Florida Research Initiatives: Medicaid Reform Evaluation & the Florida Health Insurance Studies

R. Paul Duncan, Ph.D.

Chair
Department of
Health Services Research, Management & Policy
University of Florida

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Florida Medicaid Reform Principles

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

• More choices for enrollees
  ▪ HMOs and PSNs
  ▪ customized benefit packages
  ▪ opt-out to employer-sponsored plans

• Choice Counseling
• Enhanced Benefits Rewards program
• Risk-adjusted rates
• Low-Income Pool
UF Evaluation

- UF contracted by AHCA to conduct five-year evaluation study
- The UF evaluation studies will examine whether or not Reform achieves its stated objectives to:
  - increase the number and types of plans available
  - provide access to services not previously covered and improve access to specialists
  - improve enrollee outcomes
  - determine enrollee selection to opt-out to employer sponsored plans and the value of those plans
  - increase enrollee satisfaction
  - increase access for the uninsured through the Low-Income Pool
- Several additional projects and collaborations also initiated
Incremental Reform

- Legislation
- Reform Implementation
- Operation Years 1-3: 
  - Approximately July 06-June 09
  - 2-5 counties
  - Capitation and FFS
  - Risk Adjustment: Phase-in, corridors, RX only
  - Enhanced Benefit Rewards program

- Operation Years 4+: 
  - Approximately July 2009 +
  - Statewide expansion
  - Ongoing plans capitated
  - Full risk adjustment (encounter data, no corridors)
  - More elaborate EBR program
The Context of Medicaid Reform

- System
  - Healthcare Systems (e.g. specialty access)
  - Medicaid
  - Managed Care

- Patient
  - Poverty
  - Chronic Illness
  - Disparities

Medicaid Reform
Organizational Analyses

Christy Lemak, Ph.D.
Amy Yarbrough, Ph.D.
Organizational Analyses

Methods

• Over 150 in-person key informant interviews; over 80 survey responses:
  ▪ health plans and networks
    — Executives, Medical Directors, Care Managers
  ▪ AHCA staff
    — Headquarters, area offices
  ▪ other interested parties
    — Policy makers, community members, advocates

• Analysis of AHCA data
Overarching Themes, Part I:
More Choices, More Choosing

• More choices for beneficiaries
• Participation of managed care organizations
• Enhanced Benefits: many challenges, many opportunities
More Choices

- 17 plans in Reform
  - 6 PSNs
  - 11 HMOs
- 7 plans with multi-state presence
- 5 plans are publicly traded, 5 are for-profit but privately owned, and 7 are not-for-profit
Choosing

- Well over 80% voluntary enrollment (including 100% in one county in one month)
- Very few are voluntarily disenrolling (< 3%)
Market Share

- Broward
  - 78% HMO (3 plans combined have 50% market)
- Duval
  - 70% HMO (1 plan has 50% market)
- Expansion Counties
  - mostly single PSN
    - Baker (73%), Clay (64%), Nassau (66%)
New Option: Enhanced Benefits Rewards Program

• As of March 2008, each month:
  - 35,000 enrollees earned credits
  - $12.5 million credits earned
  - $1.2 million purchases made

• For First Year of EBR program:
  - ~.40 credits per member-month
  - ~.03 purchases made per member-month

• For those with at least one credit:
  - 25% with only 1 credit
  - 33% with 6 or more credits
Overarching Theme, Part II: Managed Care is Different

- **Managed Care has influenced health care in Reform areas**
- **No major changes in provider access**
- **Rigorous new quality measurement, improvement, and reporting**
- **Some problems and some solutions in Behavioral Health**
- **Prescription drugs**
Overarching Theme, Part III: Program Experiences Operating Successes and Financial Challenges

- Medicaid Reform operating well
- AHCA was fundamentally changed in response to the Reform experience
- Medicaid Reform underwent frequent modifications during its early phases
Looking Forward

