





# **How Are Our Patients best Served?**

**Managed Care Forum**

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# Introductions

# My Goals for MoHealthNet

- **Demand Assured Access to Health Care Services**
- **At a Defined, Monitored, and Steadily Improving Level of Quality**
- **While Demonstrating our Accountability to Missourians**

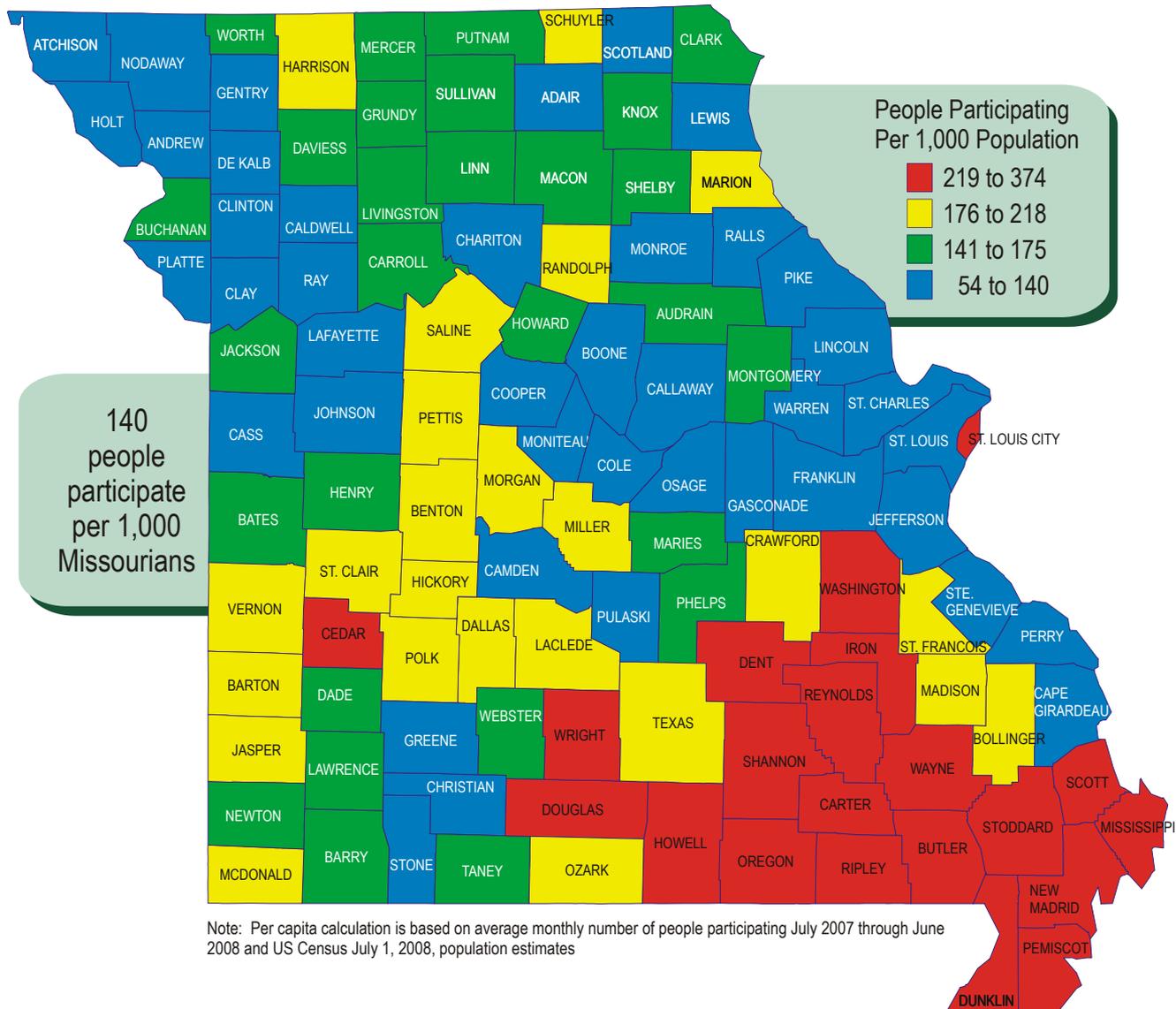
# Goals for the Day

- **Current Status of Fee-for-Service Delivery System**
- **How Can We Improve Structurally?**
- **Consider Alternative Delivery System Models**
- **Share Views of the Pros and Cons of Managed Care in the MOHealthNet Program**
- **Will Only Discuss the Children, Pregnant Women, Low Income Parents**

