

Evaluating Medicaid Reform in Florida

**Florida Department of Health
Monthly Medicaid Reform Conference Call**

Paul Duncan

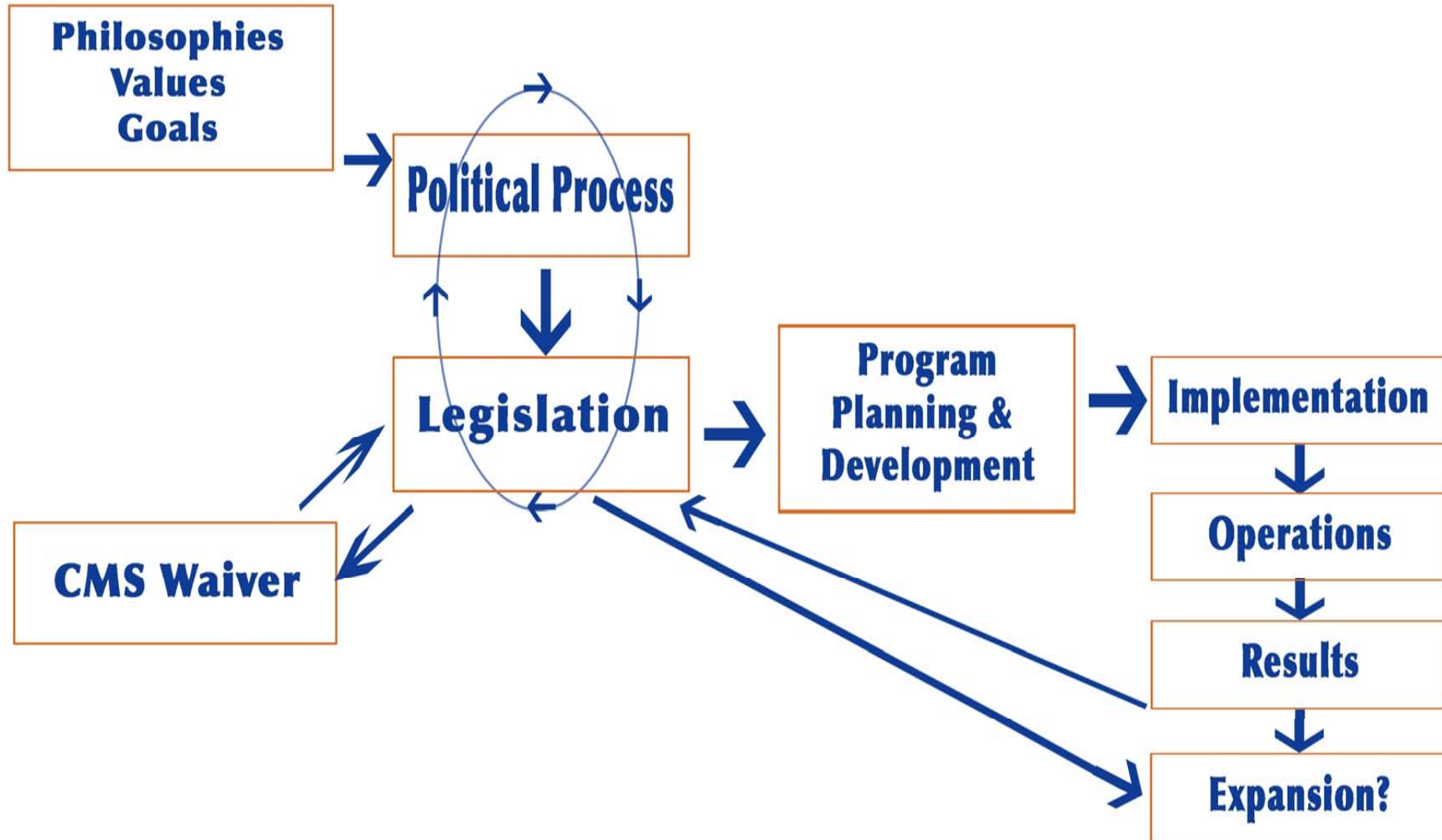
February 26, 2007

