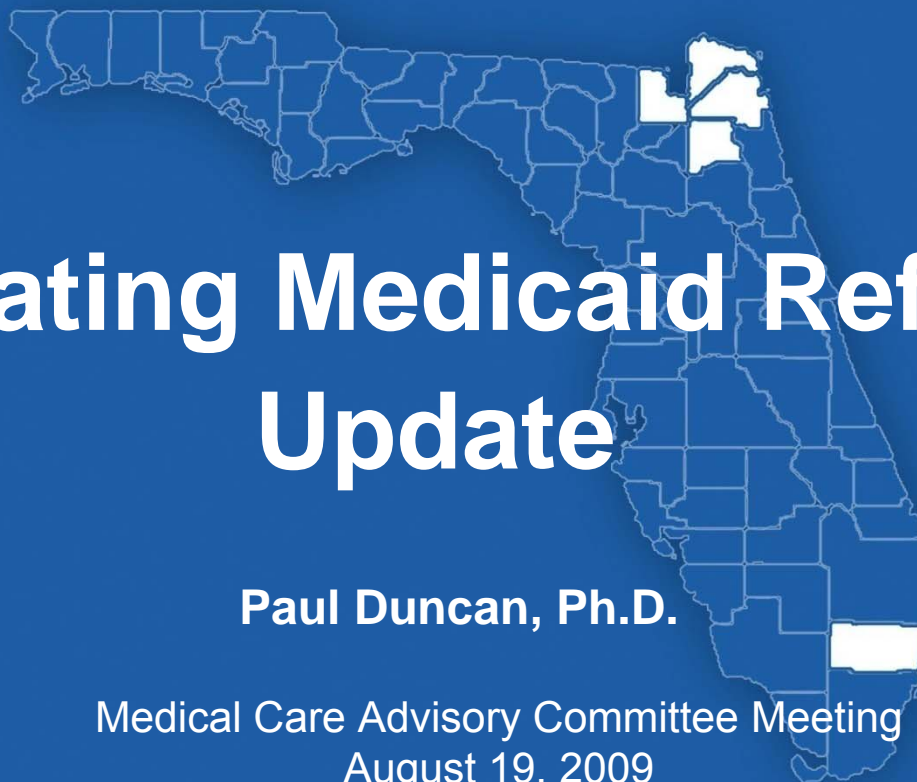




Evaluating Medicaid Reform in Florida



Evaluating Medicaid Reform: Update

Paul Duncan, Ph.D.

Medical Care Advisory Committee Meeting
August 19, 2009



Evaluating Medicaid Reform in Florida



Medicaid Reform Overview

Principles of Medicaid Reform

- ▶ Patient responsibility and empowerment
- ▶ Marketplace decisions
- ▶ Bridging public and private coverage
- ▶ Sustainable growth rate

Elements of Medicaid Reform

- ▶ Customized benefit packages
- ▶ Opt-Out option
- ▶ Enhanced Benefit Reward\$ program
- ▶ Choice Counseling
- ▶ Risk adjusted payments