# Caveats

- **No Decisions Have Been Made!**
- **There are Many Steps Required to Change**
- **Earliest Possible Start would be July 2011**

# 2008 MO HealthNet Participation Per 1,000 Population



# Children, Pregnant Women, Low Income Parents: 648,089 Enrolled in MOHealthNet

- 538,175 children
- 28,254 pregnant women
- 81,660 low income parents

# Benefits Summary

- **Primary and Specialty Physician Care**
- **Maternity**
- **Inpatient and Outpatient Hospital**
- **Mental Health**
- **Pharmacy**
- **Home Health**
- **Laboratory and Diagnostic**
- **Durable medical equipment (DME)**
- **And other services listed in contracts**

# Variety of Potential Health Care Delivery Models

- **Fee for Service (FFS)**
- **Managed Care**
- **Administrative Services Organization**
  
- **Primary Care Patient-Centered Medical Home**
- **Bundled Structures, as Accountable Care Organizations**

# FFS Clinical Indicators 02.09

- **ASTHMA – on appropriate meds** **60%**
- **DIABETES – annual lipid panel** **19%**
- **DIABETES – annual HbA1C** **17%**
- **SCREENS – cervical cancer** **56%**
- **WELL CHILD VISITS – <16 mos.** **55%**

# Access and Quality

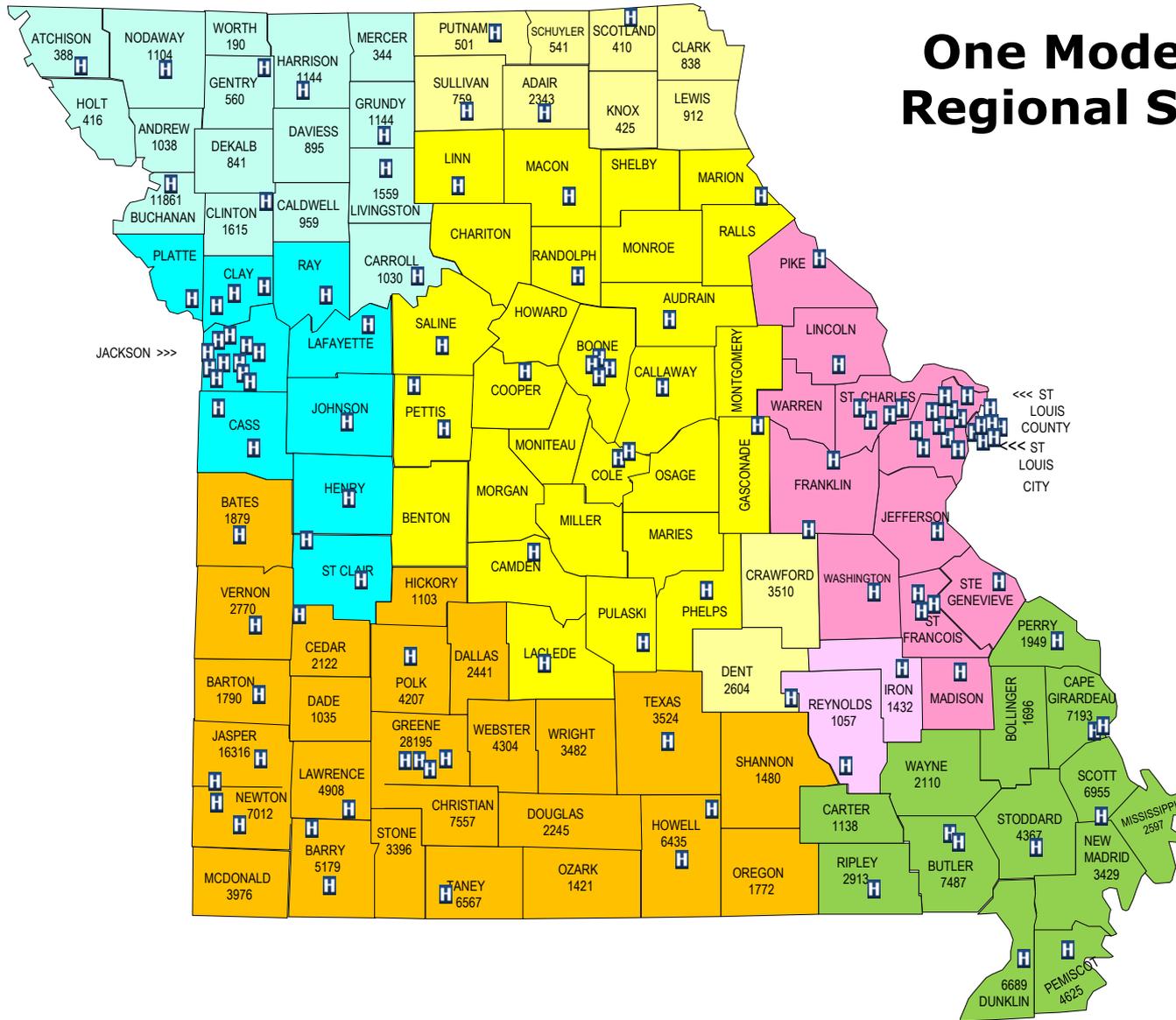
- **I have very few Tools to Improve these in Fee For Service (the current model)**
- **Not Impossible, just Very Hard to Do**
- **Managed Care the Most Common Model by Far Nationally**
- **Primary Care Patient-Centered Medical Homes gaining in favor rapidly, no matter the delivery model**



