

# *Florida Medicaid*

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***Workgroup on Nursing Facility Reimbursement  
Agency for Health Care Administration  
Tallahassee, Florida***

# *Medicaid*

## *A State and Federal Partnership*

- In 1965, the federal Social Security Act was amended to establish two major national health care programs:
  - Title XVIII (Medicare).
  - Title XIX (Medicaid).
- Medicaid is jointly financed by state and federal funds.
- States administer their programs under federally approved state plans.

# *The Medicaid Program*

## *Major Federal Requirements*

- States must submit a Medicaid State Plan to the federal Centers for Medicare and Medicaid Services (CMS).
- Mandatory eligibility groups and services must be covered.
- Services must be available statewide in the same amount, duration and scope.

## *Medicaid Structure*

- Federal Medicaid laws mandate certain benefits for certain populations.
- Medicaid programs vary considerably from state to state, and within states over time.
- State Medicaid programs vary because of differences in:
  - optional service coverages.
  - limits on mandatory and optional services.
  - optional eligibility groups.
  - income and asset limits on eligibility.
  - provider reimbursement levels.

## *Medicaid Structure (continued)*

- Medicaid does not cover all low income individuals.
- Medicaid serves the most vulnerable; in Florida:
  - 27% of children.
  - 51.2% of deliveries.
  - 63% of nursing home days.
  - 868,000 adults - parents, aged and disabled.

# Medicare vs. Medicaid

	<b>Medicare</b>	<b>Medicaid</b>
<b>Enacted by Congress</b>	1965	1965
<b>Alternate Program Name</b>	Title XVIII	Title XIX
<b>Financing</b>	Employee/Employer Payroll Tax; Premiums; Federal General Revenue	Federal and State Governments – Matching Rates Based on Per Capita Income
<b>Eligibility</b>	Not Income Based; All Persons Age 65+; Certain Younger Persons on Social Security Disability or Based on Disability and Specific Condition (ESRD); Totally and Permanently Disabled (24 months)	Income Based; All Ages; Mandatory Eligibility Groups; Optional Eligibility Groups
<b>Cost Sharing</b>	<p><b>Part A Premium</b> For most there is no premium. Buy-in available for those not otherwise qualified (\$443 for 2009)</p> <p><b>Part A Deductible</b> \$1,068/Benefit Period (2009)</p> <p><b>Part B Premium</b> \$96.40 (2009)</p> <p><b>Part B Deductible</b> \$135 (2009)</p> <p><b>Part B Coinsurance</b> 20%</p> <p><b>Part D Coinsurance up to 25% / Annual Deductible \$295</b></p> <p>Co-payments are variable with Income</p> <p>Low Income Subsidies are provided for the above</p>	Nominal; Spend Down for Medically Needy Individuals
<b>Administering Agency</b>	HHS/CMS/Carriers – Financed by Federal Government and Beneficiary Cost Sharing	States – Jointly Financed by State and Federal Governments; Medicaid Programs Vary by State
<b>Benefits</b>	<p><b>Part A</b> Hospital Insurance for Hospital Care, Skilled Nursing Facilities, Hospice and Some Home Health Care (Qualifying Contributions)</p> <p><b>Part B</b> Medical Insurance for Physician Services, Outpatient Care and Other Medical Services</p> <p><b>Part C</b> Medicare+Choice – Health Maintenance Organization Coverage</p> <p><b>Part D</b> Medicare Prescription drug Insurance</p>	Acute and Long Term Care; Federal Mandated Services and State Optional Services

