



***MISSOURI  
HEALTH CARE  
RESPONSIBILITY REPORT***

***Second Quarter 2008  
April – June, 2008***

*Missouri Department of Social Services  
MO HealthNet Division  
October 31, 2008*

## **CONTACT INFORMATION**

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## MISSOURI HEALTH CARE RESPONSIBILITY REPORT

### Introduction

On November 27, 2006, Governor Matt Blunt signed Executive Order 06-45, directing the Missouri Department of Social Services (DSS) to prepare a Medicaid beneficiary employer report to be submitted to the Governor on a quarterly basis and to be known as the Missouri Health Care Responsibility Report.

In the 2007 legislative session, the Missouri General Assembly enacted Senate Bill 577, which transformed the Missouri Medicaid program into MO HealthNet (MHN). Section 208.230 of SB 577 is known as the “Public Assistance Beneficiary Employer Disclosure Act.” It directs the Department of Social Services to prepare a MO HealthNet beneficiary employer report. The requirements of Section 208.230 and Executive Order 06-45 are virtually identical.

### Data Confidentiality

The Department of Labor and Industrial Relations (DOLIR) maintains a database of employers, employees, and wage information for the purpose of administration of the state unemployment compensation program. United States Department of Labor regulations (20 CFR 603) govern how such information can be used and under what circumstances the information can be made available to others. Federal regulations allow the disclosure of normally confidential information to public officials for use in their official duties, but do not allow public disclosure of confidential information. Therefore, without statutory changes, the report must be limited to non-identifiable data regarding individual employers. Wherever possible, DSS has used aggregated data to describe the employed population that receives MHN benefits and services.

A more detailed explanation of the methodology used to compile the report follows the summary data shown on the next two pages.

**SUMMARY DATA**  
**MISSOURI HEALTH CARE RESPONSIBILITY REPORT**  
**April to June, 2008**

**Number of Employees and Family Members Included in the Report**

A total of 451,575 MHN enrollees were employed during the quarter or were the spouse or child of an employed individual. However, only 177,264 of these are associated with an employer with 50 or more such individuals and are included in this report.

**Percentage of Workforce**

Six hundred and twenty-one (621) companies were identified as employing fifty (50) or more individuals who either received MHN benefits or were responsible for a spouse or child who received such benefits. These companies employed a total of 844,585 individuals in the State of Missouri. The Department of Social Services identified 85,990 individuals who were MHN enrollees or were responsible for a family member who was enrolled in MHN. Therefore, 10.2% of the workforce of these companies received MHN benefits for themselves or their families.

**Number of MHN Enrollees for Employers with Fifty or More Individuals**

MHN Enrolled Employees (E)	41,549
Employees with MHN Enrolled Family Members (N)	44,441
Total Employees (E + N)	85,990
MHN Enrolled Spouses (S)	6,710
MHN Enrolled Children (C)	129,005
Total MHN Enrollees (E + S + C)	177,264

**Insurance Coverage**

Based on a survey of employers conducted by DSS contractor, IFOX, 71% of the employers provide insurance for their full-time employees and their family members. As shown below, coverage for part-time employees was far less likely to be available.

Percentage of All Employers Surveyed Providing Coverage for:	Full-Time Employees	Part-Time Employees	Spouses	Children
Yes	71%	25%	70%	70%
No	3%	49%	4%	4%
Unknown	26%	26%	26%	26%

### Cost to the State of Missouri

The total cost to date to the State of Missouri for providing MHN coverage to these employees and their family members is \$105.0 million during the quarter covered by the report.

HIPP Enrollees	525
HIPP Payments	\$112,517
Title XIX Cost	\$103,665,179
Title XXI Cost	\$1,207,670
Other Cost	\$53,776
Total Cost	\$105,039,142
Total MHN Enrollees (E + S + C)	177,264
Per Capita/PMPM Cost	\$197.52

It should be noted that receipt of MO HealthNet claims often lags for several months. Most bills are received and paid within six months. An updated report will be issued each quarter for up to one year to account for claims that were received and processed after the initial report was produced.

### Industry Sectors

The tables that follow break down the statewide data into industry sectors.

