Wyoming Department of Health Coordinated Care Study: Public Forum

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Agenda

- Introductions
- Background
- WDH Approach
- Process
- Payment v. Care Delivery
- Payment Models
- Coordinated Care Models
- Q&A

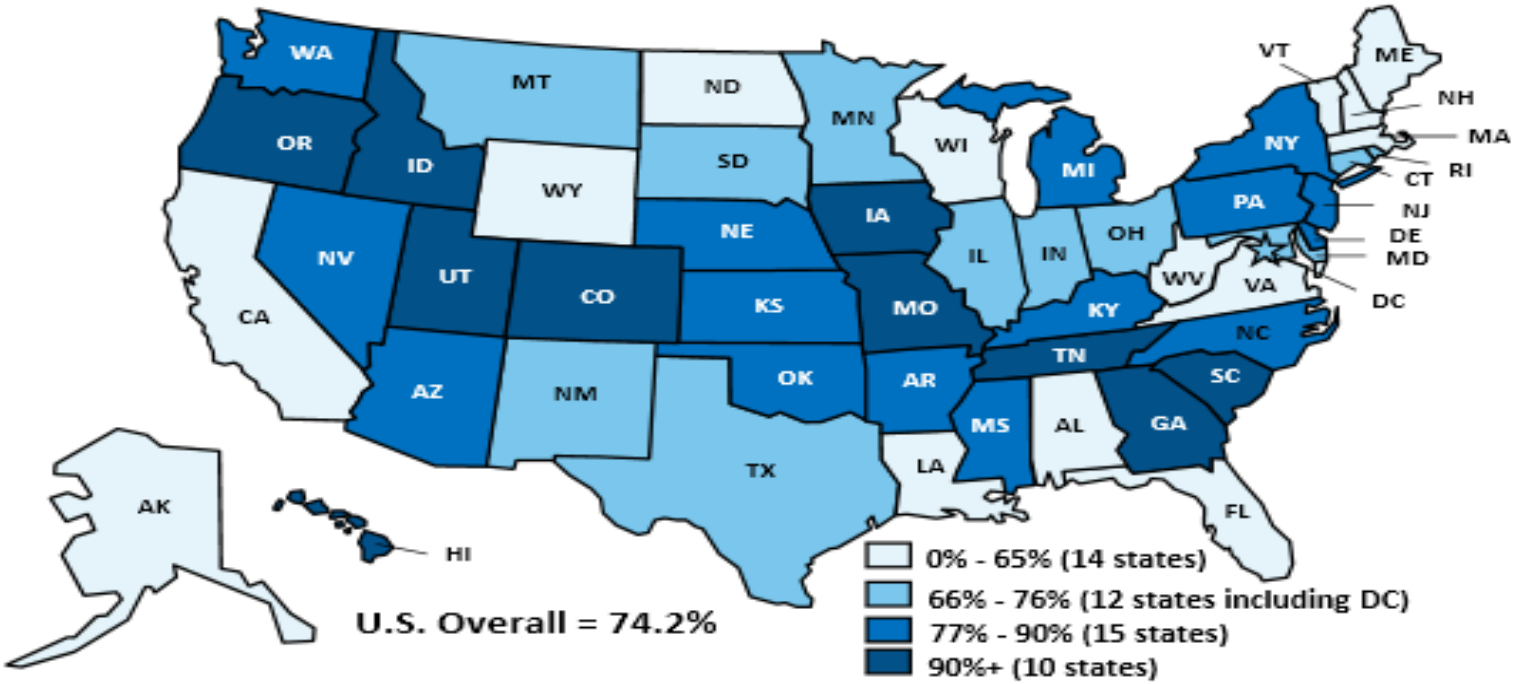
Background: Legislative Requirement

- 2012: Medicaid Options Reports (available at http://www.health.wyo.gov/director/dupre.html)
  - Managed Care was one of the options presented

- 2013: Wyoming Legislature enacted Senate Enrolled Act No. 82 (available at http://legisweb.state.wy.us/2013/Bills/SF0060.pdf)

Background: State Activity

Medicaid Managed Care Enrollees as a Percent of State Medicaid Enrollees, July 2011