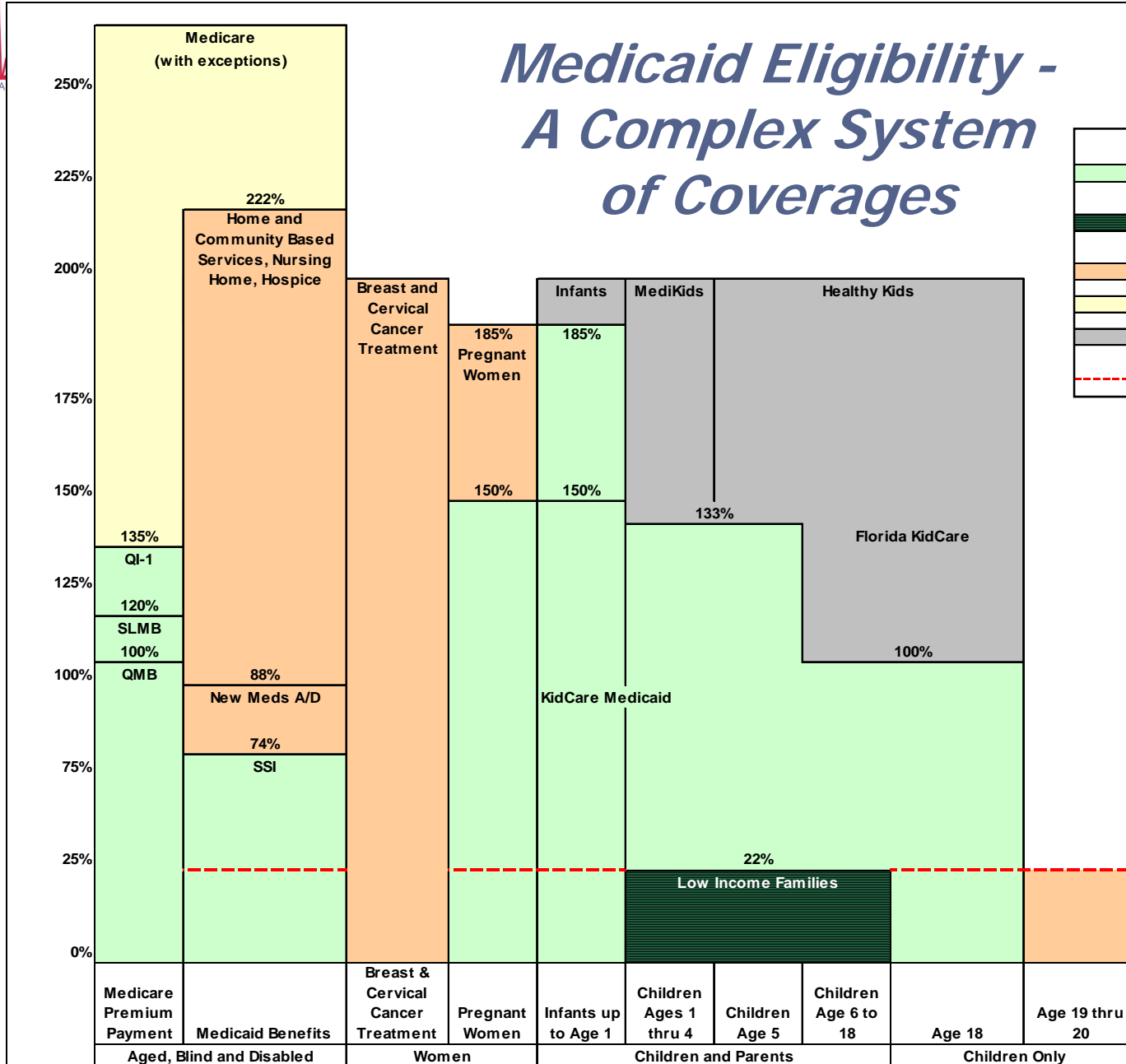
# *Florida Medicaid – A Snapshot*

<p><b><i>Expenditures</i></b></p>	<ul style="list-style-type: none"> <li>• \$15.7 billion estimated spending in Fiscal Year 2008-09</li> <li>• Federal-state matching program – 55.40% federal, 44.60% state.</li> <li>• Florida will spend approximately \$6,709 per eligible in Fiscal Year 2008-2009.</li> <li>• 45% of all Medicaid expenditures cover hospitals, nursing homes, Intermediate Care Facilities for the Developmentally Disabled (ICF/DD's); Low Income Pool and Disproportionate Share Payments.</li> <li>• 10% of all Medicaid expenditures cover drugs.</li> <li>• Fifth largest nationwide in Medicaid expenditures.</li> </ul>
<p><b><i>Eligibles</i></b></p>	<ul style="list-style-type: none"> <li>• 2.3 million eligibles.</li> <li>• Elders, disabled, families, pregnant women, children in families below poverty.</li> <li>• Fourth largest Medicaid population in the nation.</li> </ul>
<p><b><i>Providers/Plans</i></b></p>	<ul style="list-style-type: none"> <li>• Approximately 80,000 Fee-For-Service providers; 23 Medicaid Managed Care plans (16 HMOs and 7 PSNs).</li> </ul>

## *Who's Eligible?*

- Medicaid eligibility is determined by:
  - Categorical groups, i.e., pregnant women; families and children; and aged, blind, and disabled individuals.
  - Income.
  - Assets.
  - Citizenship.
  - Residency.
  - Cooperation with Child Support Enforcement (when one or both parents are absent from the home).
  - Medical need for home and community-based services, and persons in nursing facilities.
  - Level of medical bills (for Medically Needy).

## Medicaid Eligibility - A Complex System of Coverages



- Mandatory Medicaid coverage (entitlement).
- Mandatory Medicaid coverage for low-income families using 1996 AFDC income standard (entitlement).
- Optional Medicaid coverage (entitlement).
- Federal Medicare coverage (entitlement).
- Optional child insurance coverage (non-entitlement).
- Optional Medically Needy income spend down level (entitlement).

Family Size	**Monthly Income
1	\$867
2	\$1,167
3	\$1,467
4	\$1,767
5	\$2,067
6	\$2,367
7	\$2,667
8	\$2,967
Each Additional	\$300

**\*Coverage for infants up to 185% Federal Poverty Level is required in order for states to receive Title XXI funding.**

**\*\*Federal Poverty Level as of January 2008**

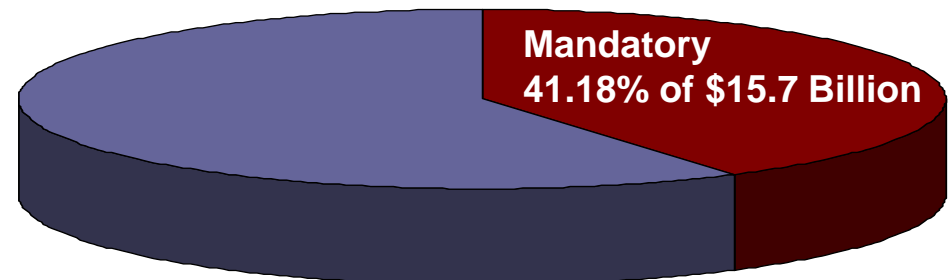
## *Who Can Provide Medicaid?*

- Any willing health care practitioner or entity who:
  - provides one of the Medicaid covered services;
  - submits an application to Medicaid;
  - is licensed or certified to practice in the State of Florida;
  - is not terminated from any government health care program; and
  - signs an agreement with Medicaid.
- Managed Care plans with appropriate provider networks.

# *Florida Medicaid Mandatory Services*

- Advanced Registered Nurse Practitioner Services
- Early & Periodic Screening, Diagnosis and Treatment of Children (EPSDT)/Child Health Check-Up
- Family Planning
- Home Health Care
- Hospital Inpatient
- Hospital Outpatient
- Independent Lab
- Nursing Facility
- Personal Care Services
- Physician Services
- Portable X-ray Services
- Private Duty Nursing
- Respiratory, Speech, Occupational Therapy
- Rural Health
- Therapeutic Services for Children
- Transportation

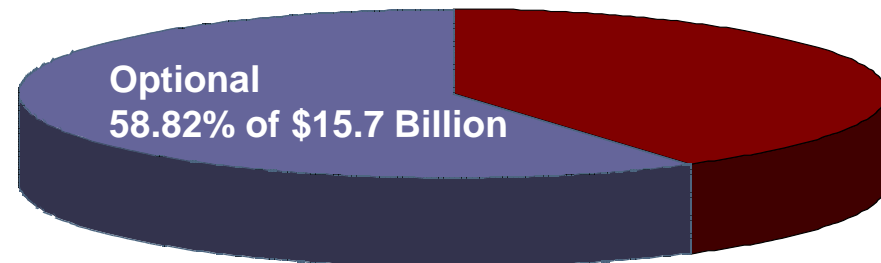
**Florida Medicaid Mandatory Services for  
All Eligibles FY 2008-09**



# Florida Medicaid Optional Services\*

- Adult Dental Services
- Adult Health Screening
- Ambulatory Surgical Centers
- Assistive Care Services
- Birth Center Services
- Children's Dental Services
- Hearing Services
- Vision Services
- Chiropractic Services
- Community Mental Health
- County Health Department Clinic Services
- Dialysis Facility Services
- Durable Medical Equipment
- Early Intervention Services
- Healthy Start Services
- Home and Community-Based Services
- Hospice Care
- Intermediate Care Facilities/  
Developmentally Disabled
- Intermediate Nursing Home Care
- Optometric Services
- Orthodontic Services
- Physician Assistant Services
- Podiatry Services
- Prescribed Drugs
- Primary Care Case Management (MediPass)
- Registered Nurse First Assistant Services
- School-Based Services
- State Mental Hospital Services
- Subacute Inpatient Psychiatric Program for Children
- Targeted Case Management)

**Florida Medicaid Optional Services for All Eligibles FY 2008-09**



\*States are required to provide any medically necessary care required by child eligibles.

