

# Putting Medicaid into Reform and Reform into Medicaid: A Two-Way Street

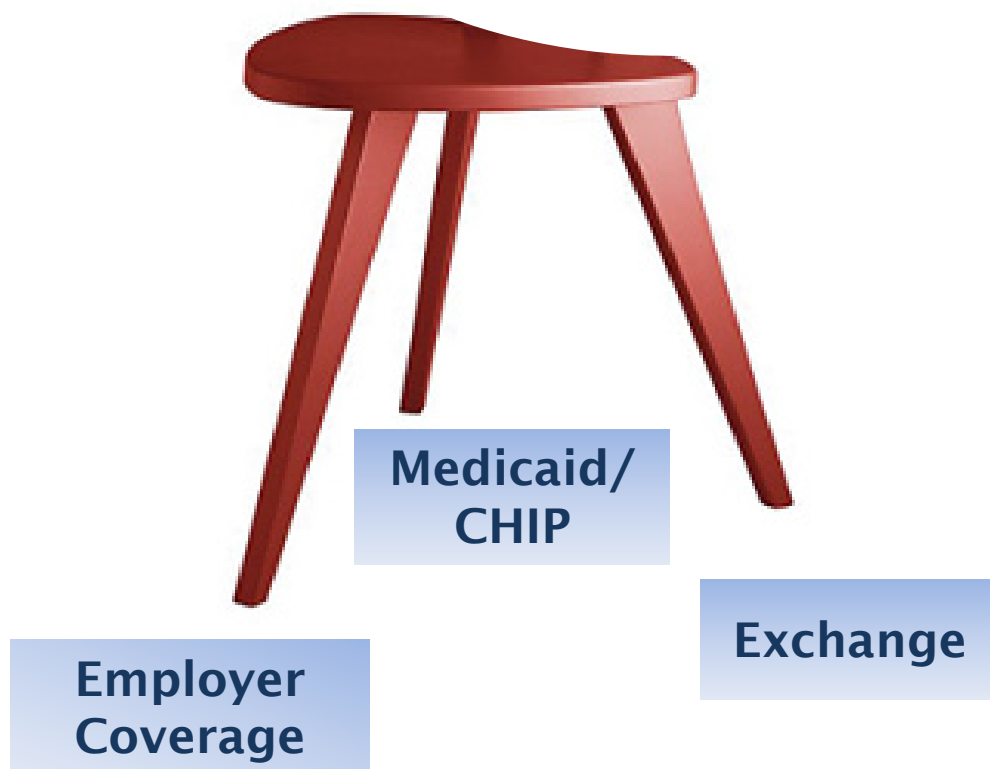
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Director  
Center for Medicaid, CHIP, and Survey &  
Certification

