



KENTUCKY

Cabinet for Health and Family Services

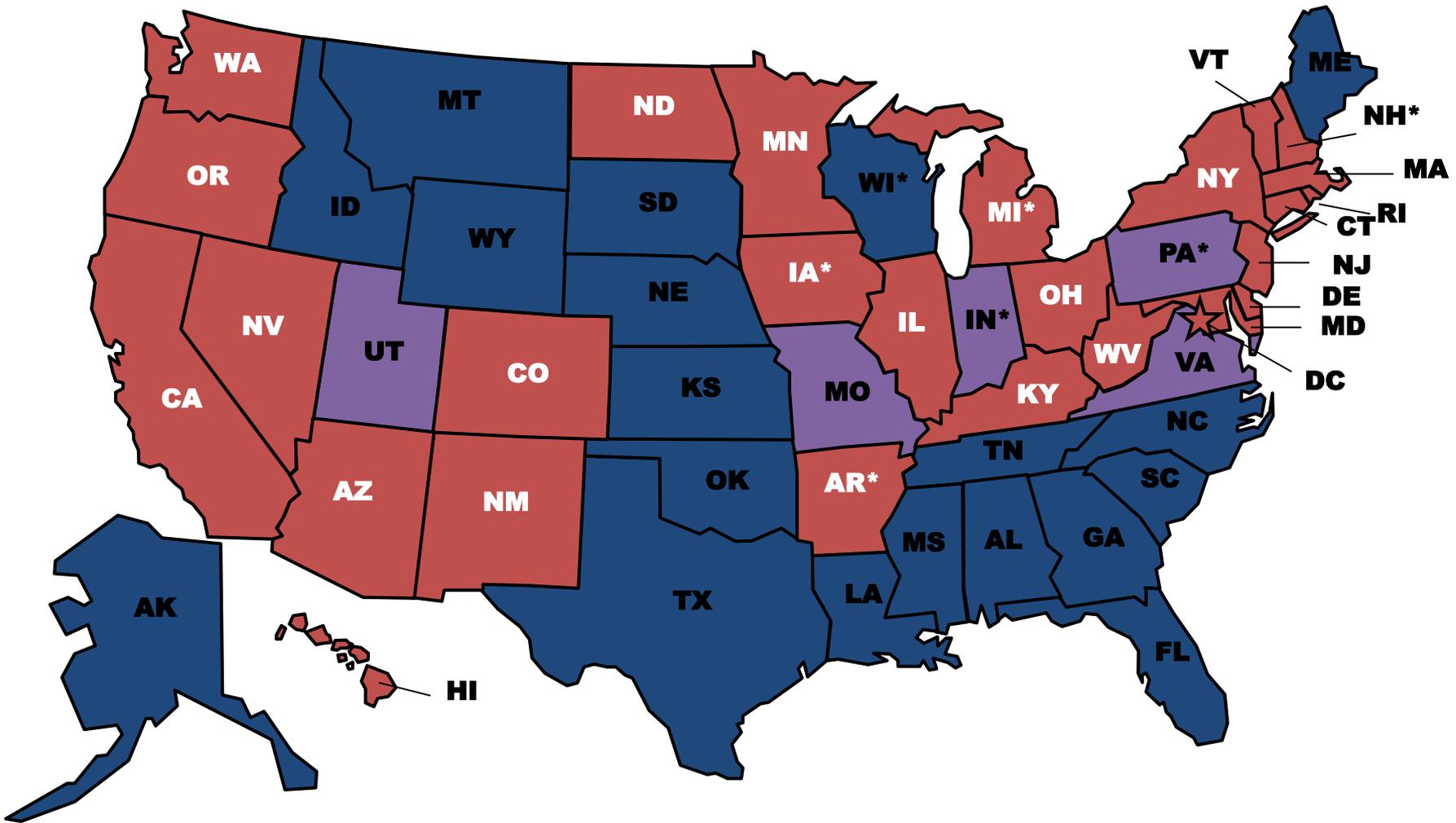
MCO Medicaid *Forums*

Department For Medicaid Services

Kentucky Medicaid



Current National State Status



- Implementing Expansion in 2014 (27 States including DC)
- Open Debate (5 States)
- Not Moving Forward at this Time (19 States)



Medicaid Expansion

Medicaid Eligibility Historically

Limited to Specific Low-Income Groups

Medicaid Eligibility Beginning in 2014

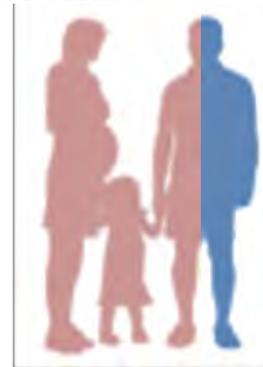
Extends to Adults $\leq 138\%$ FPL*

Elderly &
Persons with
Disabilities

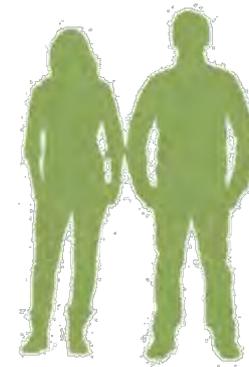


Children

Pregnant
Women



Parents



Adults

*138% FPL = \$15,856 for an individual and \$26,951 for a family of three in 2013.



Mandatory Benefits/Services

The ACA requires that services be covered for the expansion population in each of the **10 Essential Health Benefits** (EHBs):

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Behavioral health including substance use disorder services
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive & Wellness services and chronic disease management
10. Pediatric services, including oral and vision care

**Coverage for these services for ALL Medicaid enrollees was effective
January 1, 2014.**



- DMS has been working hard to fully implement all of the provisions of the Affordable Care Act.
- Since August, 2013...
 - Filed and approved 27 unique state plan amendments (SPA) to CMS (Federal)
 - 6 remain pending CMS approval
 - Filed 48 Regulations
 - 44 E&O regs
 - 3 ordinary regs
 - 1 emergency reg



Provider EXPANSION & Enrollment

Physical Therapists (PT)

Occupational Therapists (OT)

Speech Language Pathologists/Therapists (ST)

Licensed Clinical Social Workers (LCSW)

Licensed Marriage Family Therapists (LMFT)

Licensed Professional Clinical Counselors (LPCC)

Licensed Psychologists (LP)

Licensed Psychological Practitioners (LPP)

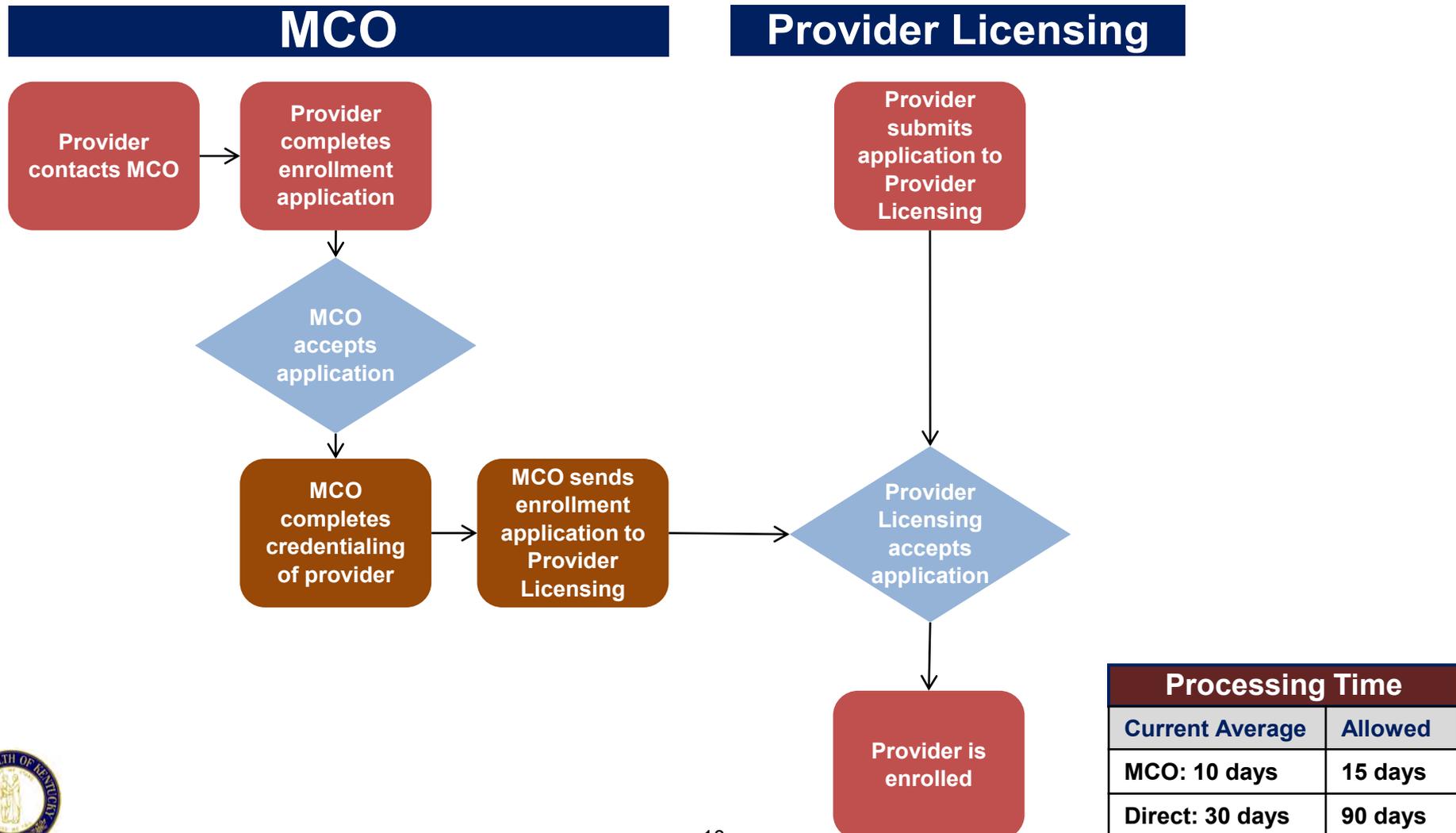
Licensed Professional Art Therapists (LPAT)

