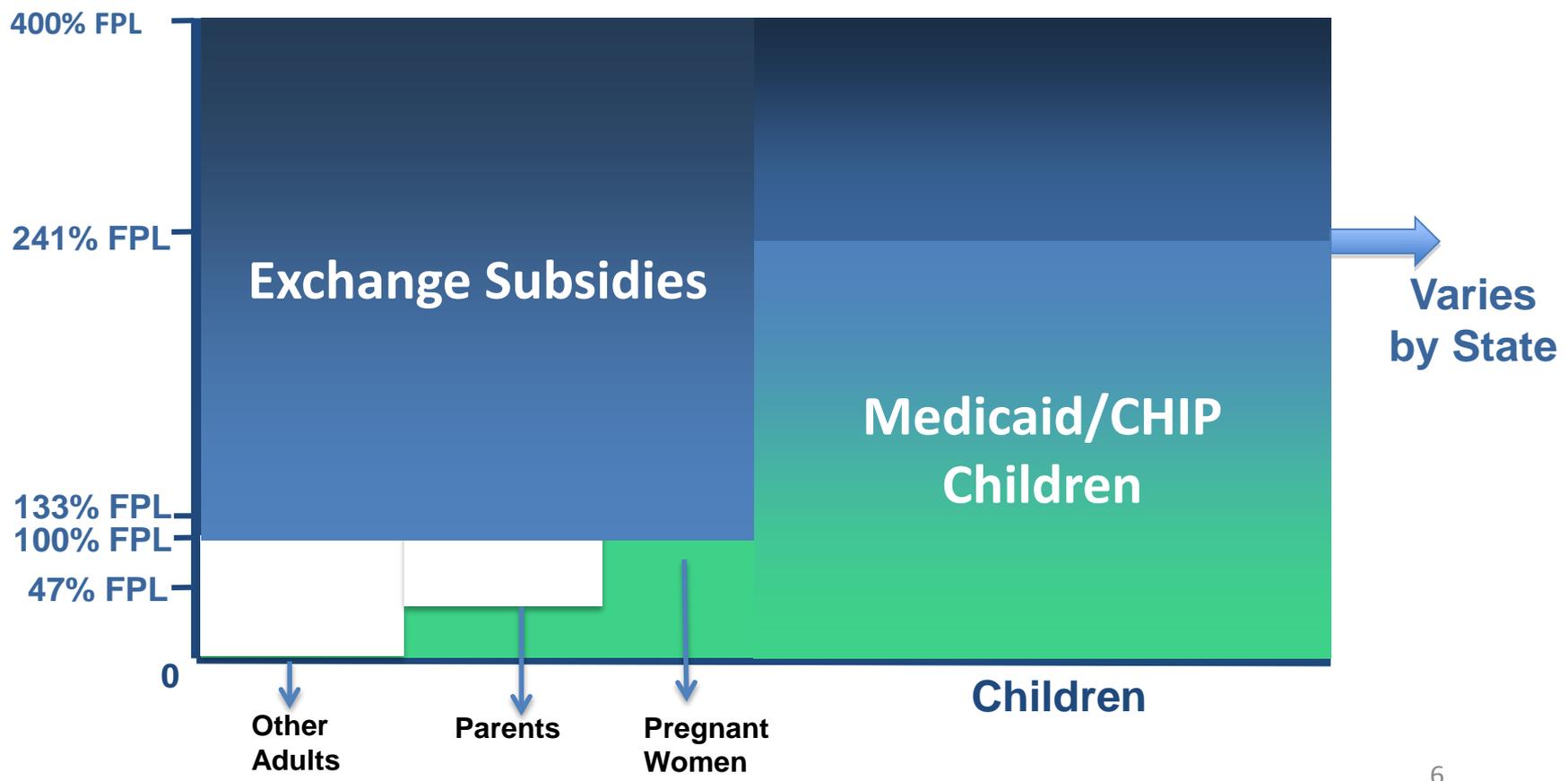
**CMS monthly Performance Indicator Data also tracks eligibility determination timeframes: < 24 hours; 24 hours-7 days; 8 days-30 days; 31-45 days; or more than 45 days**

