

Baby Steps

Managed Care, Modest Expectations, and
More Medicaid Reforms



3 Big Takeaways

1. Idaho's Medicaid program needs reform
2. Modest expectations: Managed care can be part of the solution but it's not a silver bullet
3. Baby steps: Other incremental reforms are worth considering in tandem with managed care

#1

Idaho's Medicaid program needs reform

Budget impact as a percentage of total state expenditures

Idaho

2000: 16.6%

2022: 26.4%

National average

2000: 19.5%

2022: 27.6%

State	Overall Improper Payment Rate
Arkansas	34.0%
Connecticut	43.8%
Delaware	31.3%
Idaho	39.8%
Illinois	37.3%
Kansas	27.8%
Michigan	14.0%
Minnesota	18.2%
Missouri	31.7%
New Mexico	10.6%
North Dakota	28.3%
Ohio	44.3%
Oklahoma	14.7%
Pennsylvania	14.2%
Virginia	11.8%
Wisconsin	21.4%
Wyoming	10.3%

**Idaho's improper
payment rate:
39.8 percent**

**National rate: 21
percent**

OBAMACARE EXPANSION ENROLLMENT IS DOUBLE WHAT VOTERS WERE TOLD

Idaho Medicaid Expansion Enrollment

2018 Idaho
Voters' Pamphlet

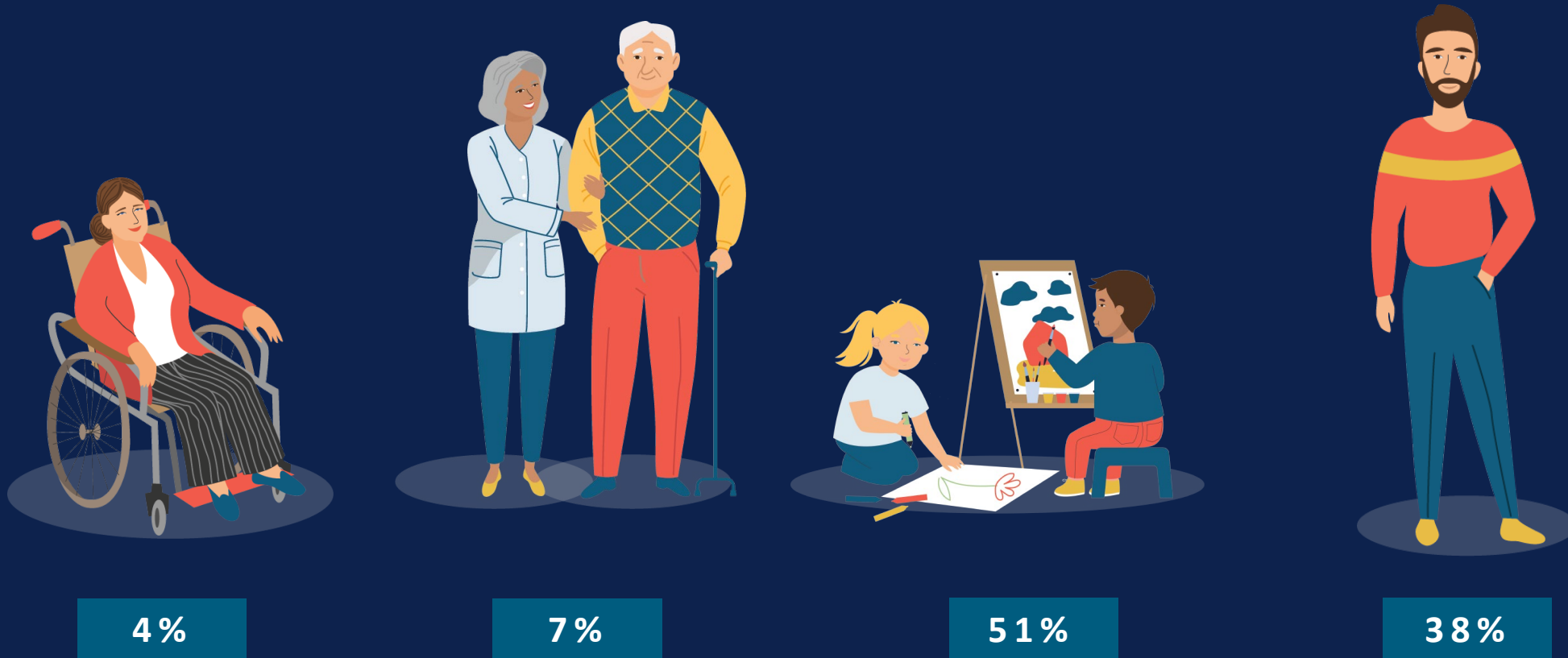
62,000

Actual Enrollment
on 1/13/2022

121,021

Source: 2018 Idaho Voters' Pamphlet¹¹ and Idaho Department of Health & Welfare¹²

Who is on Medicaid in Idaho?