Licensed Behavior Analysts (LBA)



Provider Enrollment

Providers are able to enroll as a Medicaid provider either through an MCO or directly through DMS Provider Licensing.



Medicaid Expansion

With Medicaid Expansion it is anticipated an additional 300,000+ will be eligible in 2014

What it means

1 out of every 4 Kentuckians will be Medicaid Eligible

Benefits to Kentucky

An independent study found that expanding Medicaid is beneficial for Kentucky in several areas including:

17,000 New Jobs



11 Billion Funding to Providers (FY14-21)



\$800M Savings for Kentucky (FY14-21)



Medicaid Hospital Payment Trends

Preliminary Data Regarding Medicaid Expansion, Enrollment, and Reimbursement in Kentucky

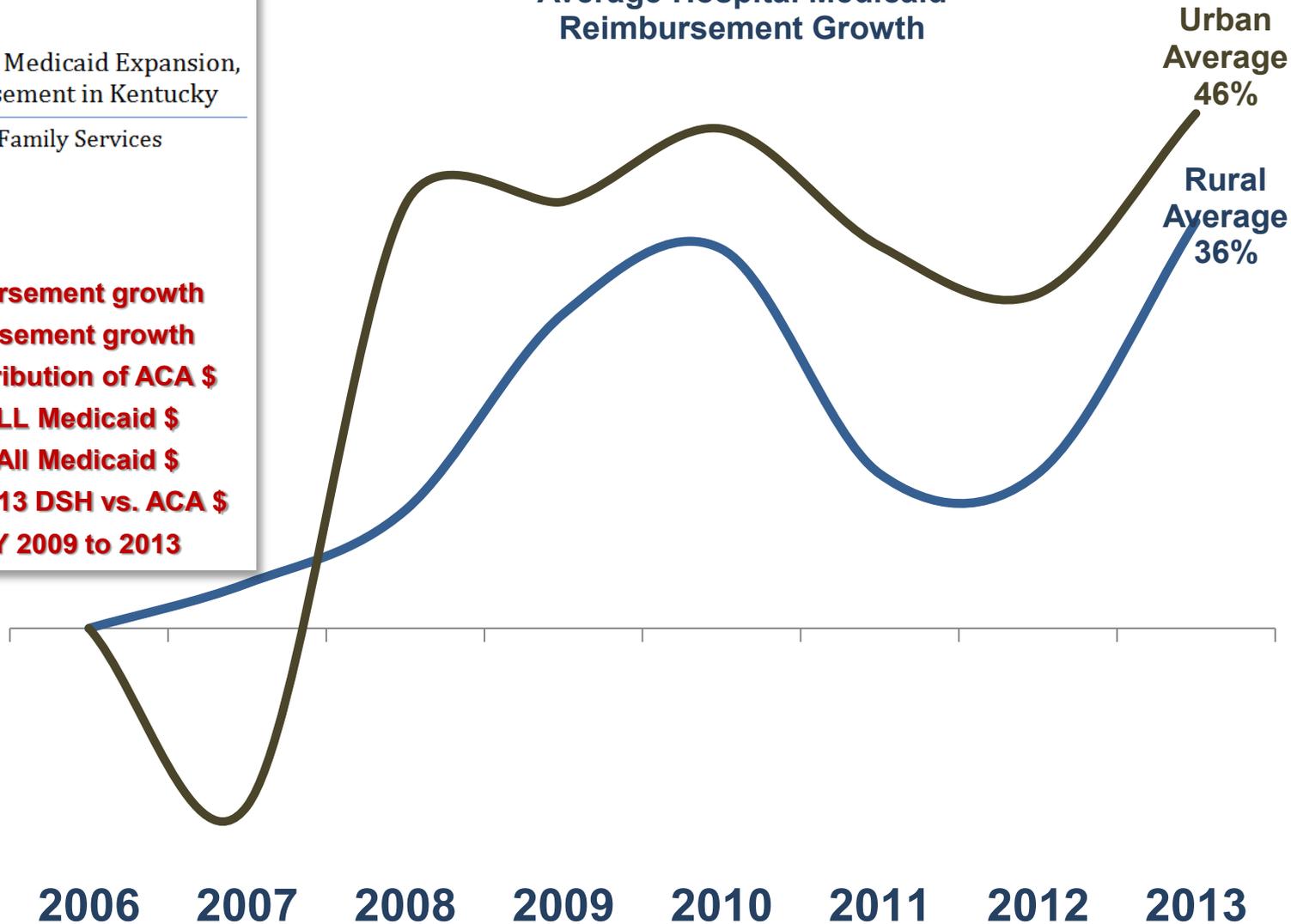
Cabinet for Health and Family Services

7/14/2014

Highlights include:

- **Urban Hospital reimbursement growth**
- **Rural Hospital reimbursement growth**
- **County by county distribution of ACA \$**
- **Detail distribution of ALL Medicaid \$**
- **3-yr. Hospital detail of All Medicaid \$**
- **Detail by hospital FFY 13 DSH vs. ACA \$**
- **DSH Hospital pmts FFY 2009 to 2013**

Average Hospital Medicaid Reimbursement Growth



Provider Impacts

Medicaid Reimbursements by Major Categories

Provider Type	SFY 2012	SFY 2013	SFY 2014
Inpatient Hospital	\$854,222,900	\$812,218,500	\$959,312,300
Outpatient Hospital	\$398,231,100	\$518,713,100	\$633,265,000
Physician	\$422,358,500	\$432,838,300	\$469,304,100
Pharmacy	\$559,980,800	\$512,451,700	\$712,410,400
Other	\$3,269,506,200	\$3,228,182,400	\$3,440,715,500

