Medicaid Funding of Community-based Prevention: Myths, State Successes Overcoming Barriers and the Promise of Integrated Payment Models

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on behalf of
Nemours

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- Background
- Medicaid Myths
- Integrated Payment Opportunities
- Role of Integrators
- Conclusions
- Recommendations

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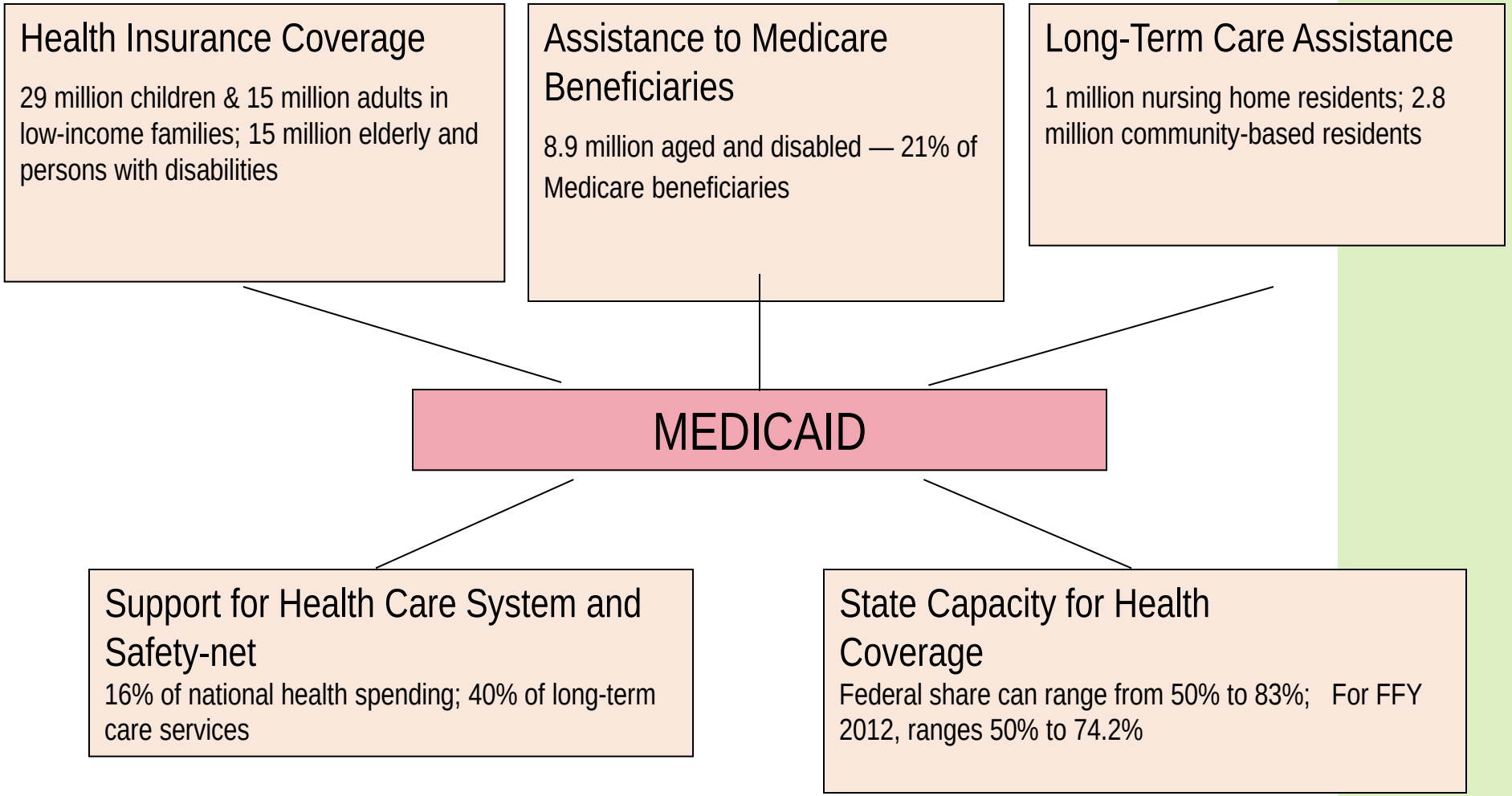
Medicaid Has Many Vital Roles In Our Health Care System



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Source: Kaiser Commission on Medicaid and the Uninsured

Potential New Medicaid Roles to Improve Population Health

- ACA expansions could make Medicaid a population health program in some communities
- Provision of non-medical services (through traditional or non-traditional providers)
- Education, counseling and outreach
- Data and information sharing and feedback
- Addressing social determinants of health (e.g., housing, nutrition, education, built environment)

Myth 1: Can't Pay for Non Traditional Providers
Example: State coverage of Community Health Workers

