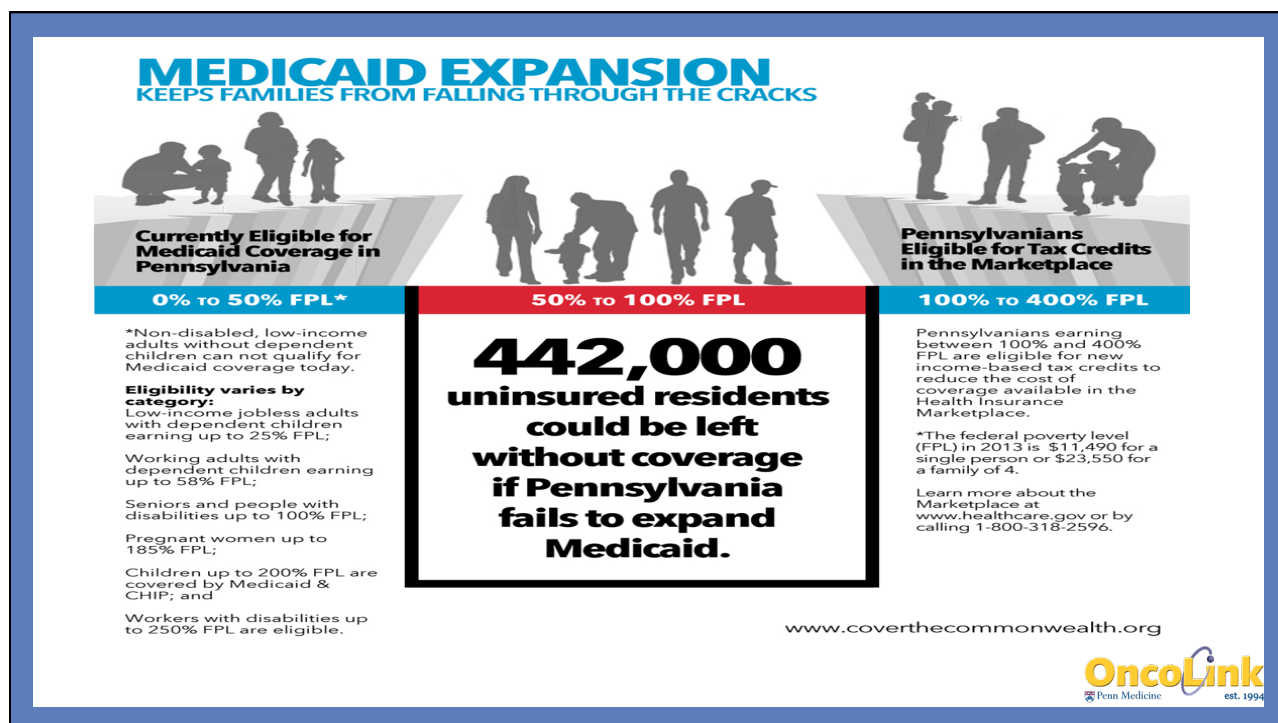


The Pennsylvania Medicaid Expansion

Christina Bach, MBE, MSW, LCSW, OSW-C

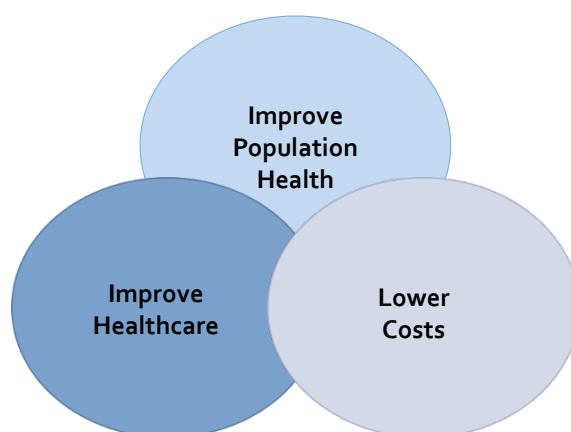
Heather Klusaritz, PhD, MSW



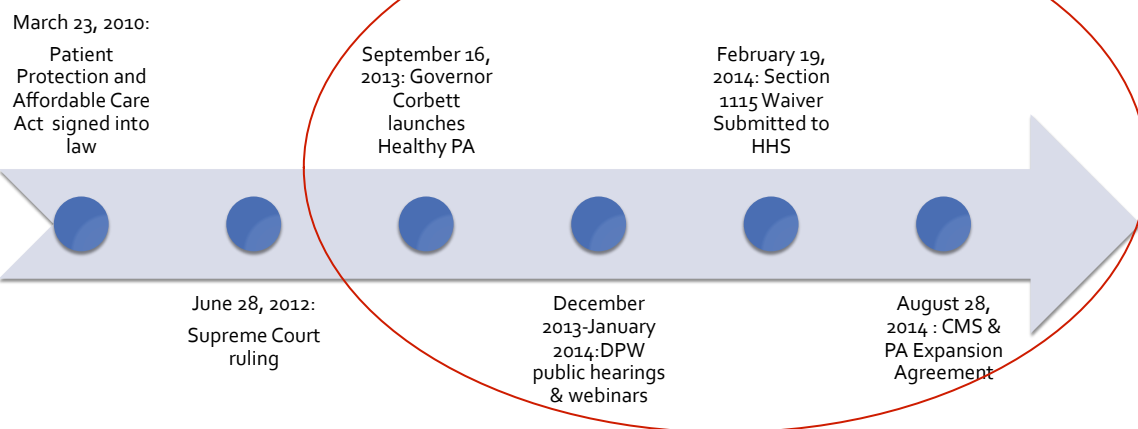
Pennsylvania is FINALLY getting on the Medicaid Bandwagon



Goal of the ACA: The Triple Aim



Pennsylvania Medicaid Expansion Timeline



Section 1115 Waiver?

- Pennsylvania applied for a section 1115 waiver to reform Medicaid & expand coverage
 - Section 1115 of SSA gives HHS authority to approve pilot/experimental/demonstration projects to promote the objectives of Medicaid/SCHIP.
 - Section 1115 waivers give states additional flexibility to design their Medicaid programs.
 - **PA approved waiver differs from the envisioned full Medicaid expansion that is part of the Affordable Care Act (ACA).**
- Examples of Section 1115 Waiver uses:
 - Expand eligibility to individuals who are not otherwise Medicaid or CHIP eligible;
 - Provide services not typically covered by Medicaid;
 - Use innovative service delivery systems that improve care, increase efficiency, and reduce costs;
 - Examples in PA include the PDA Waiver and the AIDS Waiver.



A CLOSER LOOK AT THE CURRENT AND PROPOSED PLANS



Current: Medical Assistance



- Jointly funded by federal and state governments, but state administered.
- Currently covers health and long term care services for 2.2 million Pennsylvania residents in low-income categorically eligible groups:
 - ✓ U.S. citizens, refugees and certain lawfully admitted immigrants*
 - ✓ Individuals who are aged (age 65 and older) or blind