### Methodology

The Department of Social Services formed a working team of representatives from the MO HealthNet Division (MHD); the Family Support Division (FSD); the Information Technology and Services Division (ITSD) of the Office of Administration (OA); the Research and Evaluation Section of the DSS Center for Management Information (DSS/R&E); and Info Crossing (IFOX), the MHN claims administrator, to design, gather data, program, and produce the report. DSS also received assistance and data from the Department of Labor and Industrial Relations (DOLIR), which maintains wage information on employed Missourians, and the Personnel Division of OA, which maintains state employee records.

Compiling the data for the report requires combining eligibility data from DSS; wage data from DOLIR; state employee data from OA; and MO HealthNet claims data from IFOX.

The steps in the process are outlined below:

- At the end of the quarter, DOLIR provides a computer file to FSD/FAMIS and ITSD that includes all wages paid during the quarter for each employee and identifying information for the employer, including the number of employees for whom wages were paid by that employer during the quarter.

- FSD/FAMIS and ITSD match the wage file from DOLIR against DSS eligibility files to determine those employees who were eligible for MO HealthNet benefits at any time during the quarter and/or were responsible for a MO HealthNet eligible spouse or child. Since the DOLIR file contains only wage information and does not contain employment dates, DSS includes all individuals who received both wages and MHN benefits at any time during the quarter. (With respect to state employees, DSS takes the additional step of sending a file to the Division of Personnel in the Office of Administration to identify more precise employment dates.)
- FSD/FAMIS and ITSD add a code to the file for each individual. The code indicates if the individual is an employee who receives MO HealthNet benefits (E); an employee who does *not* receive MO HealthNet benefits, but is responsible for a spouse or child who does (N); an eligible spouse of an employed individual (S); or an eligible child of an employed individual (C). FSD/FAMIS and ITSD send both files to DSS/R&E.
- DSS/R&E combines the two files and eliminates all employees who work for employers that employ fewer than fifty (50) MO HealthNet beneficiaries or persons responsible for a MO HealthNet beneficiary.
- To determine the cost of MHN coverage, IFOX matches the file of employees against MO HealthNet claims and HIPP payment data. The total MHN cost includes Title XIX claims, Title XXI claims, and HIPP premium payments. (HIPP premium payments are made when a MO HealthNet enrollee has access to employer sponsored health insurance and it is more cost effective to pay the healthcare premium for the individual rather than to provide traditional MHN coverage. In such cases, the private insurance becomes the primary carrier. MHN is the secondary carrier and only pays for those services not covered by the primary carrier.)
- To obtain insurance information IFOX conducts a telephone survey of all the employers included in the report.
- Limiting costs to services received within the same quarter in which wages were paid will understate costs in the initial quarterly report because of the inevitable lag between when services are delivered and when they are billed and paid. Based on historical data, approximately 85% of all claims are submitted and paid within three months from the date of service, while 93% are submitted and paid within six months. Therefore, DSS will save the data for each quarter's recipients and re-run the claims data in subsequent quarters in order to add payments made after the end of the quarter in question. Each subsequent quarterly report will include information from the current quarter, as well as updated data for previous quarters for up to one year.
- DSS/R&E computes the per capita cost. The per capita cost is expressed in the report as a "per member, per month" (PMPM) cost. The PMPM cost is determined by dividing the total cost (Title XIX, Title XXI, Other, and HIPP payments) by the

number of MHN enrollees (E + S + C). The quarterly cost is then divided by three months in order to obtain a monthly cost.

- DSS/R&E compiles the report for publication.

**Data which is Unavailable**

There is no central source or data base maintained by any agency of state government for three data elements that are required for the preparation of the Missouri Health Care Responsibility Report:

- whether the employer offers health insurance to its full-time and part-time employees and their dependents;
- the hours worked by the individual for each employer; and
- the employment dates for each individual for each employer.

DSS addressed the first by conducting a telephone survey requesting the information from all employers included in the report. The absence of the other two data elements prevents DSS from reporting whether or not individuals are employed full-time or part-time. It also prevents a direct correlation between dates of employment and MHN eligibility.

In addition, industry category data is not currently available to DSS from DOLIR or DED. DSS expects to include this data in future reports.