- Former Medicaid regulations required preventive services to be provided by a physician or other licensed practitioner
  - CMS recently adopted revisions that would require that preventive services be *recommended* by a physician or other licensed provider rather than *provided* by them
  - New rule allows "states the ability to recognize (for reimbursement) unlicensed practitioners" (allowing for a range of "community-based" professionals, for example) in the delivery of preventive services as long as "recommended by licensed practitioners" and within the scope of practice under state rules.
- Licensure can be complex task
- Some states cover Community Health Workers (CHW) under current Medicaid rules
  - Minnesota State Plan Amendment
    - CHW valid certificate from Minnesota State Colleges and Universities
    - CHW services *only* covered when billed under supervision of specific licensed providers
  - New Mexico required Managed Care Plans to offer CHWs

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Myth 2: Can't Pay for Services in Non Traditional Settings Example: State coverage of Home Visiting Programs

- Current Medicaid authority allows payment for services outside of clinical settings
- Still need to define what service is, who provides, who gets and when
- Several states have leveraged Medicaid as part of comprehensive Home Visiting Programs
  - Michigan's Maternal and Infant Health Program – State Plan
  - Kentucky's Health Access Nurturing Development Services (HANDS) - Targeted Case Management
  - Minnesota – Medicaid MCOs offer as additional benefit

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Myth 3: Medicaid Can't Pay for Non-Medical Services
Example: Medicaid Coverage of Remediation of Environmental Factors

- Medicaid statute defines a list of mandatory and optional services
  - EPSDT is a required benefit and requires coverage for screening, diagnostic services and "health care, treatment, and other measures to correct or ameliorate any defects or chronic conditions"
- States have covered non-medical services under EPSDT, Home and Community Based Options and Waivers
  - Rhode Island – 1999 waiver to use Medicaid to replace windows in home of children diagnosed with lead poisoning
  - Massachusetts waiver to cover environmental assessment and remediation for children with asthma

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Myth 4: Medicaid Only Pays for Services to Enrolled Individuals Example: Medicaid Coverage of Services to Parents and Outreach to Eligible Populations

- Medicaid services are for eligible and enrolled individuals
- Medicaid enrolled children may benefit from services provided to non-eligible parents
  - Illinois provides screening for maternal depression billed under child's Medicaid eligibility
- Outreach to eligible populations allowable
  - Virginia social media campaign for teen health
- Expansions under ACA will make more eligible for Medicaid
  - For some communities, greater portion of population will be eligible

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Myth 5: Medicaid Can't Pay for Non-Statewide Benefits
Example: Medicaid Coverage of Local Initiatives

- Medicaid is a statewide program and traditionally same benefits offered statewide
- Single state agency administers
- Several Medicaid authorities that allow non-statewide benefits
  - Managed care programs
  - Targeted Case Management
  - Waivers
- Alameda and Orange Counties in California are examples of where Medicaid has supported local initiatives
  - Proposition 10 emphasized local decision making and flexibility in designing delivery

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Funding Prevention through Managed Care and Integrated Payment Models

- Long history with Medicaid Managed Care may provide some lessons on challenges going forward
  - Cost of new prevention services may not be included in capitation rates paid to plans
  - Length of time necessary to recognize savings do not allow return on investment
  - Some health plans have proprietary approaches that make it difficult to collaborate with competitors on community based approaches
  - Barriers for plans to contract with public providers
  - National plans may not have flexibility to develop unique local models

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Integrators essential to bridging the gap

- Progress does not happen in a vacuum
  - Sustained leadership, capable of bridging worlds is needed
- Integrator - Role and Function
  - Work at population level with health care, public health and community partners to promote prevention, improve health and well being, improve quality and reduce costs
  - Convening role
  - Work intentionally and systematically across different sectors
  - Flexible and adaptable
  - Make macro-system transparent to those who pay for it and use it

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Continuing Work

- Nemours has convened Medicaid, public health and early education leaders to develop pilot reimbursement initiatives
- Medicaid-Public Health partnership holds potential, but challenges remain
  - Medicaid programmatic complexity
  - Traditionally population-based resources may be challenged to re-tool to meet traditional Medicaid billing requirements
  - Short-term Return on Investment difficult to demonstrate
  - Developing principles of training, certification and practice for non-licensed practitioners
  - Scope of practice issues with physicians and licensed providers

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Conclusions

- States have used different approaches to secure Medicaid financing for community-based prevention
- Goals of Medicaid and Public Health are increasingly aligned and Medicaid role could evolve
- Integrated payments hold potential, but only if evaluated in a way that allows the benefits of prevention to be realized
- Success requires significant programmatic detail, leadership and sustained partnership between public health leaders and Medicaid

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For More Information

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http://www.nemours.org/content/dam/nemours/wwwv2/filebox/about/Medicaid_Funding_of_Community-Based_Prevention_Final.pdf

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