



# Oklahoma SoonerCare (Medicaid) and the Affordable Care Act (ACA)

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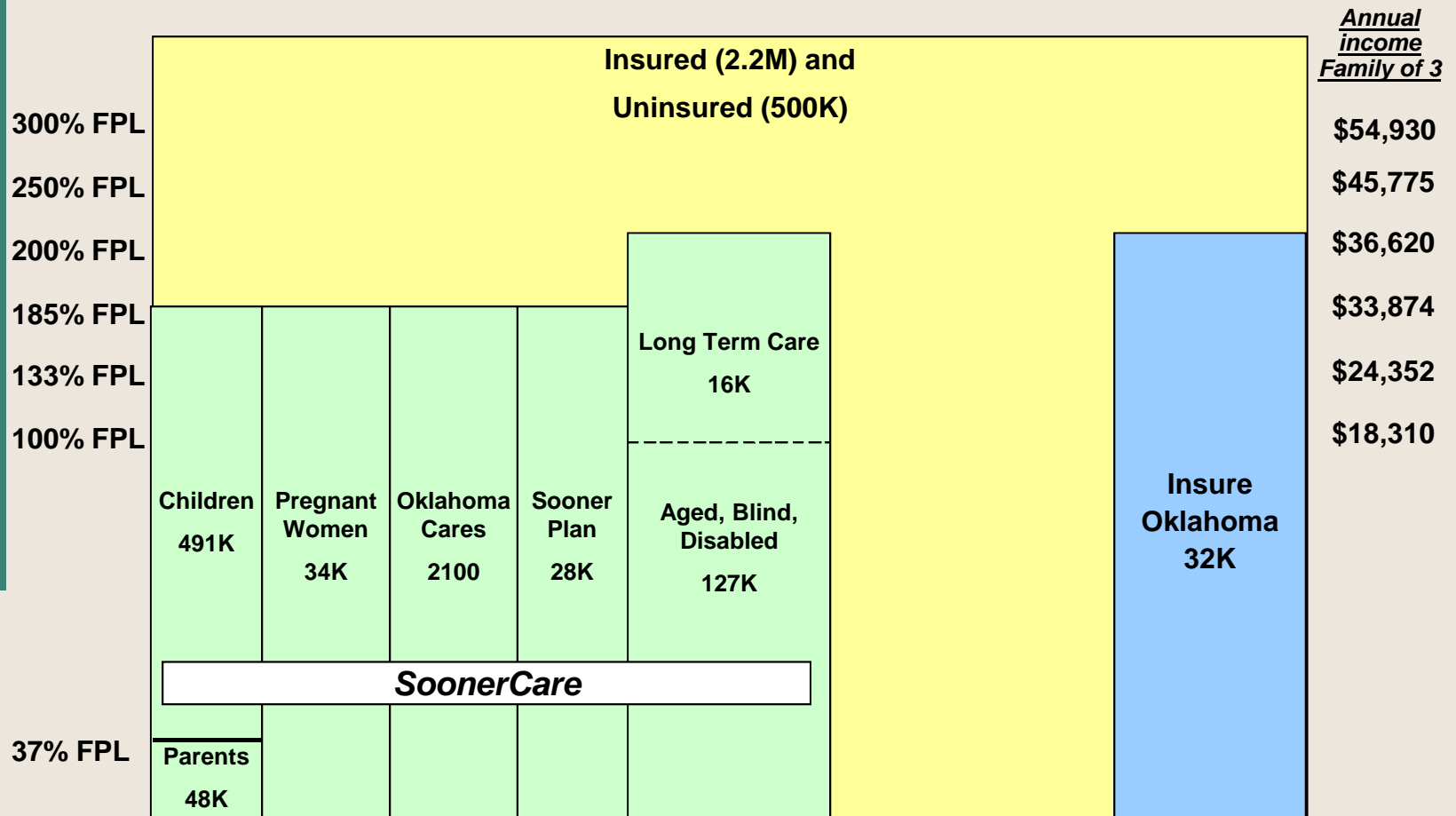
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# SoonerCare Today



# SoonerCare Landscape - Today



(Members as of September 2010 Fast Facts)