Tallahassee, FL

Florida Medicaid Reform Principles

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

Medicaid Reform



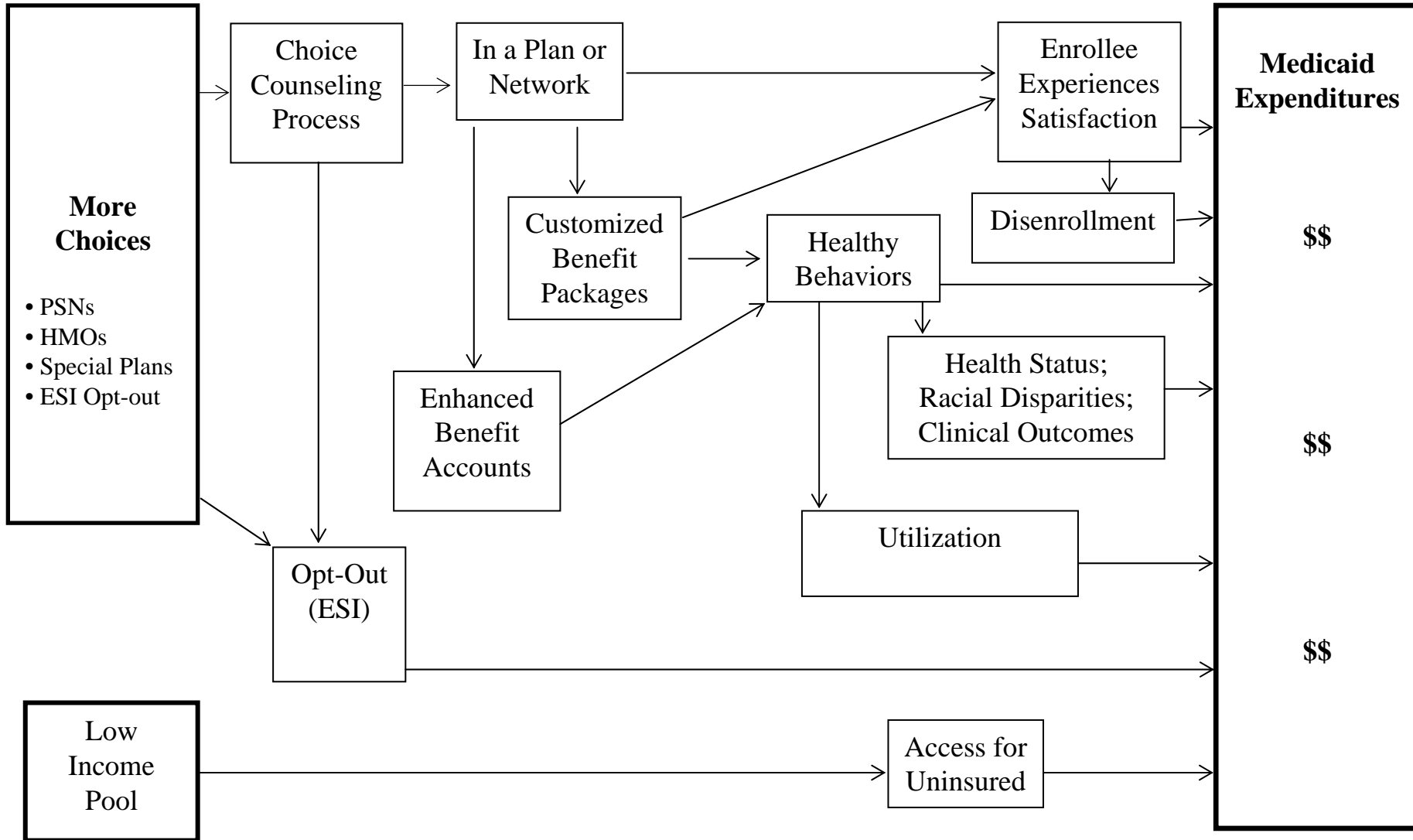
What's New?

