

New Approaches to State Health Reform: Extending Coverage to the Uninsured and Reducing State Health Care Costs



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3 Topics

- Medicaid reform
- Health improvement
- Uninsured

MO Environment

- New Governor in 2005
- Government Review Commission
- Budget challenges
- 3 Departments deal with Medicaid
- Health status

Senate Bill 539

- Modified certain provisions dealing with various health care and social service programs, including:
 - Medicaid
 - Missouri Senior RX
 - Personal care assistance programs
 - Nursing Home Facilities
 - Medicaid Reform Commission
 - Adoption Subsidy
 - Sunset current Medicaid program
 - http://www.senate.mo.gov/05info/BTS_Web/Bill.aspx?SessionType=R&BillID=22520

Medicaid Reform Commission

- Created under Senate Bill 539, 208.014 RSMo, and Senate Concurrent Resolution 15 (2005)
- Membership included 5 members of the House of Representatives & 5 members of the State Senate
- Directors of the Department of Health and Senior Services, Department of Social Services and Department of Mental Health serviced as ex-officio members
- <http://www.senate.mo.gov/medicaidreform/MedicaidReformCommFinal-122205.pdf>

The Charge

- Recommend a fundamental program that achieves:
 - Improves the health status of Missourians by increasing access to basic healthcare, wellness and prevention.
 - Better identifies the needs of participants and develops services that meet those needs & results in the best outcomes at the best cost.
 - Ensures appropriate levels of statutory and administrative oversight to improve participation & efficiency by providers while improving access to quality care.

- Charge continued

- Provides service options that will encourage the least restrictive setting for the delivery of care, especially as it relates to long-term care.
- Ensures the state budget lives within its means by controlling the financial growth of the public healthcare program and fully utilizing and encouraging the use of private insurance
- Focuses resources to help those with the greatest need and provides taxpayer resources only to those who cannot afford to provide for themselves.

- Charge continued

- Identifies and makes recommendations to eliminate waste, fraud and abuse in Missouri's public healthcare system as it relates to those getting services and those providing services.
- Consolidates as appropriate and administers state medical assistance programs to achieve maximum efficiency and effectiveness.