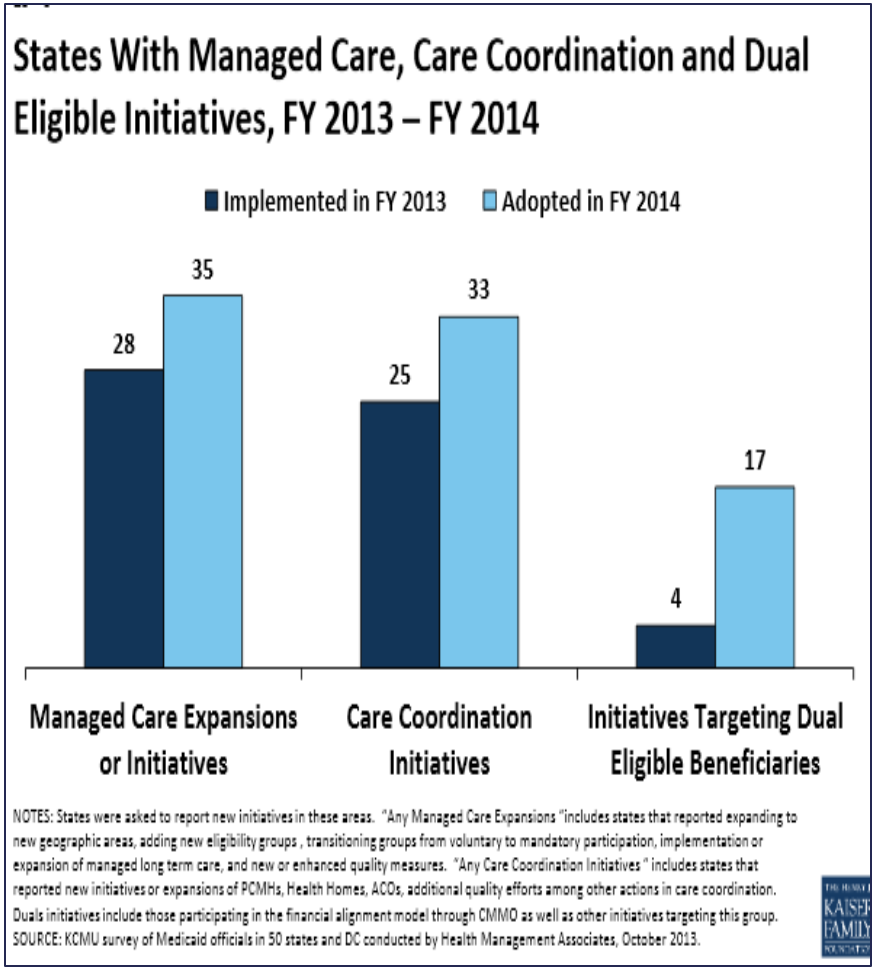


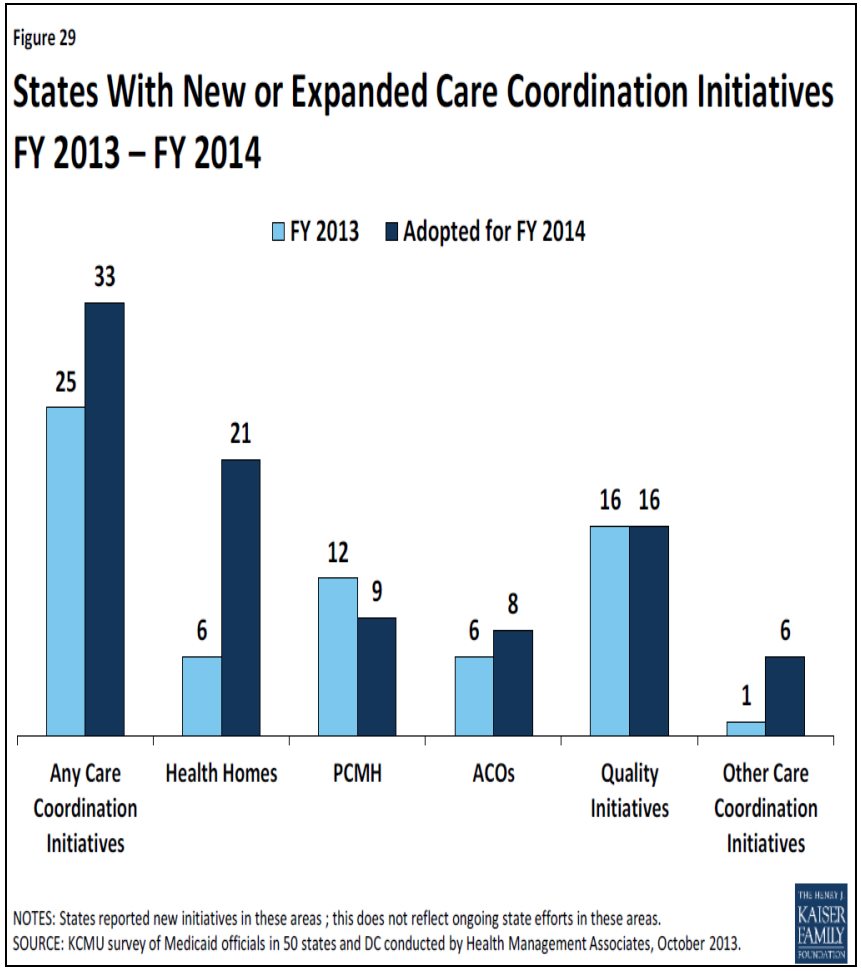
NOTE: Includes enrollment in MCOs and PCCMs. Data are as of July 2011. The data shown here are unduplicated managed care enrollment figures that include individuals in state health care reform programs that expand eligibility beyond traditional Medicaid eligibility standards and enrollees receiving comprehensive and limited benefits.