- 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

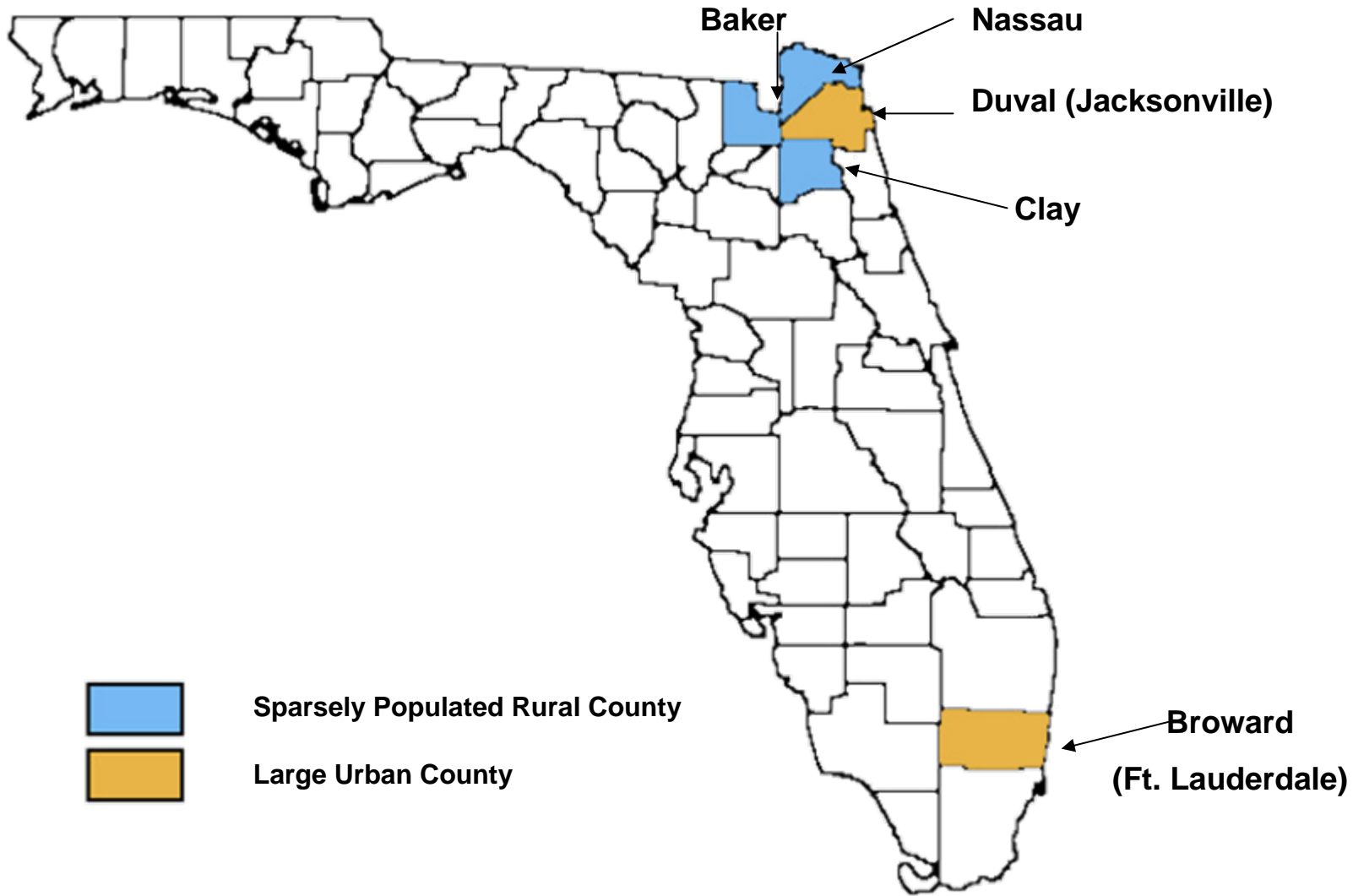
Medicaid Reform in Florida – Key Reform Elements & Results