# Federal Poverty Level (FPL) Guidelines 2009-2010

Persons in family/HH	100%	133%	185%	200%	250%	300%
1	\$10,830	\$14,404 (6.93)	\$20,036	\$21,660	\$27,075	\$32,490
2	\$14,570	\$19,378 (9.32)	\$26,955	\$29,140	\$36,425	\$43,710
<b>3</b>	<b>\$18,310</b>	<b>\$24,352</b> <b>(11.71)</b>	<b>\$33,874</b>	<b>\$36,620</b>	<b>\$45,775</b>	<b>\$54,930</b>
4	\$22,050	\$29,327 (14.10)	\$40,793	\$44,100	\$55,125	\$66,150
5	\$25,790	\$34,301 (16.49)	\$47,712	\$51,580	\$64,475	\$77,370
6	\$29,530	\$39,275 (18.88)	\$54,631	\$59,060	\$73,825	\$88,590

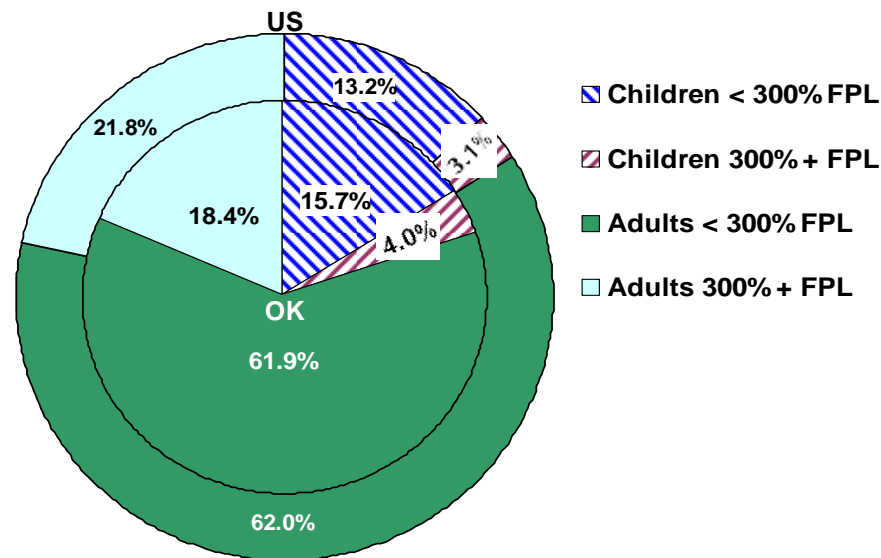


# Challenge: Oklahoma's Uninsured

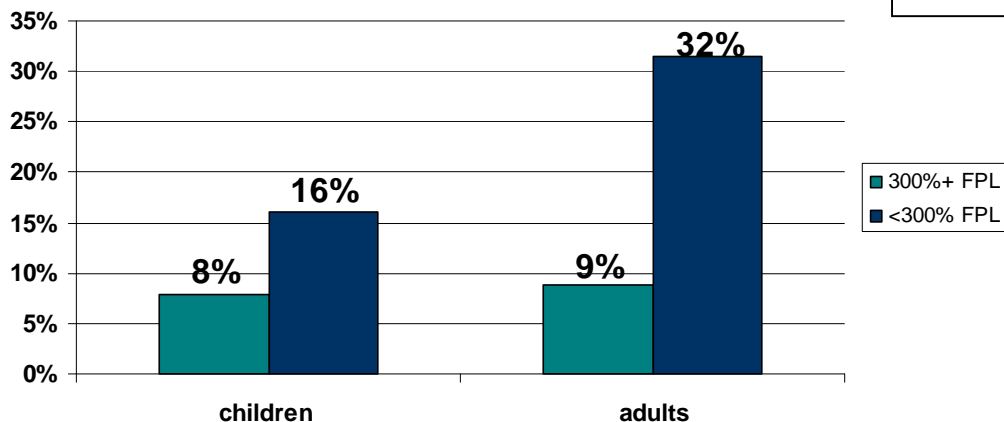
## Oklahoma Uninsured 2009

Total	<b>18%</b> (658,862 persons)
Children (0-18)	<b>13%</b> (130,605 children)
Adults (19+)	<b>20%</b> (528,257 adults)

Distribution of Oklahoma's Uninsured Children and Adults by FPL (2009)



Children and Adults Uninsurance Rates by FPL in Oklahoma (2009)



