The Florida Medicaid Program

Beth Kidder
Deputy Secretary for Medicaid

Presented to:
Senate Health Policy Committee
January 7, 2019
Presentation Overview:

1. What is Medicaid?
2. What is Florida Medicaid?
3. The Statewide Medicaid Managed Care Program
The Medicaid Program

• Medicaid provides access to health care for low-income families and individuals and the disabled.
• Medicaid is a federal/ state partnership jointly financed by state and federal funds.
• Florida Medicaid program design:
  – Circumscribed by federal regulation, and
  – Formed at the direction of the Florida Legislature through Chapter 409.
• The Agency for Health Care Administration, Division of Medicaid, administers the Medicaid program for Florida.
Federal Requirements

• Congress and the federal government set basic mandatory requirements for all state Medicaid programs. These include:
  – Administrative requirements for states
  – Minimum coverage populations and services
  – Rules for receipt of federal matching funds

• The US Department of Health and Human Services, Centers for Medicare & Medicaid Services (CMS) is responsible for administering the Medicare and Medicaid programs.
The Florida Medicaid Program is authorized by:

- Chapter 409, Florida Statutes: Social & Economic Assistance
  - Part I: Social & Economic Assistance (ss. 409.016-409.5093)
  - Part II: KidCare (ss. 409.810-409.821)
  - Part III: Medicaid (ss. 409.901-409.9205)
  - Part IV: Medicaid Managed Care (ss. 409.961-409.985)
Federal Mandatory Groups and Services

• What are “Mandatory” groups?
  – States must cover people in these groups up to federally defined income thresholds, but many states have expanded Medicaid beyond these thresholds, mainly for children.

• What are “Mandatory” Services?
  • States’ Medicaid programs must offer medical assistance for certain basic services to most eligible populations in order to receive federal matching funds.

  ▪ What are “Optional” Groups and Services?
    • States may choose to cover additional groups or add additional services, based on federal approval.
## Mandatory and Optional Groups and Services

<table>
<thead>
<tr>
<th><strong>Mandatory</strong></th>
<th><strong>Optional (... Some examples)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Groups</strong></td>
<td><strong>Services</strong></td>
</tr>
<tr>
<td>Low income: Children</td>
<td>Hospital (IP/OP)</td>
</tr>
<tr>
<td>Low Income: Pregnant Women</td>
<td>Nursing facility</td>
</tr>
<tr>
<td>Low Income: Parents</td>
<td>Home health</td>
</tr>
<tr>
<td>Low income: Seniors who are Medicare recipients</td>
<td>Physician</td>
</tr>
<tr>
<td>Foster care/ former foster care to age 26</td>
<td>Rural health clinic</td>
</tr>
<tr>
<td>SSI recipients</td>
<td>FQHC</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Florida Medicaid – A Snapshot

### Eligibles
- Fourth largest Medicaid population in the nation.
- Approximately 4 million Floridians enrolled in the Medicaid program:
  - 1.7 million adults - parents, aged and disabled
  - 47% of children in Florida.
  - 63% of birth deliveries in Florida.
  - 61% nursing home days in Florida.

### Expenditures
- Fifth largest nationwide in Medicaid expenditures.
- $26.8 billion estimated expenditures in Fiscal Year 2017-18
  - Federal-state matching program
    - 61.62% federal, 38.38% state.
    - Average spending: $6,619 per eligible.
- $17.5 billion estimated expenditure for managed care in 2017-2018

### Delivery System
- Statewide Medicaid Managed Care program implemented in 2013-2014
  - Most of Florida’s Medicaid population receives their services through a managed care delivery system.
Growth in Medicaid Average Monthly Caseload

Source: Medicaid Services Eligibility Subsystem Reports.
Growth In Medicaid Service Expenditures

Source: Medicaid Services Budget Forecasting System Reports.
Florida Medicaid Program Expenditures

- Different populations have different impacts on program expenditures.
- In general, services provided to the elderly and people with disabilities cost more per person per month than services provided to children or healthy adults.

*Adults and children refers to non-disabled adults and children*
Medicaid Service Delivery Systems

- States may choose from a number of different systems through which to deliver Medicaid services.
- The two main “delivery systems” are:
  - Fee-for-Service
  - Managed Care
What is Fee-for-Service?
Agency pays providers directly for services rendered to recipients.

What is Managed Care?
Agency contracts with health plans and pays capitated payment.

Recipients navigate health care system without assistance.

Providers furnish services to recipients.

Recipient selects the plan that will best fit their need.