 - ✓ Families with children under age 21
 - ✓ Adults must be unable to work and at/below 100% of the FPL to qualify**
 - Can be temporarily disabled (long or short term) or permanently disabled (meets qualifications for SSI/SSDI);
 - OR, must need a "health sustaining medication" that allows the individual to continue working;
 - OR, is soul caregiver for another family member;
 - OR, Under-going drug and alcohol treatment;
 - OR, Victim of domestic violence



Current: Medical Assistance



- Includes options for those who wouldn't "normally" qualify including:
 - ✓ MAWD - Individuals with disabilities who work and have family incomes < 250% of FPL and <\$10,000 in assets.
 - ✓ Medically Needy (Spend Down) - Individuals with disabilities whose incomes minus their medical expenses are <50% FPL
 - ✓ Breast and Cervical Cancer Treatment and Screening Program (Healthy Woman) - Women with breast or cervical cancer with family incomes < 250% FPL
 - ✓ HCBS - Individuals who would be Medicaid eligible if institutionalized but who live in the community and receive home and community-based services.
- Recipients are determined to be covered by managed care or fee-for-service based on county of residence and category of assistance.
- Includes access to non emergency medical transportation



"From the beginning, I said we needed a plan that was created in Pennsylvania, for Pennsylvania — a plan that would allow us to reform a financially unsustainable Medicaid program and increase access to health care for eligible individuals through the private market."

