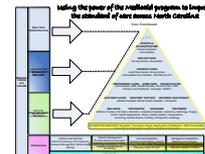


# IMPACT OF HEALTH CARE REFORM ON MEDICAID

*IOM PRESENTATION*

*APRIL 13, 2011*

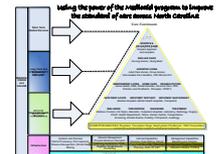


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# DISCUSSION GUIDE

- Medicaid Today
- Impact of Reform on Enrollment
- Projected Expenditures under Reform
- Questions



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# WHO IS ELIGIBLE FOR MEDICAID TODAY?

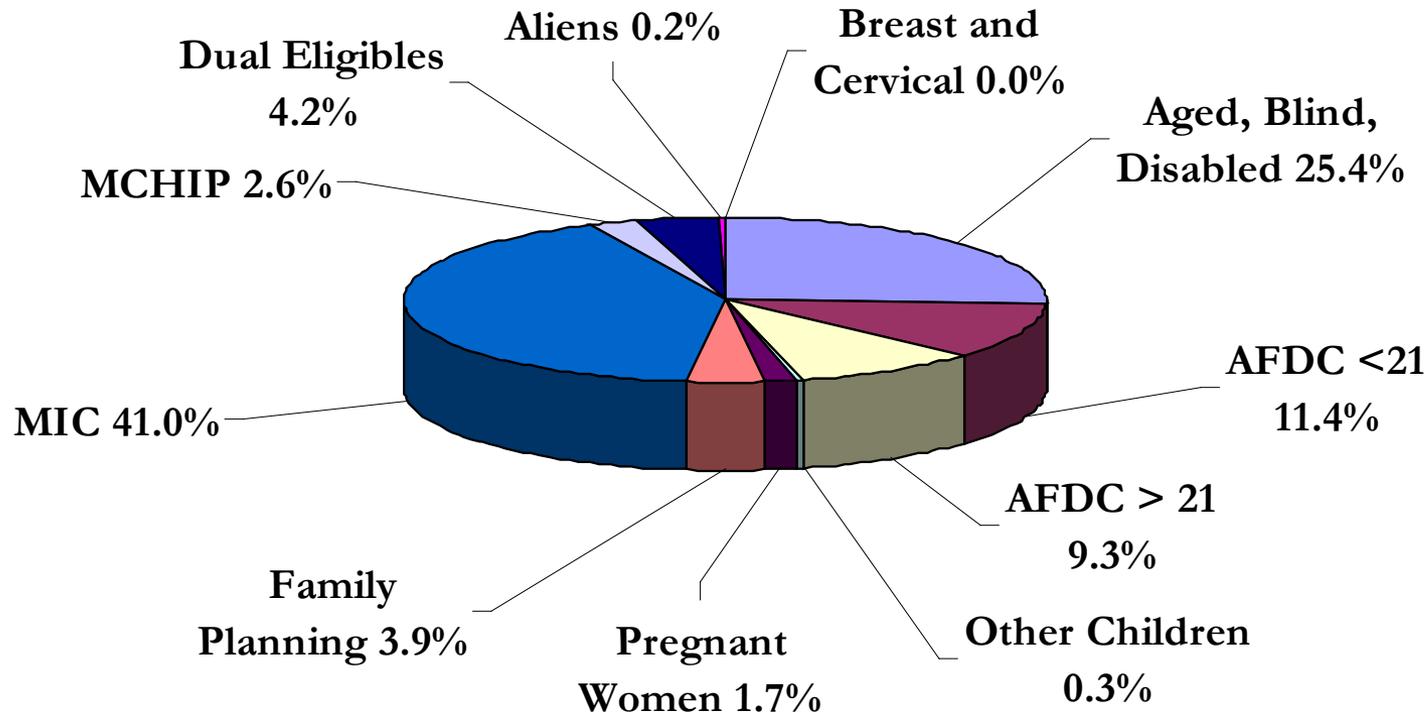
- Aged, Blind & Disabled
- Pregnant Women
- Infants and Children
- 100% of FPL, automatically eligible if receive SSI
- 185% of FPL for services related to the pregnancy
- Age 0 to 5: 200% of FPL
- Ages 6 to 18: 100% of FPL
- Age 19 to 21: 45% of FPL

*Low income families, elderly and people with disabilities fall into 15 different program aid categories based on income and assets*

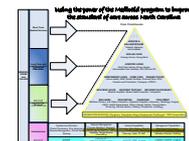


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# WHO IS ENROLLED IN MEDICAID TODAY?