Plans contract with a network of qualified providers and provide case managers.
Evolution of Florida Medicaid Delivery System

1970s
Fee-for-Service only/ No Managed Care

1980s
First Managed Care (Limited counties): Medical Services only

1990s
Managed Care Medical Services Only (limited counties)

2000s
2006 Medicaid Reform Pilot: Integrates Medical, Mental Health, Dental and Transportation into Managed Care (limited counties)

2010s
2014 Phase 1: Statewide Medicaid Managed Care: Fully Integrates Medical Care, Dental, Behavioral and Transportation into Managed Care (statewide)

2020s
2019 Phase 2: Statewide Medicaid Managed Care: Fully Integrates Medical Care, Long-Term Care, Behavioral and Transportation into Managed Care (statewide). Stand Alone Dental plans.
Florida Medicaid and The Statewide Medicaid Managed Care Program

• Since 2013-2014, most Florida Medicaid recipients have been required to enroll in the Statewide Medicaid Managed Care program (SMMC) to receive their services.

• The program has the following components:
  • **Managed Medical Assistance**: Medical services like doctor visits, hospital care, prescribed drugs, mental health care, and transportation to these services.
  • **Long-Term Care**: LTC services like care in a nursing facility, assisted living, or at home.
  • **Dental**: All Medicaid recipients who receive a dental benefit enroll in a dental plan.
**What is Changing?**

**2013**
- SMMC Program Begins
- (5 year contracts with plans)

**2017-2018**
- First Re-procurement of Health Plans;
- Procurement of Dental Plans

**December 2018**
- New Contracts (MMA, LTC & Dental) Begin

**Two Program Components:**
- Managed Medical Assistance (MMA) Program
- Long-term Care (LTC) Program

**Two Program Components:**
- Integrated MMA and LTC
- Dental
## SMMC Plan Roll Out Schedule

### SMMC Health and Dental Plan Roll-out Schedule

<table>
<thead>
<tr>
<th>Phase</th>
<th>Transition Date</th>
<th>Regions Included</th>
<th>Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase 1</strong></td>
<td>December 1, 2018</td>
<td></td>
<td>9 Indian River, Martin, Okeechobee, Palm Beach, St. Lucie</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10</td>
<td>Broward</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11</td>
<td>Miami-Dade, Monroe</td>
</tr>
<tr>
<td><strong>Phase 2</strong></td>
<td>January 1, 2019</td>
<td>5</td>
<td>Pasco, Pinellas</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>Hardee, Highlands, Hillsborough, Manatee, Polk</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>Brevard, Orange, Osceola, Seminole</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8</td>
<td>Charlotte, Collier, DeSoto, Glades, Hendry, Lee, Sarasota</td>
</tr>
<tr>
<td><strong>Phase 3</strong></td>
<td>February 1, 2019</td>
<td>1</td>
<td>Escambia, Okaloosa, Santa Rosa, Walton</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>Alachua, Bradford, Citrus, Columbia, Dixie, Gilchrist, Hamilton, Hernando, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee, Union</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>Baker, Clay, Duval, Flagler, Nassau, St. Johns, Volusia</td>
</tr>
</tbody>
</table>
SMMC: The First Five Years

- The SMMC program started operation in 2013-2014.
- The first 5 years of the program have been very successful.

- Robust Expanded Benefits, Enhanced Provider Networks, and Care Management have led to:
  - Improved health quality outcomes
  - High patient satisfaction
  - Increased opportunity for individuals needing long-term care to transition from a nursing facility to their own home or other community living
Florida Medicaid Quality Scores At or Above the National Average

*Calendar Year 2014 was a transition year between Florida's prior managed care delivery system and the SMMC program implementation. **The HEDIS specifications for the Follow-up After Hospitalization for Mental Illness measure changed for the CY 2017 measurement period. Follow-up visits with a mental health practitioner that occur on the date of discharge are no longer included in the numerator as previously required in the CY 2016 specifications. Florida Medicaid plan rates and statewide weighted means are compared to national means that are calculated using the previous year's service data. Since the CY 2016 and CY 2017 measure specifications do not align, results are not comparable and the measure was excluded.
LTC Transition Incentive Success

![Graph showing LTC Transition Incentive Success over years from 2013 to 2018.](image)

- **Nursing Facility**
  - JULY 2013: 50,122
  - JULY 2014: 43,948
  - JULY 2015: 42,863
  - JULY 2016: 42,161
  - JULY 2017: 54,866
  - JULY 2018: 60,840

- **Community**
  - JULY 2013: 34,124
  - JULY 2014: 39,324
  - JULY 2015: 42,400
  - JULY 2016: 42,161
  - JULY 2017: 43,303
  - JULY 2018: 42,560

Legend:
- **Community Location**
- **Nursing Facility Location**
SMMC Negotiation Successes

Major Program Improvements!

• Gains for Recipients
• Gains for Providers
• Improved Quality
• More & Richer Expanded Benefits
Questions?