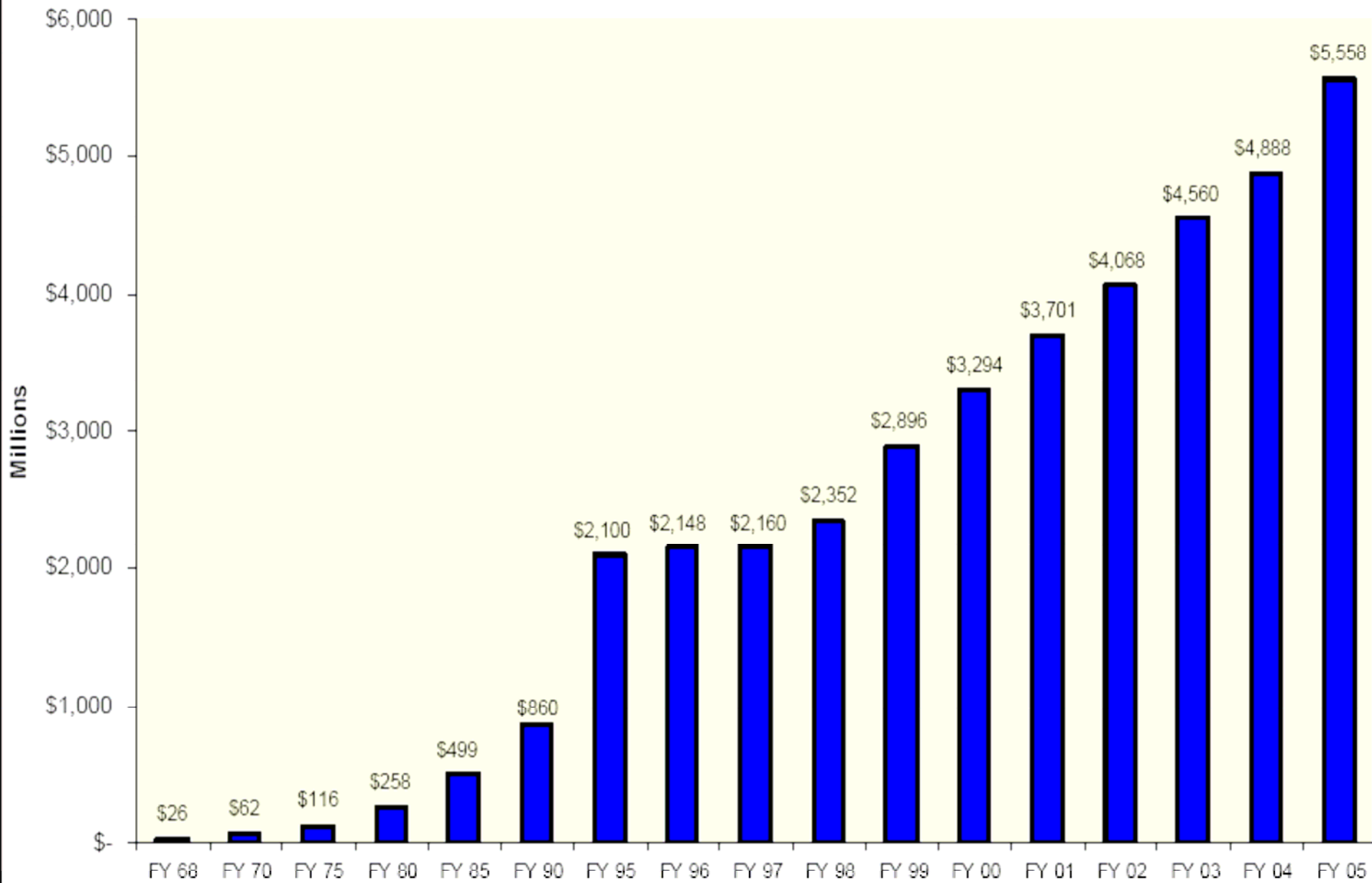
Public Hearings

- 21 meetings covering:
 - Medicaid Overview & the current program
 - Availability and eligibility
 - Hospital's perspective
 - Technology in healthcare
 - Long-Term Care
 - Medicaid Reform in other states
 - Medicaid and managed care
 - Provider's perspective
 - Pharmacy
 - Mental Health

Medicaid in Missouri

- Began offering health coverage to low-income individuals in 1959.
- Missouri's Medicaid program under Title XIX of the Social Security Act began in 1967
- FY 92:
 - 462,090 participants
 - \$1.35 billion
- FY 05:
 - 992,622 participants
 - \$5 billion

Medicaid Expenditures, SFY 68 to SFY 05



Medicaid for the 21st Century

- Risk
- Responsibility
- Reward
- Transparency
- Availability
- Technology

Reform Focus Areas

- Wellness, prevention and responsibility
- Provider participation and satisfaction
- Managed Care
- Technology
- Mental Health
- Long-term Care
- Pharmacy
- Availability of quality care
- Eligibility



Where are we headed?



Shifting Demographics

America's population over 65 will be double by 2020.

By 2025, 1 in every 5 Missourians will be 65 or older

Within 8 years America's 77 million baby boomers will begin turning age 65.

Only 18% more workers to support them.

