Envisioning Medicaid in the "New Normal"

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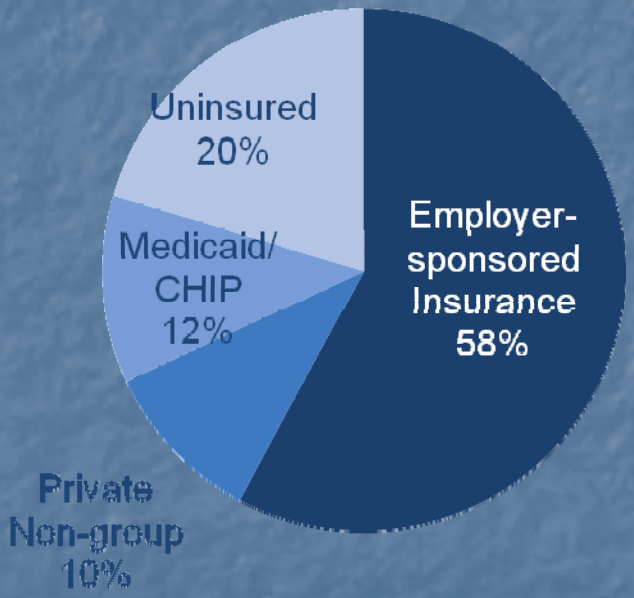
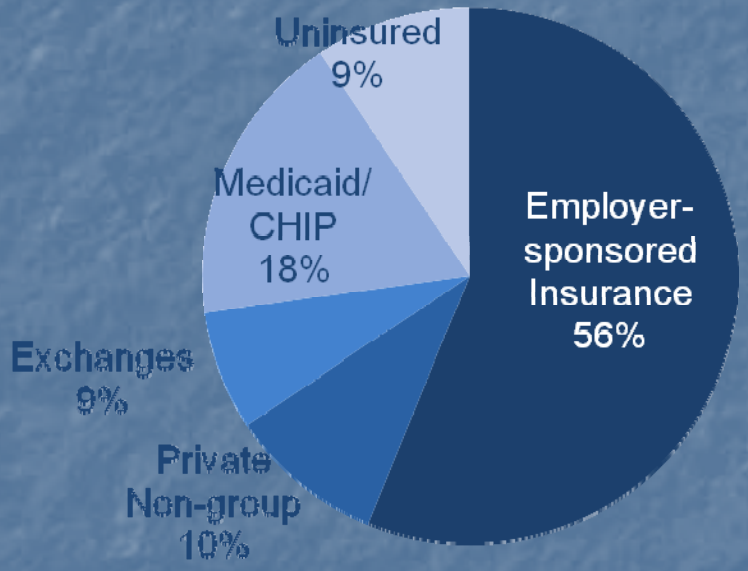
May 30, 2012

The "New Normal"
Estimated Health Insurance Coverage in 2019

Without Reform
(56 million Uninsured)



With Reform
(26 million Uninsured)