Medicaid Reimbursements for Expansion Members Only

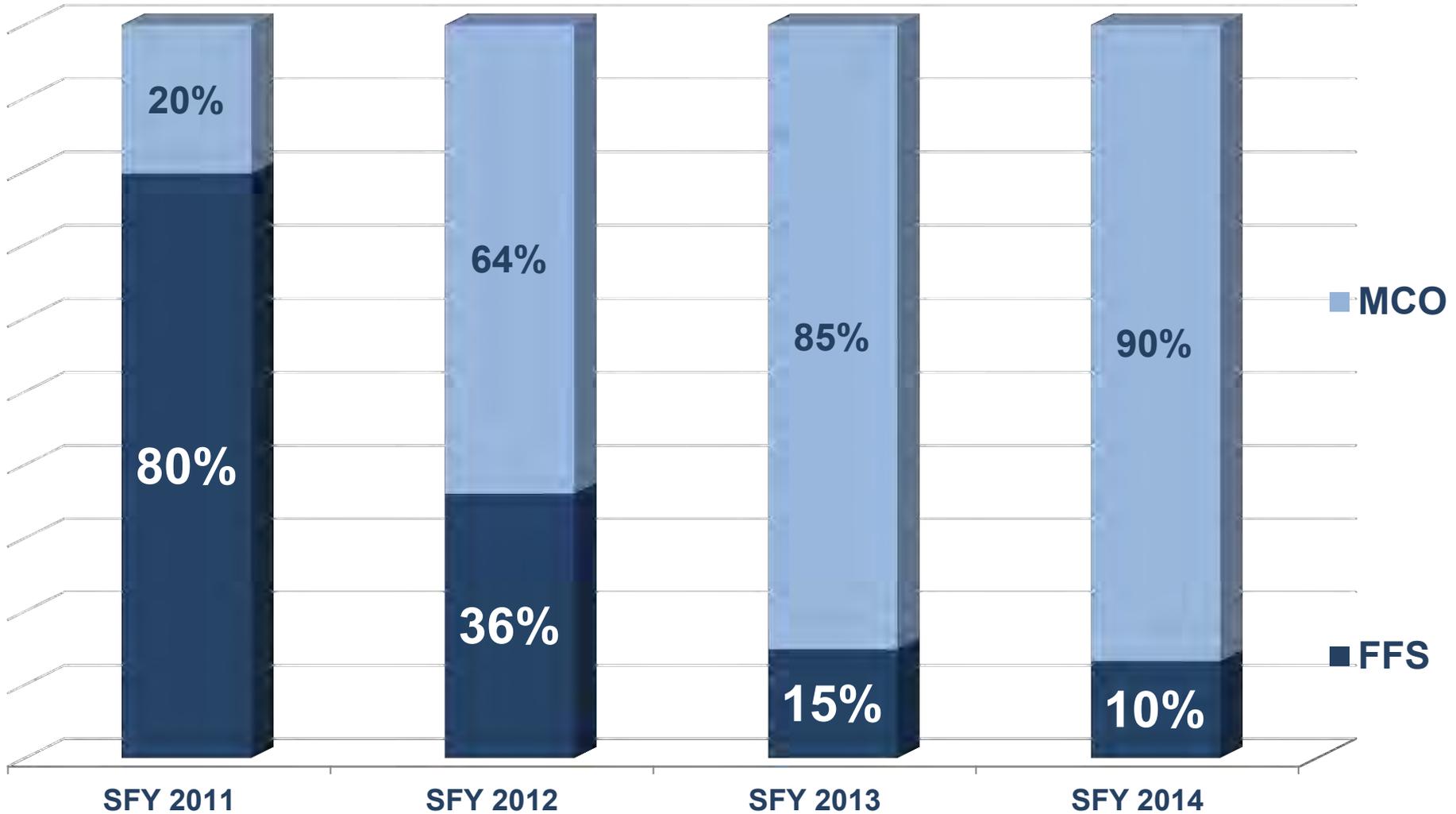
Provider Type	Reimbursements Jan 2014 – Jun 2014
Hospital	\$135,434,419
Pharmacy	\$73,882,872
Physicians, Primary Care, FQHC, etc.	\$42,213,262
Other Providers	\$32,854,228
Total	\$284,384,780