- Governor Tom Corbett



Healthy PA

ACCESS • AFFORDABILITY • QUALITY

"The agreement allows Pennsylvania to impose the highest Medicaid premiums of any state in the country beginning in 2016, despite a significant body of research that shows that premiums for low-income people result in loss of coverage, unmet health care needs, and adverse health outcomes."

-Community Legal Services of Philadelphia



Proposed: Healthy Pennsylvania (PA)



- New income allowance -> 138% FPL (\$16,205)
- Creates a Private Coverage Option for newly eligible adults, ages 21 through 64, who are not medically frail
 - ✓ Parents with incomes between 33% and 138% FPL
 - ✓ Childless adults with incomes between 0% and 138% FPL
- Newly eligible adults 19 & 20, the medically frail, currently eligible adults and children will be enrolled in the "old" Medical Assistance plan *Health Choices*



Proposed Healthy Pennsylvania (PA)



- All new beneficiaries are subject to plan co-payments with exception of:
 - Adults with incomes up to 100% FPL
 - Pregnant women
 - Individuals who are institutionalized
 - Elderly individuals, ages 65 or older
 - Persons who are dually eligible for Medicare and Medicaid
 - Individuals under age 21



Proposed: Healthy Pennsylvania (PA)



- Premiums for individuals earning between 101% and 138% of the FPL (estimated around \$20 per month) beginning in 2016
 - ✓ 90 day grace period before disenrollment for failure to pay premiums
 - ✓ No co-payments for those who pay premium with exception of \$8 ER
- MOOP (premiums and cost sharing) is 5% of the household income (5% of 138% of FPL is \$810.25)
- Completion of healthy behavior incentives and job training/work search programs will lower premiums/co-pays in the second year of eligibility
- Introduction of a second managed care system (separate from HealthChoices). Services provided by payers will be aligned with national essential health benefit standards



Services	Current Benefit Package for Adults	Proposed Low Risk Plan	Proposed High Risk Plan
Primary Care Visits	18*	No limits	No limits
Other Visits	18	12	18
Radiology	No limit	6 tests	8 tests
Outpatient Surgery	No Limit	2 visits/year	4 visits/year
In patient Acute Hospital	No limit	2 non-emergency admissions per year	3 non-emergency admissions per year
Inpatient Rehab Hospital	1 admission per year	1 admission per year	2 admissions per year
Durable Medical Equipment	No limit	\$1000 per year	\$2,500 per year
Medical Supplies	No limit	\$1,000 per year	\$2,500 per year
Skilled Nursing Facility	365 days per year	120 days per year	365 days per year
Lab Work	No limit	\$350 per year	\$450 per year
Outpatient Mental Health visits	60 1 hour or 120 30 minute visits per year	30 per year	60 per year
Outpatient Substance Abuse visits	60 per year	30 per year	60 per year

Pennsylvania's Medicaid Waiver Benefit Plans



Proposed: Healthy Pennsylvania



- Other provisions
 - ✓ Increase access to CHIP and end the 6 month CHIP waiting period
 - ✓ Support older Pennsylvanian's and those with disabilities
 - Coordinate LTC services
 - Increase funding for waiver services to end wait lists and increase access to home and community based care
 - ✓ Promote access to primary health care
 - Increase use of preventive and primary care services while decreasing non-emergency use of emergency room services



Proposed: Healthy Pennsylvania



- Enhance healthcare delivery through increased use of telemedicine, EMR's and other ehealth centered services.
- Increased monitoring of prescription medication use and support of "drug take back" programs for safe and secure medication disposal.
- Encouraging Employment program: incentives for job training and work-related activities, including access to Healthy Pennsylvania Career Coaches.



