Florida Medicaid Reform Principles

• Patient responsibility and empowerment
• Marketplace decisions
• Bridging public and private coverage
• Sustainable growth rate
What’s New?

• More Choices for Beneficiaries
  ▪ HMOs and PSNs
  ▪ Customized benefit packages
  ▪ Opt-out to employer-sponsored plans

• Choice Counseling

• Enhanced Benefit Accounts

• Risk-adjusted Rates

• Low-income Pool
Medicaid Reform in Florida - Key Reform Elements & Results

Reform Program Elements

- More Choices
  - PSNs
  - HMOs
  - Special Plans
  - ESI Opt-out

- Choice Counseling Process
- In a Plan or Network
- Customized Benefit Packages
- Enhanced Benefit Accounts
- Opt-Out (ESI)

Reform Program Results

- Enrollee Experiences Satisfaction
- Disenrollment
- Healthy Behaviors
- Health Status; Racial Disparities; Clinical Outcomes
- Utilization
- Access for Uninsured

Medicaid Expenditures

- $$
- $$
- $$

In a Plan or Network

Opt-Out (ESI)

Customized Benefit Packages

Healthy Behaviors

Disenrollment

Medicaid Expenditures

- $$
- $$
- $$
Medicaid Reform Counties

- Baker
- Nassau
- Duval (Jacksonville)
- Clay
- Broward (Ft. Lauderdale)

- Sparsely Populated Rural County
- Large Urban County
<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 30, 2004</td>
<td>AHCA requests public comment on Governor Bush’s intention to seek CMS waiver to reform Medicaid.</td>
</tr>
<tr>
<td>May 6, 2005</td>
<td>Florida Medicaid Reform authorized by Florida Legislature in SB 838.</td>
</tr>
<tr>
<td>October 3, 2005</td>
<td>Formal submission of Florida’s Medicaid Reform waiver application to CMS.</td>
</tr>
<tr>
<td>October 19, 2005</td>
<td>US Department of HHS Secretary Michael O. Leavitt and Governor Bush announce federal approval of Florida’s Medicaid Reform plan.</td>
</tr>
<tr>
<td>December 8, 2005</td>
<td>Florida Legislature passed required legislation.</td>
</tr>
<tr>
<td>December 16, 2005</td>
<td>Governor Bush signs Medicaid Reform Legislation (HB 3B) into law.</td>
</tr>
<tr>
<td>July 1, 2006</td>
<td>Medicaid Reform Implementation begins.</td>
</tr>
</tbody>
</table>
Evaluation

• UF contracted by AHCA to conduct five-year evaluation study

• The evaluation studies will examine whether or not Reform achieves its stated objectives including
  ▪ better health outcomes
  ▪ enrollee satisfaction
  ▪ predictability in cost

• Several additional projects and collaborations also initiated
Organizational Analyses

- Investigators: Christy Lemak, Ph.D. and Amy Yarbrough, Ph.D.
- Tell the Story of Reform
- Understand various “organizations” involved in Reform:
  - Health plans and networks
  - Choice Counseling organization
  - Enhanced Benefits organization
  - Opt-out organization
  - The Agency and its collaborating contractors
  - Other interested persons or organizations
Quality of Care, Outcomes, and Enrollee Experience Analyses

• Investigator: Allyson Hall, Ph.D.
• Enrollee satisfaction
• Experience of care
  ▪ Choice counseling
  ▪ Health plan and health information
  ▪ Making choices
    ❖ Plan selection
    ❖ Enhanced benefits
    ❖ Opt-out
  ▪ Access and health care utilization
• Health status and health outcomes
Fiscal Analyses

- Investigator: Jeff Harman, Ph.D.
- Preliminary Research Questions
  - What is the difference in per member per month expenditures for enrollees in reform plans before and after implementation of Medicaid Reform?
  - What are the costs of implementing and administering the Reforms?
  - How well do the risk adjustment methods perform (pharmacy vs. encounter data)?
  - Do the financial safeguards of catastrophic component provide proper incentives to managed care?
  - Does the opt-out option impact Medicaid expenditures?
  - Do enhanced benefit accounts impact Medicaid expenditures?
Low-Income Pool Analyses

• Investigator: Niccie McKay, Ph.D.

• Annual “pool” of $1 billion (funded through IGTs and matching federal funds)

• Objective of LIP: “to ensure continued government support for the provision of healthcare services to Medicaid, underinsured, and uninsured populations”

• LIP evaluation plan submitted to AHCA November 2006
  ▪ Objective: to examine link between LIP-related payments and provision of services to Medicaid, underinsured, and uninsured populations (“how much”)
  ▪ Period of analysis: “reform” SFY 06-07 thru 10-11 (waiver), “pre-reform” SFY 01-02 through 05-06
MRE Companion Studies

• University of Oregon—Centers for Health System Change/RWJ
  - Impact of incentivizing healthy behaviors for Medicaid recipients

• Urban Institute—Henry J. Kaiser Family Foundation
  - Health care experiences under Reform-focus on SSI
Preliminary Research Findings
Organizational Analyses

- **Broward County**
  - 10 HMOs
  - 6 PSNs
  - 74,804 total enrollment

- **Duval County**
  - 4 HMOs
  - 2 PSNs
  - 50,206 total enrollment

Choice Counseling

• ACS call center statistics (7/24/06-1/31/07)
  ▪ 105,827 total calls received
  ▪ 27,001 total outbound calls
  ▪ 1,513 or 1.4% abandoned calls
  ▪ 6.5 minutes average talk time
  ▪ no blocked calls

Enhanced Benefits

• Credits
  ▪ 11,997 beneficiaries received credits
  ▪ Total Credit amount to date: $652,620.50

• As of January 29, 2007, over 290 beneficiaries have used their accounts.

• Credited amounts used $ 3,869.44

Benchmarking Survey

- CAHPS style survey of enrollees prior to Reform implementation
- Field work completed Fall 2006
- Benchmarks submitted to AHCA April 2007
Low-Income Pool

• AHCA received approval from CMS regarding eligibility for and distribution of LIP funds for SFY 06-07

• Disbursements somewhat delayed due to new paperwork requirements by CMS

• Disbursements for first quarter currently in process
Low-Income Pool

- AHCA received approval from CMS regarding eligibility for and distribution of LIP funds for SFY 06-07
- Disbursements somewhat delayed due to new paperwork requirements by CMS
- Disbursements for first quarter currently in process
Paul Duncan, Ph.D.

Department of Health Services Research, Management & Policy

College of Public Health & Health Professions

University of Florida

PO Box 100195
Gainesville, FL 32610-0195

(352) 273-6065

pduncan@phhp.ufl.edu