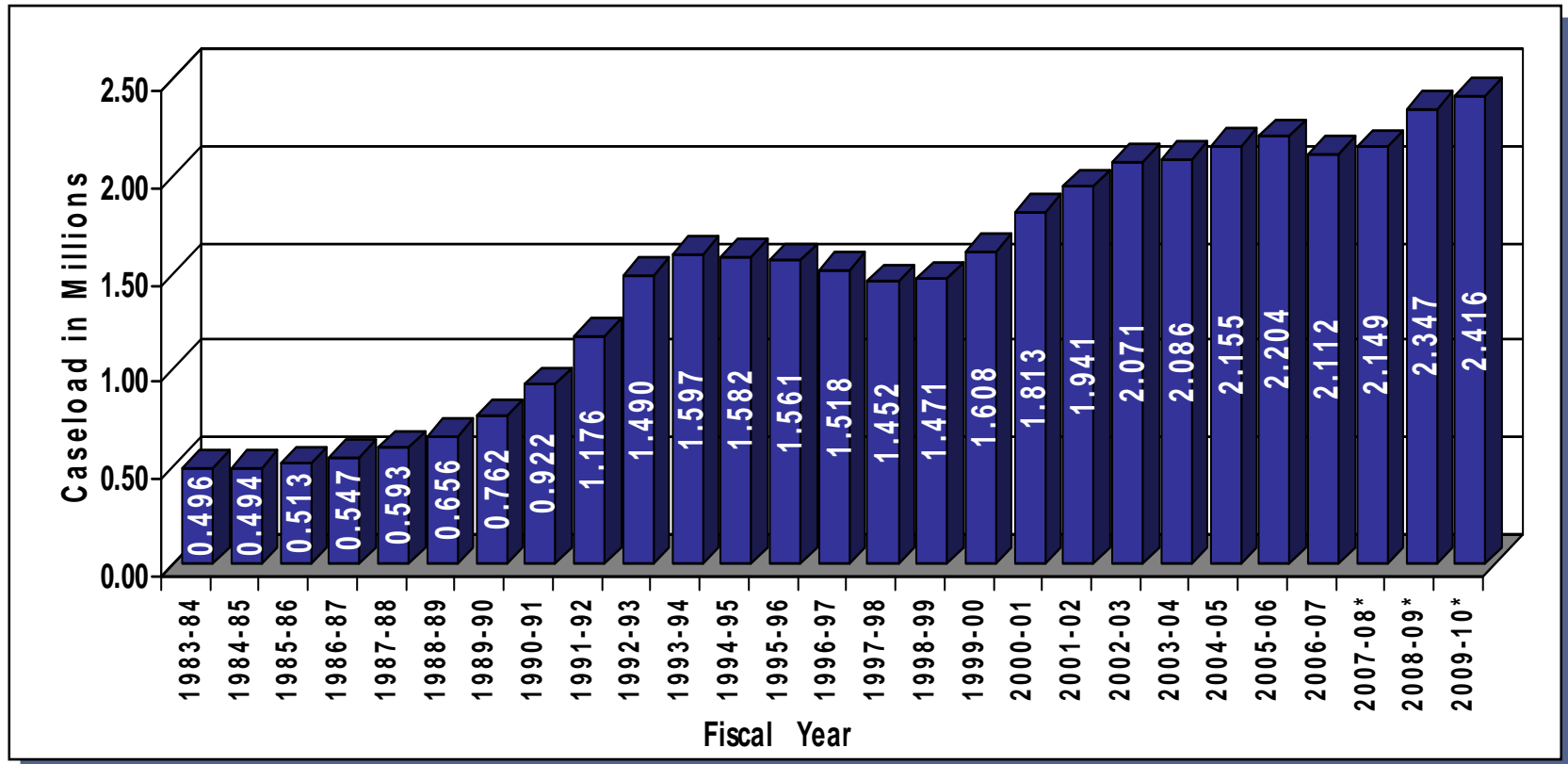
## *Institutional Providers / Other*

- Institutional Providers / Other
  - Services with automatic price level increases under current law.
  - Examples of provider types:
    - Inpatient Hospitals
    - Outpatient Hospitals
    - Nursing Homes
    - Intermediate Care Facilities for Developmentally Disabled (ICF/DD)
    - Rural Health Clinics (RHCs)
    - County Health Departments
    - Federally Qualified Health Centers
    - Pharmacy

## *Fee For Service Providers*

- Fee for Service Providers
  - Services that don't receive automatic increases under current law. Increases are determined by legislative appropriation.
  - Examples of provider types:
    - Physician Services
    - Home Health Services
    - Dental Services
    - Transportation (Emergency and Non-Emergency)
    - Dialysis
    - Nurse Practitioners
    - Laboratory and X-Ray

# *Growth in Medicaid Average Monthly Caseload*



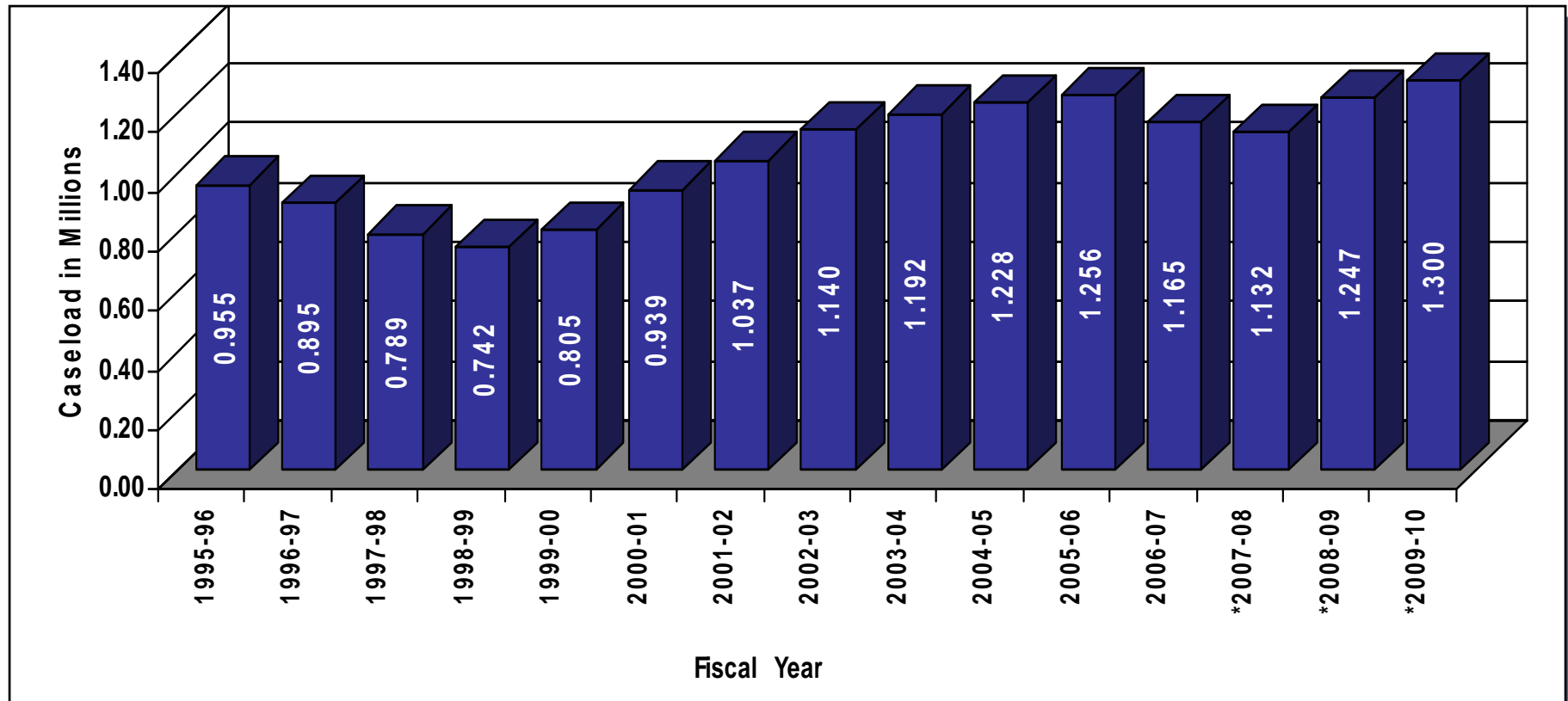
Source: Medicaid Services Eligibility Subsystem Reports.