#2

Modest expectations

**Managed care can be part of
the solution but it's not a
silver bullet**

Advantages of managed care

- **Incentives for efficiency and cost containment**
- **Cut down on “Medicaid mills”**
- **Less state litigation**
- **Patient access and provider support**
- **More tools for tracking**



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Industry Giants Anthem, Centene Among The Lowest-Rated Medicaid Plans In California

“These aggregate scores for each plan in each area let us take a look on where our plans aren’t performing well and where we need to intervene on improvements,” said Sarah Brooks, deputy director of health care delivery systems at the California Department of Health Care Services, which runs the Medi-Cal program using \$100 billion in state and federal money.

Health plans are scored from zero to 100 percent in meeting quality standards. The state said the average score for the 53 plans was only 60 percent.

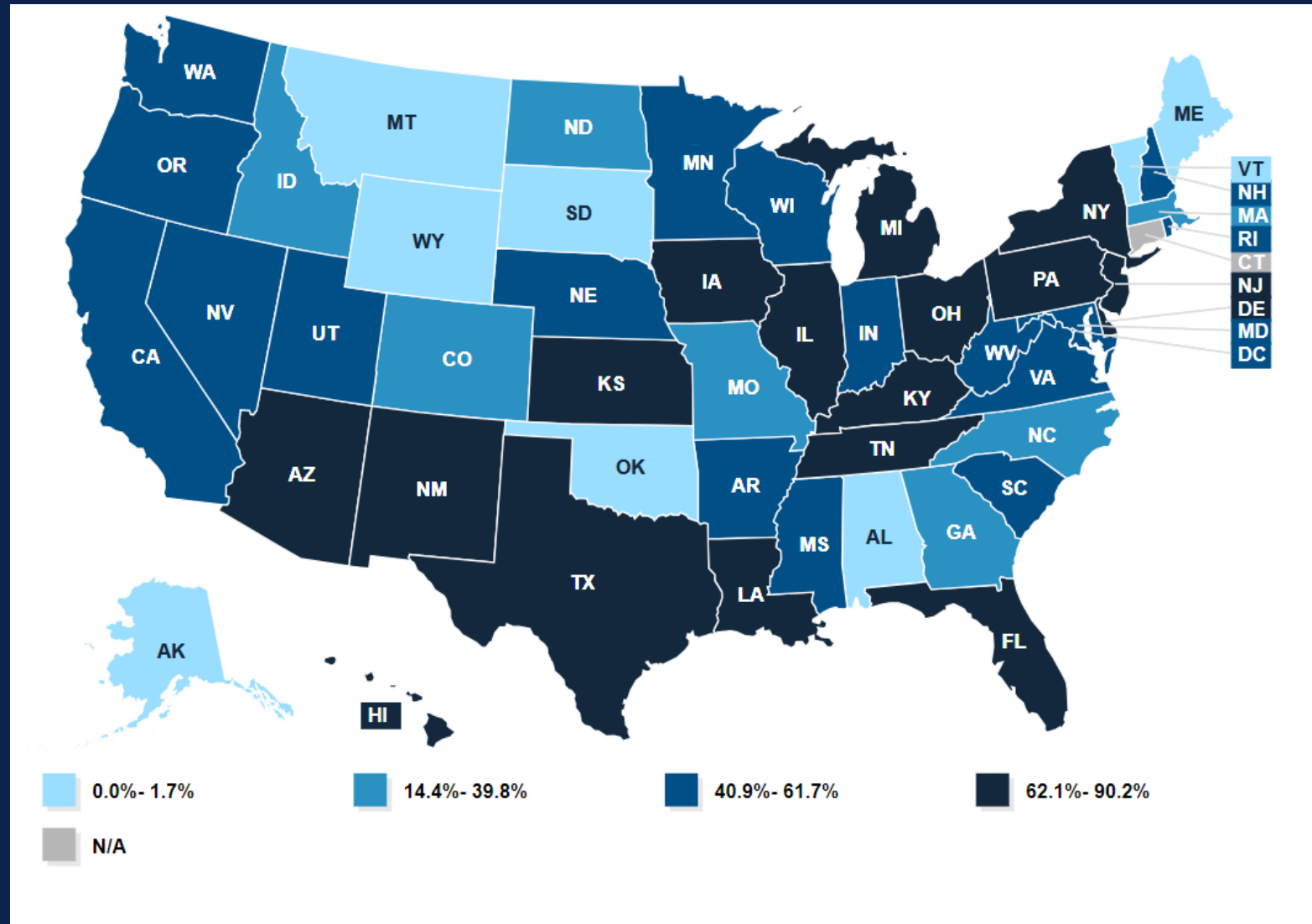
Disadvantages of managed care

- **Implementation challenges**
- **Outsourcing control to companies...and CMS**
- **Big change for limited returns**