• Performance indicator data analysis
• Further analysis of EBR data
• Financial and utilization data to better understand plan activities (MEDS)
Quality of Care, Outcomes and Enrollee Experience Analyses

Allyson Hall, Ph.D.
R. Paul Duncan, Ph.D.
Patient Experiences

• CAHPS-Like Surveys
  ▪ Benchmark: Fall 2006
  ▪ Round 1: Fall 2007 - Spring 2008

• Qualitative Interviews
  ▪ early experiences and health beliefs
    — Broward and Duval: focus groups, in-depth interviews
    — Baker, Clay, and Nassau: focus groups
  ▪ longer-term experiences
    — Broward and Duval: in-depth interviews, focus groups
Pre-Reform Summary

• The benchmark Medicaid Reform Evaluation Survey
  ▪ Fieldwork conducted in Fall 2006
  ▪ Based on the Agency for Healthcare Research and Quality’s (AHRQ) “Consumer Assessment of Healthcare Providers and Systems” (CAHPS) model associated with the HMO Report Card
  ▪ Goal: to measure health care experiences and satisfaction levels in Duval and Broward Counties prior to the implementation of Medicaid Reform
In a Context of Making Choices, Patient Satisfaction Matters

• The survey instrument measured respondents’:
  ▪ plan enrollment process and coverage
  ▪ relationships with their providers
  ▪ overall satisfaction and rating of providers and health plans
  ▪ ability to access care and health care utilization
  ▪ perception of the level of courtesy, respect, and helpfulness of office staff
  ▪ ability to communicate with healthcare providers;
  ▪ health literacy
  ▪ health and wellness behavior
  ▪ health status
Benchmark Survey

*Overall, satisfaction levels were high.*

- On a scale of 0 to 10
  - roughly 70% of survey respondents scored their health plan an 8, 9, or 10 in satisfaction level
  - 80% scored their overall health care an 8, 9, or 10
- There are, however, a few areas that should be closely tracked during the evaluation period
  - many respondents indicated that they experienced difficulty
    - getting help from Medicaid’s or a health plan’s customer service
    - accessing specialty care
    - and about 50% experienced delays while they waited for approval from Medicaid or their health plan
- Enrollees were more satisfied with MediPass (less managed) than HMOs (more managed)
Qualitative Interviews: Major Themes

• Differing experiences with health care
• Active participation in plan selection
• Maintaining continuity of care
• Finding a primary care provider is challenging
• Access to specialty services and prescription drugs
• The EBR program is gaining recognition among enrollees
Fiscal Analyses

Jeff Harman, Ph.D.
Fiscal Analysis (Currently Underway)

- The primary analysis compares PMPM expenditures pre-Reform (FY0506) to PMPM expenditures post-Reform.
- Pre-Reform expenditures are being calculated for enrollees who would have been eligible for Reform for services covered by Reform during FY0506.
- Reform expenditures are being calculated for enrollees who are enrolled in Reform and excludes those enrollees who were not automatically eligible for Reform but opted into Reform.
Expenditure Comparison

- Compares pre-Reform PMPM expenditures to Reform PMPM expenditures
  - All Reform-eligible compared to Reform enrollees, broken down by
    - SSI vs. TANF
    - Broward vs. Duval
    - HMO vs. PSN for Reform period
    - SSI/TANF and HMO/PSN for Broward and Duval separately
Low-Income Pool (LIP)

Niccie McKay, Ph.D.
Low-Income Pool (LIP)

- Annual capped “pool” of $1 billion (funded through IGTs and matching federal funds)
- Replaced similar program, “Special Medicaid Payments” (SMP) used previously
- Objective: “to ensure continued government support for the provision of healthcare services to Medicaid, underinsured, and uninsured populations”
- Supplemental funding for providers having large numbers of patients who have low income and/or who have little or no insurance coverage
Comparing SMP Program in 2005-06 to LIP Program in 2006-07