\*FY 2007-08 Expenditure Forecasting Model.

\*FY 2008-09 November 2008 Social Services Estimating Conference.

\*FY 2009-10 November 2008 Social Services Estimating Conference.

# *Growth in Medicaid Average Monthly Caseload for TANF*



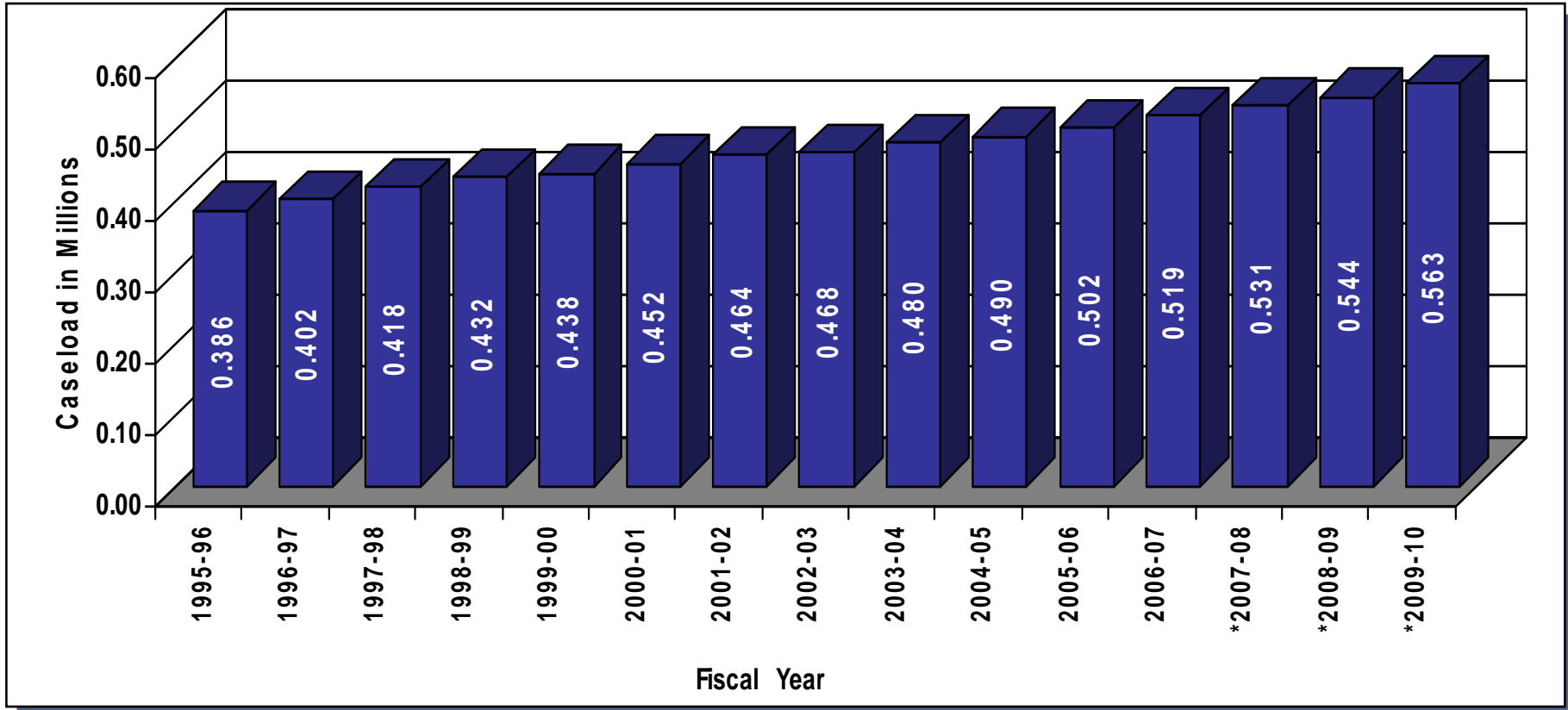
Source: Medicaid Services Eligibility Subsystem Reports. Caseload includes TANF and SOBRA Children

\*FY 2007-08 Expenditure Forecasting Model.

\*FY 2008-09 November 2008 Social Services Estimating Conference.

\*FY 2009-10 November 2008 Social Services Estimating Conference.