# Children, Pregnant Women, Low Income Parents: 648,089 Enrolled in MOHealthNet

- **538,175 children**
  - 67% are currently enrolled in managed care plans
- **28,254 pregnant women**
  - 65% are currently enrolled in managed care plans
- **81,660 low income parents**
  - 68% are currently enrolled in managed care plans

# One Model - New Regional Structure



# By the Numbers

- Roughly **200,000** Children, Pregnant Women, and Low Income Parents Living in Non-Managed Care Counties
- **85%** of that Total are Children
- Of the **200,000**, by Region:
  - West **25,000**
  - Southwest **125,000**
  - Central **13,000**
  - East **2,500**
  - Southeast **44,000**

# Is Managed Care Good for Patients?

- **Each Health Plan Must have Enough Doctors to be able to See All Members Regularly**
- **Patients and Families can Choose their Own Doctor from those Who Signed Up with each Health Plan**
- **Patients and Families Can Change their Health Plan if they are Unhappy**

# Costs

- In current and future state budget challenges, Costs must be carefully considered
- Federal partners Require Cost Savings in Managed Care structures
- SFY09 costs for these groups approx. **\$ 1.4 billion**
- External evaluation of managed care vs FFS demonstrated a total savings for current program of **2.7%**, or **\$38 million SFY09** compared with a FFS structure

# Quality Provisions

## ■ Service Standards

- Distance to get to a doctor
- Days to get an appointment (30 days or less)
- 24 hour telephone availability

## ■ Performance Standards

- Well-child visits
- Better Management of Difficult Pregnancy
- Healthcare Effectiveness Measures

# BIRTH TRENDS: FFS vs. MANAGED CARE

	Percent Change	Percent Change Inadequate Prenatal Care	Percent Change Low Birth Weight < 2500 grams	Percent Change Pre-Term Births <32 weeks
	1993-2008	2003-2008	2003-2008	2003-2008
Managed Care	-32.0%	+ 12.7%	-9.3%	-23.6%
Fee-For-Service	-27.2%	+5.3%	-2.5%	-14.9%

# Member Satisfaction

- **Every Year Member Satisfaction Surveys**
- **During the past three years, member satisfaction has ranged between 75% and 81%**
- **Similar Score to those enrolled in Medicare Plans or Standard Insurance Plans**

# Concerns with Managed Care

- **Contracting and Administrative Challenges for Doctors, Clinics, Hospitals, and Others**
- **Evidence exists that the “value-added” services of managed care are not always delivered adequately**
- **In the past we have not done as well as we could have in holding Health Plans fully Accountable to provide Services**

# **Is Managed Care a Better Model?**

- Managed Care can be held Accountable for Access to Care and Quality of Care, much more difficult to do in Fee for Service.**
- We Have Significantly Toughened our Compliance Monitoring in this Contract.**
- Managed Care, when effectively monitored, is Cost-effective for the State.**

