Florida Medicaid Reform

Roberta K. Bradford
Deputy Secretary for Medicaid

March 5, 2010
Presented to the House Select Council on Strategic and Economic Planning
Key Elements of Reform

- Outreach Efforts.
- Choice Counseling.
- Delivery System:
  - Coordinated Systems of Care (Health Maintenance Organizations and Provider Service Networks).
- New Options / Choice:
  - Customized Plans.
  - Enhanced Benefits.
  - Opt-Out.
- Financing:
  - Premium Based.
  - Risk-Adjusted Premium.
  - Comprehensive and Catastrophic Component.
- Low Income Pool (LIP).
1115 Research and Demonstration Waivers

- Experimental, Pilot or Demonstration Projects.
  - Benefit Packages, Reimbursement Methodologies, Covering Expanded Groups.
  - States Commit to a Policy Experiment that must be formally evaluated.
- 1115(a)(1) allows the Secretary to waive compliance with most of the requirements in the Medicaid and SCHIP State Plans.
- 1115(a)(2) allows the Secretary to regard as expenditures costs that would not otherwise be matchable under Medicaid or SCHIP.
- There is no statutory requirement regarding the length of time that CMS must review and provide a State with a decision.
- If granted, the initial approval period is a 5 years and the State may request two 3 year extensions of the program.
This is the most comprehensive waiver authority and the Secretary of Health and Human Services has broad authority in granting these waivers, but there are limitations.

**Statutory Limitations**
- Services to Pregnant Women and Children under 19
- Drug Rebate Provisions
- FMAP Rate
- Cost Sharing
- SCHIP Allotments

**Policy Limitations**
- Budget Neutrality
Future of Florida Medicaid Reform

- The current Medicaid Reform Waiver expires June 30, 2011.
- Submit renewal request to federal Centers for Medicaid and Medicare Services?
  - Submit request with modifications?
  - Allow waiver to expire?
Future of Florida Medicaid Reform

- Request must be submitted by June 30, 2010.
  - Florida may submit a written request to renew waiver for up to 3 years under Section 1115(e) of Social Security Act.
  - Renewal request can be submitted between December 31, 2009 and June 30, 2010.
  - Federal government must respond to the waiver renewal request within 6 months from the date of submission, if renewal meets specified criteria.
  - Otherwise no established timeframe for renewal.
Future of Florida Medicaid Reform

- Federal Requirements for renewal.
- (STC #8) - Florida is responsible for reviewing, complying and adhering to the timeframes and reporting requirements in Section 1115(e) of Social Security Act. In addition, Florida must submit documentation of:
  - How the state has met the demonstration objectives,
  - Complied with STCs of the waiver,
  - Summary of beneficiary satisfaction and quality of care,
  - Compliance with budget neutrality cap, and
  - Public process used to obtain stakeholder input.
Future of Florida Medicaid Reform

- Allow waiver to expire.
  - Submit 6 month Phase-Out plan between December 31, 2009 and June 30, 2010.
  - Transition beneficiaries to Managed Care Waiver.
  - Return to UPL program (hospital providers only).
Questions?