# *Growth in Medicaid Average Monthly Caseload for SSI*



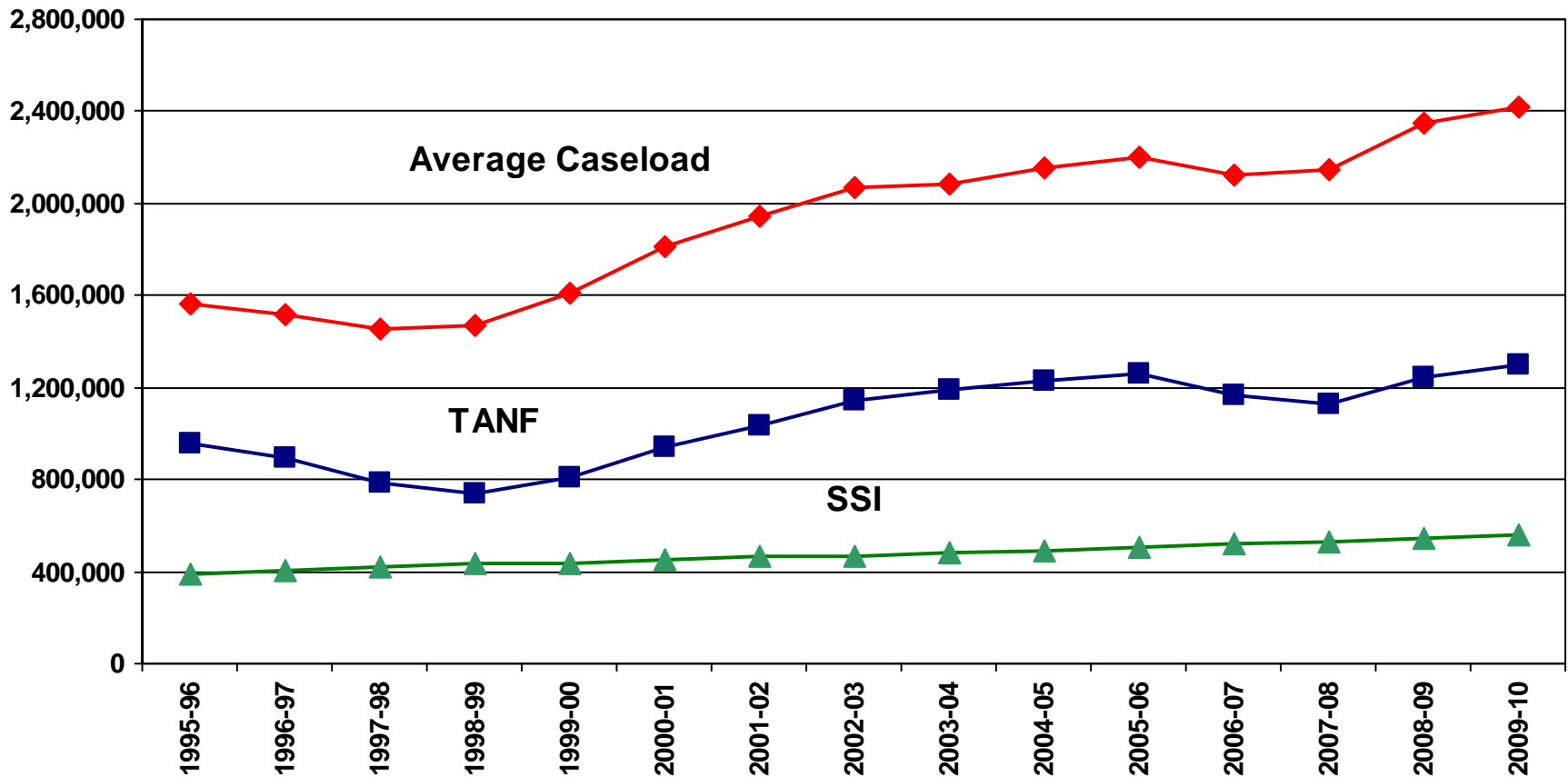
Source: Medicaid Services Eligibility Subsystem Reports.

\*FY 2007-08 Expenditure Forecasting Model.

\*FY 2008-09 November 2008 Social Services Estimating Conference.

\*FY 2009-10 November 2008 Social Services Estimating Conference.

## Average Monthly Caseload including TANF and SSI



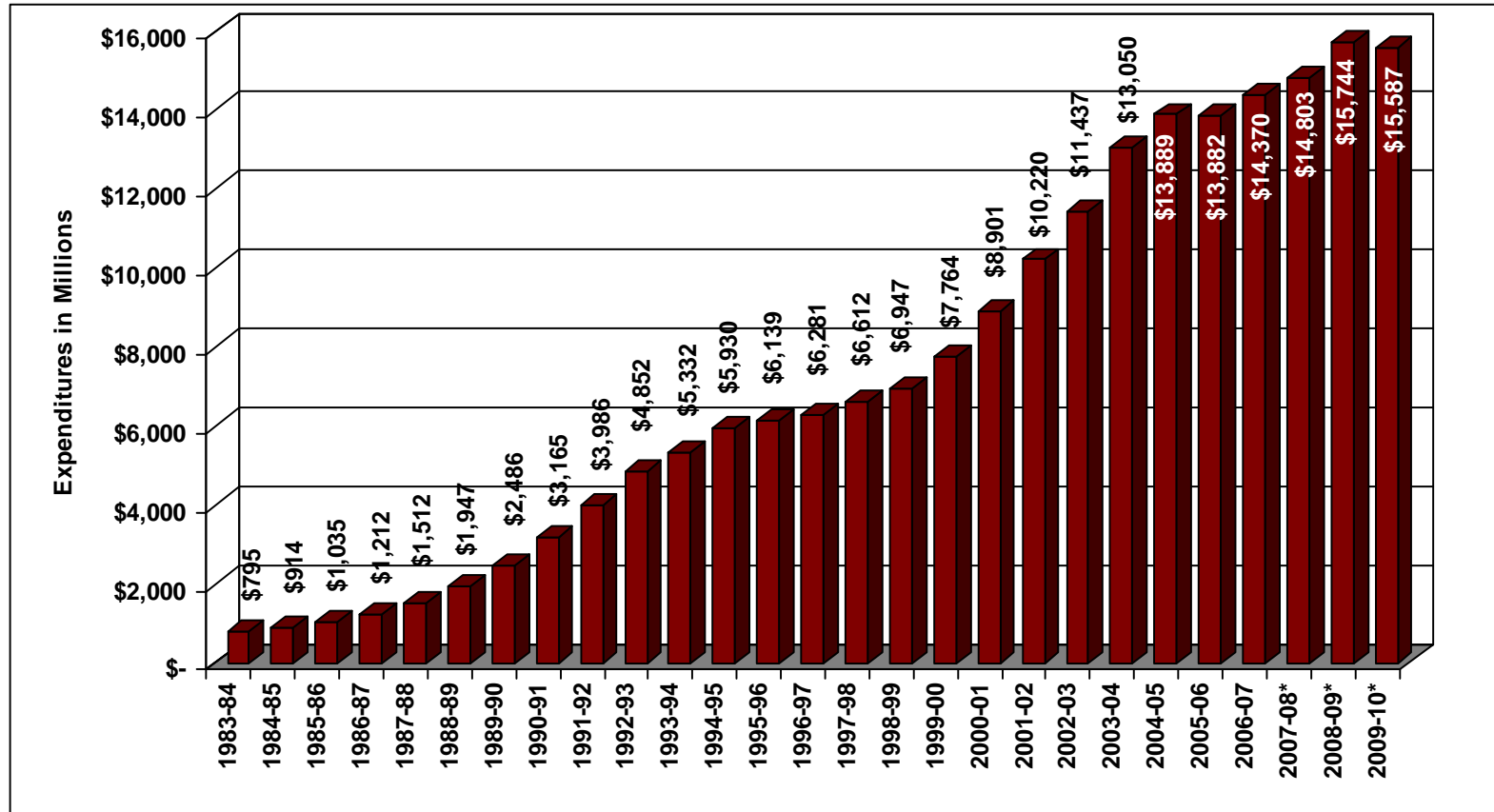
## Title XIX Federal Medical Assistance Percentage (FMAP)

<b>Federal Fiscal Year</b>	<b>Federal Share</b>	<b>State Share</b>	<b>Total</b>
<b>2009</b>	54.98%	45.02%	100%
<b>2008</b>	55.40%	44.60%	100%
<b>2007</b>	56.83%	43.17%	100%
<b>2006</b>	58.76%	41.24%	100%
<b>2005</b>	58.89%	41.11%	100%
<b>2004</b>	58.90%	41.10%	100%

# *TANF and SSI Related Eligibility Groups for 2008-09*

	Total Budget	Avg Monthly Caseload	PMPM
Supplemental Security Income (SSI)	\$9,069,744,131	544,487	\$1,388
Temporary Assistance for Needy Families (TANF)	\$2,163,500,707	706,306	\$255
Medically Needy	\$538,828,147	21,881	\$2,052
Children < = 100% of Poverty	\$757,025,295	474,899	\$133
Children > 100% of Poverty	\$135,592,999	65,470	\$173
Children – Medicaid Expansion Under Title XXI	\$3,101,312	785	\$329
Pregnant Women < = 100% of Poverty	\$485,985,187	56,412	\$718
Pregnant Women > 100% of Poverty	\$143,703,287	16,230	\$738
Family Planning Waiver	\$7,058,670	57,026	\$10
Categorically Eligible	\$324,515,754	145,580	\$186
Elderly and Disabled (MEDS AD)	\$390,735,902	26,808	\$1,215
Qualified Medicare Beneficiaries (QMB/SLMB/QI)	\$345,345,262	221,675	\$130
Refugee General Assistance	\$22,098,029	9,186	\$200
Other	\$1,356,790,806	N/A	N/A
<b>Total</b>	<b>\$15,744,025,488</b>	<b>2,346,745</b>	<b>\$559</b>

# *Growth In Medicaid Service Expenditures*



Source: Medicaid Services' Budget Forecasting System Reports.

