CMS Grant Programs: Improving Access & Quality for Medicaid Beneficiaries and the Uninsured

Jessica Pollak Kahn, MPH
Centers for Medicare & Medicaid Services
Presentation Objectives

- Medicaid Transformation Grants - $150m
- High Risk Insurance Pool Grants - $49.1m
- Emergency Room Diversion Grants - $50
Medicaid Transformation Grants

- Purpose: Section 6081 of the DRA adds a new subsection to the Social Security Act which provides grant funds for the adoption of innovative methods to improve the effectiveness and efficiency in providing medical assistance under Medicaid.
Allowable Projects

- Electronic health records, electronic clinical decision support tools, & e-prescribing programs;
- Methods for improving rates of collection from estates of amounts owed under Medicaid;
- Methods for reducing waste, fraud, and abuse,
- Medication risk management programs
Methods in reducing, in clinically appropriate ways, Medicaid expenditures for covered outpatient drugs, by increasing the utilization of generic drugs through the use of education programs and other incentives to promote greater use of generic drugs.
Who and How Much$?  

- $150 million awarded to Medicaid agencies in 35 States, Puerto Rico and the District of Columbia  
- 2/3 of grants are focused on **health information technology**  
  - Electronic health records  
  - E-prescribing  
  - Health information exchanges  
  - Predictive modeling systems
Intended Reforms from MT Grants

- Improved care coordination through HIT/E will result in:
  - Reduced duplicative testing and screening
  - Fewer adverse drug events
  - Fewer missed opportunities/improved adherence to treatment standards
  - Improved beneficiary satisfaction with care
Other MT Grant Focus Areas

- Improved Neonatal Outcomes
- Improved Fraud & Abuse Detection
- Improved Pharmacotherapy with Predictive Modeling
- Improved Case Management with Predictive Modeling
- Streamlined Medicaid Eligibility and Citizenship Determination
- Automated Pharmacy and HCBS Pre-Authorization Systems
Example Medicaid Transformation Grant: Texas

- **Texas Health Passport**
  - For children who are both Medicaid-eligible and in the TX foster care system
  - Costs were 5x that of similar children in Medicaid but not in foster care
  - Creates an online system that tracks their health utilization, medications, lab results, behavioral health notes, etc for use by medical providers, foster care caseworkers and caregivers
  - Will streamline their care, reduce duplication of testing and improve multi-disciplinary team coordination
Example Medicaid Transformation
Grant: Alabama

- Together for Quality:
  - Transferring all of the Medicaid beneficiary records to electronic health records
  - Creating an HIE between Medicaid providers
  - Web-based, free EHR for providers that includes e-prescribing and clinical decision support
  - Also testing this approach with enhanced care management for persons with chronic diseases
  - Using HEDIS measures for diabetes and asthma to track outcomes
  - Tremendous stakeholder involvement
Multi-State Collaborative for HIT and Medicaid

- After the first of 2 solicitation rounds in 2007, 14 states took the initiative to form a multi-state collaboration of MT Grantees, focusing primarily on HIT/EHR work.
  - Sharing lessons learned
  - Defining standards
  - Joint procurement
  - Open source codes
  - Peer to peer problem-solving
More Info on MTG

- Final Evaluation Reports due 6 months after grants end → likely to be fall of 2010

- [www.cms.hhs.gov/MedicaidTransGrants/](http://www.cms.hhs.gov/MedicaidTransGrants/)
Coverage

Access

Quality

Security

2008 Uninsured Congress
High Risk Insurance Pools

- Comprehensive health insurance programs targeting individuals who cannot obtain health insurance in the private market because of pre-existing health conditions.
- CMS grants since 2003
- **Thirty-five** states have an active high risk pool grant from CMS. 31 are operational high risk pools; 4 are seed grants.
High Risk Pools Grants

- To be eligible for a CMS grant, they must follow 1 of the 2 models in the NAIC Model Health Plan for Uninsurable Individuals Act
- Most provide case management, disease management & prevention screenings
- Most offer either premium reduction programs for all members and/or low-income premium subsidies with federal grant funds.
High Risk Pools & HIPAA

- Many States use the pools to comply with P.L. 104-191 Health Insurance Portability and Accountability Act of 1996 (HIPAA).
  - For eligible individuals moving from the group to the non-group market, HIPAA requires state-licensed health insurers to make coverage available to such individuals, and prohibits exclusion of coverage for pre-existing conditions.

