Behavioral Health is Essential To Health

Prevention Works

Treatment is Effective

People Recover
Medicaid Expansion and Behavioral Health

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Key Takeaways

• The Medicaid expansion could provide coverage to millions of individuals with MH and SUD needs.

• The new adult group will offer at least the Essential Health Benefits.

• Enhanced Federal Medical Assistance Percentage (FMAP) (100% 2014-16, down to 90% in 2020)

• States currently engaged in financial impact analyses
Current Picture of Eligibility

Medicaid (as of January 2011)

- **Pregnant women** – 40 states at or above 185 percent the federal poverty level (FPL)
- **Disabled adults** – 11 states more restrictive than SSI
- **Parents** – 1996 welfare income eligibility + waivers/state funds – benefit limits/cost sharing = mixed picture (only 18 states offer full Medicaid at poverty level)
- **Low income, non-disabled, childless adults**
  - Eight offer benefits equivalent to Medicaid – early ACA option/waivers/state funds (AZ, CT, DE, DC, HI, MN, NY, and VT)
  - Eighteen provide more limited benefits, but five closed enrollment in 2011
ACA Eligibility Level Changes

Medicaid

- All individuals under 65 with income at or below 133 percent FPL ($14,404 for an individual and $29,327 for a family of four in 2009)
- Replace categorical groupings and limitations
- Modified Adjusted Gross Income (MAGI) – income calculation methodology
- Presumptive eligibility at hospitals (DSH payment reductions)
Current Picture of Eligibility

Figure 4

**Median Medicaid/CHIP Eligibility Thresholds, January 2012**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>250%</td>
</tr>
<tr>
<td>Pregnant Women</td>
<td>185%</td>
</tr>
<tr>
<td>Working Parents</td>
<td>63%</td>
</tr>
<tr>
<td>Jobless Parents</td>
<td>37%</td>
</tr>
<tr>
<td>Childless Adults</td>
<td>0%</td>
</tr>
</tbody>
</table>

Minimum Medicaid Eligibility under Health Reform - 133% FPL ($24,645 for a family of 3 in 2011)

**SOURCE:** Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2012.
ACA Eligibility Level Changes

Figure 1: Map of Income Clusters with ESI Eligibility
ACA Eligibility Determination System Changes

- Single streamlined application process, including high-quality online portal, phone, paper, fax, in person
- No wrong door
- Signed affidavits
- Data matching with HHS, IRS, DHS, SNAP, TANF
- Presumptive eligibility at hospitals
- Express lane for adults
- MAGI simplifications
- Authorized representatives
- Streamlined renewal process
Eligibility Determination Systems

Figure 6

Status of Major Medicaid Eligibility System Upgrades, January 2012

NOTE: "APD" refers to an Expedited Advanced Planning Document.
SOURCE: Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2012.
The Uninsured

- 37.9 million uninsured <400 percent FPL (NSDUH, 2010)
  - 19.9 Million ACA Exchange eligible*
  - 18 Million ACA Medicaid eligible

- 11.019 million (29 percent) currently uninsured <400 percent FPL have behavioral health conditions (NSDUH, 2010)

*Eligible for premium tax credits and not eligible for expanded Medicaid
Prevalence of Behavioral Conditions Among Medicaid Expansion Population

CI = Confidence Interval
Sources: 2008 – 2010 National Survey of Drug Use and Health
2010 American Community Survey
### Characteristics of Uninsured 18-64 Year-Olds with SMI in Medicaid Expansion Population

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Female</strong></td>
<td>64%</td>
</tr>
<tr>
<td><strong>Age 18-34</strong></td>
<td>53%</td>
</tr>
<tr>
<td><strong>Race/Ethnicity</strong></td>
<td></td>
</tr>
<tr>
<td>Non-Hispanic White</td>
<td>67%</td>
</tr>
<tr>
<td>Non-Hispanic Black</td>
<td>12%</td>
</tr>
<tr>
<td>Non-Hispanic Other</td>
<td>4%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>17%</td>
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<tr>
<td><strong>EDUCATION</strong></td>
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</tr>
<tr>
<td>&lt; High School</td>
<td>31%</td>
</tr>
<tr>
<td>High School Graduate</td>
<td>39%</td>
</tr>
<tr>
<td>College</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Population Density</strong></td>
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</tr>
<tr>
<td>CBSA: 1 Million +</td>
<td>42%</td>
</tr>
<tr>
<td>CBSA: &lt; 1 Million</td>
<td>33%</td>
</tr>
<tr>
<td>Non-CBSA</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Overall Health</strong></td>
<td></td>
</tr>
<tr>
<td>Excellent</td>
<td>9%</td>
</tr>
<tr>
<td>Very Good</td>
<td>22%</td>
</tr>
<tr>
<td>Good</td>
<td>31%</td>
</tr>
<tr>
<td>Fair/Poor</td>
<td>37%</td>
</tr>
</tbody>
</table>

A majority of people with SMI in Medicaid expansion population are:
- Female (64%)
- White or Hispanic (84%)
- Have a HS education or less (70%)

A plurality:
- Live in a metropolitan area
- Rate their health as fair or poor
A majority of people with SUD in Medicaid expansion population are:

- Male (73%)
- 18-34 years old (63%)
- White or Hispanic (79%)
- HS education or less (75%)

A plurality:

- Live in a metropolitan area
- Rate their health as good/very good
Expanding Medicaid

The District of Columbia’s Experience
Presented by:
Claudia Schlosberg, J.D.
Director, Health Care Policy and Research Administration
D.C. Department of Health Care Finance
Objectives