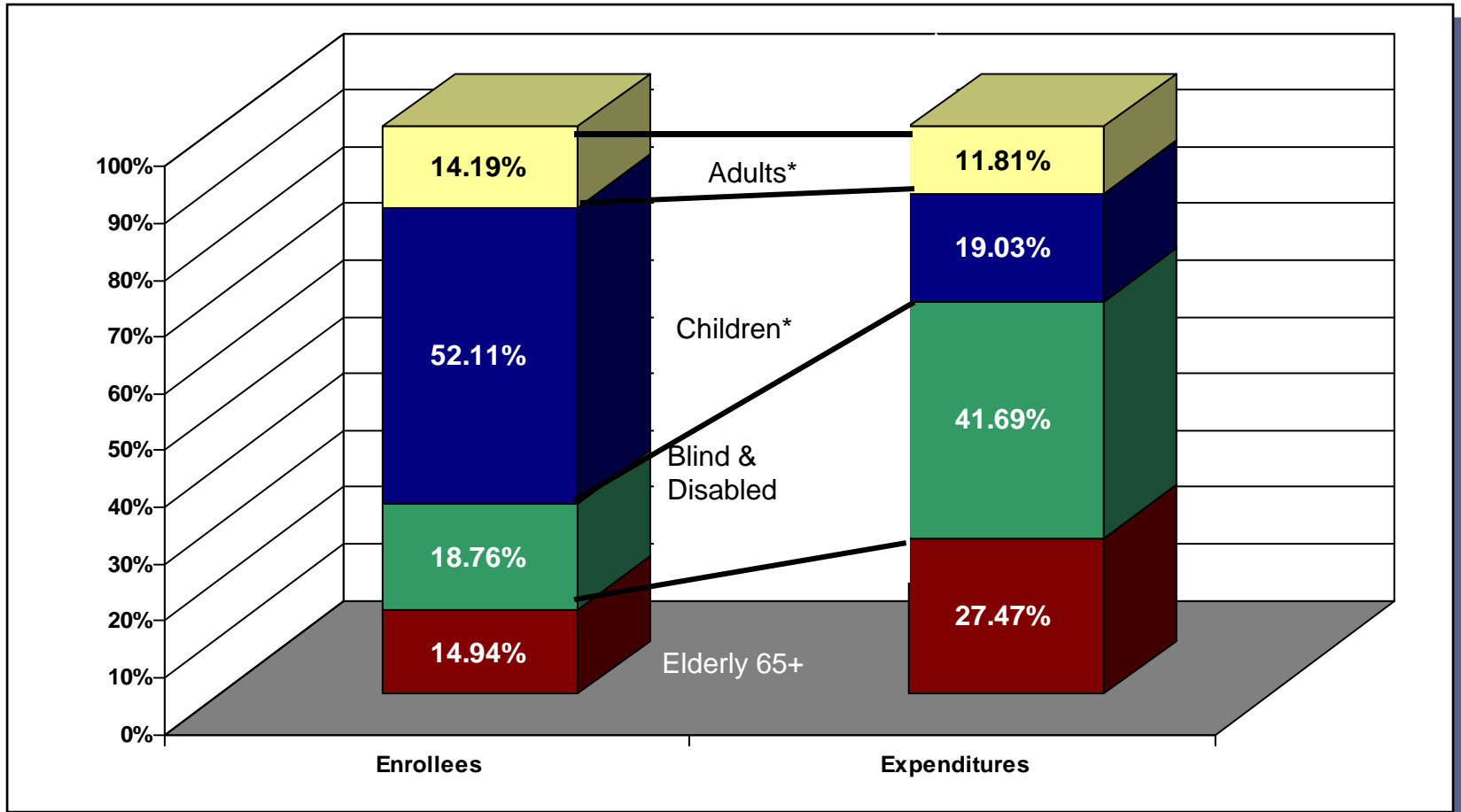
\*FY 2007-08 Expenditure Forecasting Model.

\*FY 2008-09 November 2008 Social Services Estimating Conference.

\*FY 2009-10 November 2008 Social Services Estimating Conference.