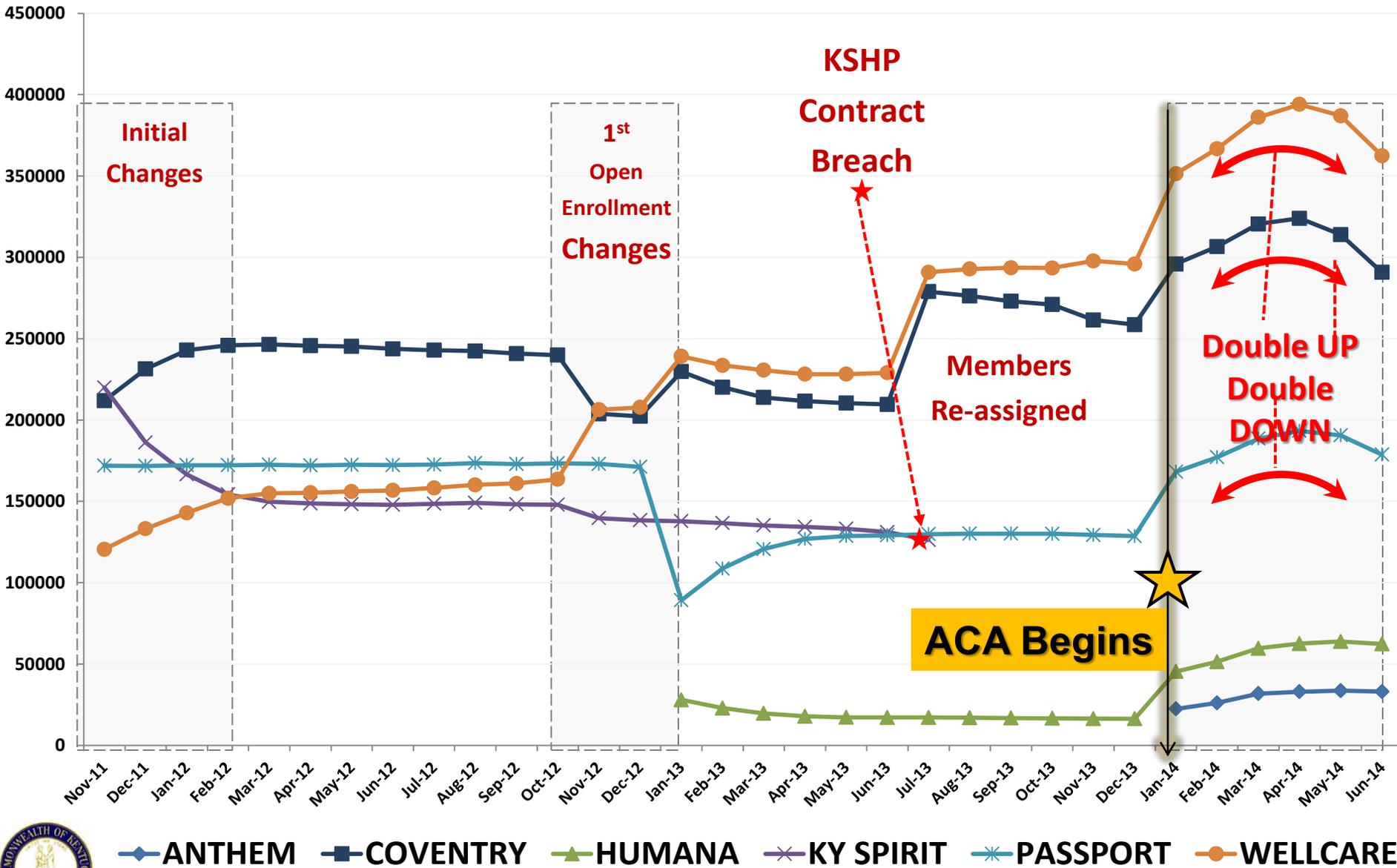
Kentucky Medicaid Data



Membership Distribution



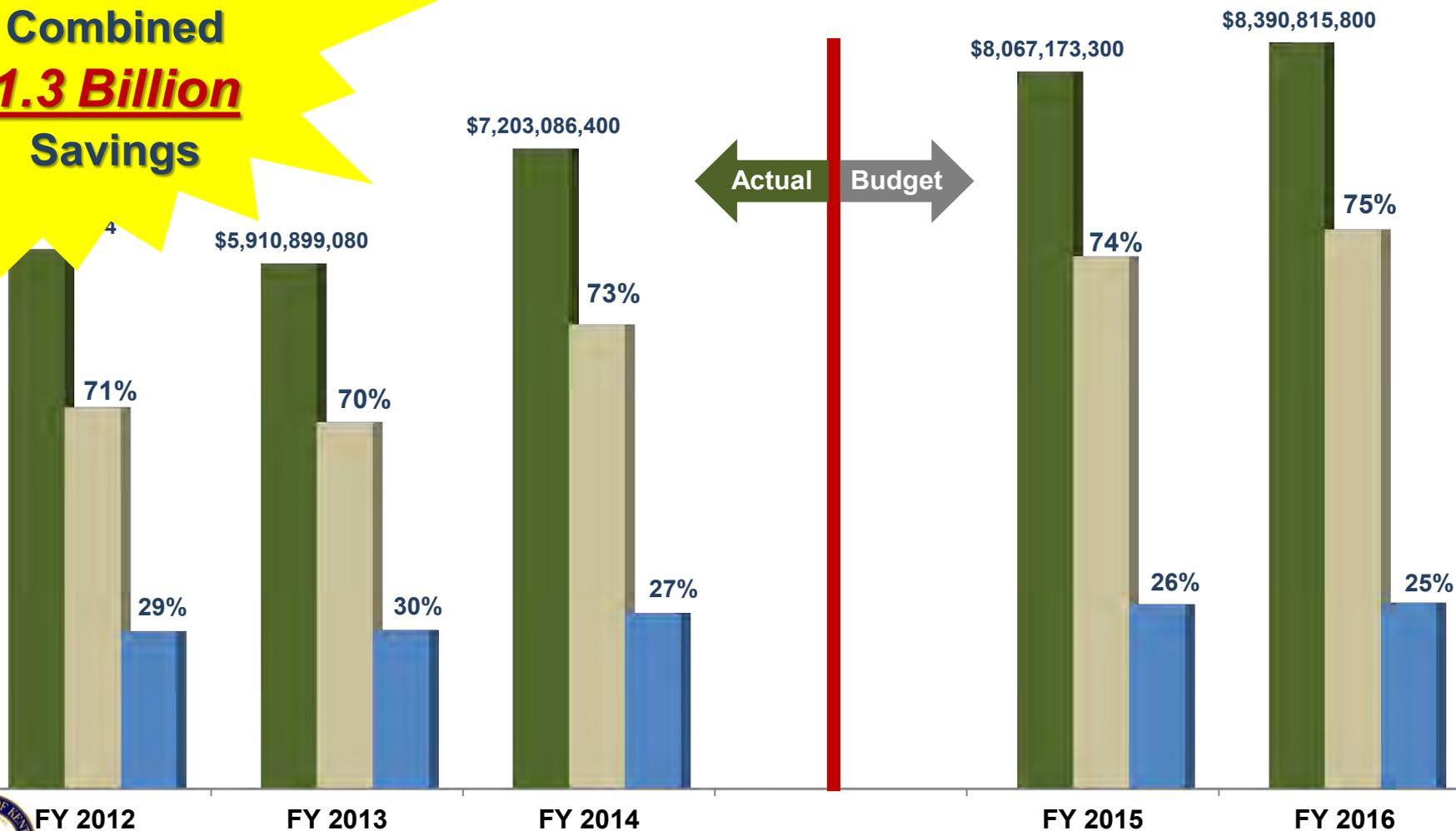
MCO Enrolled Membership



The Medicaid Budget

■ TOTAL ■ Federal ■ State

Combined
1.3 Billion
Savings



Clinical Care & Quality



“Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.”

WHO, 1946

Preamble to the Constitution of the World Health Organization as adopted by the International Health Conference, New York, 19-22 June, 1946; signed on 22 July 1946 by the representatives of 61 States (Official Records of the World Health Organization, no. 2, p. 100) and entered into force on 7 April 1948.
The Definition has not been amended since 1948.



What Is Our Vision Today?

**National
Quality
Strategy**

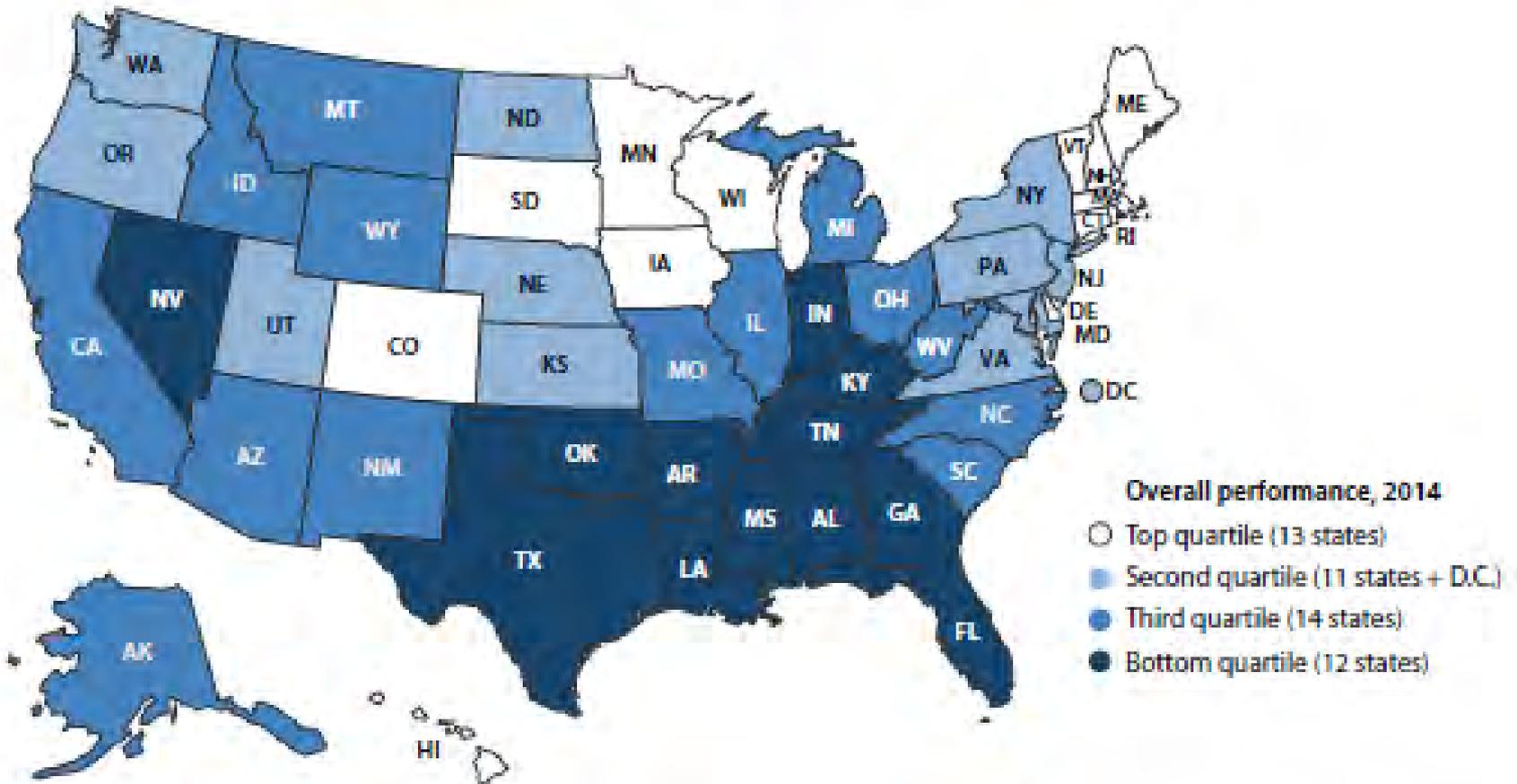


**Triple
Aim**



How Are We Doing?