**TABLE 1 WORKFORCE PARTICIPATION BY SECTOR CODES  
MISSOURI HEALTH CARE RESPONSIBILITY - APRIL-JUNE, 2008**

<b>Employer Name</b>	<b>Sector Codes</b>	<b>Total Workforce</b>	<b>MHN Enrolled Employees and Financially Responsible Employees (E+N)</b>	<b>Percentage of Workforce With an employee and/or Family Member Enrolled in MHN</b>
Agriculture, Forestry, Fishing, and Hunting	11	382	60	16%
Construction	23	20,694	760	4%
Manufacturing	31, 32, and 33	50,962	4,288	8%
Wholesale Trade	42	5,310	451	8%
Retail Trade	44 and 45	173,875	18,380	11%
Transportation and Warehousing	48 and 49	22,350	2,350	11%
Information	51	12,204	663	5%
Finance and Insurance	52	28,255	1,482	5%
Real Estate and Rental Leasing	53	4,144	595	14%
Professional, Scientific, and Technical Services	54	5,658	884	16%
Management of Companies and Enterprises	55	3,935	198	5%
Administrative Support; Waste Management and Remediation Services	56	101,926	16,767	16%
Educational Services	61	117,785	3,526	3%
Health Care and Social Assistance	62	161,442	17,408	11%
Arts, Entertainment, and Recreation	71	16,359	1,061	6%
Accommodation and Food Services	72	93,684	13,546	14%
Other Services (except Public Administration)	81	10,585	1,146	11%
Public Administration	92	15,035	2,425	16%
<b>Total</b>	<b>Total</b>	<b>844,585</b>	<b>85,990</b>	<b>10%</b>



**TABLE 2 PARTICIPANT COUNTS BY SECTOR CODES  
MISSOURI HEALTH CARE RESPONSIBILITY - APRIL-JUNE, 2008**

NAICS Sector	Sector Codes	Employees with MHN		Total Employees (E + N)	MHN Enrolled Spouses (S)	MHN Enrolled Children (C)	Total MHN Enrollees (E + S + C)
		MHN Enrolled Employees (E)	Enrolled Family Members (N)				
Agriculture, Forestry, Fishing, and Hunting	11	8	52	60	10	85	103
Construction	23	342	418	760	68	928	1,338
Manufacturing	31, 32, and 33	1,360	2,928	4,288	667	6,652	8,679
Wholesale Trade	42	210	241	451	24	712	946
Retail Trade	44 and 45	8,857	9,523	18,380	1,655	25,960	36,472
Transportation and Warehousing	48 and 49	831	1,519	2,350	204	4,078	5,113
Information	51	287	376	663	49	954	1,290
Finance and Insurance	52	595	887	1,482	75	2,382	3,052
Real Estate and Rental Leasing	53	252	343	595	42	950	1,244
Professional, Scientific, and Technical Services	54	499	385	884	73	1,368	1,940
Management of Companies and Enterprises	55	119	79	198	17	265	401
Administrative Support; Waste Management and Remediation Services	56	9,886	6,881	16,767	1,459	25,254	36,599
Educational Services	61	1,022	2,504	3,526	207	5,635	6,864
Health Care and Social Assistance	62	7,758	9,650	17,408	1,015	27,596	36,369
Arts, Entertainment, and Recreation	71	530	531	1,061	55	1,722	2,307
Accommodation and Food Services	72	7,672	5,874	13,543	784	19,012	27,468
Other Services (except Public Administration)	81	490	656	1,146	55	1,767	2,312
Public Administration	92	831	1,594	2,425	251	3,685	4,767
<b>Total</b>		<b>41,549</b>	<b>44,441</b>	<b>85,990</b>	<b>6,710</b>	<b>129,005</b>	<b>177,264</b>