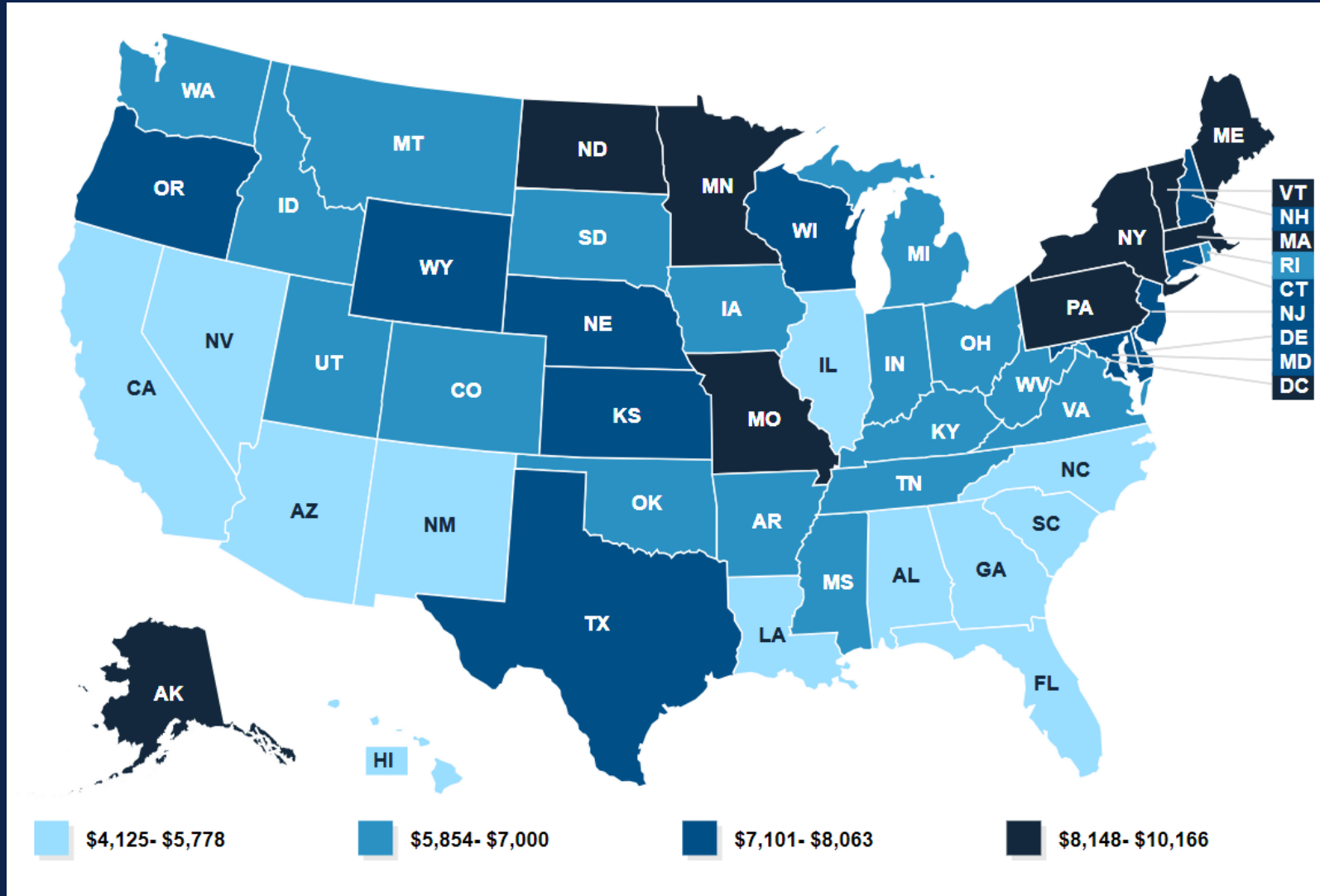
Nuances to consider

- **No one “managed care” model**
- **Enrollees don’t seem to care either way**
- **Limitation on cost containment objective**
- **Contract management is key**
- **It’s the norm now**

Percent of Medicaid Spending in Managed Care



Medicaid spending per enrollee



#3

Baby steps

**Other incremental reforms
are worth considering in
tandem with managed care**

Cards facing up...

- Lowering payment rates within the existing FFS model
- Limiting optional services covered by Medicaid
 - Home-based health care
 - Occupational therapy
 - Prosthetics
- Repealing expansion under ObamaCare

...and off the table

What can Idaho do without a waiver?

- **Stop allowing self-attestation for residency and household composition**
- **More robust data cross-checks**
- **3-strikes hospital presumptive eligibility rules**



Reforms that do require waivers

Waivers, waivers, waivers

- **Work requirement waiver**
- **Hospital presumptive eligibility waiver**
- **Fraud lockout waiver**
- **Biannual redeterminations waiver**
- **Stop pre-populated forms and ex parte auto renewals waiver**
- **Enrollment cap for expansion waiver**
- **Lifetime benefit limit for expansion adults waiver**

Questions