Overall State Health System Performance: Scorecard Ranking, 2014



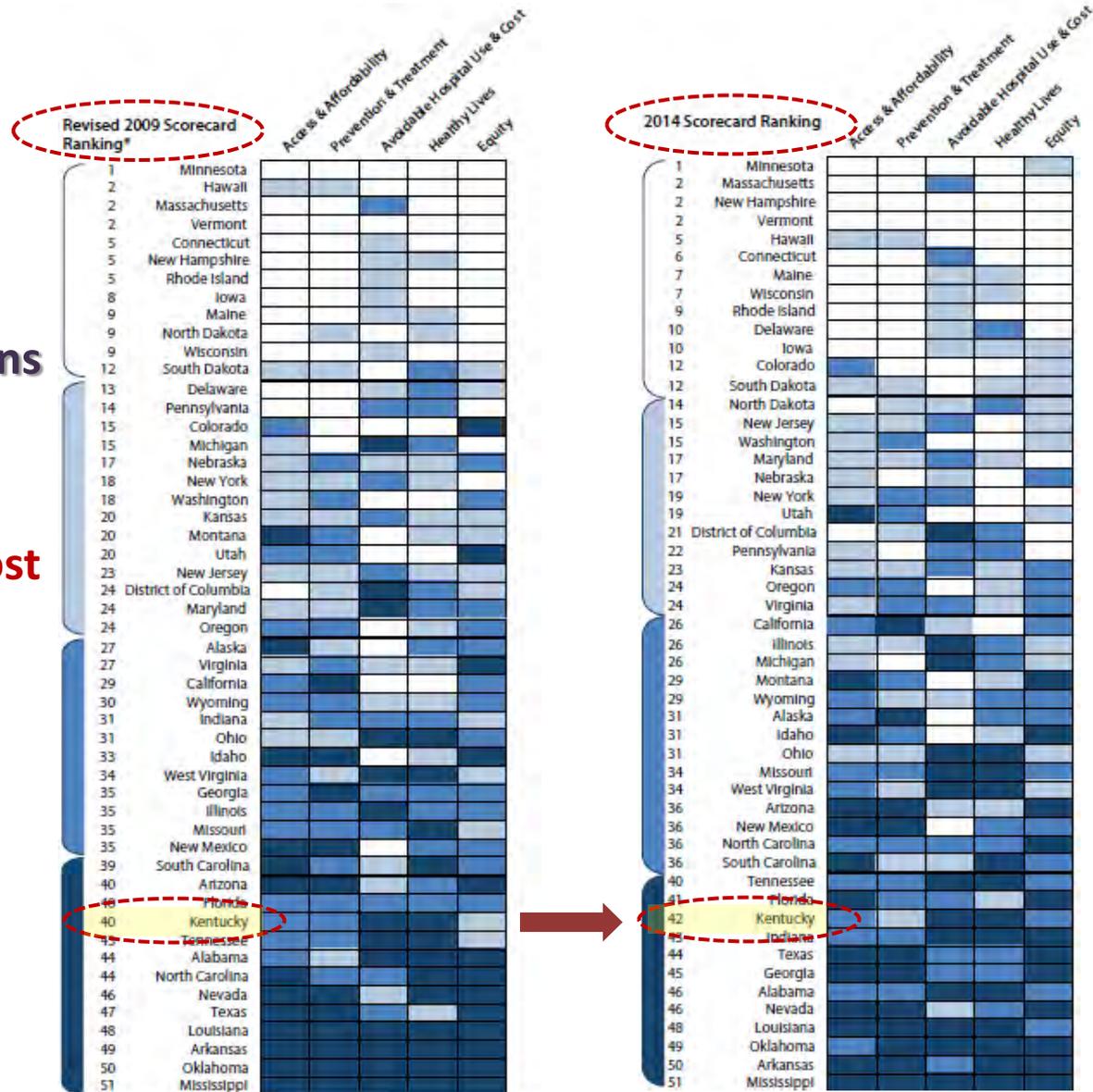
Source: Commonwealth Fund Scorecard on State Health System Performance, 2014.



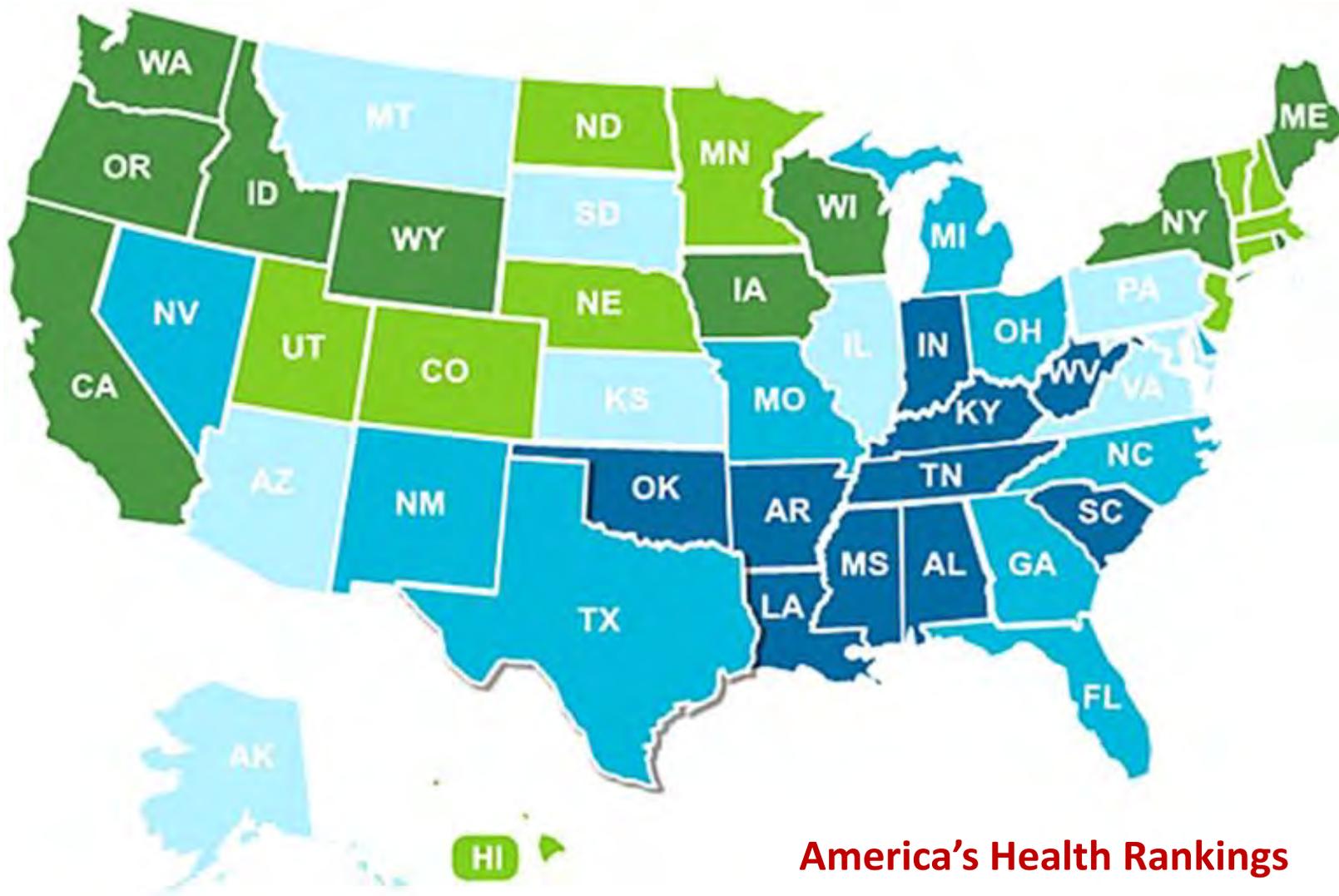
How Are We Doing?

Measurement Over 4 Dimensions

- ✓ Access & Affordability
- ✓ Prevention & Treatment
- ✓ Avoidable Hospital Use & Cost
- ✓ Healthy Lives



How Are We Doing?



Ranking	State
1	Hawaii
2	Vermont
3	Minnesota
4	Massachusetts
5	New Hampshire
6	Utah
7	Connecticut
8	Colorado
9	North Dakota
10	New Jersey
11	Nebraska
12	Idaho
13	Oregon
14	Washington
15	New York
16	Maine
17	Wyoming
18	Iowa
19	Rhode Island
20	Wisconsin
21	California
22	South Dakota
23	Montana
24	Maryland
25	Alaska
26	Virginia
27	Kansas
28	Arizona
29	Pennsylvania
30	Illinois
31	Delaware
32	New Mexico
33	Florida
34	Michigan
35	North Carolina
36	Texas
37	Nevada
38	Georgia
39	Missouri
40	Ohio
41	Indiana
42	Tennessee
43	South Carolina
44	Oklahoma
45	Kentucky
46	West Virginia
47	Alabama
48	Louisiana
49	Arkansas
50	Mississippi

America's Health Rankings 2013

Overall Rankings

Overall: Weighted sum of the number of standard deviations each core measure is from the national average.



How Are We Doing?