• Overview of DC Medicaid and Alliance Programs
• Understand Expansion Population
  – State Plan
  – 1115 Waiver
• Identify Challenges
• Identify Responses to Challenges
• Understand future options and challenges
DC Medicaid and Alliance Programs

• Department of Health Care Finance (DHCF) is a single state agency for Medicaid and responsible for all publicly funded health care coverage programs.
• DHCF is responsible for covering over 230,000 lives.
• DHCF populations represent nearly 40% of the District’s population.
DC Health Care Alliance is Unique

- Provides coverage to individuals up to 200% of FPL that are ineligible for Medicaid
- All Alliance members are enrolled in MCOs
- No cost sharing
- Benefit package is similar to Medicaid except Alliance does not pay for:
  - Emergency hospital services (ER and In-Patient Admission including Labor and Delivery) *
  - Dialysis
  - Mental Health Services and Substance Abuse Services
  - Transplants and Open heart surgery
  - Chiropractic Services
  - Vision Services
  - Dental services (capped at $1000 per year)
Alliance Enrollment Trends

May 2011 - May 2012

May, June, July, August, September, October, November, December, January, February, March, April, May
District’s Medicaid Eligibility Standards Typically Exceed Minimal Federal Requirements

<table>
<thead>
<tr>
<th>DC Eligibility Level</th>
<th>Medicaid Mandatory Recipient Groups</th>
<th>District Medicaid Optional Recipient Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSI Elderly &amp; Disabled</td>
<td>74%</td>
<td>200%</td>
</tr>
<tr>
<td>Families With Children</td>
<td>30%</td>
<td>133%</td>
</tr>
<tr>
<td>Children 0-5</td>
<td>100%</td>
<td>133%</td>
</tr>
<tr>
<td>Children 6-18</td>
<td>300%</td>
<td>200%</td>
</tr>
<tr>
<td>Pregnant Women</td>
<td></td>
<td>74%</td>
</tr>
<tr>
<td>Childless Adults</td>
<td></td>
<td>64%</td>
</tr>
<tr>
<td>Institution &amp; Waiver</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medically Needy</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SSI: Supplemental Security Income
Elderly: Elderly
Disabled: Disabled
DC: District of Columbia
Federal Minimum: Federal eligibility level
Medicaid Mandatory Recipient Groups: Group eligible for Medicaid by federal law
Medicaid Optional Recipient Groups: Group eligible for Medicaid by state law
Medicaid Expansion - SPA

- July 1, 2010 – State Plan Amendment expanded coverage to childless adults up to 133% FPL
- All members are enrolled in MCOs
- No cost sharing
- Service Package is same as package for other state plan MCO populations.
- Current enrollment: 42,580
Medicaid Expansion 1115 Waiver

- Medicaid 1115 waiver expands covers for childless adults up to 200% FPL
- Effective December 1, 2010
- Funded by diverting a specified amount of DSH funds
- Services delivered by MCOS
- Same benefits as Childless Adult SPA (no cost sharing)
- Current enrollment: 3,721
- Waiver expires 12/31/2013
Medicaid Enrollment Trends

Annualized Growth In Medicaid Enrollment Rates

- Economic Recession Begins To Push Enrollment Levels Upwards
- Medicaid Expansion Creates Enrollment Spike


2.1% Growth

15.6% Growth
Similar But Sharper Growth Patterns Are Evident For Medicaid Expenditures
Waiver Enrollment Trends
December 2010 – September 2011

1115 Waiver Enrollment, WY1
Waiver Service Utilization
December 2010 – September 2011

Inpatient
Mental Health
Dental
Outpatient
Lab & Radiology
Physician
Pharmacy
Cost Drivers for the CAM Population

- Dramatically higher pharmacy costs
- Pharmacy costs attributed primarily but not exclusively to HIV/AIDS drugs
- One plan reported six-fold pmpm for pharmacy ($21.06 compared to $3.44 for legacy enrollees)
- Increased utilization of physician services
- Increased prevalence of mental health issues
- High levels of chronic disease
Challenges

• Spike in MCO costs, largely attributed to HIV/AIDS drugs
• Evidence of Churn – 45.7% of waiver recipients who recertified transferred to childless adult SPA (incomes up to 133% FPL). 28% transition to other Medicaid eligibility categories
• Stability of MCOs
• Growth rate in Medicaid spending
Responses

• HIV/AIDS pharmacy carve out through 1915(b)(4) waiver
• New cap rates for Medicaid MCOs including a separate rate cell for the 1115 waiver population – rates set at highest rate allowable for actuarial soundness
• New MCO contract language addressing coordination of mental health care with DMH
• One MCO in receivership; new MCO under contract
Options For Covering the Population from 133%-200% of FPL in 2014

• DHCF is currently examining a number of options to cover the Population from 133%-200% of FPL

• Options under consideration include:
  - Implement the Basic Health Plan under ACA
  - Keep the population in Medicaid and Alliance
  - Place the population in Qualified Health Plans on the Exchange

• Analysis suggests that the BHP is most cost-effective for the District

• However, CMS will not finalize rules before 2014

• Alternative: Continue the 1115 Waiver
Estimated BHP Eligible Individuals, 2014

Medicaid Childless Adult Waiver Population

Alliance Legal Residents

10,520

Medicaid Childless Adult Waiver Population

34%

Alliance Legal Residents

66%

These are legal residents who have been in the United States for less than five years.
Questions?

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