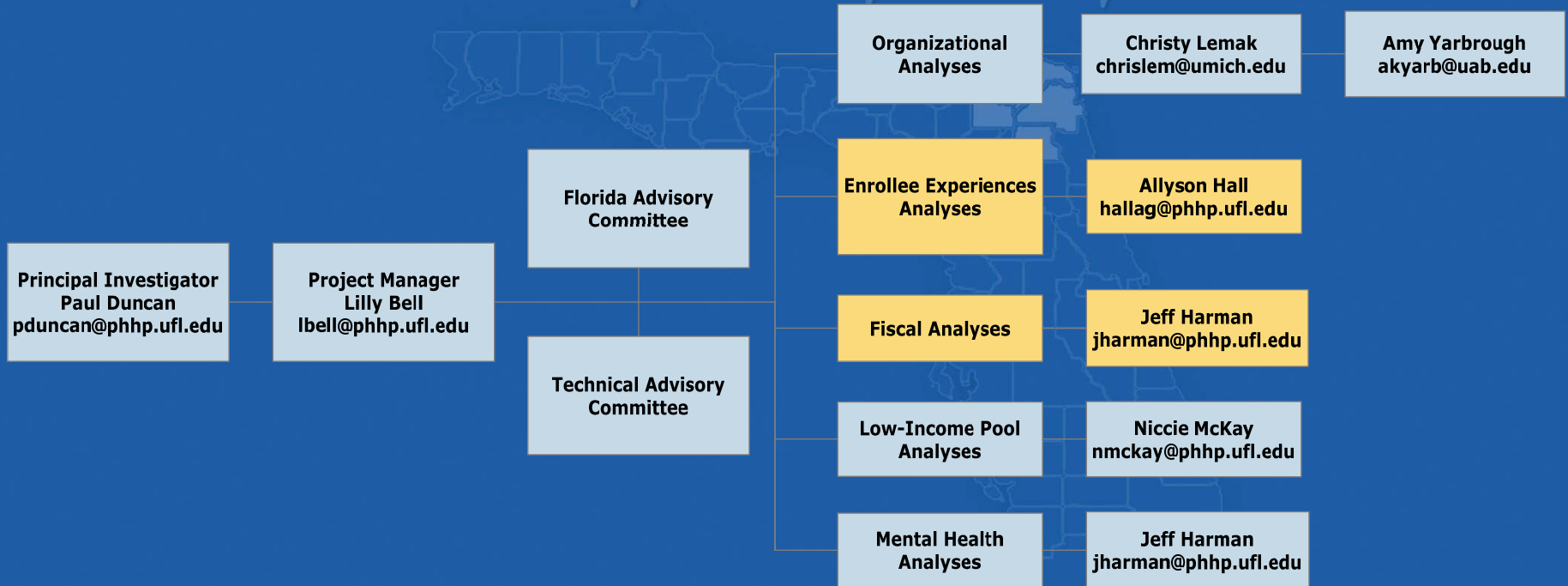
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Reform Evaluation

