The Effect of Medicaid Coverage of Medicare Cost Sharing on Access to Care

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Presentation Outline

• Past Commission work

• Chapter overview for March 2015 Report
  • History of Medicaid payment of Medicare cost sharing
  • Study findings on the effect of cost-sharing policies on use of services
  • Administration of Medicare cost-sharing payments

• Next steps
Overview of Past Commission Work

• March 2013 report chapter on lesser-of-payment policies

• October 2014 Commission meeting and contractor report with research findings

• December 2014 Commission meeting
History of Medicaid Payment of Medicare Cost Sharing

• Began in 1965 and evolved over time

• Four separate Medicare Savings Programs (MSPs) and full Medicaid benefits differing by:
  • individuals served
  • benefits offered
  • financing mechanism

• State lesser-of payment policies
MACPAC Study on Effect of Cost-Sharing Policies on Use of Medicare Outpatient Services

• Medicaid payments varied across states
• For dually eligible beneficiaries, higher Medicaid payment of Medicare cost sharing is associated with:
  • an increased likelihood of having a Medicare outpatient office visit, using preventive services, and having an outpatient psychotherapy visit
  • a decreased likelihood of using safety net provider services (defined as FQHCs, RHCs, and hospital outpatient departments)
Administration of Payments for Medicare Cost Sharing

• Claims payment processes that may be inefficient

• Medicare bad debt payments
Next Steps

• Finalize chapter

• Present additional information on MSP eligibility and enrollment policies at February meeting
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