SOURCE: Medicaid Managed Care Enrollment Report, CMS, November 2012. Available at: http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/Downloads/2011-Medicaid-MC-Enrollment-Report.pdf.

Kaiser Commission on Medicaid and the Uninsured, Medicaid in a Historic Time of Transformation: Results from a 50-State Medicaid Budget Survey for State Fiscal Years 2013 and 2014, October 2013, available at http://kff.org/medicaid/

Background: State Activity





Kaiser Commission on Medicaid and the Uninsured, Medicaid in a Historic Time of Transformation: Results from a 50-State Medicaid Budget Survey for State Fiscal Years 2013 and 2014, October 2013, available at http://kff.org/medicaid/

WDH Approach

- WDH is defining managed or coordinated care as any system of healthcare delivery that focuses on management of healthcare services with the intent to provide integrated and coordinated care at a lower cost.
- Managed or coordinated care could take many forms and be accomplished using various models and payment methods.
- Not currently focusing on one model or payment method.
- Interested in what will work well within Wyoming

Process

- WDH contracted with Health Management Associates to study a range of models that may work for Wyoming Medicaid
  - Studying models pursued in other states
  - Evaluating whether one or a combination of models may work in WY and how the model will align with changes underway
  - Conducting extensive stakeholder engagement to obtain feedback:
    - Email in-box: coordinatedcarestudy@healthmanagement.com
    - 5 public forums: Cheyenne, Casper, Gillette, Cody, Green River
    - Stakeholder interviews: Multi-stakeholder approach
    - Electronic survey: Multi-stakeholder approach
  - Report to WY: Recommendations informed by research and stakeholder engagement activities.