**1.5M by the end of SFY 2011**

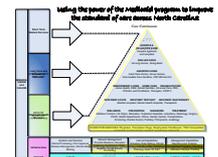


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# MEDICAID UNDER HEALTH REFORM

- Creates a MANDATORY eligibility group that expands Medicaid to 133% FPL without regards to categorically eligibility effective 1/2014 – with new definition of income is effectively 138% FPL today
- Increases mandatory eligibility of children 6-19 yrs to 133% FPL
- Allows the states implement the new eligibility category options effective 4/2010 but at the original NC FMAP- not the current enhanced FMAP.
- Allows option to expand coverage above 133% FPL up to the highest eligibility either through waiver or State Plan.
- Can phase in but must provide mandatory before implementing the other options.



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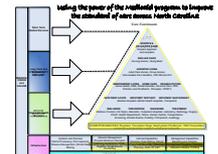
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# ENROLLMENT FORECASTS

Basis for Enrollment Forecast:

- 2009 Population Statistics by FPL
- National and State trends for North Carolina growth in total population
- Correlation between North Carolina and National unemployment rates and trends

	<i>Existing Population</i>		<i>Expanded Population</i>	
	<i>Uninsured</i>	<i>Employed</i>	<i>Uninsured</i>	<i>Employed</i>
Children	40%	20%		
Childless Adults			70%	40%
Parents	40%	40%	70%	40%

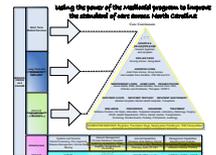


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# ENROLLMENT FORECASTS

- Expanded Population – *change in eligibility from 100% to 133% (extrapolated for 138%)*
- Woodwork Population – *individuals currently eligible that are not enrolled in Medicaid*
- Health Choice – *shift of population from 101% FPL to 133% FPL to Medicaid*

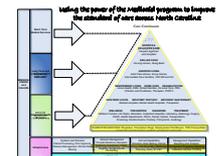


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# ENROLLMENT FORECASTS

	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>NCHC to Medicaid</i>	<i>TOTAL</i>	<i>New to State</i>
Children		77,479	57,714	135,193	77,479
Childless Adults	261,654			261,654	261,654
Parents	150,624	35,346	-	185,970	185,970
Total 2014	<u>412,278</u>	<u>112,825</u>	<u>57,714</u>	<u>582,817</u>	<u>525,102</u>
Children		78,661	61,177	139,838	78,661
Childless Adults	265,073			265,073	265,073
Parents	152,593	35,808	-	188,400	188,400
Total 2015	<u>417,666</u>	<u>114,469</u>	<u>61,177</u>	<u>593,312</u>	<u>532,135</u>
Children		79,904	64,848	144,751	79,904
Childless Adults	268,472			268,472	268,472
Parents	154,549	36,267	-	190,816	190,816
Total 2016	<u>423,021</u>	<u>116,170</u>	<u>64,848</u>	<u>604,039</u>	<u>539,191</u>

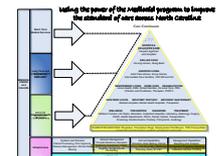


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# ENROLLMENT FORECASTS

	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>NCHC to Medicaid</i>	<i>TOTAL</i>	<i>New to State</i>
Children		81,146	68,738	149,884	81,146
Childless Adults	271,714			271,714	271,714
Parents	156,415	36,705	-	193,120	193,120
Total 2017	<u>428,129</u>	<u>117,850</u>	<u>68,738</u>	<u>614,718</u>	<u>545,980</u>
Children		82,372	72,863	155,235	82,372
Childless Adults	274,920			274,920	274,920
Parents	158,261	37,138	-	195,399	195,399
Total 2018	<u>433,181</u>	<u>119,510</u>	<u>72,863</u>	<u>625,554</u>	<u>552,691</u>
Children		83,556	77,235	160,790	83,556
Childless Adults	278,063			278,063	278,063
Parents	160,070	37,562	-	197,633	197,633
Total 2019	<u>438,134</u>	<u>121,118</u>	<u>77,235</u>	<u>636,486</u>	<u>559,252</u>



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# WHAT IS COVERED TODAY?