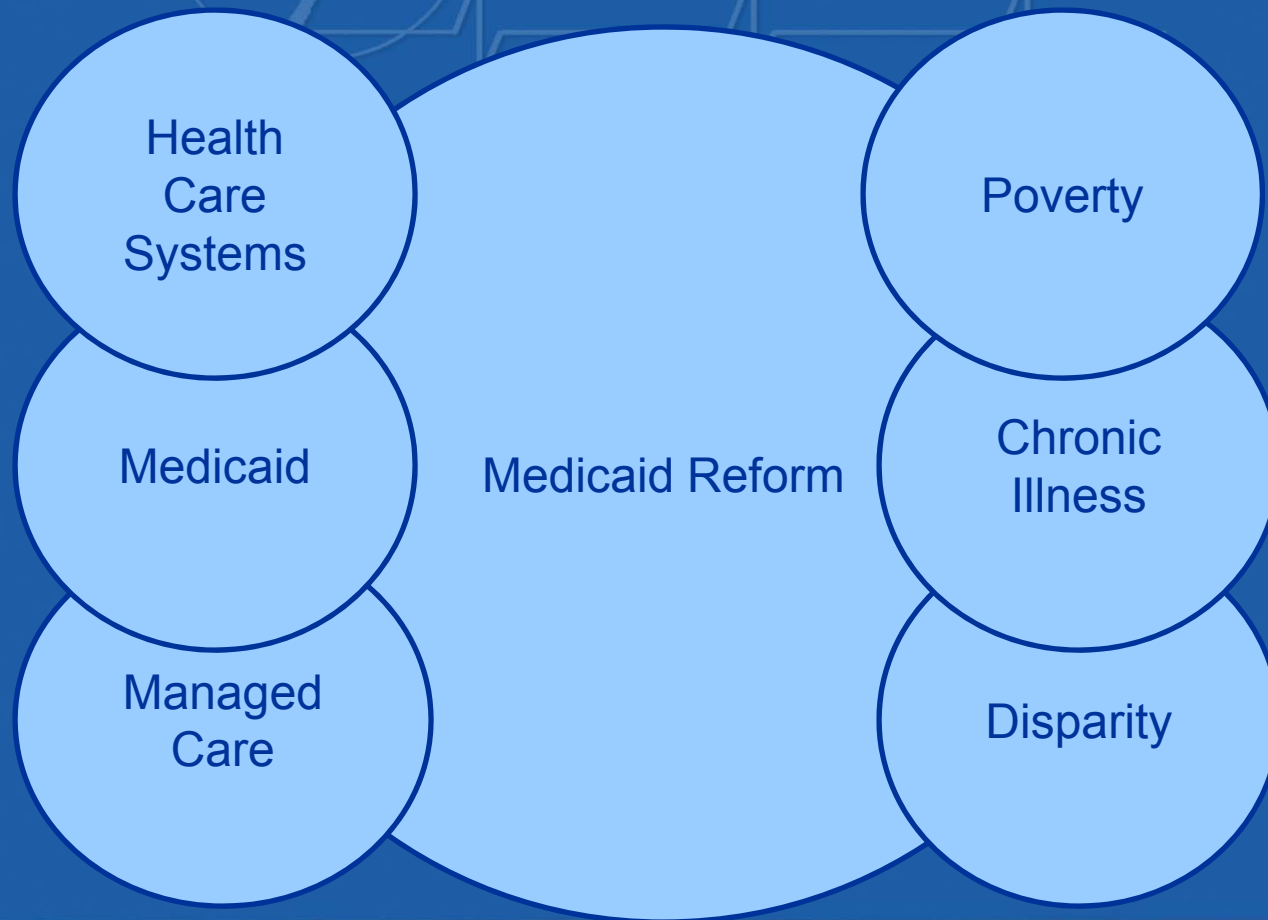


Evaluation Team

Reform in Florida



Context of Medicaid Reform



What's Working?

- ▶ Managed care organization participation/contracts
- ▶ Basic program implementation
- ▶ Choices and Choice Counseling
- ▶ Enhanced Benefits Rewards
- ▶ Risk adjusted payments with Rx data

What's Not Working (As Well as it Might)?

- ▶ Opt Out
- ▶ Enrollee access to information on drug formularies
- ▶ Enrollee access to meaningful panel membership/composition information
- ▶ Performance measures/HEDIS data
- ▶ Using encounter data for risk adjustment

What Do We Know?

- ▶ Lower expenditures in Years 1 and 2 of the demonstration
- ▶ No dramatic differences in enrollee satisfaction (Benchmark to Year 1)
- ▶ Concerns about the impact of literacy on plan selection

What Don't We Know?

- ▶ Quality/quantity of care being delivered
- ▶ Sustainability of the initial lower expenditures
- ▶ Level of competition among plans/impact of competition
- ▶ Impact on mental health services
- ▶ Impact of EBR on enrollees' behaviors or ultimately their health



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Enrollee Experiences & Satisfaction

Paul Duncan, Ph.D.
Allyson Hall, Ph.D.

Research Methodology

- ▶ Variation of Consumer Assessment of Healthcare Providers and Systems (CAHPS)
- ▶ Survey elements
 - measure health care experiences and satisfaction levels
 - Broward, Duval, Baker, Clay, and Nassau Counties
 - Pre- and post-Reform

CAHPS-Like Telephone Surveys

Reform in Florida

- ▶ **Benchmark Survey**
 - Broward and Duval
 - Fielded Fall/Winter 2006
 - 5,767 completed interviews

- ▶ **Year 1 Follow-Up Survey**
 - Broward and Duval
 - Baker, Clay, Nassau (Benchmark Survey for expansion counties)
 - Fielded Winter 2007/2008
 - 7,206 completed interviews

- ▶ **Year 2 Follow-Up Survey**
 - Broward and Duval
 - Baker, Clay, Nassau (Year 1 Follow-up for expansion counties)
 - Fielded Winter 2009
 - 6,904 completed interviews

Select Satisfaction Measures: Broward and Duval

Percent Rating 9-10	Weighted %	
	Benchmark Survey	Year 1 Follow-Up Survey
Overall plan satisfaction	58.10	57.37
Overall satisfaction with care	66.54*	59.63*
Personal doctor rating	70.19*	73.41*
Specialist rating	60.39	63.32

* Statistically significant difference pre-post at the 0.05 level

Primary Findings

- ▶ Comparing Benchmark & Year 1 Follow-Up for Broward and Duval
 - Overall satisfaction with care was lower (66.54 vs. 59.63)
 - Personal doctor ratings were higher (70.19 vs. 73.41)