5<sup>th</sup> National Medicaid Congress  
June 7, 2010

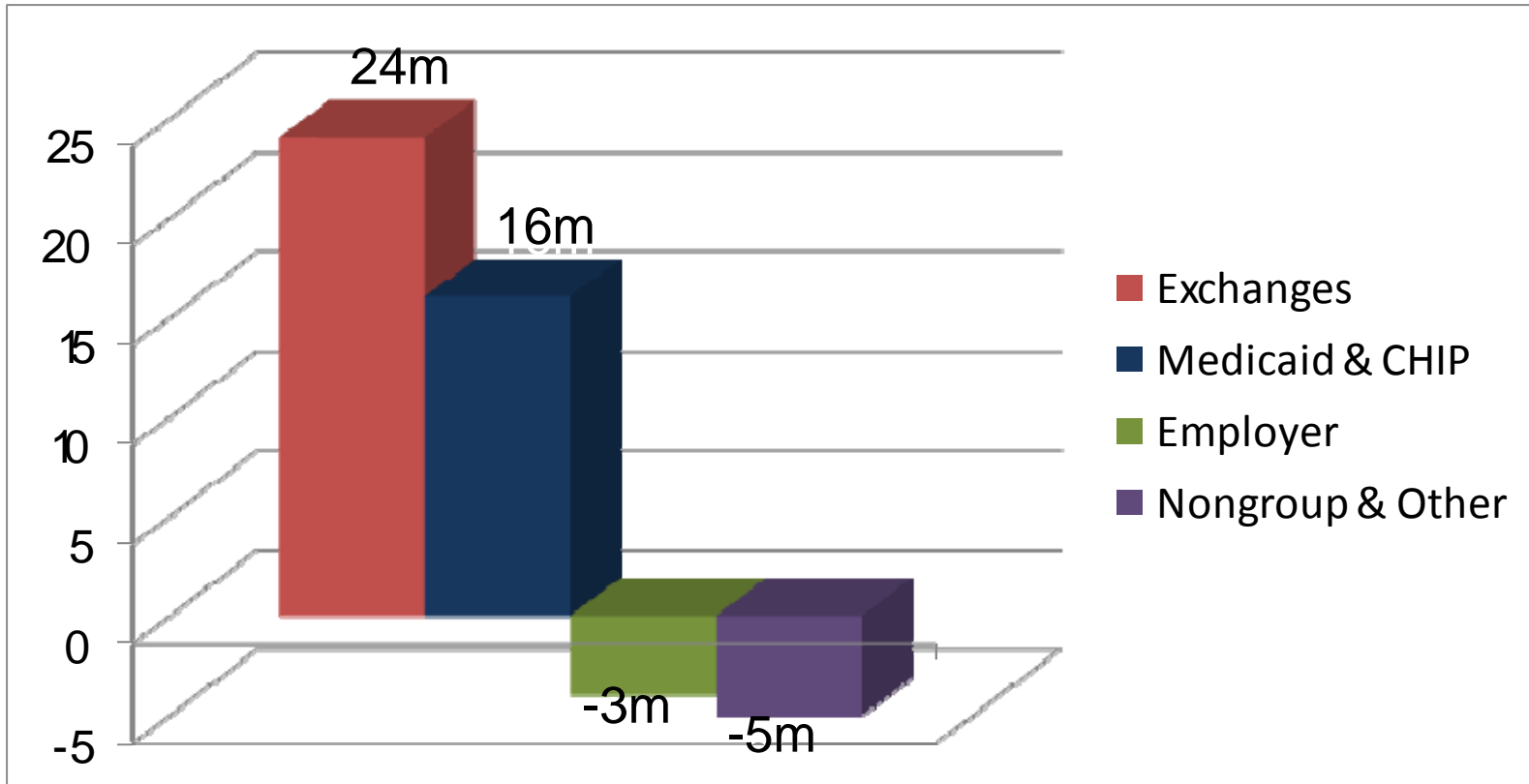
# CMCS: Our Mission

- ❖ To work with states to make the Medicaid and CHIP programs the best they can be
- ❖ Beneficiaries are our focus
- ❖ Partnerships as the key to success in health reform

# A System of Coverage



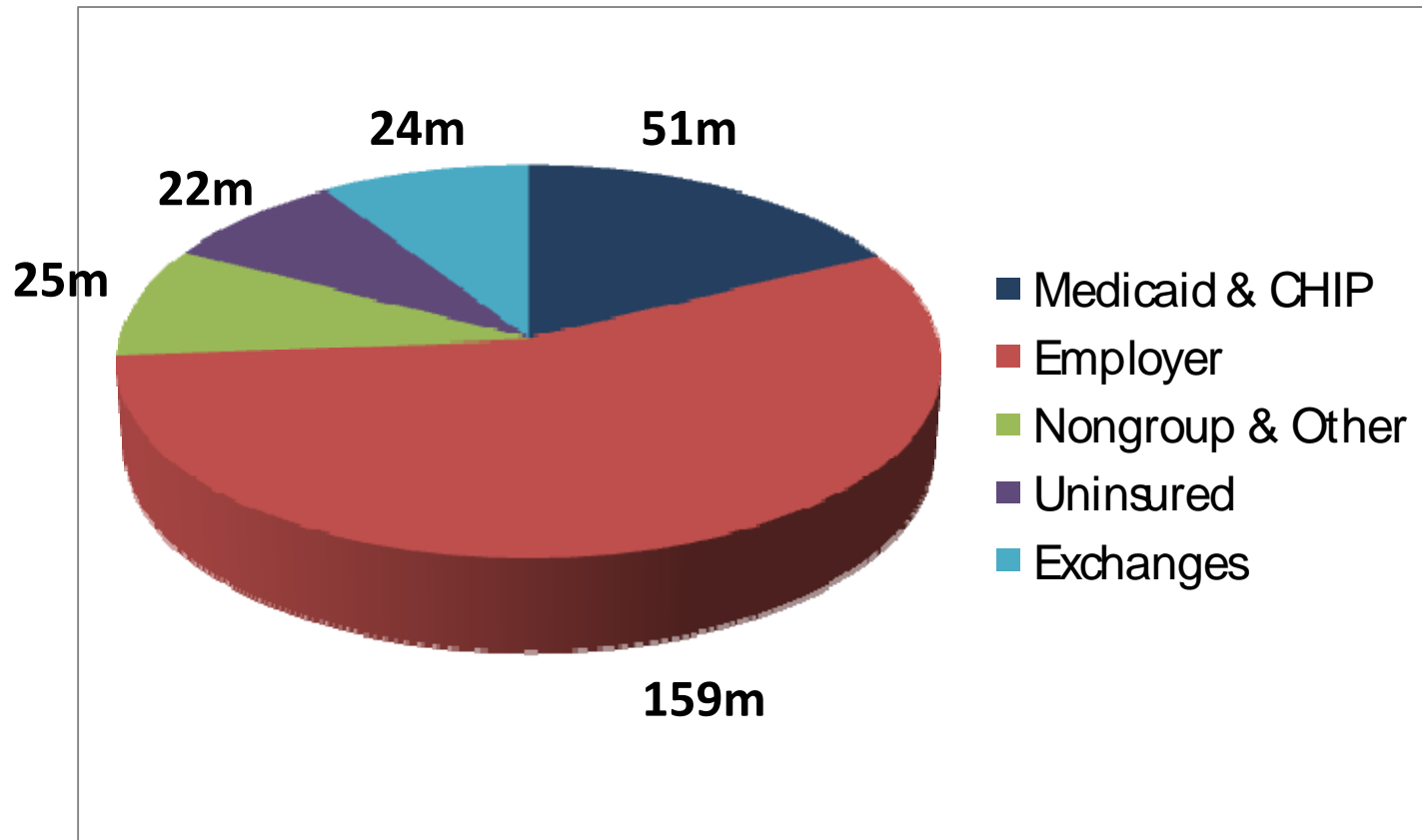
## Projected Changes in Coverage by 2019