**TABLE 3 - ACCESS TO INSURANCE BY SECTOR CODES  
MISSOURI HEALTH CARE RESPONSIBILITY - APRIL - JUNE, 2008**

NAICS Sector	Sector Code	Full-Time Coverage			Part-Time Coverage			Spouse Coverage			Child(ren) Coverage		
		Yes	No	Unknown	Yes	No	Unknown	Yes	No	Unknown	Yes	No	Unknown
Agriculture, Forestry, Fishing, and Hunting	11	100%	0%	0%	0%	100%	0%	100%	0%	0%	100%	0%	0%
Construction	23	100%	0%	0%	50%	50%	0%	100%	0%	0%	100%	0%	0%
Manufacturing	31-33	78%	6%	16%	33%	51%	16%	78%	6%	16%	78%	6%	16%
Wholesale Trade	42	80%	0%	20%	20%	60%	20%	80%	0%	20%	80%	0%	20%
Retail Trade	44 -45	59%	0%	41%	19%	39%	42%	57%	0%	43%	57%	0%	43%
Transportation and Warehousing	48-49	76%	0%	24%	35%	41%	24%	76%	0%	24%	76%	0%	24%
Information	51	71%	0%	29%	14%	57%	29%	71%	0%	29%	71%	0%	29%
Finance and Insurance	52	73%	0%	27%	27%	46%	27%	73%	0%	27%	73%	0%	27%
Real Estate and Rental Leasing	53	80%	0%	20%	60%	20%	20%	80%	0%	20%	80%	0%	20%
Professional, Scientific, and Technical Services	54	40%	0%	60%	0%	40%	60%	40%	0%	60%	40%	0%	60%
Management of Companies and Enterprises	55	100%	0%	0%	0%	100%	0%	100%	0%	0%	100%	0%	0%
Administrative Support; Waste Management and Remediation Services	56	63%	7%	30%	28%	41%	31%	63%	7%	30%	63%	7%	30%
Education Services	61	93%	0%	7%	30%	63%	7%	93%	0%	7%	93%	0%	7%
Health Care and Social Assistance	62	72%	5%	23%	24%	53%	23%	70%	7%	23%	70%	7%	23%
Arts, Entertainment, and Recreation	71	78%	0%	22%	11%	67%	22%	78%	0%	22%	78%	0%	22%
Accommodation and Food Services	72	69%	2%	29%	31%	40%	29%	69%	2%	29%	69%	2%	29%
Other Services (except Public Administration)	81	92%	0%	8%	33%	58%	8%	92%	0%	8%	92%	0%	8%
Public Administration	92	100%	0%	0%	0%	100%	0%	100%	0%	0%	100%	0%	0%
<b>TOTAL</b>		<b>71%</b>	<b>3%</b>	<b>26%</b>	<b>25%</b>	<b>49%</b>	<b>26%</b>	<b>70%</b>	<b>4%</b>	<b>26%</b>	<b>70%</b>	<b>4%</b>	<b>26%</b>

**TABLE 4 PARTICIPANT COSTS BY SECTOR CODES  
MISSOURI HEALTH CARE RESPONSIBILITY - APRIL-JUNE, 2008**

<b>NAICS Sector</b>	<b>Sector Codes</b>	<b>HIPP Enrollees</b>	<b>HIPP Payments</b>	<b>Title XIX Cost</b>	<b>Title XXI Cost</b>	<b>Other Cost</b>	<b>Total Cost (XIX, XXI, HIPP &amp; Other)</b>	<b>Total MHN Enrollees (E + S + C)</b>	<b>PMPM Cost</b>
Agriculture, Forestry Fishing, and Hunting	11	0	\$0	\$58,845	\$5,359	\$0	\$64,204	103	\$208
Construction	23	7	\$1,837	\$772,723	\$16,588	\$55	\$787,202	1,338	\$196
Manufacturing	31, 32, and 33	92	\$19,586	\$3,635,163	\$95,591	\$6,674	\$3,757,014	8,679	\$433
Wholesale Trade	42	0	\$0	\$544,465	\$6,455	\$21	\$550,941	946	\$194
Retail Trade	44 and 45	94	\$18,943	\$21,297,131	\$330,781	\$8,646	\$21,655,500	36,470	\$594
Transportation and Warehousing	48 and 49	7	\$2,208	\$2,417,337	\$40,895	\$17	\$2,460,457	5,113	\$481
Information	51	0	\$0	\$545,181	\$7,642	\$1,498	\$554,322	1,290	\$143
Finance and Insurance	52	14	\$3,860	\$1,469,236	\$15,270	\$2,518	\$1,490,884	3,052	\$163
Real Estate and Rental Leasing	53	0	\$0	\$656,648	\$11,151	\$7	\$667,807	1,244	\$179
Professional, Scientific, and Technical Services	54	18	\$6,188	\$1,174,777	\$13,175	\$8	\$1,194,148	1,940	\$205
Management of Companies and Enterprises	55	0	\$0	\$220,215	\$235	\$0	\$220,451	401	\$183
Administrative Support; Waste Management and Remediation Services	56	36	\$9,904	\$22,081,959	\$106,407	\$2,610	\$22,200,880	36,601	\$202
Educational Services	61	28	\$5,224	\$3,847,661	\$95,200	\$1,269	\$3,949,354	6,864	\$192
Health Care and Social Assistance	62	119	\$26,517	\$24,254,830	\$313,241	\$13,674	\$24,608,262	36,369	\$226
Arts, Entertainment, and Recreation	71	0	\$0	\$1,364,365	\$5,374	\$17	\$1,369,756	2,307	\$198
Accommodation and Food Services	72	15	\$3,268	\$16,665,285	\$110,203	\$6,289	\$16,783,429	27,468	\$204
Other Services (except Public Administration)	81	20	\$5,496	\$1,285,972	\$14,219	\$1,805	\$1,307,492	2,312	\$189
Public Administration	92	75	\$9,486	\$1,373,385	\$19,883	\$8,667	\$1,411,421	4,767	\$99
<b>TOTAL</b>		<b>525</b>	<b>\$112,517</b>	<b>\$103,665,179</b>	<b>\$1,207,670</b>	<b>\$53,776</b>	<b>\$105,039,142</b>	<b>177,264</b>	<b>\$198</b>



