Apple Health: Enrollment and Cost Trends

Senate Health and Long Term Care Committee
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Medicaid Director
• Purchases health care for 1.9 million people
• Most (1.55 million people) get care through five managed care organizations
• $16.3 billion annual budget (federal and state)
Apple Health enrollment

- Enrollment allowed year-round

Source: Managed Care Executive Dashboard | June 2017
Apple Health budget

Most Apple Health programs are federally matched; some are state-funded only.

2015-17 Biennium

<table>
<thead>
<tr>
<th>Service</th>
<th>Budget</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>$15.9 B</td>
<td>97%</td>
</tr>
<tr>
<td>Administration</td>
<td>$0.4 B</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total Medicaid Budget</strong></td>
<td><strong>$16.3 B</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Sources: Agency Financial Reporting System (AFRS) Allotments
*Excludes Health Benefit Exchange $0.11 billion budget
Total Apple Health costs and caseload by category

<table>
<thead>
<tr>
<th>Category</th>
<th>Expenditures</th>
<th>Caseload</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Planning</td>
<td>$2K</td>
<td>13K</td>
</tr>
<tr>
<td>Pregnant Women</td>
<td>$223K</td>
<td>17K</td>
</tr>
<tr>
<td>Other Programs</td>
<td>$157K</td>
<td>25K</td>
</tr>
<tr>
<td>Partial Duals</td>
<td>$429K</td>
<td>32K</td>
</tr>
<tr>
<td>Elderly Persons</td>
<td>$278K</td>
<td>76K</td>
</tr>
<tr>
<td>Caretaker Relatives (Family Medical)</td>
<td>$568K</td>
<td>138K</td>
</tr>
<tr>
<td>Blind/Disabled</td>
<td>$1,378K</td>
<td>149K</td>
</tr>
<tr>
<td>Expansion Adults</td>
<td>$2.765M</td>
<td>611K</td>
</tr>
<tr>
<td>Apple Health for Kids</td>
<td>$1.562M</td>
<td>822K</td>
</tr>
</tbody>
</table>

Source: February 2017 Forecast

Notes: Presumptive SSI clients are included in Expansion Adults. Other Programs include State-only Children Health Program, Alien Emergency Medical, Medicaid Buy-In

An average of 1.9 million clients are served per month in FY 2017.
Who Apple Health covers

• Apple Health clients include:
  – Children
  – Pregnant women
  – Disabled adults
  – Elderly persons
  – Former foster care adults
  – Adults covered through Medicaid expansion

• Enrollment based on income % above federal poverty level
• Includes children covered by Children’s Health Insurance Program (CHIP)

Note: CHIP enrollees pay $20-$30 monthly premium per child, per month (maximum of 2 children)
Apple Health benefits

Apple Health benefits include:

- Primary and specialty care
- Behavioral health
- Facilities including hospitals, birth centers, and nursing homes
- Transportation to medical appointments
- Prescription drugs
- Care management

- Laboratory, x-ray, home health services
- Family planning, nurse midwives
- Preventive care including:
  - Well-child visits
  - Annual exams
  - Immunizations
  - Health screenings and assessments
Medicaid coverage by district
Managed care enrollment

<table>
<thead>
<tr>
<th>SFY17 YTD Average Eligibles (per Month)</th>
<th>Total per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>AmeriGroup</td>
<td>148,757</td>
</tr>
<tr>
<td>Coordinated Care</td>
<td>205,887</td>
</tr>
<tr>
<td>Community Health Plan</td>
<td>296,469</td>
</tr>
<tr>
<td>Molina Healthcare</td>
<td>687,096</td>
</tr>
<tr>
<td>United Healthcare</td>
<td>221,353</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,559,562</strong></td>
</tr>
</tbody>
</table>
Major initiatives

- Behavioral and physical health integration
- Medicaid Transformation Demonstration
- Value-based purchasing
Behavioral and physical health integration

- Legislature directed state to integrate behavioral and physical health through managed care systems (2SSB 6312, 2014)
  - 2016: Southwest WA (Clark, Skamania) first to integrate
  - Jan. 1, 2018: North Central (Chelan, Douglas, Grant) began integration
  - 2020: Integration in place statewide

- In integrated system, Apple Health clients have medical, mental health, and substance use disorder services through single managed care plan
Regional integration
Medicaid Transformation Demonstration

• 5-year project/up to $1.5 billion federal investment
  – Integrated regional health systems approach
  – Whole-person care meeting physical and behavioral health needs
  – Payments reward quality over quantity

• Three initiatives
  1. Accountable communities of health work to transform the way health care is delivered
  2. Long-term services and supports
  3. Housing and employment support
Value-based purchasing

Paying for volume (fee-for-service)

Paying for value
HCA value-based purchasing road map

- Reward patient-centered, high quality care
- Reward health plan and system performance
- Align payment and reforms with CMS
- Improve outcomes
- Drive standardization
- Increase sustainability of state health programs
- Achieve Triple Aim

2016: 20% VBP

2019: 80% VBP

2021: 90% VBP
Questions?

More Information:
http://hca.wa.gov

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