- 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

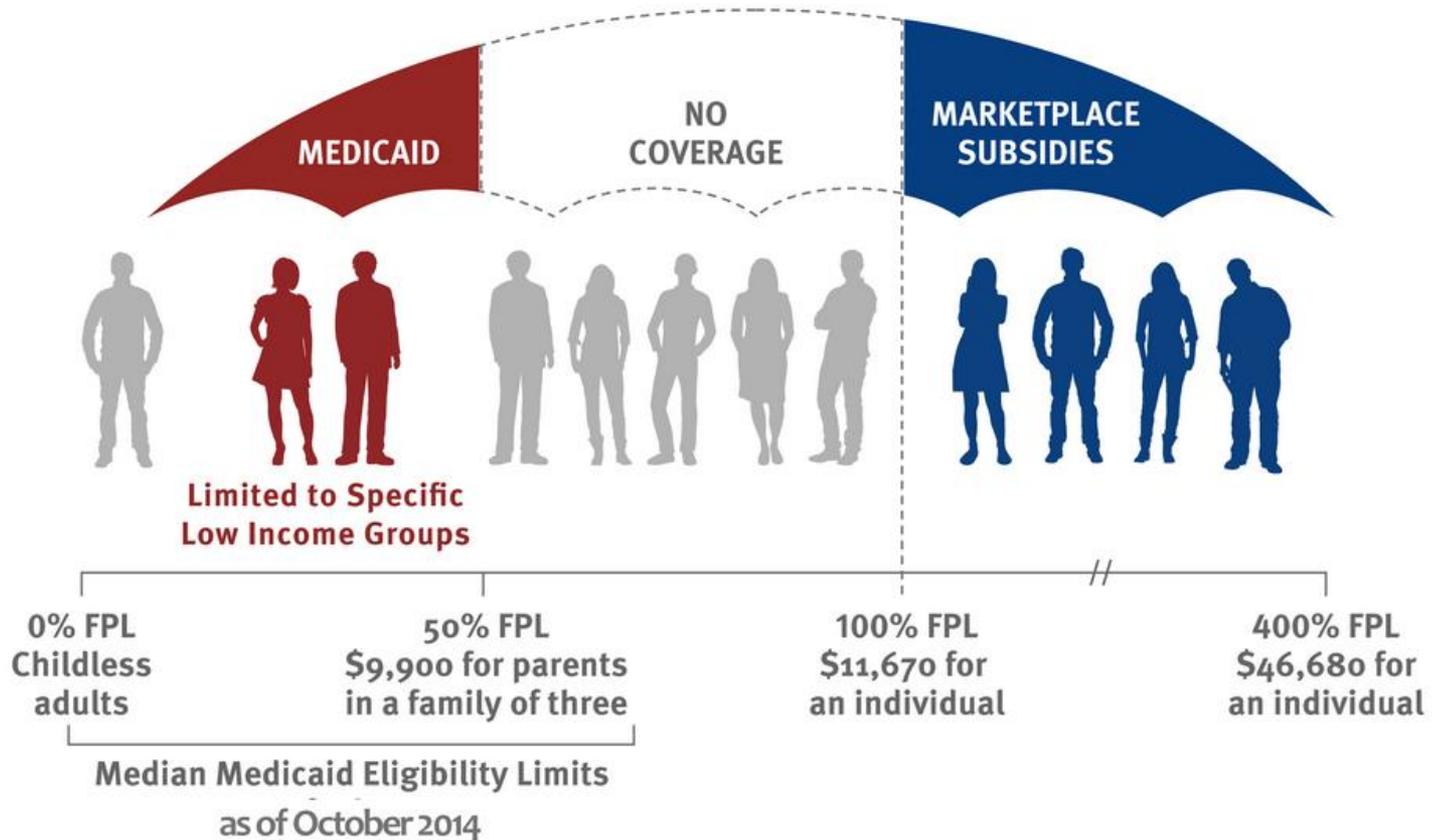
Eligibility in states without Medicaid expansion

