What is Medicaid Managed Care?

**Definition**: a health care delivery system organized to manage cost, utilization, and clinical and service quality

**How**: Medicaid managed care provides for the delivery of Medicaid health benefits through contracted arrangements

**Why**: Improvement in health plan performance, health care quality, and outcomes are key objectives of Medicaid managed care
Fee-for-Service vs. Managed Care

Historically, **Fee-for-Service (FFS)** has been the common approach taken by state Medicaid programs.

- In a Fee-for-Service model, health care services are paid for as individual units of service; every type of service has a pre-defined rate.
- This is an a la carte approach that emphasizes quantity of care over quality.

Today, most states – including Washington – are embracing a **Managed Care** model of health care delivery.

- Under such models, a state Medicaid program contracts with private managed care plans (MCPs) to provide health care coverage to beneficiaries. The state then pays an MCP a per member per month/capitation payment.
Timeline to Integrated Managed Care

- **1960s to Mid-1980**: FFS System Only
- **1980s to Mid-1990s**: County MCO Pilots
- **Mid-1990s**: State-wide MCOs
- **2000s**: Expanded Enrollment
- **2016-2020**: Expanded Benefits
- **2020s**: Whole Person Care

Washington State Health Care Authority
Medicaid Managed Care – Washington (cont.)

- 1.8 million Washingtonians enrolled in Apple Health (Medicaid) and approximately 86.6% are enrolled in managed care.
- Five Medicaid Managed Care Plans are contracted with the state to deliver physical and behavioral health:
  - Molina Healthcare of Washington, Community Health Plan of Washington, UnitedHealthcare, Coordinated Care, Amerigroup
- Coordinated Care also manages care for children involved in the foster care system statewide.
Integrated Managed Care is now statewide

- Last three regions implemented IMC January 1, 2020
- Most Medicaid Clients are enrolled:
  - Medicaid only clients receive full medical and behavioral health benefits through managed care
  - Dual-eligible clients receive behavioral health benefits through managed care
  - American Indian/Alaska Native can opt out
Goals of Medicaid Managed Care

- Improve access to care
- Test new ways of purchasing health care
- Achieve predictability for spending: “bend the trend”
- Improve quality
- Improve accountability
MC Controls Growth in Spending

WA Per Cap has remained lower than national average
Role of Managed Care Organizations in Washington

- Facilitate care management
- Assure clinical and service quality
- Build provider networks
- Engage & partner with communities
- Leverage data and technology
- Monitor & maintain compliance
Care management

- **Utilization Management**
  - Right Care: Medically Necessary
  - Right Time: Pursue Appropriate lower level interventions first
  - Right Provider/Right Care: Pay for quality/performance and Evidence Based Practices

- **Case Management for High Needs Members**
  - Complex case management, care coordination, disease management, and health education
  - Health Homes as example of strong community based care management
Common elements in HCA’s new models of care

- Risk sharing at the provider level
- Quality measures from Washington Statewide Common Measure Set
- HCA-created Quality Improvement Model, rewards improvement and attainment
- Care transformation strategies based on the Bree Collaborative recommendations
Whole-person care

- **Patient experience**
  - “No wrong door” to care, seamless experience, higher satisfaction, stigma reduced, greater likelihood of needs being identified and met

- **Clinical outcomes**
  - Improved outcomes for both physical and behavioral conditions when care is integrated

- **Costs**
  - Clinical integration reduces overall costs of care

- **Provider experience**
  - Higher clinician satisfaction in integrated settings
Better health, better value

**Practice transformation:**
- Population health (focus on health outcomes)
- Whole-person care (body, mind, teeth, etc.)

**Financial oversight and new models of purchasing:**
- Rigorous and regulated managed care rate development
- Value-based payment

**Medicaid Transformation:**
- MCOs partner with the community to address the most challenging patients
- MCOs shift from traditional medical model to whole person care and social determinants of health
Questions?

MaryAnne Lindeblad – Medicaid Director
► Email: maryanne.Lindeblad@hca.wa.gov
► Telephone: (360) 725-1863

Jason McGill – Assistant Director, Medicaid Program Operations and Integrity
► Email: jason.mcgill@hca.wa.gov
► Telephone: (360) 725-1093