Reform Program Elements

Reform Program Results



Medicaid Reform Counties



Florida Medicaid Reform Chronology

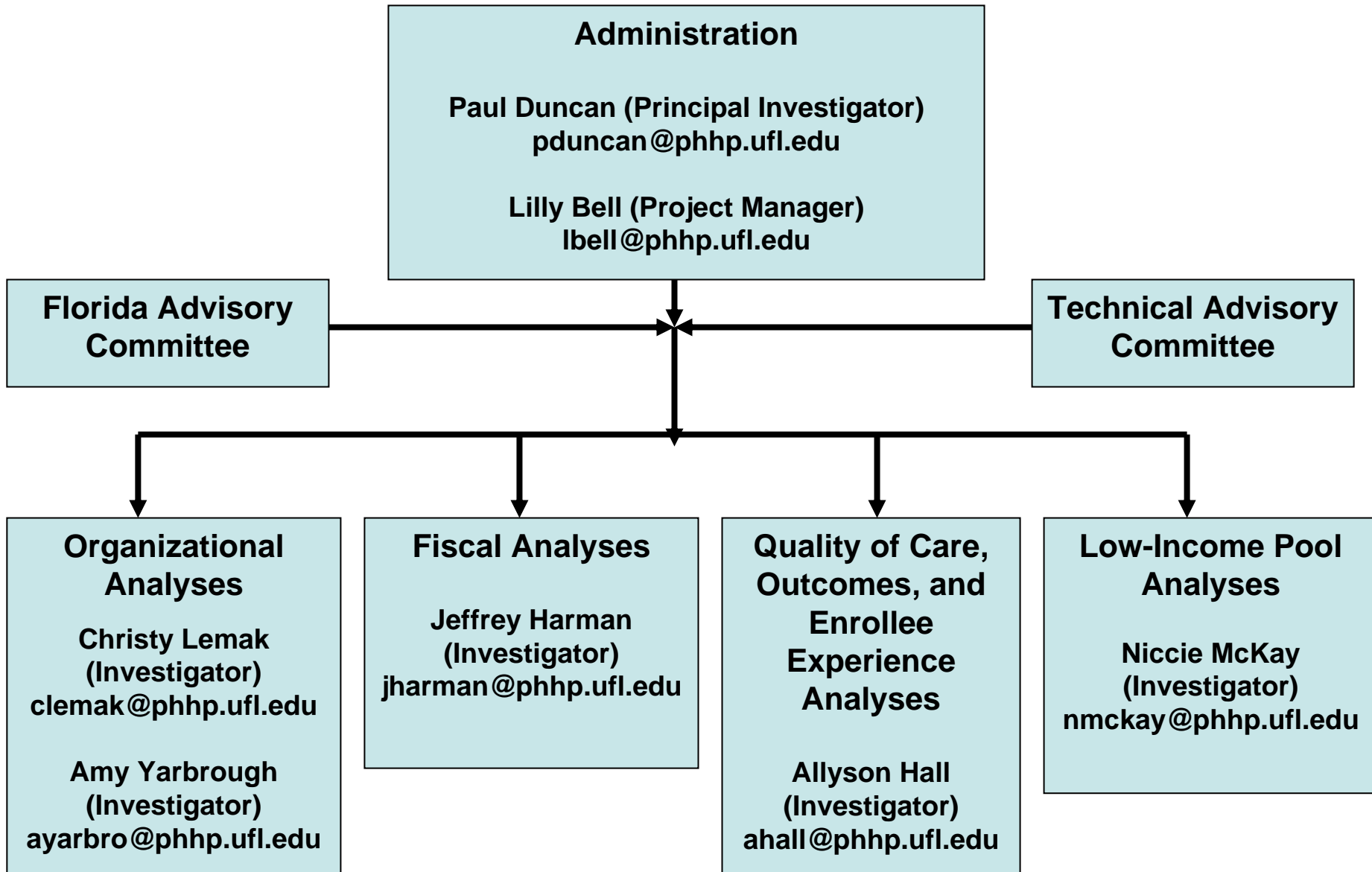
Date	Activity
March 30, 2004	AHCA requests public comment on Governor Bush's intention to seek CMS waiver to reform Medicaid.
January 11, 2005	Governor Bush releases "Florida's Medicaid Modernization Proposal."
May 6, 2005	Florida Medicaid Reform authorized by Florida Legislature in SB 838
October 3, 2005	Formal submission of Florida's Medicaid Reform waiver application to CMS.
October 19, 2005	US Department of HHS Secretary Michael O. Leavitt and Governor Bush announce federal approval of Florida's Medicaid Reform plan.
December 8, 2005	Florida Legislature passed required legislation.
December 16, 2005	Governor Bush signs Medicaid Reform Legislation (HB 3B) into law.
July 1, 2006	Medicaid Reform Implementation begins.

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

Evaluating Medicaid Reform in Florida: MED027

UF Evaluation Team



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 thru 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