For non-elderly, non-disabled individuals, based on current median state eligibility



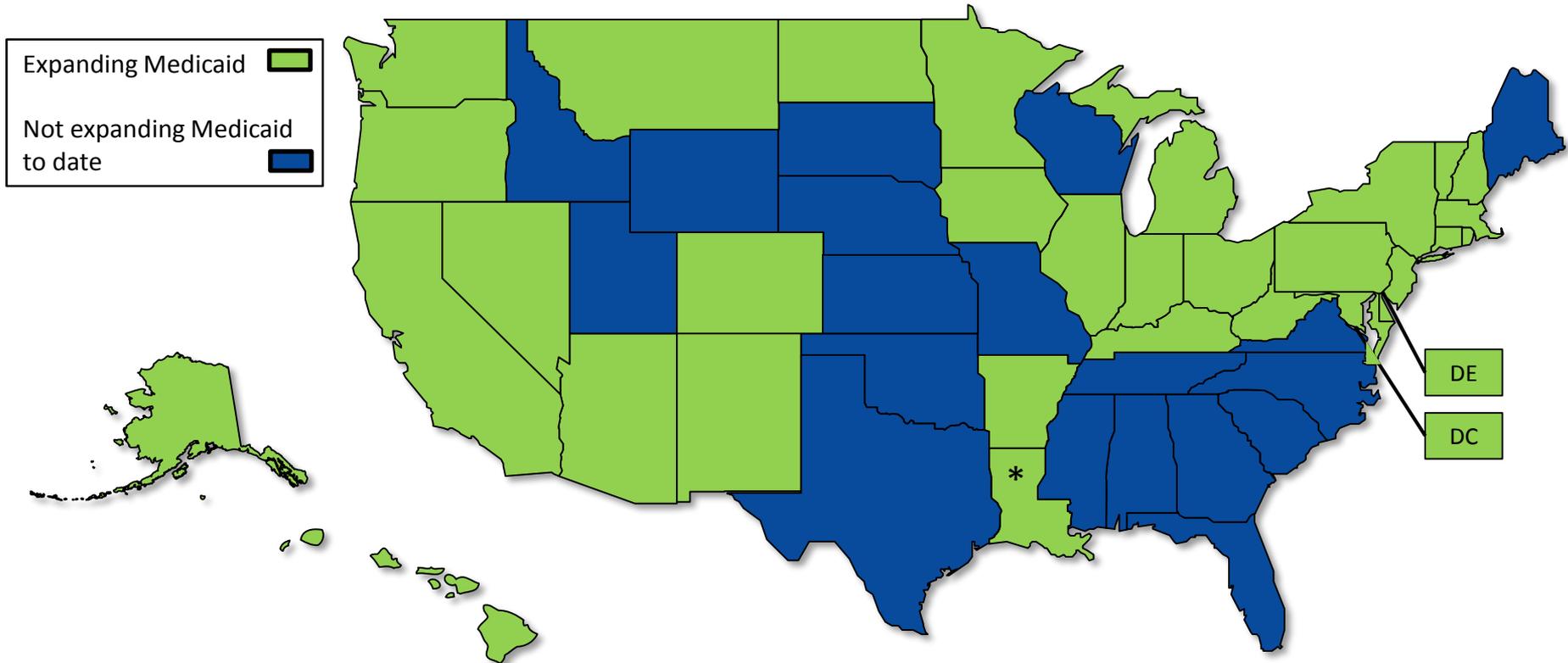
# More Progress to Make: Medicaid Expansion Coverage Gap

In states that do not expand Medicaid under the ACA, there will be large gaps in coverage available for adults.



