

Covering the Low-Income, Uninsured in Oklahoma: *Recommendations for a Medicaid Demonstration Proposal*

Presented to the OHCA Board

June 27, 2013

Target Population

Prevalence of Select Risk Factors Among Oklahoma Adults Age 18–64, 2010

Select Risk Factor	Annual Wage < \$25,000	Annual Wage > \$50,000	Increased likelihood < \$25,000 has risk factor
Health is Fair or Poor	37.3%	6.0%	6.2
Current Smoker	46.2%	14.0%	3.3
Diabetes	13.7%	5.5%	2.5
Heart Disease	4.7%	2.0%	2.3
Asthma	13.9%	7.4%	1.9
Obesity	40.7%	28.6%	1.4
Heavy Drinking	4.1%	3.5%	1.2
High Blood Pressure	32.4%	27.7%	1.2
High Cholesterol	38.3%	34.1%	1.1

Requested Framework

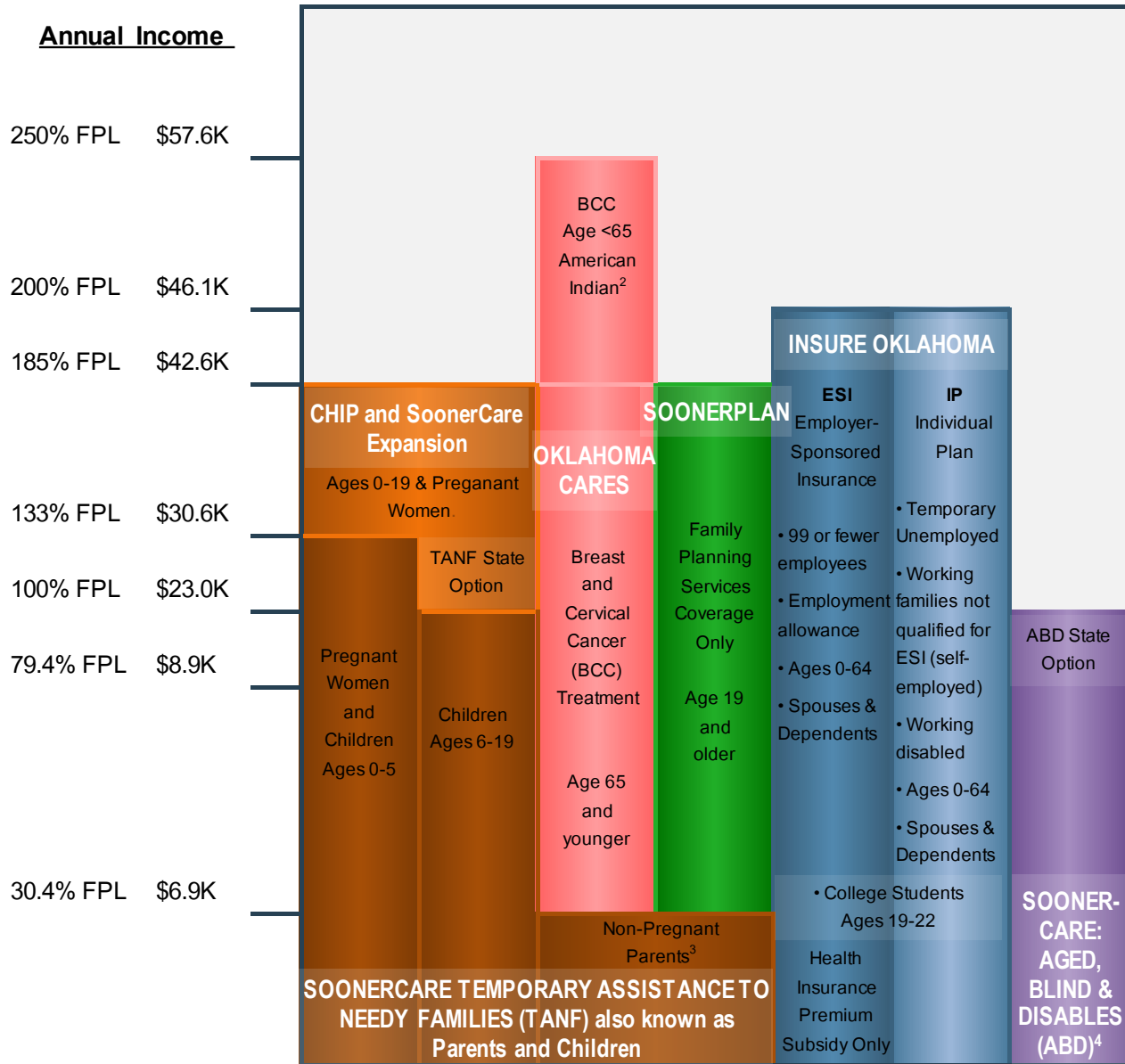
Oklahoma Plan:

- Incorporates public health approaches
- Improves the community's health outcomes
- Addresses individual accountability for wellness
- Aligns with plans to reduce the number of uninsured, reduce reliance on Medicaid, and support the State's economic base

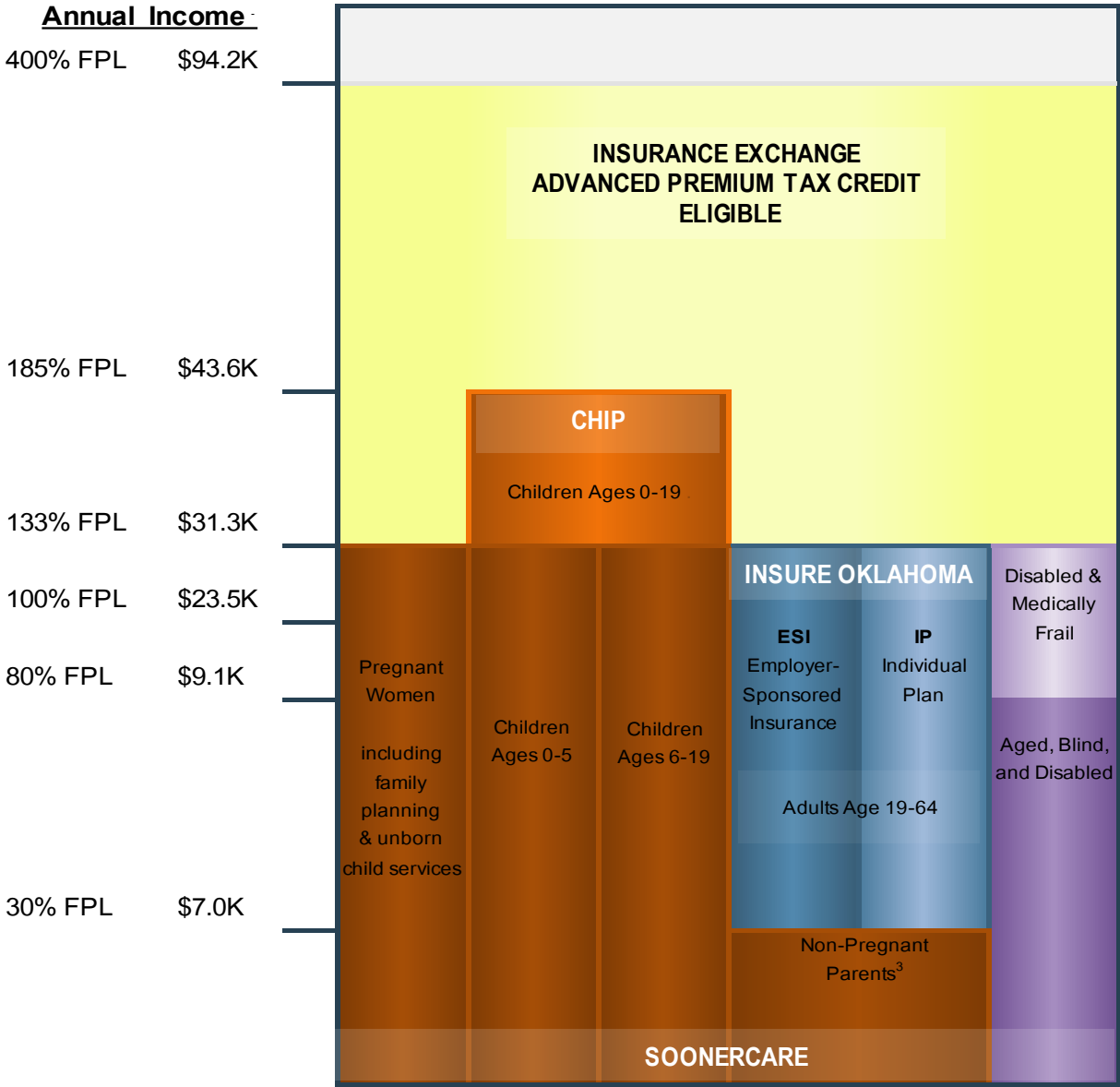
Foundation For Recommendation

- Streamline current Medicaid eligibility to gain program efficiencies
- Utilize the Insure Oklahoma framework to provide care for the low-income, uninsured
 - Oklahoma grown (strong community support)
 - Robust enrollment and business involvement
 - Reduces churn
 - Provides a leverage point for multi-payer initiatives