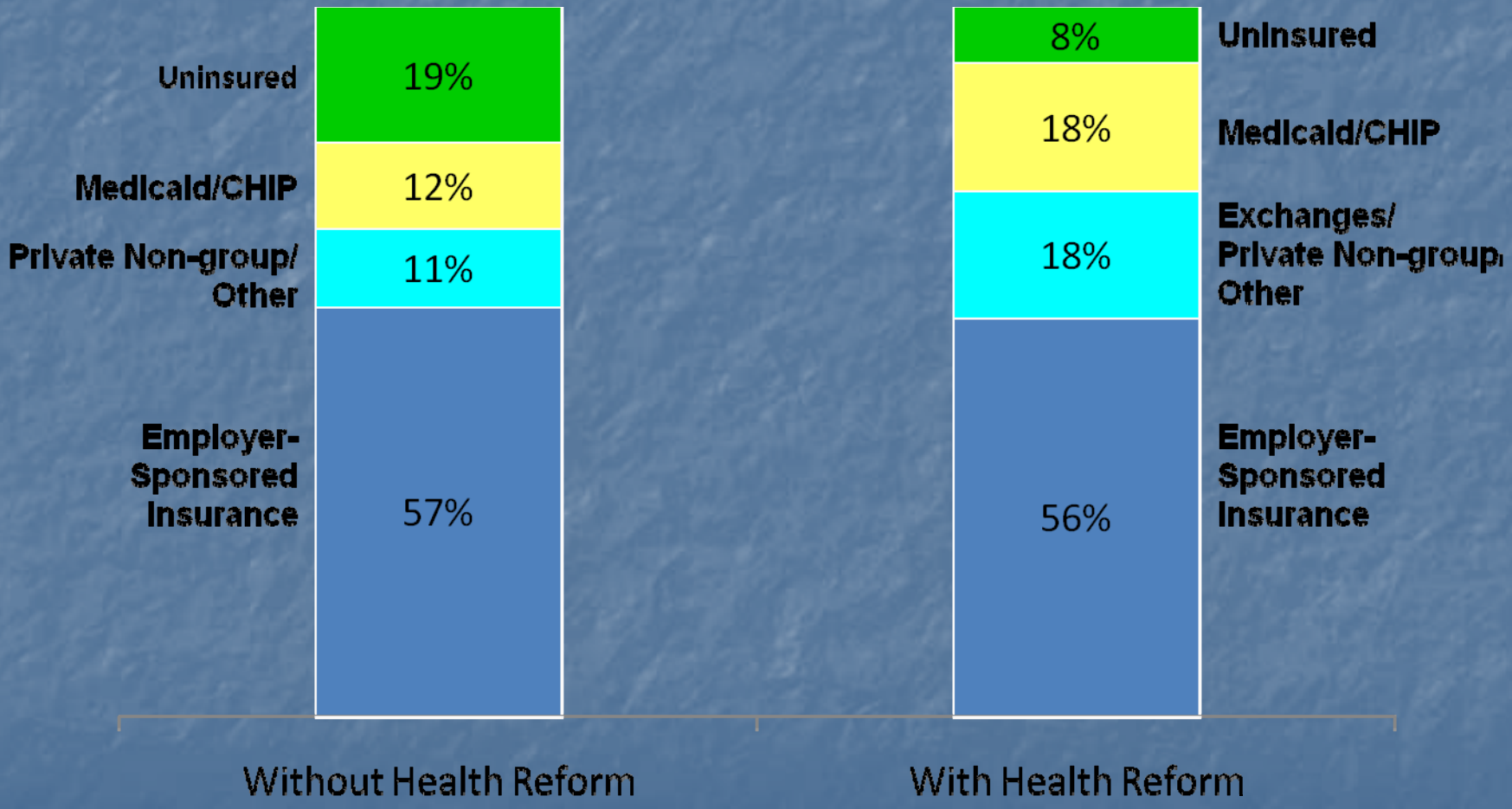


Total: 275 million Nonelderly

Source: Congressional Budget Office, March 2012 and the Kaiser Family Foundation

The "New Normal:" Estimated Health Insurance Coverage in 2019

Total Nonelderly Population = 282 million



SOURCE: Kaiser Family Foundation analysis of Congressional Budget Office estimates, March 20, 2010

How Does the Affordable Care Act Change Medicaid?

- Who is eligible
  - De-categorization
  - Uniform national income floor
- How is enrollment achieved?
  - Streamlined and use of enrollment/retention electronic technology
  - Integrated with the range of “insurance affordability programs”
  - Emphasis on continuity through passive re-enrollment and annual renewal approaches
- Medicaid as an economic pathway into the market for integrated delivery of care through comprehensive health plans
  - Potential for QHP/Medicaid managed care alignment
- Focus on Medicaid within broader ACA system reforms
  - Medicare alignment through the Coordinated Health Care Office
  - Expanded emphasis on home and community care
  - Medicaid-specific initiatives within the CMI and CMS generally
  - Broad federal support for state innovation

The Implications of Change

- Who is eligible
  - Not just for the most marginalized people
  - Not only for some adults and the non-working poor
- The process by which enrollment is secured and retained
  - Technology-enabled access to coverage
  - A presumption of continuity in coverage
- What it means to be “covered”
  - Health plans and integrated delivery systems
- Alignment with Medicare and markets
  - The end of cliffs as a result of health insurance Exchanges and state Basic Health Programs
  - The resulting opportunity to move away from an isolated and siloed existence
  - Financial and care alignment with Medicare
- Integration into broader system reforms – walking the same walk
  - Emphasis on quality, efficiency, prevention, patient safety patient-centeredness, and shared decision-making
  - Organizational delivery innovations (health homes, ACOs, health care teams)
  - Financing innovations (bundled payments, shared savings
  - Technology-enabled care and broader system accountability
- Public health integration and community benefit investment
  - Medicaid-enabled transformation of the poorest communities
  - Movement toward health system investments and away from bad debt offsets

Challenges

- The Medicaid expansion is overturned in *HHS v Florida*
- Medicaid's structure as public health insurance replaced by Medicaid as a block grant
- High health care costs and a failure of efficiencies
- An expectation of instant reform
- Failure to break the culture of market and functional isolation
  - In enrollment
  - In integration and alignment with plan and provider markets
  - From Medicare
- Failure to break Medicaid's historical political culture
  - Federalism politics
  - Welfare politics