	KENTUCKY	
	RANK	% POPULATION
SMOKING (970,000+)	50	29%
OBESITY IN ADULTS (>1,000,000)	40	30%
SEDENTARY LIFESTYLES	43	29%
DIABETES	41	11%
POOR MENTAL HEALTH DAYS (Last 30 Days)	48	5%
POOR PHYSICAL HEALTH DAYS (Last 30 Days)	49	5%
LACK OF HEALTH INSURANCE	30	15%
CARDIOVASCULAR DEATHS/100,000	43	304
CANCER DEATHS/100,000	50	218
PREVENTABLE HOSPITALIZATIONS/1,000	50	103
PREMATURE DEATH/100,000	44	9790
CHILDREN IN POVERTY	44	27%
HIGH SCHOOL GRADUATION	23	80%
IMMUNIZATION - CHILDREN	28	68%
IMMUNIZATION - ADOLESCENTS	34	59%
PRETERM BIRTH	46	13%
INFANT MORTALITY	32	7%
LOW BIRTH WEIGHT (% live births)	43	9%
TEEN BIRTH RATE	43	44%



Measure/Data Element

1	<i>Effectiveness of Care: Prevention and Screening</i>
2	<i>Effectiveness of Care: Respiratory Conditions</i>
3	<i>Effectiveness of Care: Regular</i>
4	<i>Effectiveness of Care: Regular</i>
5	<i>Effectiveness of Care: Regular</i>
6	<i>Effectiveness of Care: Regular</i>
7	<i>Effectiveness of Care: Regular</i>
8	<i>Access to Care: Regular</i>
9	<i>Utilization Management</i>
10	<i>Relative Resources</i>
11	<i>Health Plan Design</i>

**First (Baseline)
MCO Quality
Audit**



HEDIS 2012 MCO Audit Summary

Compared to National Benchmarks/Thresholds

Measure/Data Element	Coventry	KY Spirit	Passport	WellCare	2012 National Medicaid Benchmarks			
					Percentiles			
					90th	75th	50th	25th
<i>Effectiveness of Care: Prevention and Screening</i>								
Childhood Immunization Status (Combination #2)	75%	66%	87%	63%	86%	82%	77%	69%
Breast Cancer Screening (bcs)	NA	NA	52%	NA	65%	59%	54%	47%
Cervical Cancer Screening (ccs)	48%	39%	64%	46%	79%	74%	65%	59%
Chlamydia Screening in Women (Total)	49%	52%	65%	48%	69%	63%	57%	52%
<i>Effectiveness of Care: Respiratory Conditions</i>								
Appropriate Testing for Children with Pharyngitis (cwp)	64%	60%	74%	65%	83%	76%	68%	55%
Appropriate Treatment for Children with URI (uri)	56%	NA	78%	62%	95%	92%	88%	83%
Avoidance for Antibiotic Treatment in Adults with Acute Bronchitis (aab)	12%	31%	32%	31%	34%	29%	25%	21%
Use of Spirometry Testing in the Assment and Diagnosis of COPD (spr)	NA	NA	34%	NA	47%	36%	31%	25%
Use of Appropriate Medications for People with Asthma (Total)	NA	NA	88%	NA	93%	91%	89%	87%
<i>Effectiveness of Care: Cardiovascular</i>								
Cholesterol Management or Patients With Cardiovascular Conditions (LDC-C Screening Performed)	NA	NA	80%	NA	89%	85%	81%	78%
<i>Effectiveness of Care: Diabetes</i>								
Comprehensive Diabetes Care (Hemoglobin A1c (HbA1c) Testing)	80%	81%	84%	87%	90%	86%	81%	76%
Comprehensive Diabetes Care (HbA1c Poor Control (>9.0%))	53%	62%	36%	45%	28%	34%	43%	52%
Comprehensive Diabetes Care (Eye Exam (Retinal) Performed)	37%	43%	53%	36%	70%	64%	54%	42%
Comprehensive Diabetes Care (LDL-C Screening Performed)	71%	71%	77%	79%	84%	80%	75%	69%
Comprehensive Diabetes Care (Medical Attention for Nephropathy)	75%	68%	79%	81%	86%	83%	78%	73%
Comprehensive Diabetes Care (Blood Pressure Control (<140/90 mm Hg))	54%	46%	65%	58%	66%	60%	56%	47%
<i>Effectiveness of Care: Musculoskeletal</i>								
Use of Imaging Studies for Low Back Pain (lbp)	69%	68%	68%	66%	85%	83%	78%	76%
<i>Effectiveness of Care: Behavioral Health</i>								
Antidepressant Medication Management (Effective Acute Phase Treatment)	65%	46%	61%	58%	65%	54%	50%	46%
Antidepressant Medication Management (Effective Continuation Phase Treatment)	44%	30%	47%	46%	46%	38%	33%	29%
Follow-Up Care for Children Prescribed ADHD Medication (InitiationPhase)	NA	NA	29%	NA	51%	44%	38%	32%
Follow-Up Care for Children Prescribed ADHD Medication (Continuation and Maintenance (C&M) Phase)	NA	NA	29%	NA	63%	53%	45%	35%
Follow-Up After Hospitalization for Mental Illness (7-Day Follow -Up)	42%	30%	NA	36%	68%	58%	45%	33%
<i>Access/Availability of Care</i>								
Prenatal and Postpartum Care (Timeliness of Prenatal Care)	92%	87%	86%	89%	92%	89%	84%	77%
Prenatal and Postpartum Care (Postpartum Care)	59%	63%	69%	57%	71%	66%	60%	54%