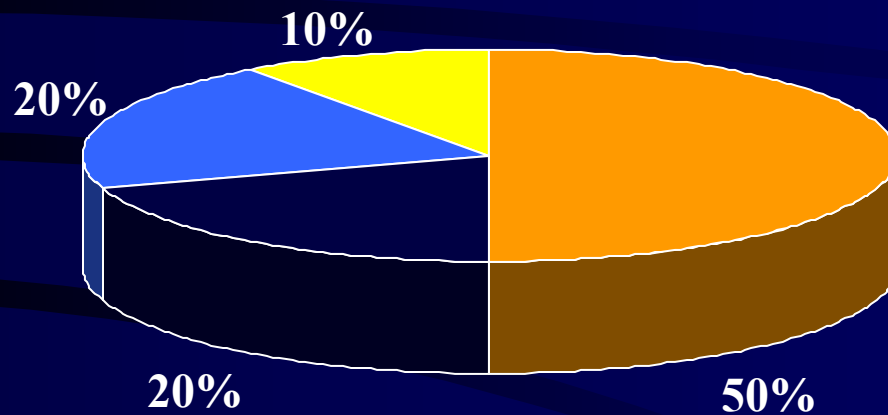


Aging Population

An aging population is already straining our safety net healthcare programs. In Missouri, 70% of Medicaid is spent on the elderly and disabled.

What do we know?

Factors That Impact Health Status



Individual Responsibility

In the past the major causes of disease were out of the individuals' control. Today, most health issues are avoidable or can be minimized by individual action. Each individual is his or her best "doctor."

Chronic Illness

80¢ of every health care dollar is spent on chronic disease.

DHHS



The question is *NOT* how
do we deliver health care
to 300 million Americans,
it is how do we keep
America HEALTHY?

MOve to Improve: Creating a Culture of Health

DHSS Vision

Healthy
Missourians for
Life

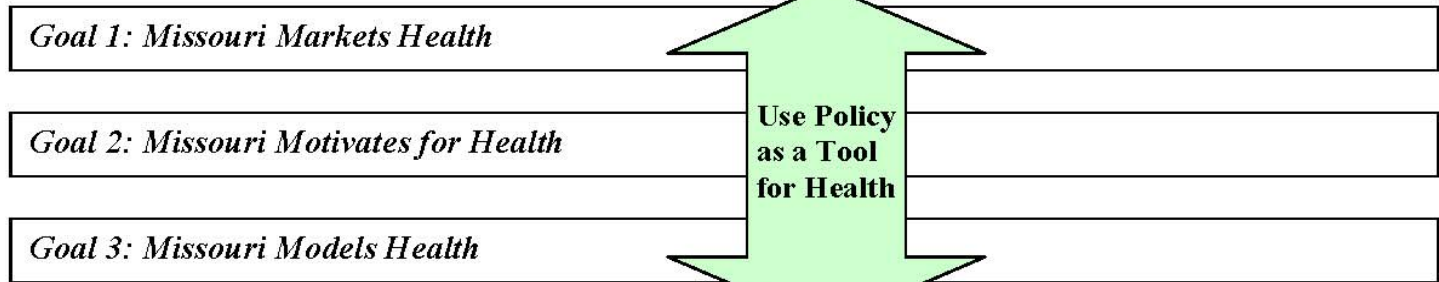
DHSS Mission

To be the leader in
promoting, protecting
and partnering for health.

DHSS Vision: Healthy Missourians for life.

Mission: To be the leader in promoting, protecting and partnering for health.

- TREND**
Rising health care costs & decreasing access to care
- TREND**
Lack of a comprehensive & integrated approach to health
- TREND**
Lack of personal and community responsibility for health
- TREND**
Increasing aging population with multiple chronic illnesses
- TREND**
Leading causes of death result from unhealthy lifestyle choices & preventable illnesses



Cross Cutting Priority: DHSS Maximizes Resources

Goal 1: Achieve optimal productivity, efficiency & effectiveness.

Goal 2: Electronic access to all information.

Goal 3: Continuous improvement and innovation of programs and services.



Increase Missourians'
Awareness of,
Commitment to &
Investment in Health

Shift the Focus
Toward Prevention &
Wellness

Create System Level
Transformation of
Health Improvement &
Health Care Delivery

Use Policy as a Tool

DHSS Goals

- Missouri Markets Health
- Missouri Motivates for Health
- Missouri Models Health

Current Work/ Next Steps

- Uninsured
- Executive Branch Medicaid Work Group
- Implementation of Strategic Plan
- Legislative support of and investment in health.

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