# Medicaid Expansion

As of March 2016



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

# Impact of Medicaid Expansion: Behavioral Health

- 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

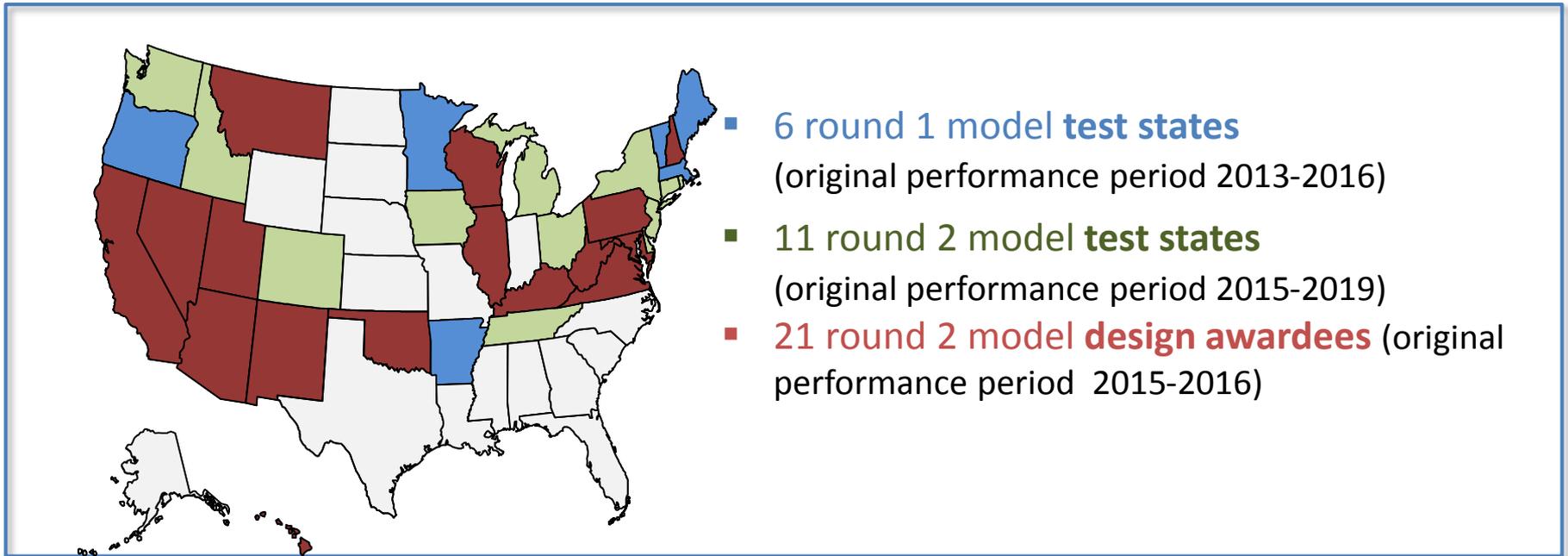
- 58 percent of Medicaid beneficiaries are enrolled in capitated, risk-based managed care
- Managed care in Medicaid is growing
  - Serving new populations, including seniors and persons with disabilities who need long-term services and supports
  - Individuals newly eligible for Medicaid
- Revision 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

# State Innovation Model grants

■ CMS is testing the ability of **state governments** to utilize policy and regulatory levers to accelerate health care transformation across payers, including Medicaid