**Total new coverage = 32 million**

Source: Congressional Budget Office,  
March 2010

## Sources of Coverage by 2019: Under 65



Source: Congressional Budget Office, March 2010

# Eligibility Changes

- ❖ Elimination of categories
- ❖ National uniform income standard for adults
  - ✓ 133% of the FPL (\$14,404 for an individual and \$29,325 for a family of 4 in 2009)
- ❖ Simplified uniform system for calculating income (adults and children), aligned with premium tax credit calculations



# New Paradigm

- ❖ Eligible means enrolled; coverage is stable
  - ✓ Necessary to achieve coverage, quality and cost containment objectives
- ❖ Rethink Medicaid enrollment/renewal across the system
  - ✓ Simplified Medicaid rules and other features of reform will make this easier
- ❖ Essential to make a **system** out of different components

# Who Pays?

## Distribution of Costs for Medicaid Coverage Changes 2014-2019 (in billions)





## Other State Financial Impacts

- ❖ CHIP match rate rises 23 percentage points in 2016
- ❖ Certain State-funded, Medicaid-funded coverage/services may no longer be needed
- ❖ Reductions in uncompensated care/cost shifting
- ❖ Provider tax base may grow
- ❖ DSH funding declines (as will State contributions)

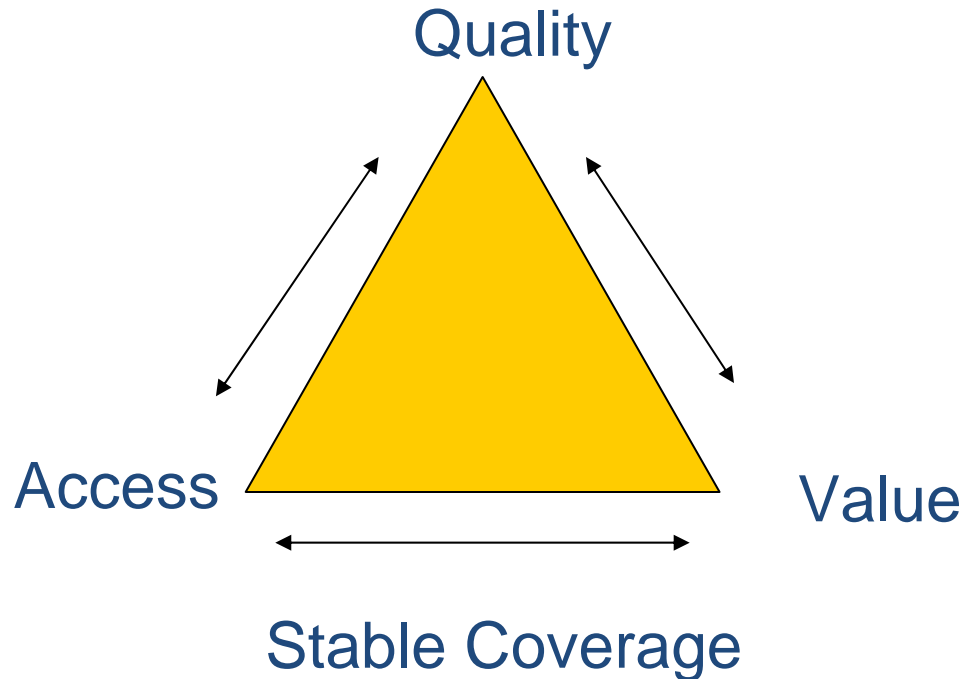
# Putting Reform into Medicaid

Creating a high performing Medicaid program

- ❖ Systems upgrades and data/performance standards
  - ✓ Integration with the Exchange
  - ✓ Interoperability with other programs/data sources
  - ✓ Data enhancements, analysis, performance measures and transparency