# Medicaid Budget - How it is Spent

## Fiscal Year 2008-09

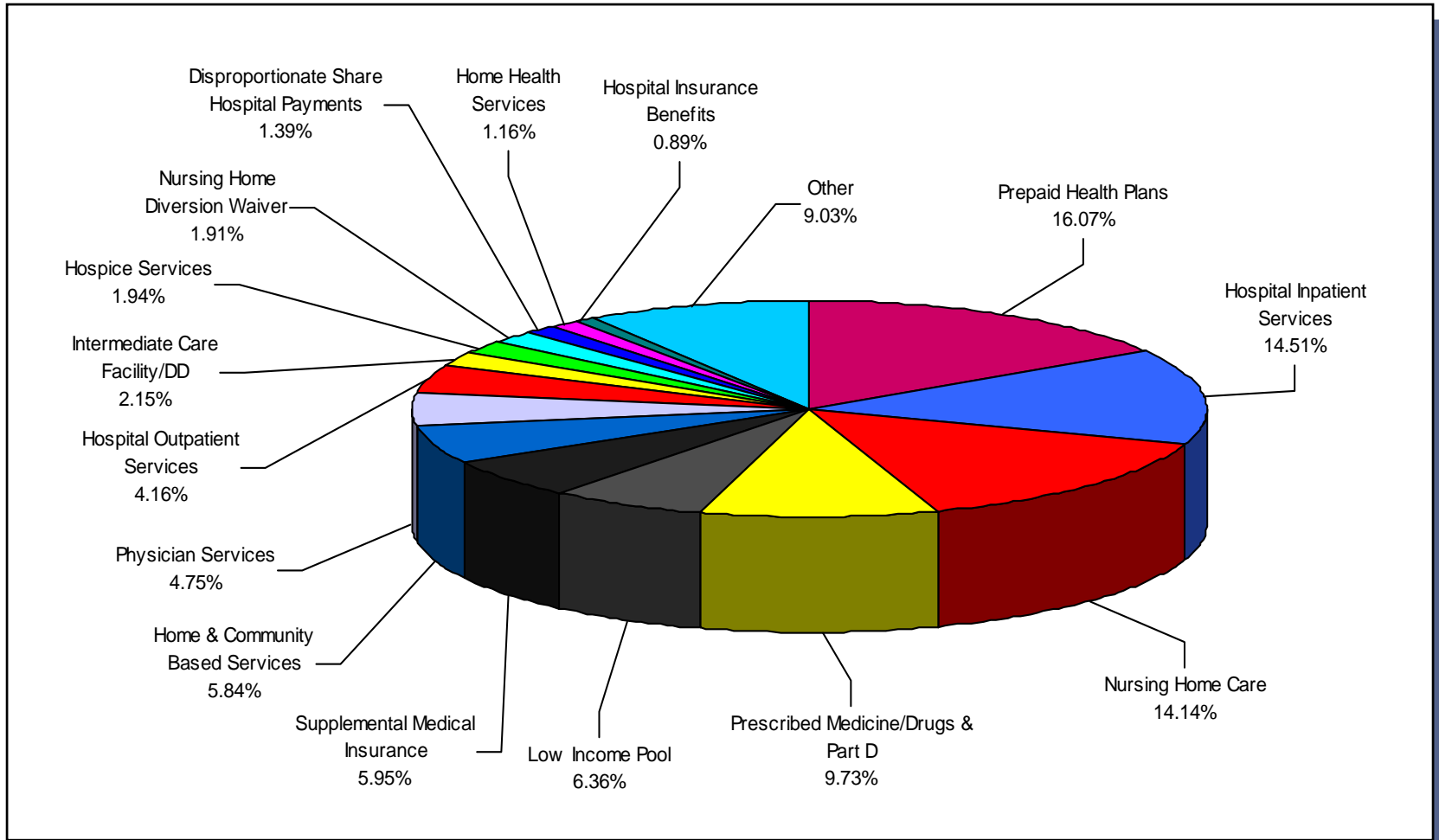


\* Adults and children refers to non disabled adults and children.

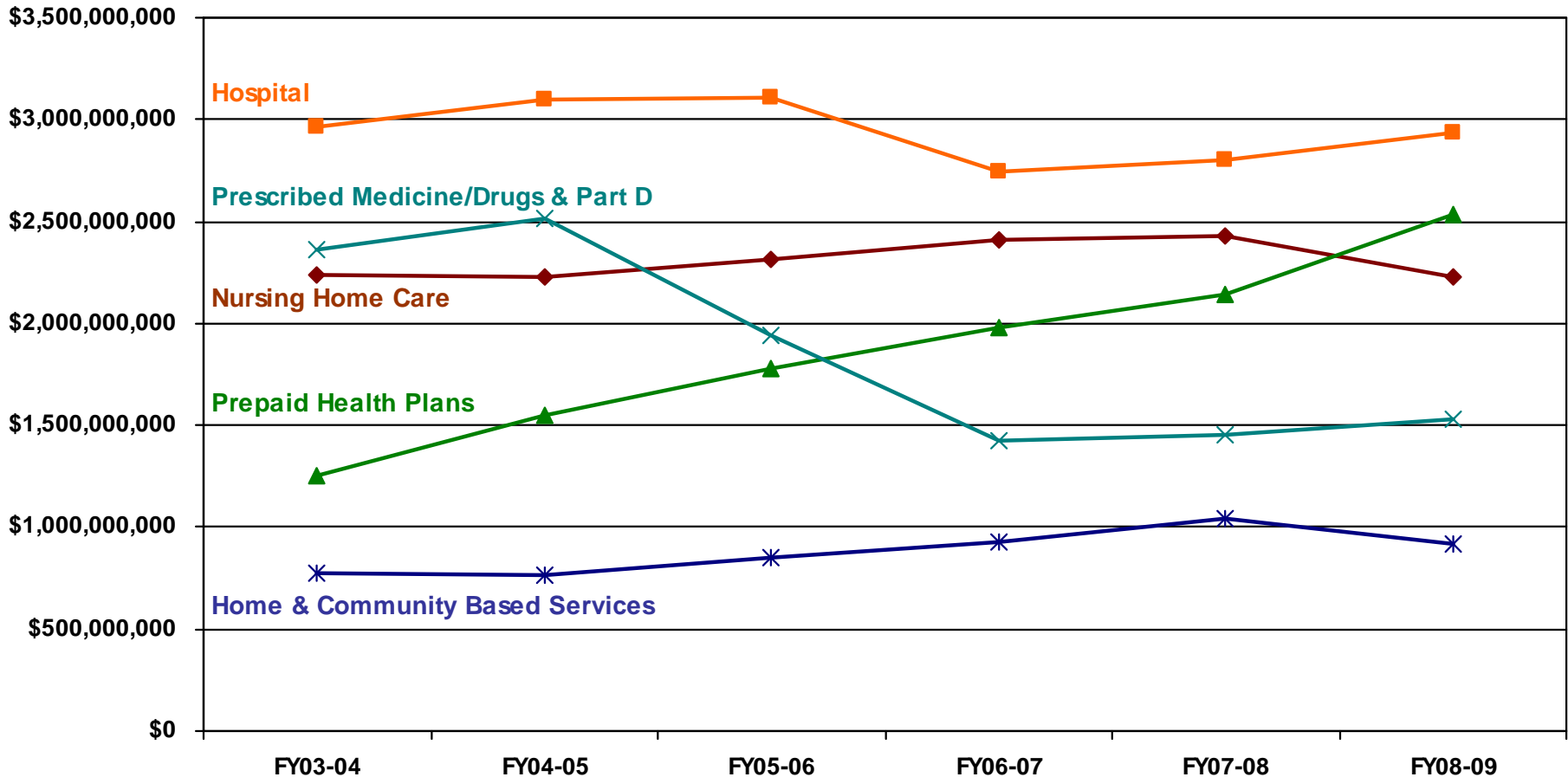
# Medicaid Spending for Fiscal Year 2008-09

Service	FY 2008-09 Estimated Spending	Percent of Total
Prepaid Health Plans	\$2,530,816,622	16.07%
Hospital Inpatient Services	\$2,284,767,426	14.51%
Nursing Home Care	\$2,226,326,172	14.14%
Prescribed Medicine/Drugs & Part D	\$1,532,463,797	9.73%
Low Income Pool	\$1,001,450,000	6.36%
Supplemental Medical Insurance	\$936,456,847	5.95%
Home & Community Based Services	\$920,139,878	5.84%
Physician Services	\$748,574,239	4.75%
Hospital Outpatient Services	\$655,434,665	4.16%
Intermediate Care Facility/DD	\$338,421,017	2.15%
Hospice Services	\$305,847,066	1.94%
Nursing Home Diversion Waiver	\$300,728,527	1.91%
Disproportionate Share Hospital Payments	\$218,613,251	1.39%
Home Health Services	\$182,034,135	1.16%
Hospital Insurance Benefits	\$140,588,415	0.89%
Other	\$1,421,363,431	9.03%
<b>Total</b>	<b>\$15,744,025,488</b>	<b>100.00%</b>