- Total distributions increased from about $667 million to nearly $999 million
- Payments went to more hospitals: 87 hospitals received SMP payments, while 163 hospitals received LIP payments
- Non-hospital providers began to receive payments under LIP: payments went to 37 FQHCs, 6 county health initiatives, and 1 rural health network
General Observations
For Further Information

Paul Duncan, Ph.D.  
Principal Investigator  
Department of Health Services Research, Management & Policy  
College of Public Health & Health Professions  
University of Florida  
PO Box 100195  
Gainesville, FL 32610-0195  

Telephone: (352) 273-6073  
Website: http://mre.phhp.ufl.edu/  
Email: mre@phhp.ufl.edu

AHCA Florida Medicaid Reform Website:  
http://ahca.myflorida.com/Medicaid/medicaid_reform/index.shtml
The Florida Health Insurance Studies
Health Insurance Matters

In relative terms...

- Better Health Insurance
  - Improved Access
    - More Appropriate Health Care
      - Better Health
Essential Functions of Health Insurance

- Protection
- Affordability
- Insulation
- Social justice and fairness
Uninsured in the United States

• 1990: 34.4 million
• 1995: 40.3 million
• 2000: 39.6 million
• 2002: 43.3 million
• 2004: 45.5 million
• 2006: 47 million
• 2007: 45.7 million

1 Based on CPS Estimates
Uninsured in Florida

- 1999: 2.1 million (16.8%)
- 2004: 2.7 million (19.2%)
- 2006: 2.9 million (20.5%) [estimated]
- 2007: 3.1 – 3.7 million (21.9% – 26.2%) [various estimates]
Where Do We Stand?

- Florida ranks 3rd from the worst (after Texas and New Mexico)\(^2\)
- Miami-Dade County has the highest rates of uninsurance within Florida\(^3\)

\(^2\) Henry J. Kaiser Family Foundation Statehealthfacts.org
\(^3\) FHIS 2004
The FHIS Telephone Surveys

- Major telephone surveys in 1999 and 2004
- Intended to measure the proportion of Non-Elderly Floridians who lack health insurance
  - for the state as a whole
  - within each of 17 districts in Florida
  - for key disadvantaged groups
- Important Florida leadership
2004 Household Telephone Survey

- April 1, 2004 – August 29, 2004
- Random-digit dialing
- Average interview: 14 minutes
- Interviews conducted in 3 languages:
  - 16,434 were conducted in English
  - 956 in Spanish
  - 46 in Haitian Creole
- Statewide:
  - 17,436 households
  - 46,920 individuals
District and County-level Estimates

- 17 districts encompassing all 67 counties in Florida
- Direct estimates available for 30 counties
- Small area (synthetic) estimates available for most zip codes
FHIS 2004

- Uninsurance rates by
  - children and adults
  - income as a percent of FPL
  - race and ethnicity
  - age group
  - employment status
  - firm size
In General the Uninsured are:

• Minorities (especially Hispanics)
• Relatively low-wage workers
• Seasonal workers
• Part-time workers
• Younger workers
• Employed in smaller firms
Policy Options Currently on the Table

- Lower costs by market pressure (consumer directed health care) or by changing the content of benefits (prevention, prescription coverage)
- Increase private coverage (incentives for employers, incentives for employees, tax credits for those purchasing individual coverage, mandates, scaling back the content of coverage to lower costs)
- Increase public coverage (Medicare expansion down to age 55, Medicaid expansion)
FHIS: 2009 and Beyond

- Fundamental belief that everyone should have health insurance
- Health insurance for all is subtle and complex
  - Resulting in wide variety of solutions
- Detailed information about the uninsured is essential
FHIS: 2009 and Beyond

- High quality, reliable, objective, and current information on the uninsured will
  - evaluate and compare the impact of current and previous initiatives
  - provide a baseline to assess the impact of new initiatives
For Further Information

Florida Agency for Health Care Administration

Florida Center for Medicaid and the Uninsured
http://fcmu.phhp.ufl.edu/