## Mandatory Services

- Ambulance
- Children's Dental
- Durable Medical Equipment
- Family Planning
- Early Periodic Diagnosis Screening and Treatment (EPDST)
- Children's Hearing Aids
- Clinics
- Home Health
- Hospital Services
- Midwife and Nurse Practitioner
- Nursing Facility
- Other Lab and Xray
- Physician
- Psychiatric Residential Treatment Facilities (PRTFS)
- Routine Eye Examinations and Visual Aids for Children

## Optional Services

- Case Management
- Chiropractor
- Podiatry
- CAP Programs
- Adult Dental and Dentures
- HMO Membership
- Home Infusion Therapy
- Hospice
- ICF-MR
- Mental Health
- Personal Care
- Orthotics and Prosthetics
- Prescription Drugs
- PT, OT and Speech Therapy
- Private Duty Nursing
- Respiratory Therapy
- Transportation



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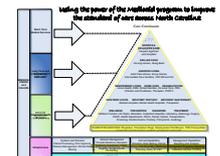
# SERVICES FOR THE NEW POPULATION

- MANDATORY
  - Ambulatory Patient
  - Physician
  - ER and Hospitalization
  - Maternity and newborn care
  - MH/SA screening and treatment
  - *Prescription drugs*
  - Rehabilitative and *habilitative* services and devices
  - Laboratory Services
  - Preventative/wellness and chronic disease management
  - Pediatric, including oral and vision care
  - Family Planning
- WHATS MISSING
  - Nursing Homes (M)
  - Adult Dental (O)
  - Chiropractor (O)
  - Podiatry (O)
  - Hospice (O)
  - ICF/MR (O)
  - Case Management (O)
  - Orthotics and Prosthetics (O)
  - HMO Membership (O)
  - Personal Care (O)
  - Private Duty Nursing (O)
  - Respiratory Therapy (O)
  - Transportation (O)



# EXPENDITURE FORECAST

	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>NCHC to Medicaid</i>	<i>TOTAL</i>	<i>New to State</i>
Children	-	118,155,633	55,647,663	173,803,296	118,155,633
Childless Adults	677,200,983	-	-	677,200,983	677,200,983
Parents	<u>456,274,397</u>	<u>107,070,294</u>	<u>-</u>	<u>563,344,691</u>	<u>563,344,691</u>
Total 2014	1,133,475,380	225,225,927	55,647,663	1,414,348,970	1,358,701,307
Children	-	205,284,320	158,020,814	363,305,134	205,284,320
Childless Adults	1,393,405,716	-	-	1,393,405,716	1,393,405,716
Parents	<u>938,828,160</u>	<u>220,307,358</u>	<u>-</u>	<u>1,159,135,517</u>	<u>1,159,135,517</u>
Total 2015	2,332,233,876	425,591,677	158,020,814	2,915,846,367	2,757,825,553
Children	-	213,318,142	171,369,170	384,687,312	213,318,142
Childless Adults	1,443,966,904	-	-	1,443,966,904	1,443,966,904
Parents	<u>972,894,525</u>	<u>228,301,441</u>	<u>-</u>	<u>1,201,195,966</u>	<u>1,201,195,966</u>
Total 2016	2,416,861,429	441,619,583	171,369,170	3,029,850,182	2,858,481,012



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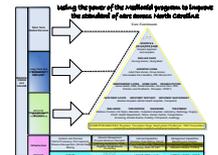
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# EXPENDITURE FORECAST

	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>NCHC to Medicaid</i>	<i>TOTAL</i>	<i>New to State</i>
Children	-	222,341,448	186,433,102	408,774,550	222,341,448
Childless Adults	1,500,081,546	-	-	1,500,081,546	1,500,081,546
Parents	1,010,702,612	237,173,565	-	1,247,876,178	1,247,876,178
Total 2017	2,510,784,159	459,515,013	186,433,102	3,156,732,274	2,970,299,171