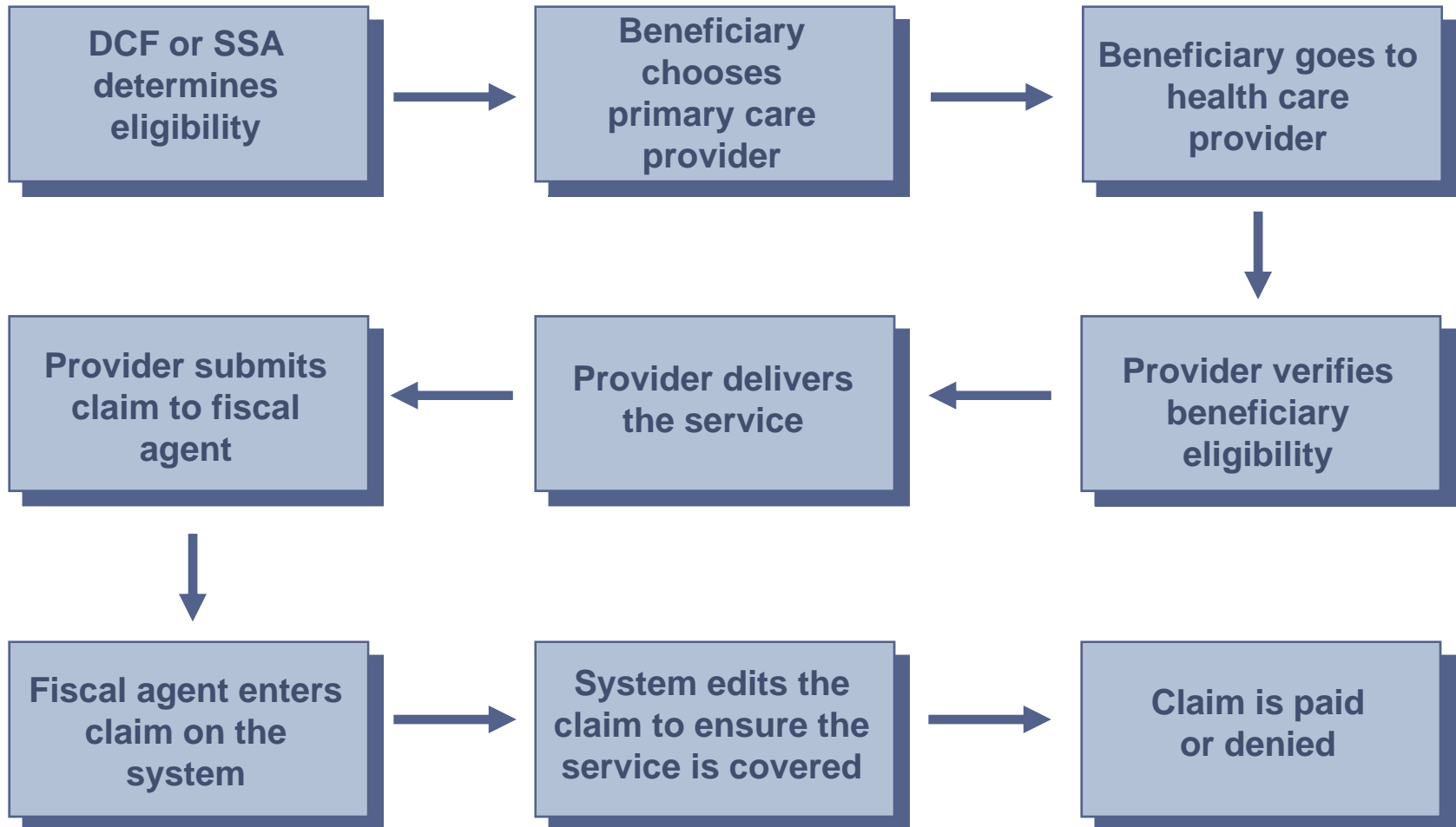
# Estimated Fiscal Year 2008-09 Medicaid Expenditures By Appropriation Category



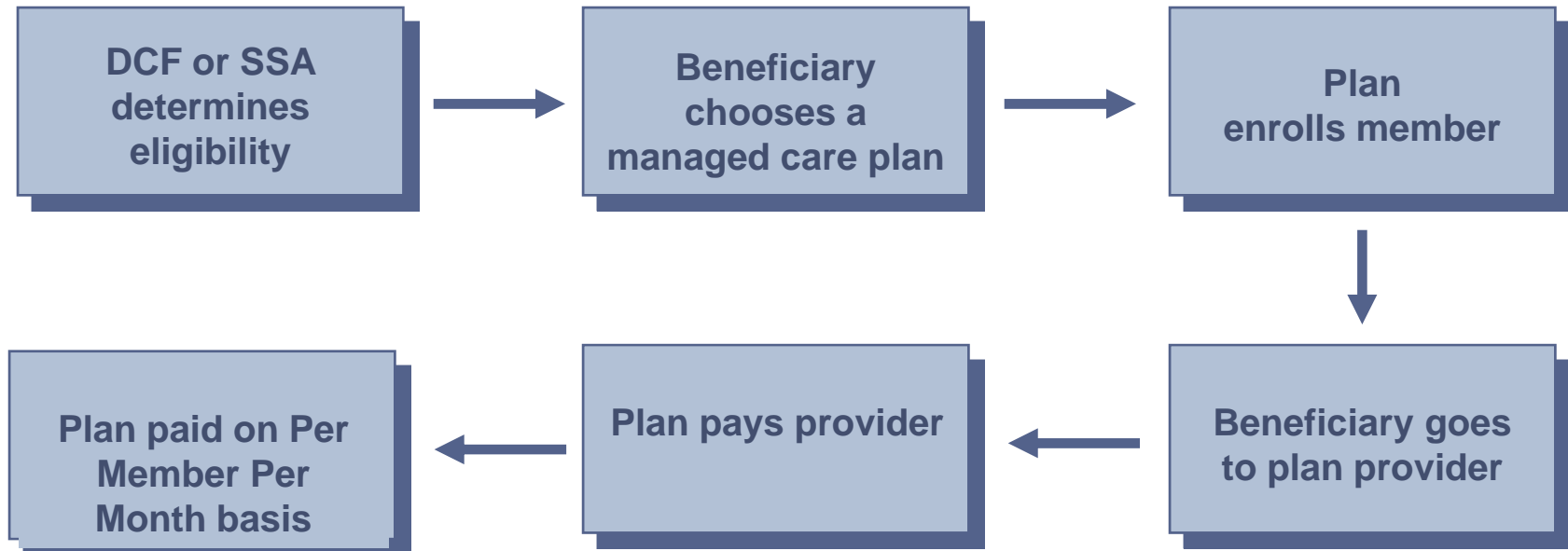
# Top 5 Medicaid Services Expenditures on Average



# *How Does Medicaid Work? Fee-For-Service*



# *How Does Medicaid Work? Managed Care*



# *Questions*