Streamline Current Medicaid Eligibility



Streamline Current Medicaid Eligibility



Alternative Plan for Disabled and Frail

- Modified IO Individual Plan—with health home benefits
- Use of care coordination and behavioral health benefits to reduce barriers to achieving individual accountability
- Maximum allowable cost sharing—with appropriate reductions
- New payment strategies that focus on improving individual and population health outcomes
- Integration of public health infrastructure and initiatives

System Overview

Income < 138% FPL, but don't currently qualify for Medicaid

Income > 138% FPL

Commercial insurance purchased individually or with APTCs

Disabled and Medically Frail

Modified IO Plan
Alternative Option and Wrap-Around Coverage

Healthy, Higher Income

Exchange QHP plans purchased with Medicaid Premium Assistance

Access to ESI

Commercial insurance purchased with Medicaid Premium Assistance



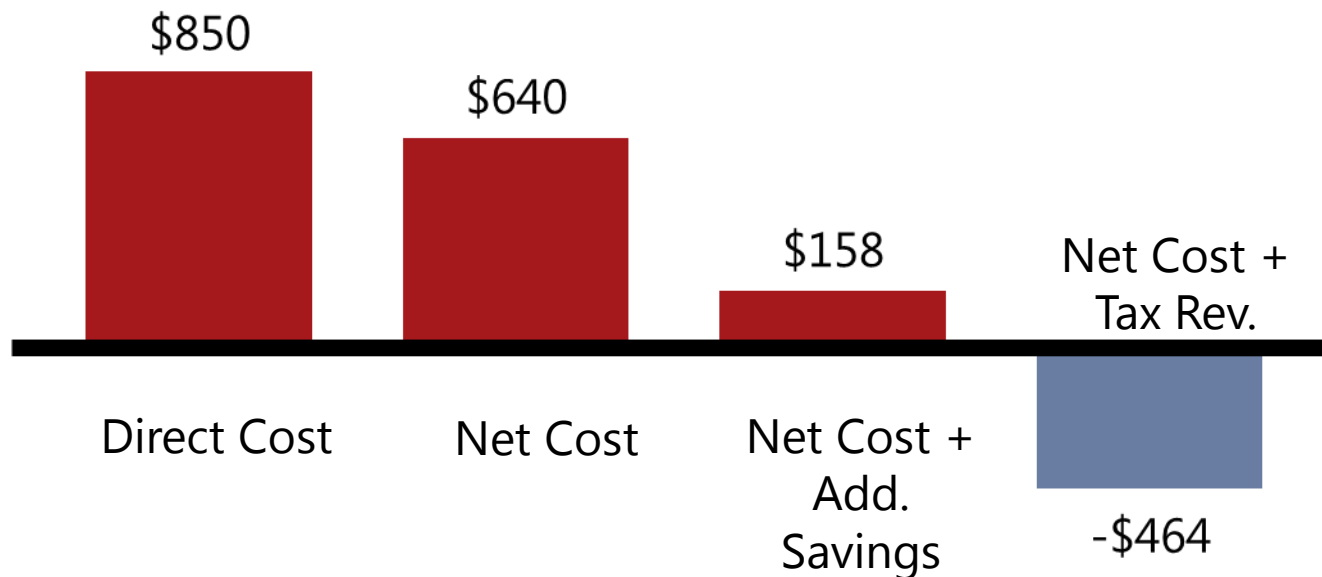
Health home sites and benefits	Behavioral health & care coordination
New payment strategies	Increased cost sharing and incentives

Indian Health System Proposals

- Continue full federal reimbursement to I/T/Us through Medicaid for categorical groups moving to the exchange
- Allow full federal reimbursement through Medicaid for uncompensated care provided by I/T/Us
- Implement payment strategies that reward positive outcomes on developed quality metrics

Estimated 10-year Impacts

- Newly Enrolled: 187,000 – 275,000
- Costs to the State (in millions):



Estimated 10-year Impacts

Estimates of 10-Year Financial Cost and Economic Impact of the Proposed Demonstration Program, 2023

Take-Up	New Enrollees	Total Cost (Federal and State)	Net Cost to State (Surplus)	Total Economic Impact
Low	204,911	\$10.5 billion	(\$486 million)	\$13.6 billion
Medium	233,334	\$12.0 billion	(\$465 million)	\$15.6 billion
High	257,493	\$13.3 billion	(\$447 million)	\$17.3 billion

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Next Steps

- Determine which recommendations to pursue
- Form a steering committee to oversee the review and implementation of proposals
- Engage in Tribal consultation process
- Work with CMS to determine bottom-line issues
- Refine proposal and engage in State policy making processes



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