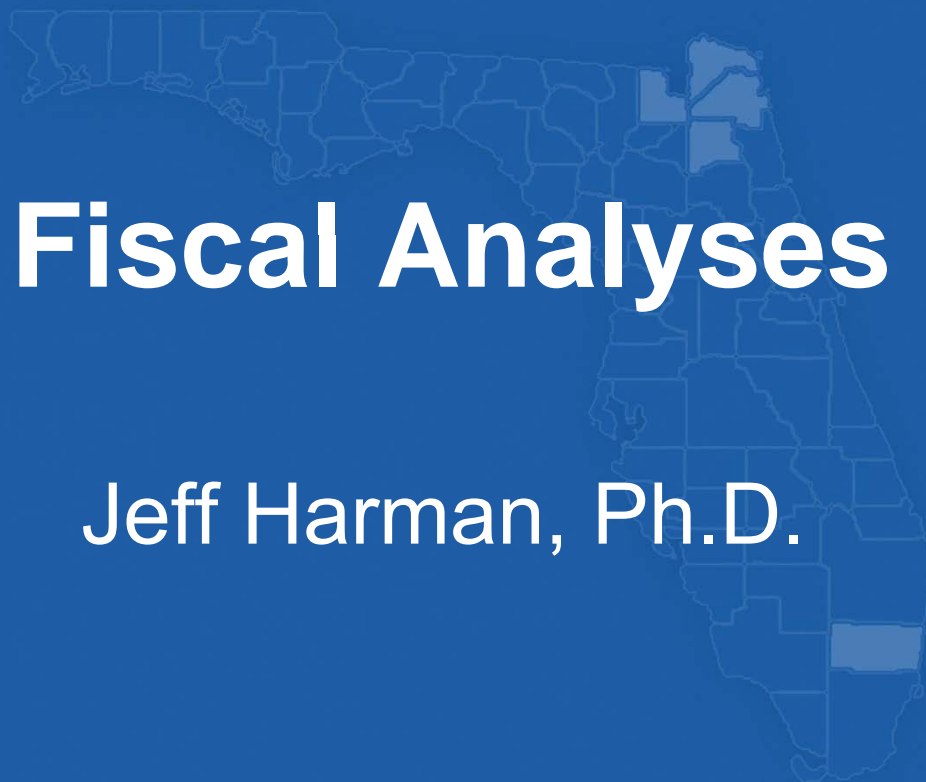
Summary

Medicaid Reform in Florida

- ▶ Some differences in enrollee satisfaction pre vs. post Reform were observed. However
 - No statistically significant differences were observed for majority of pre-post comparisons
 - Among the minority of comparisons that revealed statistically significant differences, some were positive, some were negative, and none were dramatic in magnitude
 - Where differences were observed, lower satisfaction scores during the demonstration were noted with reference to health plans & overall care (especially among SSI enrollees) but higher scores were observed during the demonstration for satisfaction with one's personal doctor



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Fiscal Analyses

Jeff Harman, Ph.D.

Primary Analysis

- ▶ Compares Florida Medicaid expenditures (PMPM) before and during Reform
 - Expenditures are payments Medicaid made to health plans
 - Pre-Reform (SFY0405, SFY0506) to Reform (SFY0607 and SFY0708)
 - Urban Reform counties: Broward and Duval
 - Control counties: Hillsborough and Orange
- ▶ Difference in PMPM expenditures between the Reform and pre-Reform periods were calculated
 - Focus is on the difference in difference (Reform counties difference minus non-Reform counties difference)

The Data: Pre-Reform

Reform in Florida

- ▶ Inclusion criteria
 - Medicaid enrollee for at least 1 month between July 1, 2004 and June 30, 2006
 - SSI (MEG #1), TANF (MEG #2)
- ▶ Exclusion criteria
 - Received SIPP services
 - Children in CMS
 - Retroactive claims payments
 - Enrollees in waiver programs (AIDS, Home Safenet, etc.)
- ▶ 5.2M member months from SFY0405 and SFY0506 combined in Reform counties
- ▶ 4.8M member months SFY0405 and SFY0506 combined in control counties