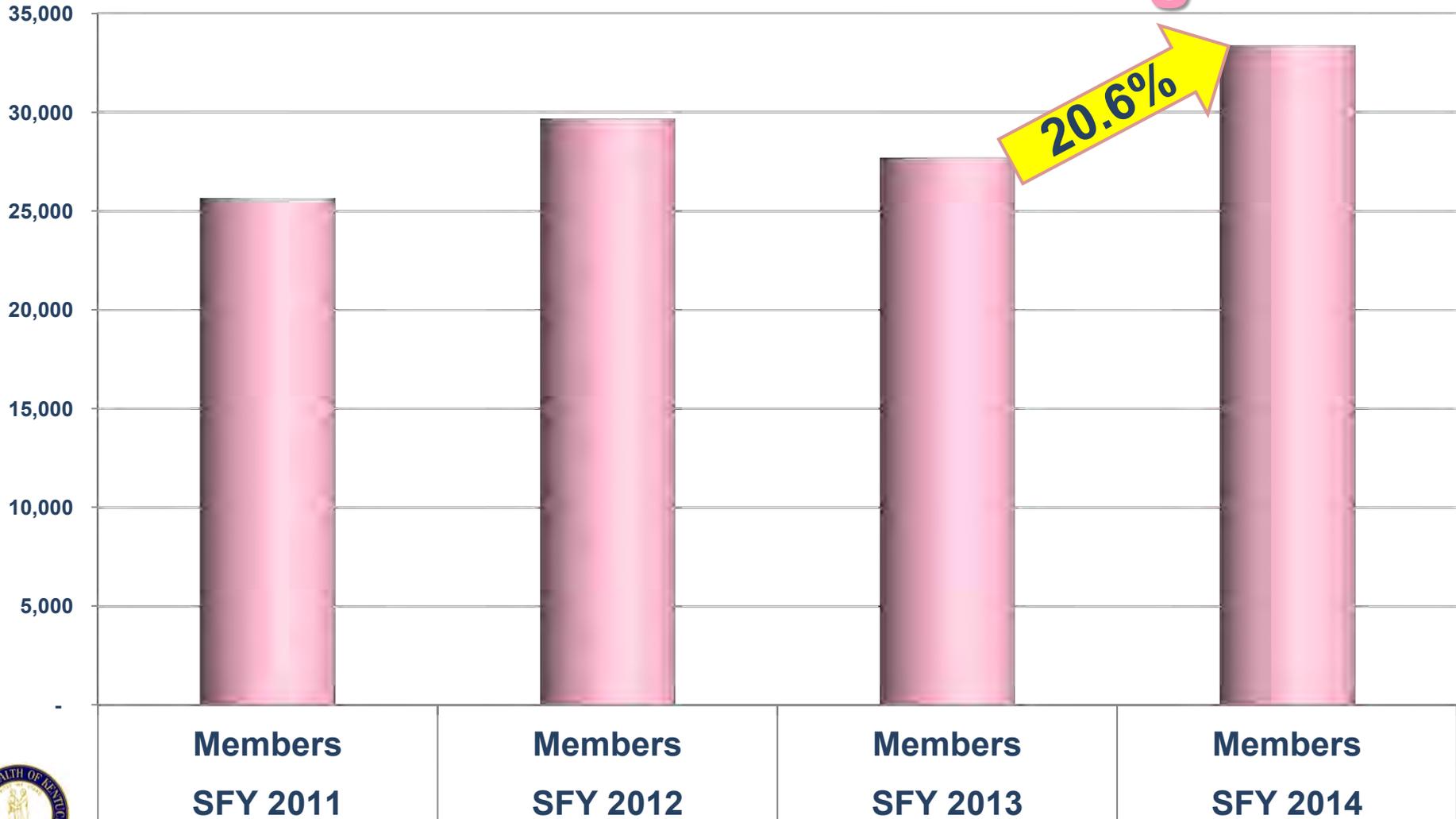
Screening and Prevention Services

Adult Preventive Services

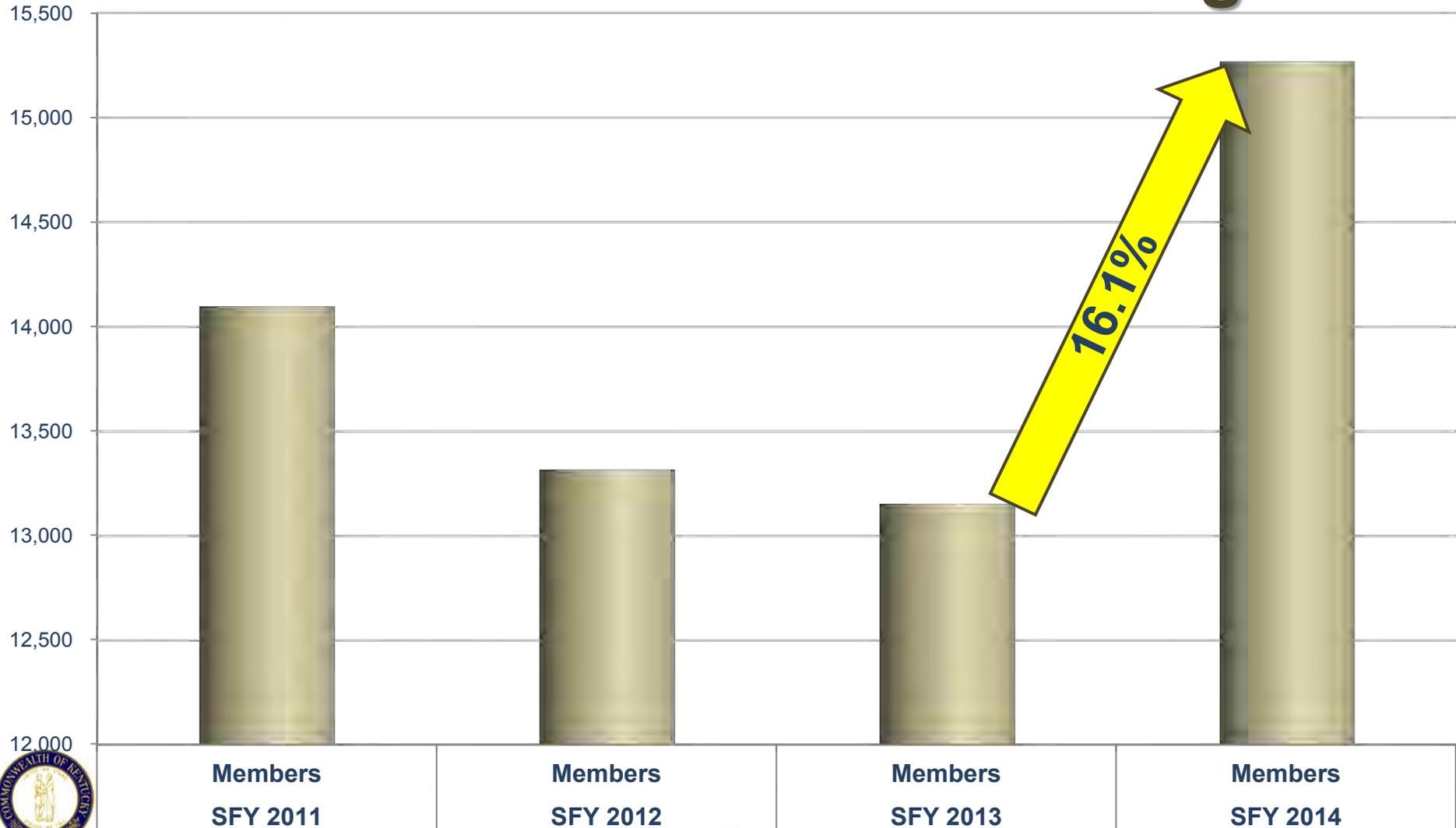


Screening and Prevention Services

Breast Cancer Screening



Colorectal Cancer Screening



Screening and Prevention Services

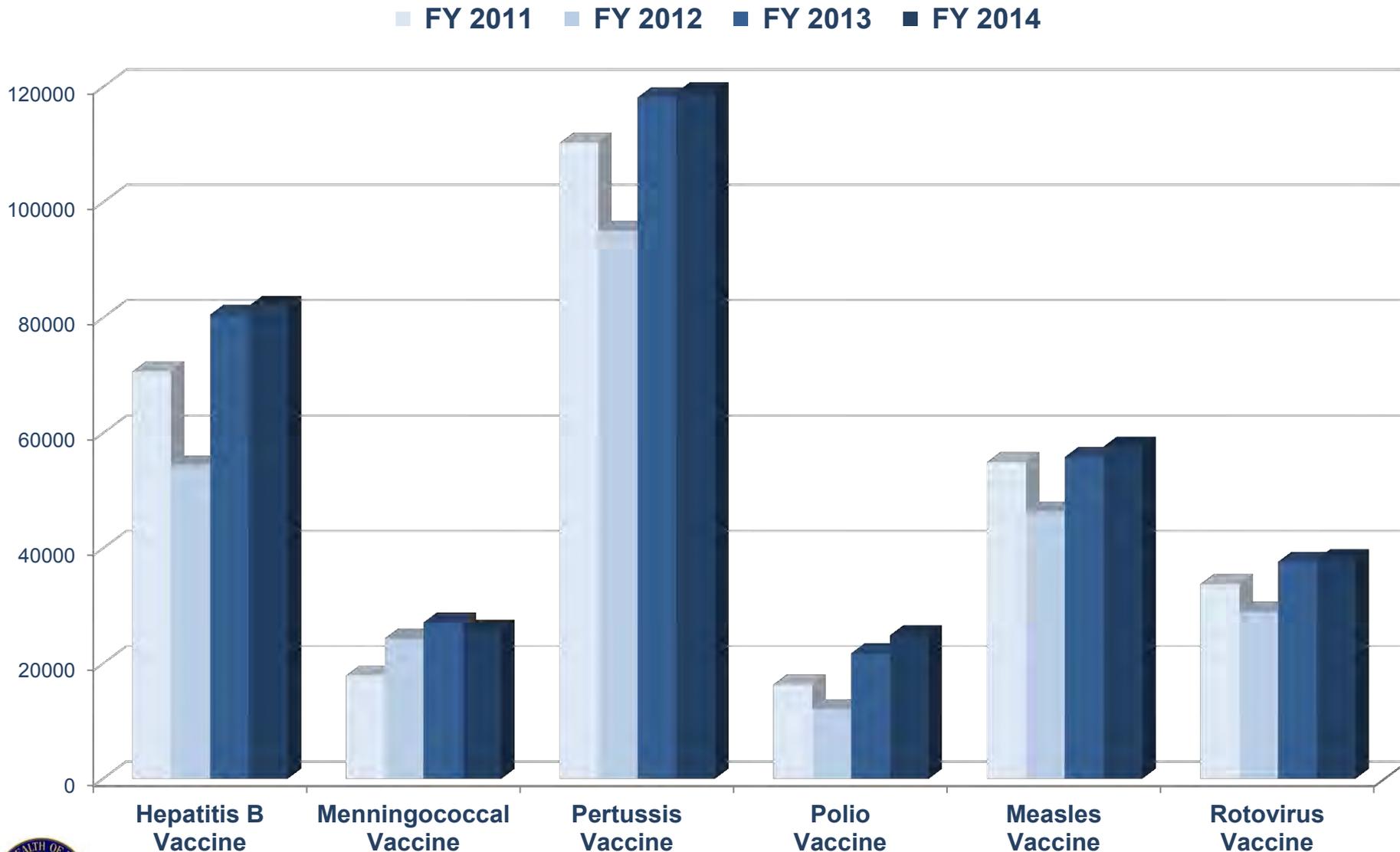
Adult Dental Visits



Cervical Cancer Screening



Prevention Services: Immunizations



Areas of Focus Moving Forward



Governor's Directive

ER Initiative

- Initiative outlined by Governor Steve Beshear



Directive Focus

- *“Efficient and effective emergency room management that meets community needs without an ER operating as a de-facto primary care office”*