# Medicaid Delivery System Reform: Evolving Payment Authorities

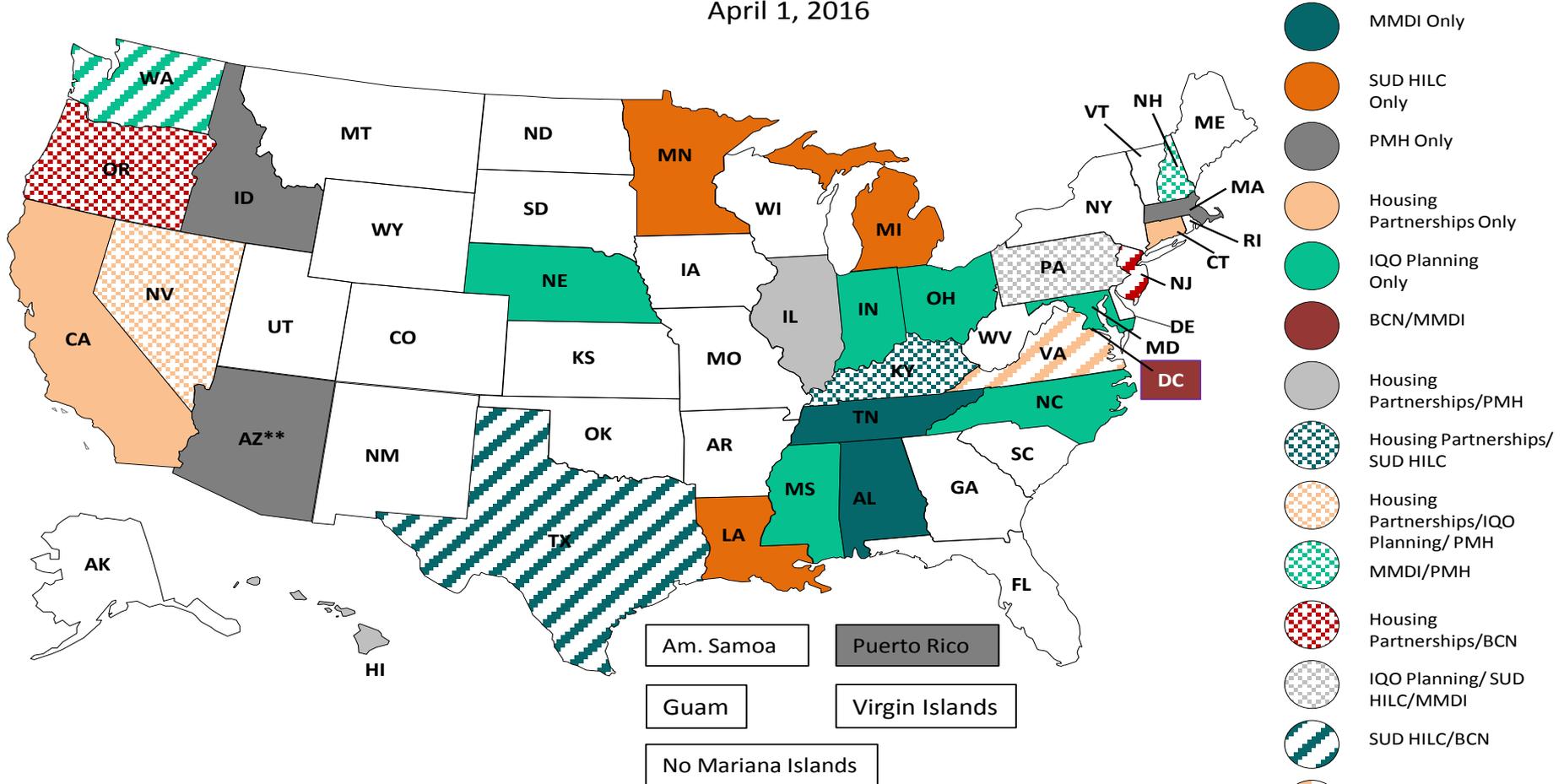
- States are using value-based payments:
  - episode-based payments,
  - population-based payments
  - additional payments in support of delivery system reform
- Health homes: 30 programs in 20 states
- Delivery System Reform Incentive Pools: 8 states
- Shared Savings states: 5 states
- Integrated Care 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