The Data: Reform

Reform in Florida

- ▶ Inclusion criteria
 - Reform/Control County Medicaid enrollee for at least 1 month between September 1, 2006 – June 30, 2008
 - SSI (MEG #1), TANF (MEG #2)
- ▶ Exclusion criteria
 - Received SIPP services
 - Children in CMS
 - Retroactive claims payments
 - Voluntary enrollees not automatically eligible but opted into Reform
 - Enrollees in waiver programs (AIDS, Home Health, etc.)
- ▶ PSN expenditures based on claims paid (include administrative payments)
- ▶ HMO expenditures based on risk-adjusted capitated payments
- ▶ 2.9M member months for SFY0607 and SFY0708 in Reform counties
- ▶ 4.0M member months for SFY0607 and SFY0708 in control counties

Table 1: Average PMPM Expenditure for All Enrollees

	Broward/Duval (Reform Counties)		Hillsborough/Orange (Control Counties)		Difference-in-Difference (Control minus Reform)	
	SSI	TANF	SSI	TANF	SSI	TANF
All Enrollees						
Pre-Reform Period	809	127	683	126		
Reform Period	783	131	833	136		
Reform minus Pre-Reform	-26	4	150	10	176	6
HMO Enrollees						
Pre-Reform Period	668	126	512	118		
Reform Period	772	138	623	121		
Reform minus Pre-Reform	104	12	111	3	7	-9
PSN Enrollees						
Pre-Reform Period	894	128	860	139		
Reform Period	799	112	1038	157		
Reform minus Pre-Reform	-95	-16	178	18	273	34

Pre-Reform Period is SFY0405 and SFY0506.
 Reform Period is SFY0607 and SFY0708.

Implications

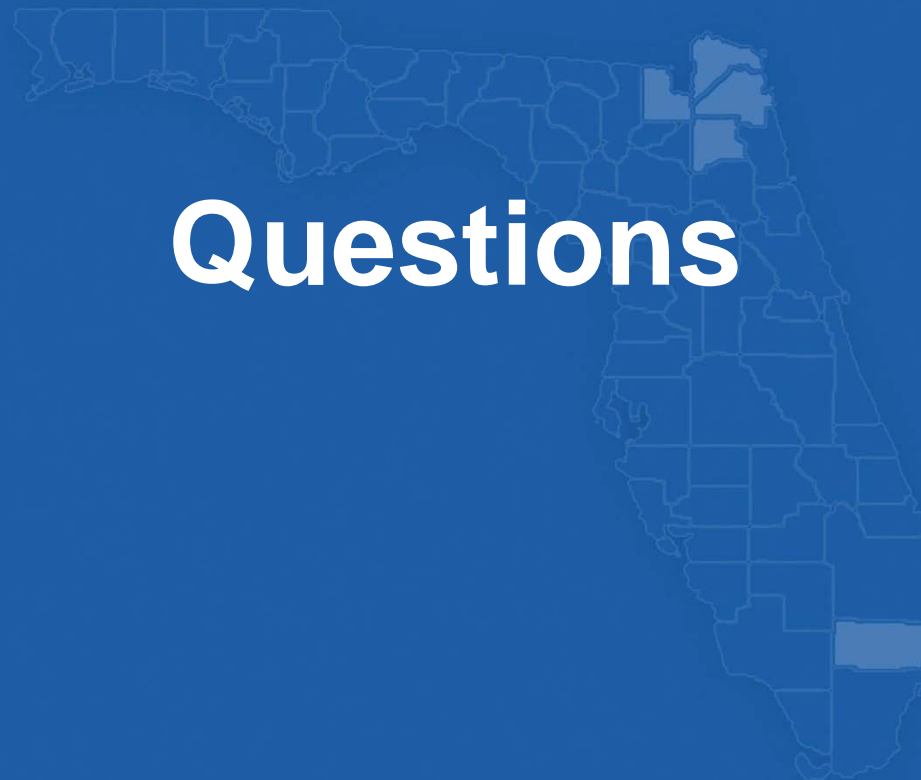
- ▶ Medicaid Reform in Florida has resulted in lower PMPM expenditures paid to health plans during its first two years
- ▶ Medicaid encounter data are needed to determine
 - How lower expenditures are being achieved
 - How predictable and sustainable these lower expenditures might turn out to be

Limitations

- ▶ Includes data from first two years of demonstration
- ▶ Does not measure pre-and post-Reform changes in expenditures for individual enrollees over time
- ▶ Does not include patient utilization measures
- ▶ Does not include costs to health plans
- ▶ Does not factor case-mix



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Questions

Further Information

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