# Putting Reform into Medicaid

## Payment and delivery system reform



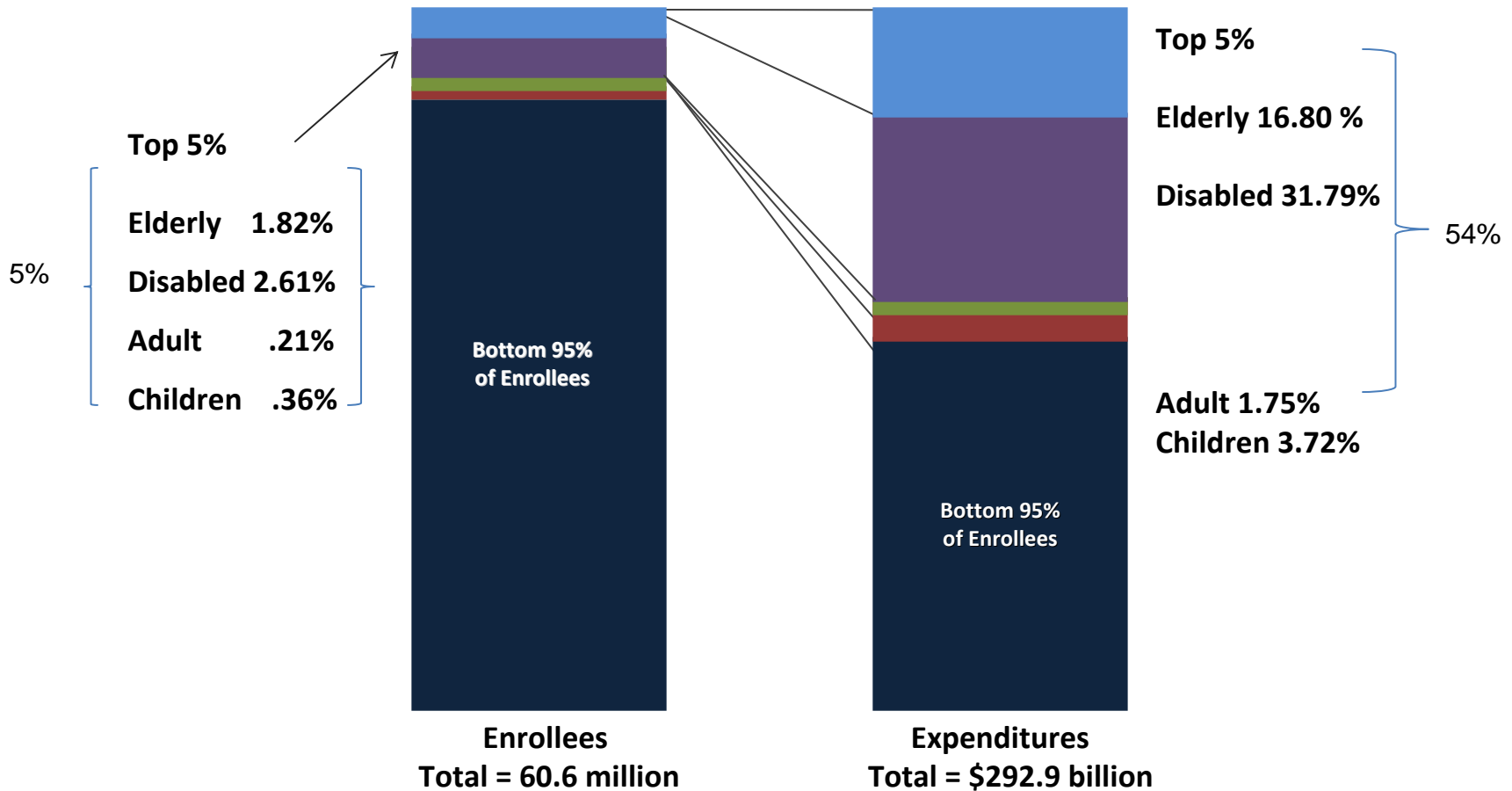
# New Initiatives

- ❖ Primary care provider increase (2013)
- ❖ Preventive care incentives
  - ✓ FMAP increase for preventive services & immunizations for adults (2013)
- ❖ Global payment demonstrations
- ❖ No payment for HACs
- ❖ Medical and health homes
- ❖ Pediatric ACOs

# New Initiatives

- ❖ Center for Medicare/Medicaid Innovation
- ❖ Focus on Dual Eligibles
  - ✓ Office of Duals
  - ✓ Integrated care models/payment strategies

# Top 5% of Enrollees Accounted for More than Half of Medicaid Spending in FY 2008



# Putting Reform into Medicaid

- ❖ Making further progress (re)balancing long-term care services and supports
- ❖ Paying close attention to program integrity