# States Participating in Medicaid IAP: Direct Program Support

April 1, 2016



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



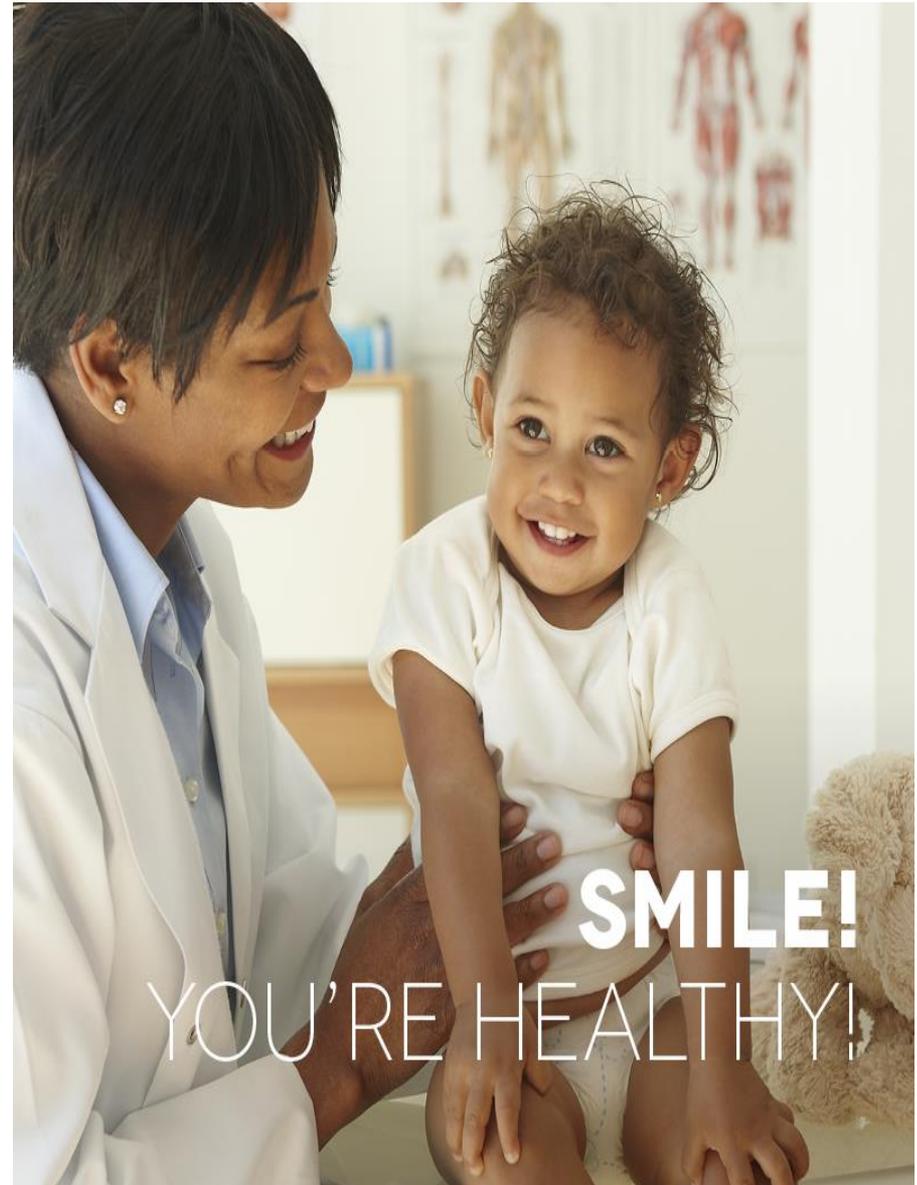
Eligibility  
Simplification



Coverage  
Expansion



Delivery System  
Reform



**SMILE!**  
YOU'RE HEALTHY!