Children	-	231,504,315	202,675,337	434,179,652	231,504,315
Childless Adults	1,556,752,319	-	-	1,556,752,319	1,556,752,319
Parents	1,048,885,402	246,133,618	-	1,295,019,020	1,295,019,020
Total 2018	2,605,637,721	477,637,933	202,675,337	3,285,950,991	3,083,275,654

Children	-	240,745,300	220,206,753	460,952,054	240,745,300
Childless Adults	1,614,055,834	-	-	1,614,055,834	1,614,055,834
Parents	1,087,494,511	255,193,711	-	1,342,688,223	1,342,688,223
Total 2019	2,701,550,345	495,939,011	220,206,753	3,417,696,110	3,197,489,357

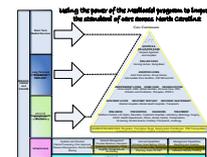


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# IMPACT ON STATE APPROPRIATIONS

	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>NCHC to Medicaid</i>	<i>TOTAL</i>
Children	-	35,719,522	2,366,139	38,085,661
Childless Adults	-	-	-	-
Parents	-	32,368,323	-	32,368,323
Total 2014	-	68,087,845	2,366,139	70,453,984
Children	-	71,582,642	6,739,037	78,321,679
Childless Adults	-	-	-	-
Parents	-	76,821,176	-	76,821,176
Total 2015	-	148,403,818	6,739,037	155,142,855
Children	-	74,384,036	(87,438,905)	(13,054,869)
Childless Adults	-	-	-	-
Parents	-	79,608,713	-	79,608,713
Total 2016	-	153,992,749	(87,438,905)	66,553,843



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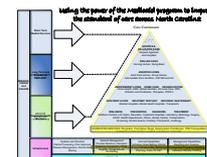
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# IMPACT ON STATE APPROPRIATIONS

	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>NCHC to Medicaid</i>	<i>TOTAL</i>
Children	-	77,530,463	(99,784,528)	(22,254,065)
Childless Adults	37,502,039	-		37,502,039
Parents	25,267,565	82,702,422	-	107,969,988
Total 2017	62,769,604	160,232,885	(99,784,528)	123,217,961

Children	-	80,725,555	(113,823,313)	(33,097,758)
Childless Adults	85,621,378	-		85,621,378
Parents	57,688,697	85,826,793	-	143,515,490
Total 2018	143,310,075	166,552,347	(113,823,313)	196,039,109

Children	-	83,947,886	(129,768,150)	(45,820,264)
Childless Adults	104,913,629	-		104,913,629
Parents	70,687,143	88,986,047	-	159,673,190
Total 2019	175,600,772	172,933,933	(129,768,150)	218,766,556



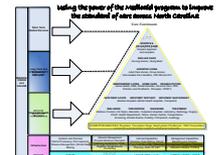
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# SUMMARY IMPACT

	TOTAL REQUIREMENTS			STATE APPROPRIATIONS			
	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>TOTAL</i>	<i>Expanded Eligibility</i>	<i>Woodwork Population</i>	<i>NCHC to Medicaid</i>	<i>TOTAL</i>
Children	\$ -	\$ 1,231,349,157	\$ 1,231,349,157	\$ -	\$ 423,890,104	\$ (421,709,721)	\$ 2,180,383
Childless Adults	8,185,463,303	-	8,185,463,303	228,037,045	-	-	228,037,045
Parents	5,515,079,607	1,294,179,987	6,809,259,594	153,643,406	446,313,473	-	599,956,879
Total 2014-2019	\$ 13,700,542,910	\$ 2,525,529,144	\$ 16,226,072,054	\$ 381,680,451	\$ 870,203,577	\$ (421,709,721)	\$ 830,174,308
SFY 2021 Run Rate	\$ 2,896,365,208	\$ 502,546,798	\$ 3,398,912,006	\$ 289,636,521	\$ 186,091,304	\$ (176,269,065)	\$ 299,458,759

*The forecast includes the cost of expanded populations and expected changes in enrollment as a result of health care reform. Potential savings and opportunities for offsetting funding has not be included.*



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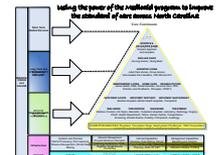
# QUESTIONS

*Steve N. Owen*

*919-855-4123*

*Chief Business Operating Officer*

*steve.owen@dbhs.nc.gov*



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