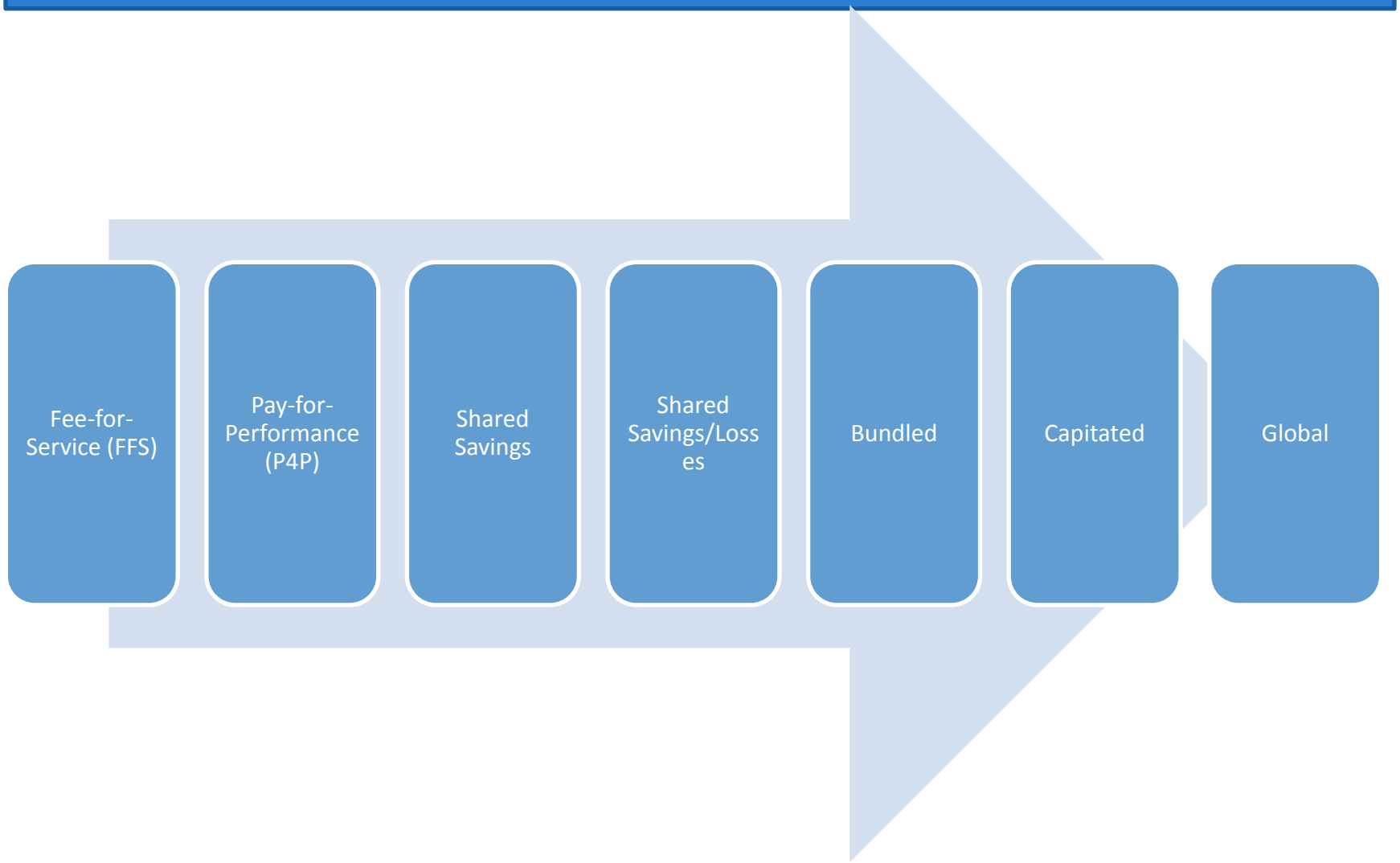
Payment v. Care Delivery

- These are two distinct, but related components
- Payment – the mechanism used to determine how services are paid for
- Delivery – the process of providing services

Payment Models

- Goal: use a payment mechanism that adequately pays for and appropriately incentivizes providers to coordinate and manage care and achieve desired outcomes
- Spectrum of payment models that requires providers to take on greater accountability for quality and cost of care

Payment Models



Payment Models

- Potential benefits:
  - Increased care coordination and management
  - Improved quality and outcomes
  - Reduced spending

Payment Models

- Potential problems:
  - “Cherrypicking”
  - Withholding medically necessary care
  - Provider undercapitalization
  - Model doesn’t incentivize care coordination/management

Care Coordination Delivery Models: Primary Care Case Management

- 22 states have a PCCM program
- Enrollees are assigned to a primary care provider who assumes responsibility for providing primary and preventive care, as well as care management
- Enhanced PCCM includes intensive care coordination and care management services
- Administered by the state or a contractor (i.e. health plan or community-based organization)
- Providers usually paid fee-for-service plus a monthly care management fee
- Some states transitioning away from PCCM to more comprehensive models, while others are requiring more from existing PCCM programs

Care Coordination Delivery Models: Patient-Centered Medical Home

- At least half of states have Medicaid PCMH
- Enrollee has an assigned primary care provider who is responsible for coordinating all needed services
- Often subject to specific standards and accreditation
- Primary care practices, FQHCs/CHCs, and other primary care settings
- Variety of payment mechanisms used

Care Coordination Delivery Models: Health Homes

- By 2014, 24 states will or plan to have implemented Health Homes
- A new Medicaid program that is focused on improving the care for people with multiple chronic conditions and/or mental health or substance use disorders
- Required to provide comprehensive care management, care coordination, health promotion, comprehensive transitional care, individual and family support services, and referrals to community and social support services
- Strong emphasis on the use of HIT to link services

Care Coordination Delivery Models: Health Homes

- States are required to seek a Medicaid state plan amendment
- Enhanced federal matching (90%) for first 2 years of the program for Health Home services
- A variety of providers can serve as health homes, including non-traditional providers such as supportive housing programs – need not be medical providers
- A variety of payment mechanisms can be used, case rates are common

Care Coordination Delivery Models: Administrative Services Organization

- Only a few states
- State contracts with a third party to administer certain Medicaid services: member services, utilization management, predictive modeling based on Medicaid data, intensive care management and quality management
- State maintains responsibility for other functions, such as determining eligibility and paying provider claims
- State maintains risk
- ASO is paid an administrative fee

Care Coordination Delivery Models: Accountable Care Organization

- 12 states implementing ACOs by 2014
- An entity made up of health care providers that agree to share responsibility for the delivery of care and the health outcomes of a defined group of people, as well as for the cost of the care delivered
- Different states have different names: CCO, RCCO, RCO
- Variety of payment mechanisms use, but commonly shared savings or shared savings/losses
- Organizational structure of ACOs differs, but often are provider based

Care Coordination Delivery Models: Risk-Based Managed Care

- Most common type of Medicaid managed care (37 states)
- Delivered by health plans contracted with the state: Managed Care Organizations (MCOs) or Prepaid Health Plans (PHPs)
- Payment is capitated
- MCOs are responsible for covering some or all Medicaid services
- Usually deliver services using a network of providers