Helping People with Autism Spectrum Disorder Lead Independent Lives

Medicaid: *Just the Basics*

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The Medicaid Program

- Established in 1965 as a companion to Medicare
- Provides health and long-term services and supports (LTSS)
- Serves about 60M adults and children
- Augments Medicare for about 9M people
- Is a Federal-State partnership
- Total Medicaid spending in 2008 = $339B

Medicaid Circa 1965

- Initially mostly covered primary/acute health care services
- LTSS limited to Skilled Nursing Facility (SNF) services – e.g. nursing homes
- Institutional bias, changing social climate spurred change
- 1980s - home & community-based services (HCBS) home health, personal care

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CMS Central and Regional Offices

Region I (Boston)- CT, ME, MA, NH, RI, VT
Region II (New York) - NJ, NY, Puerto Rico, Virgin Islands
Region III (Philadelphia)– DE, DC, MD, PA, VA, WV
Region IV (Atlanta)- AL, FL, GA, KY, MS, NJ, SC, TN
Region V (Chicago) – IL, IN, MI, MN, OH, WI
Region VI (Dallas)- AR, LA, NM, OK, TX
Region VII (Kansas City)– IA, KS, MO, NE
Region VIII (Denver) – CO, MT, ND, SC, UT, WY
Region IX – (San Francisco) AZ, CA, HI, NV, American Samoa, N. Mariana Islands, Guam
Region X (Seattle) – AK, ID, OR, WA

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Medicaid in Brief

- States determine their own unique programs
- Each State operates a State plan outlining the nature and scope of services
- Medicaid mandates some services, States elect optional coverage
- States choose eligibility groups, services, payment levels, providers

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The Match Game

- States share the cost of Medicaid with the federal government
- The federal share is the Federal Medical Assistance Percentage - FMAP
- FMAP is at least 50% in every state
- FMAP is higher in poor states, ranging from about 50% - 71% in 2011
- States receive enhanced FMAP under certain circumstances, up to 82% in 2011

The Single State Agency

- Is responsible for the State's Medicaid program
- 56 different programs – States, Territories, Puerto Rico, and the District of Columbia
- Assures accountability between the State and the federal government
- May not delegate to another State agency, although it may enter into a cooperative agreement with others

Key State Plan Requirements

- States must follow the rules in the Social Security Act, applicable regulations, the State Medicaid Manual, and policies issued by CMS
- States must specify the amount, duration, and scope of each covered service
- Services must be *medically necessary*
- Third party liability rules require Medicaid to be the payer of last resort

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More General Requirements

- Freedom of choice of provider
- Sufficiency of providers
- Services must usually be State-wide
- Providers must be qualified
- States must describe payment methodologies
- States must assure payments are consistent with economy, efficiency, and quality of care principles

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Amendments to the State Plan - Why?

- Mandated legislative changes (State/federal)
- Change in eligibility group or resource standards
- Delivery system changes (managed care)
- Addition/retraction of optional covered services
- Changes in payment methodology
- Changes to provider qualifications
- Payment rate changes
- Changes in amount, duration, scope

Medicaid – Mandatory Services

- Physician services
- Laboratory & x-ray
- Inpatient hospital
- Outpatient hospital
- Early Periodic Screening, Diagnostic, Treatment Services
- Family planning
- Rural and federally-qualified health centers
- Nurse-midwife services
- Nursing Facility services for adults
- Home health

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Medicaid – Optional Services (before the Affordable Care Act of 2010)

- Dental services
- Therapies – PT/OT/Speech/Audiology
- Prosthetic devices, glasses
- Case management
- Clinic services
- Personal care, self-directed personal care
- Hospice
- ICFs/MR
- PRTF (psychiatric) for children <21
- Rehabilitative services
- Home & Community Based Services for the Elderly and Disabled ("waivers," State plan HCBS)
- Program for All-Inclusive Care for the Elderly (PACE)
- Benchmark benefit programs

Medicaid Optional Services – New!

- Concurrent hospice/curative care for children
- “Community First Choice” – attendant care, related supports, self-directed option
- Health homes for individuals with chronic conditions

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Medicaid Administrative Activities

- Must be necessary for the proper and efficient administration of the State plan
- Must conform to OMB Circular A-87
- Must be reasonable and necessary for the operation of the program
- Are matched at a 50% rate across the board

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Medicaid Eligibility

- Individuals must be in a group covered by the State's Medicaid program
- Some groups are mandatory, others are optional
- Almost all groups include people who are:
  - aged, blind, or disabled
  - under 21
  - pregnant
  - parent/caretaker of a child

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Basic Eligibility Requirements

- Financial
  - Income and resources

- Non-financial:
  - State resident
  - Citizen or qualified alien
  - Social Security Number
  - Assignment of rights to medical support & payment

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Dually Eligible Individuals – Medicare/Medicaid

- 9M people – and growing
- About 40% of all programs' spending
- More likely to have multiple chronic conditions
- Represent about 45% of total Medicaid spending

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What Does the ACA Do?

- In 2014, almost everyone under age 65 with income up to 133% of the federal poverty line (FPL) will be eligible for Medicaid
- Medicaid will be the cornerstone of health care coverage for the poor
- Adds an estimated 16M newly covered people
- Uses Health Insurance Exchanges, Medicaid, and CHIP
- 50% of the new people will likely be served through Medicaid

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What Else Does the ACA Do?

- Seeks to remove barriers to HCBS through infrastructure streamlining
- Extends the Money Follows the Person (out of the institution) demonstration through 2016 and adds more States to the program
- Requires development of adult health quality measures
- Emphasizes flexibility, evidence-based principles, and delivery system innovation

ACA Additions, Continued

- Adds home health face to face physician encounters to Medicare
- Improves care coordination for dually eligible individuals
- Puts a strong emphasis on person-centered services, individual control, quality, and integration of care

For More Information

- The CMS Innovation Center: http://www.innovations.cms.gov
- CMS: www.cms.hhs.gov
- http://www.healthcare.gov/
- Dually-eligible suggestions to: fchco@cms.hhs.gov
- CMCS Updates: https://www.cms.gov/AboutWebsite/EmailUpdates/list.asp
- HHS Multiple Chronic Conditions Workgroup: http://www.hhs.gov/ash/initiatives/mcc/index.html

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