# 2014 Begins Now!

# Collaboration with States is Essential

Systems Support    Eligibility Rules    Benefit Designs    FMAP Rules    Basic Option    Data Performance Standards    ...

Federal Actions

2010

2014

Exchange/Medicaid Org Structure    Adopt New Laws/Budgets    System Changes    New Rules/Forms    Provider Networks/Contracts    Staffing Training    Enrollment    ...

State Actions

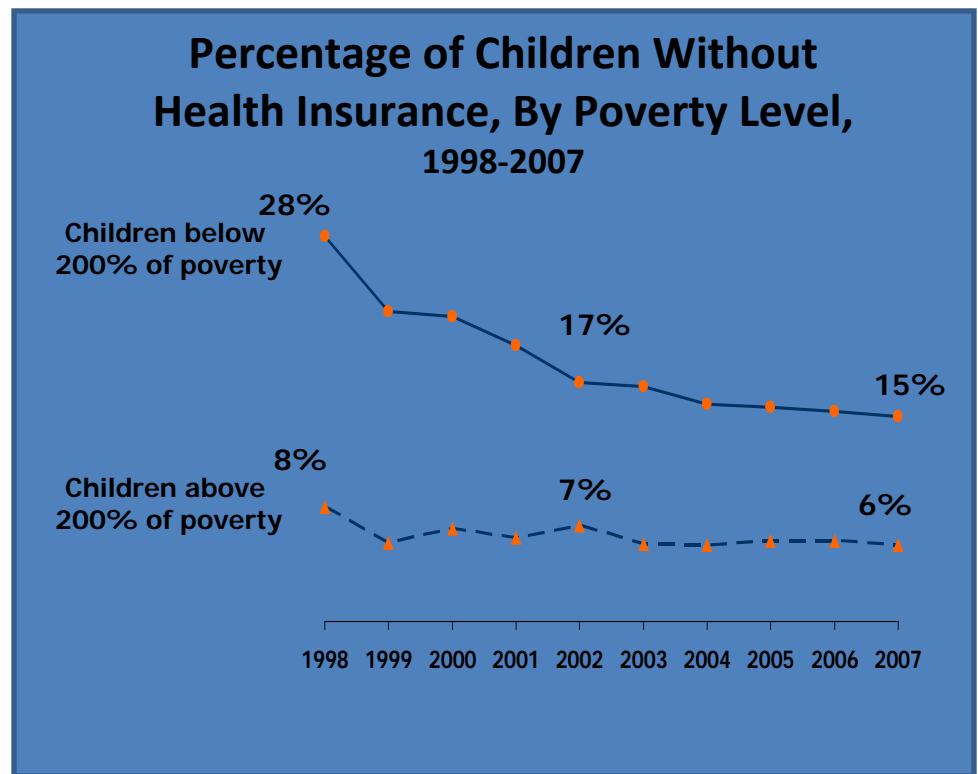
# Children's Coverage Does Not Need to Wait

The Secretary's Challenge: Enroll the 5 million uninsured children who are currently eligible for Medicaid or CHIP over the next five years




# Building on Success

- ❖ Uninsurance rates for children have steadily dropped due to Medicaid/CHIP
- ❖ Disparities are narrowing
- ❖ In general, access is strong







**Key to Reaching Our Goals:  
Assuring that all Partners are  
at the Table**