- Approximately 29 of the pools are certified as a HIPAA alternative mechanism.
High Risk Pool Funding

- Federal fiscal year 2006: $90 million
- Federal fiscal year 2008: $50 million
- Funding is allocated by 3 factors:
  1. Ranking by 3-year average number of uninsured per state (US Census)
  2. Ranking by number of persons enrolled in the high risk pool in prior year
  3. Divided equally among all eligible applicants
High Risk Pools: The Stats

- The lowest average # of uninsured were: MN, IA, WI.
- The highest average # of uninsured were: TX, NM, LA, MS
- The largest pools are:
  - Minnesota (28,859 in 2007). Also oldest.
  - Texas (27,733)
  - Oregon (18,656)
  - Wisconsin (17,126)
High Risk Pools: More Detail

- Most high risk pools are funded in part through assessments levied against private insurers in their state.
- Most include representation from private insurers on their Board membership.
- Claims paid **always** exceed premiums collected, given the high morbidity of their members.
What Role Do They Play in Assuring Access to Health Care?

Two sides of the coin:

- **Heads:**
  - Serve as a safety net for those with pre-existing medical conditions who would not otherwise be able to get coverage.
  - While expensive, offers a comprehensive insurance package where none existed
  - Broad provider networks
  - Fashioned specifically for those with illnesses and/or chronic conditions
The Pros & Cons Continued

- **Tails:**
  - Allows the private insurance market to “cherry-pick” who it will offer coverage based upon risk/cost avoidance
  - Premiums are high and not affordable to all
  - Benefits vary pool to pool
  - Doesn’t exist in all states
  - Board representatives from private insurers may have disincentives for pool expansion since that increases their assessments
Future of High Risk Pool Grant Funding

- CMS requested funding in FY09 and FY10 for support of state high risk insurance pools
- After 2010, additional authorization is needed from Congress to continue the grant program
More Info on High Risk Pools

- [www.cms.hhs.gov/highriskpools/](http://www.cms.hhs.gov/highriskpools/)
- National Association of State Comprehensive Health Insurance Plans:
  - [www.naschip.org](http://www.naschip.org)
Access
Referral
Alternatives
Coordination

Emergency
Alternate Non-Emergency Providers

- The August 6, 2008 NHS Report states that in 2006, 13.9% of the Medicaid/SCHIP emergency department visits were for non-urgent reasons.
- It is those preventable events targeted by the new $50 million CMS grant program, authorized by the DRA of 2005 to provide Federal grant funds to States to establish alternate non-emergency service providers.
Emergency Room Diversion Grants

- Nearly 11% of all ambulatory medical care visits in the US occur in hospital emergency departments.
- This coincides with decreasing numbers of emergency departments and numbers of in-patient hospital beds.
- The result? Overcrowding and less than optimal care.
ER Diversion Grants: Who & How Much $?

- 20 State Medicaid agencies were awarded $50 million in April 2008 for 29 separate projects
  - CO, CT, GA, IL, IN, LA, MA, MD, MI, MO, NJ, NC, ND, OK, PA, RI, SD, TN, UT, WA
  - Preference given to project in medically underserved areas & for partnering with local, community hospitals
Variety of Approaches

- Identification of high-users -> outreach
- HIT as part of the ER & medical home loop
- Care coordinators co-located within the ER
- Specialty coordination for substance abuse, mental health and chronic medical conditions
- New primary care access points
  - Expanded evening and weekend hours
  - Mobile clinics
  - Telemedicine
  - Urgent care clinics
  - School-based primary care clinics
Expected Reforms

- Decreased use of participating hospital emergency departments by Medicaid beneficiaries for non-emergent reasons
  - Decreased cost to Medicaid
  - Increased beneficiary satisfaction
  - Improved ED efficiency as it contributes to a reduction in over-crowding

- Increased utilization of “medical homes”
  - Improvements in chronic care management and outcomes
  - Improvement in preventive care
More Expected Outcomes

- Improved care coordination
  - Predictive modeling to identify high-need individuals and provide targeted case management
  - Increased utilization of health information technology and web-based scheduling tools
More Info on the ER Diversion Grants

- Final Evaluation Reports due by June 2010 unless grants are extended (likely)
- http://www.cms.hhs.gov/GrantsAlternativeNoneMergServ/
- http://www.cdc.gov/nchs/fastats/ervisits.htm
Contact Information

Jessica Pollak Kahn:

410-786-9361 or jessica.kahn@cms.hhs.gov