MATT BLUNT  
GOVERNOR

**MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
OFFICE OF GENERAL COUNSEL**

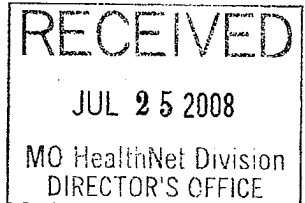
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TODD SMITH  
DEPARTMENT DIRECTOR

MATTHEW W. MURPHY  
GENERAL COUNSEL

July 23, 2008

Judith Muck  
Deputy Division Director  
Missouri Health Net Division  
221 West High Street  
P.O. Box 1527  
Jefferson City, MO 65102-1527



Dear Judy,

This letter is in response to your request that the Missouri Department of Labor and Industrial Relations (DOLIR) provide a written statement of its position regarding your request to use unemployment data derived from DOLIR to complete the Missouri Health Care Responsibility Report required by section 208.230, RSMo.

The United States Department of Labor has promulgated regulations, found at 20 CFR part 603, regarding the use and disclosure of unemployment information. The federal regulations define "Confidential Information" as "information in the records of a State or State UC [unemployment] agency that pertains to the administration of the State UC law." (See 20 CFR 603.2(b) and (j)).

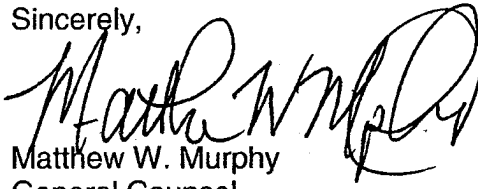
It appears that DSS intends to use unemployment information to determine the number of employees a specific employer has and the percentage of an employer's workforce that receives or that has dependents who receive MO HealthNet benefits. This information is considered "confidential" pursuant to the federal regulations. Although they allow the disclosure of confidential information to a public official (such as DSS) for use in its official duties, the regulations do not allow a public official to make a public redisclosure of confidential information that is not for unemployment administration purposes. (See 20 CFR 603.9(c)(2) and 603.9(b)). Thus, if DSS needed to prepare this report only to be viewed by the Governor or the Legislature, DOLIR could authorize that use (with the requirement that those officials could not redisclose the information). The problem is that 288.230.5 requires DSS to make this report available to the public – disclosing confidential unemployment information in this manner would violate the federal confidentiality regulations.

As we discussed, DOLIR can authorize DSS to receive individual records for use in the report, if the report that is made publicly available contains only aggregated data from which no individual employer or employee can be identified. The regulations exclude such aggregated data from the definition of "confidential information."

Judith Muck  
July 23, 2008  
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I understand DSS' statutory obligation to provide the Missouri Health Care Responsibility Report. If there is any means by which DOLIR can fulfill your needs while complying with the applicable federal regulations, we will certainly accommodate. Please let me know if I may be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew W. Murphy". The signature is fluid and cursive, with the first name being the most prominent.

Matthew W. Murphy  
General Counsel

c: Todd Smith, Director