Proposed: Healthy Pennsylvania



• Programs eliminated or changed:

- ✓ SelectPlan for Women, (provides family planning services to women, ages 18 through 44, with incomes <215% FPL) eliminated.
 - ✓ Women now eligible for Medicaid expansion or subsidies to participate in Marketplace
- ✓ Non-emergency medical transportation (NEMT) will NOT be offered to newly eligible adults during the first year of the demonstration.
 - ✓ Plan must be in place for transportation in 2016 by March 31, 2015
- ✓ MAWD changes: PA & CMS negotiating on what MAWD benefits will look like (i.e. high risk or low risk); which delivery system they will be enrolled in (i.e. traditional Medical Assistance or Private Coverage Option); and their cost sharing requirements.



Insurer Concerns



- Private insurers agreed to offer plans under Healthy PA, with the Corbett administration committed to three insurers competing for Medicaid business in each of the nine regions
- Highmark Inc., the state's largest health insurer, announced in October it won't participate in Corbett's Healthy PA program because it couldn't sign enough doctors to its network.
- Other large insurance companies are considering the regions of PA in which they will offer coverage
- Contractual rates and participating providers to build a network are sticking points



Concerns with Healthy PA

- Private coverage, separate from the existing Medicaid managed care system, could cause people to lose coverage as they move between the systems due to income fluctuation, family size changes, or doctors being covered in one program but not the other.
- Decreased state oversight for vulnerable populations in private coverage.
- Premium rates could leave health care coverage unaffordable for many of the low-income Pennsylvanians expansion was meant to help.
- 600,000 residents are eligible for health insurance on expansion, multiple platforms could cause beneficiary confusion.



But...this is all subject to change

- Governor Corbett was not re-elected



What does Governor Elect Tom Wolfe think about the proposed expansion?

"As Tom Wolf has made clear, he supports the full real expansion of Medicaid and last week's decision [the CMS approval of the PA waiver] does not change that. As governor, Tom Wolf will work with the appropriate parties to fully expand Medicaid and provide accessible health care for Pennsylvanians."

-tweet from Wolf campaign, 2 Sept 2014



Wolf's Position

- Expand Medicaid as envisioned by ACA ; CMS has confirmed it can work within the waiver.
- Opposes the premium structure that would go into effect in 2016 for certain new Medicaid enrollees and the reduction of benefits being sought by Corbett for healthier adults in the traditional Medicaid program.
- Full Medicaid expansion will provide an economic stimulus to the state.
 - ✓ A recent RAND report estimated that Medicaid expansion will add \$3 billion to the state's gross domestic product, create 35,000 new jobs, and save hospitals approximately \$550 million every year.
- Federal contribution cannot be ignored.
 - ✓ Federal government will pay 100% of the costs of Medicaid expansion from 2014 to 2016 and 90% of the costs thereafter. The federal contribution is projected to be an additional \$2 billion every year.
 - ✓ Not expanding has cost PA \$4.8 million per day in federal funding.



Wolf's Other Health Care Priorities

- Setting Nurse-to-Patient Ratios These ratios will range from one registered nurse to one patient in high needs units like operating rooms and trauma emergency rooms to one registered nurse to five patients in skilled nursing facilities. Significant research has been done that shows safe nurse to patient ratios have increased quality care and improved nursing retention.
- Keeping more Pennsylvania-trained primary care doctors in the state - expand the number of primary care physicians who can participate in the state's debt relief program for medical professionals and increase the number of residency slots for primary care doctors.
- Incentivizing medical care providers to adopt the patient-centered medical home model of care - The Patient-Centered Medical Home (PCMH) model uses a team of care providers, including doctors, nurses, nutritionists, pharmacists and social workers, to improve patient access to care, care coordination, and quality while at the same time reducing costs.



Concerns with Expansion



Insurance



Access



Increased ED utilization among newly insured



OncoLink
Penn Medicine est. 1994

Further Action Needed

- Increase access to quality, timely, primary care.
- Outreach and navigation.
- Auto-enrollment and Fast-track processes.
- Affordable marketplace plans in some geographic regions of PA.

OncoLink
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Dynamic Time of Opportunity



QUESTIONS?

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