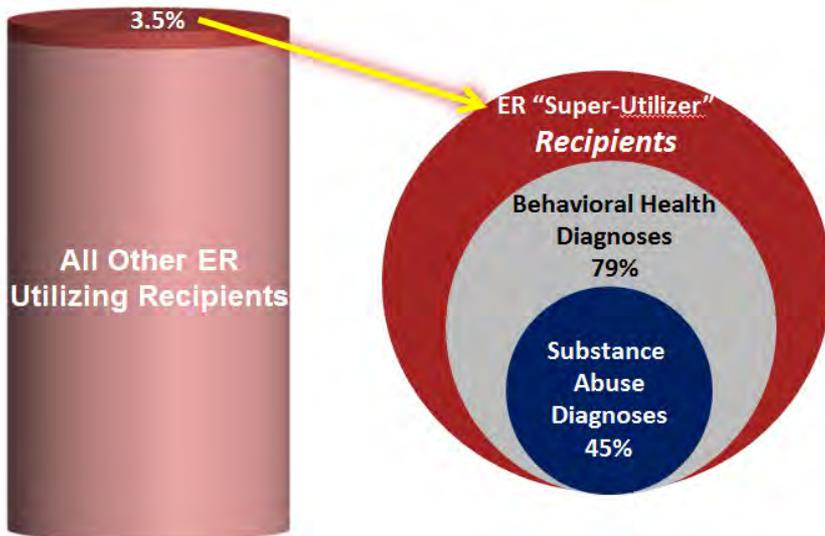
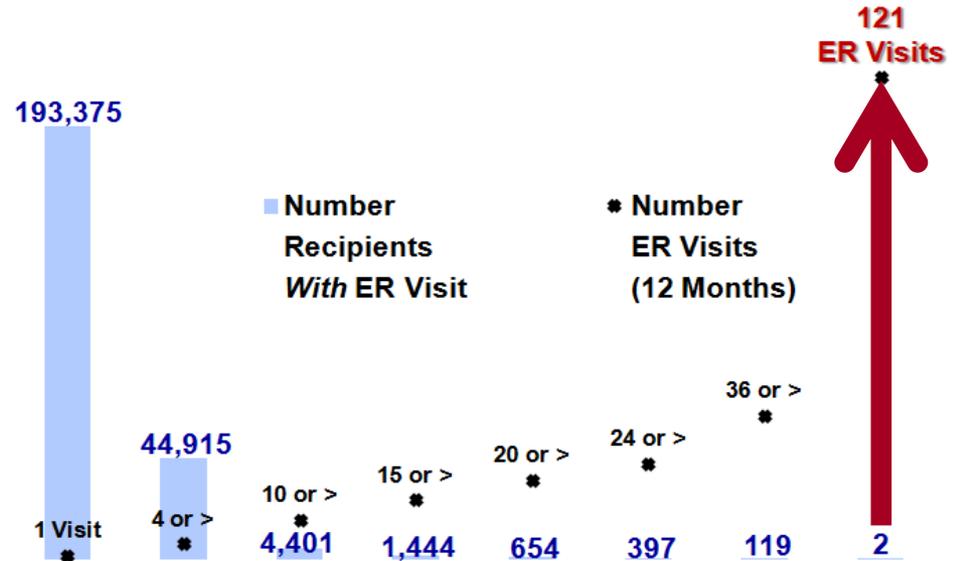
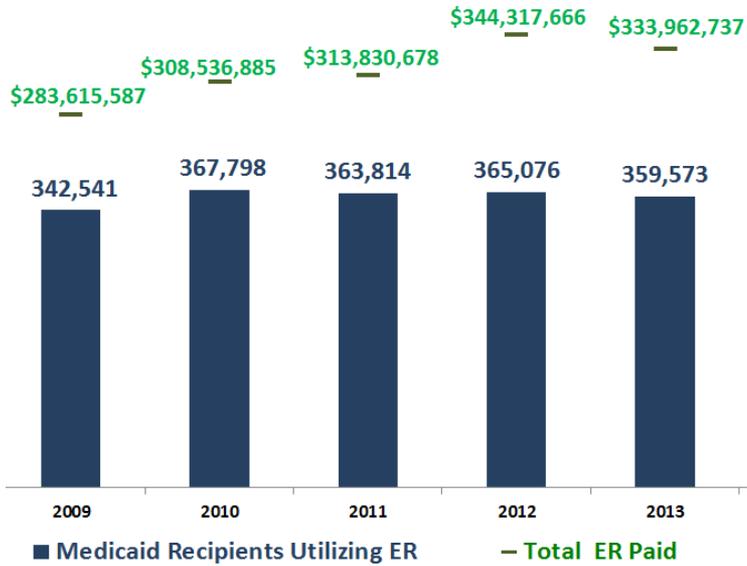


Collaborative Effort

- Governor tasked University Medical Centers to work with CHFS & providers to develop a system for emergency care representing best practices in the country



ER Utilization



Response to Governor's Directive

ER *SMART*

Supportive

Multidisciplinary

Alternatives &

Responsible

Treatment





Goals

- ✓ Reduce Kentucky's rate of uninsured individuals to less than 5%
- ✓ Reduce Kentucky's smoking rate by 10%
- ✓ Reduce the rate of obesity among Kentuckians by 10%
- ✓ Reduce Kentucky cancer deaths by 10%
- ✓ Reduce cardiovascular deaths by 10%
- ✓ Reduce the % of children with untreated dental decay and increase adult dental visits by 10%
- ✓ Reduce deaths from drug overdose by 25% and reduce the average number of poor mental health days of Kentuckians



Psychotropic Rx's

82,564

2013

➤ Total C&Y <21 Ky Medicaid = 577,604

✓ Ky C&Y With Psychotropic Rx = 82,564 (14% Total)

✓ **Ky Foster Children with Psychotropic Rx = 4,653 (42%)**

❖ 9 State Average Medicaid Children With Psychotropic Rx = 7.4%

❖ 9 State Average Foster Children with Psychotropic Rx = **26.6%**

(Total Child Population N = 5.4 million)

4,653

Total C & Y <21 Yrs
With Psychotropic Rx

Foster Children
With Psychotropic Rx

9 States: Colorado, Maine, Missouri, New Hampshire, New York, Oklahoma, Pennsylvania, Tennessee, Washington



Summary of Concerns

- Kentucky has one of the highest rates in the US of Psychotropic Medications prescribed to children
- Psychotropic medications are being prescribed to very young children, at levels above those approved for use in adults, and often in combination with other medications.
- Rate of use for foster children is nearly **six times** that of TANF children in Medicaid.



The Evolution of Healthcare

1900 thru 1980's

Financial Risk
Management

1990's

Cost
Management

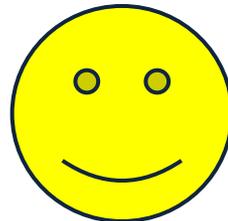
Now

Population
Health

Moving Forward

Value =
Quality/Cost

Quality = Outcome + Individual Experience



Our WORLD, moving Forward

Paradigm Shift in Healthcare

PAST -----> MOVING FORWARD

Acute & Episodic Sick Care -----> Total Health & Wellness

Cure Illness -----> Enhance Function

Patient Passivity/Cost Unaware -----> Consumer Driven/Price Competitive

Professional Prerogative -----> Consumer Responsive

Individual Profession -----> Team

Provider-Centric -----> Patient-Centric

Volume/Pay for Transactions -----> Relational/Pay for Value

Opaque -----> Transparent

Reactive -----> Proactive

Information as a Record -----> Information as a Tool

Fragmented -----> Holistic

In-Patient -----> Ambulatory: Home & Community

Traditional Practice -----> Evidence-Based Practice

Individual/Expert -----> Crowd

One-Size-Fits-All -----> Personalized

Wholesale -----> Retail

Physical/Limited Access -----> Virtual 24/7 Digital Access

Payers vs. Providers -----> Provider Plans

No Accountability -----> Accountability of All