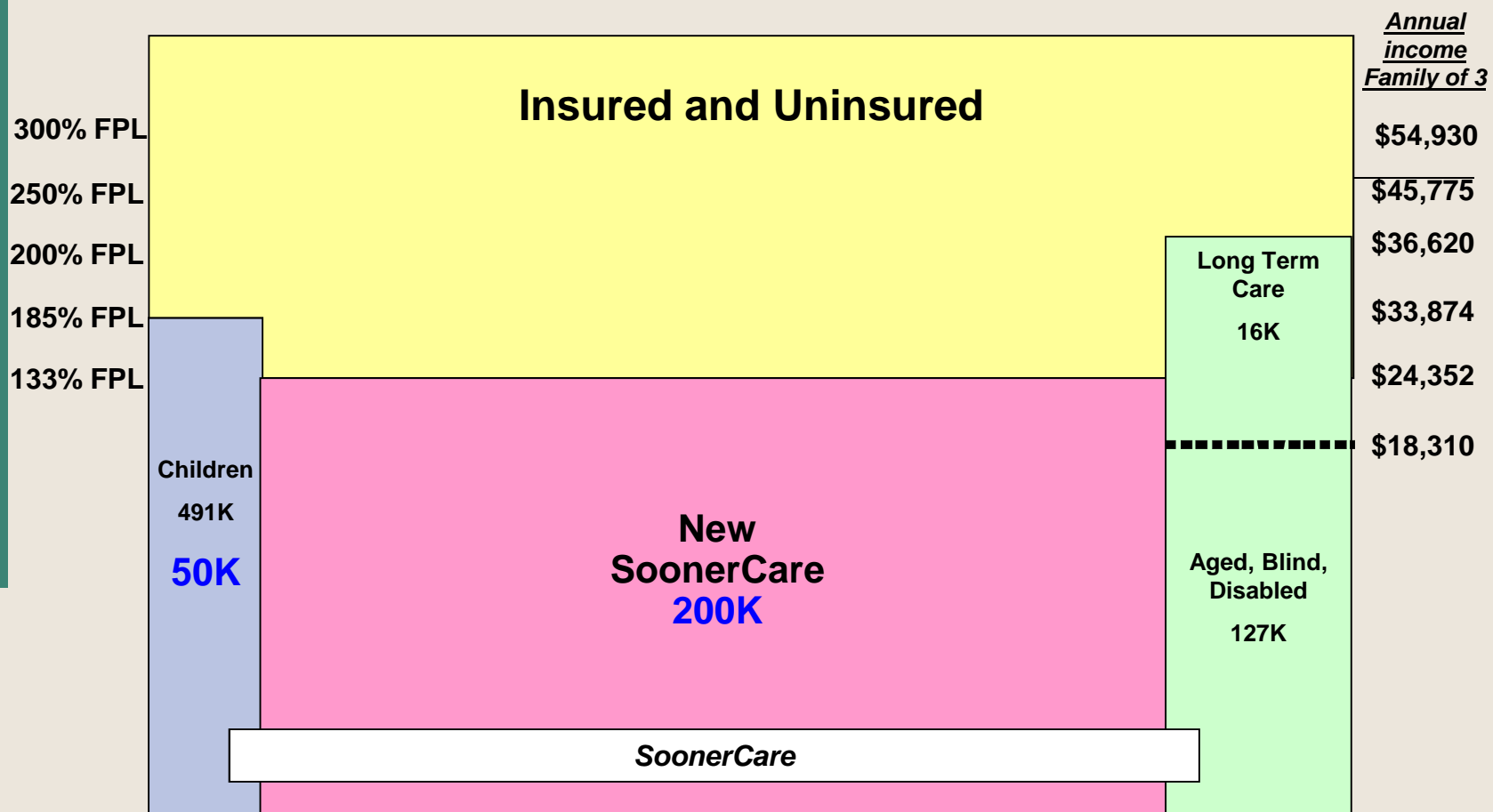
**Source:** US Census Bureau, CPS Table Creator.  
[http://www.census.gov/hhes/www/cpstc/cps\\_table\\_creator.html](http://www.census.gov/hhes/www/cpstc/cps_table_creator.html)



# Generation “Five” Medicaid and the ACA



# Health Care Coverage - 2014



(Members as of September 2010 Fast Facts)



# Participation Scenarios

## 2014

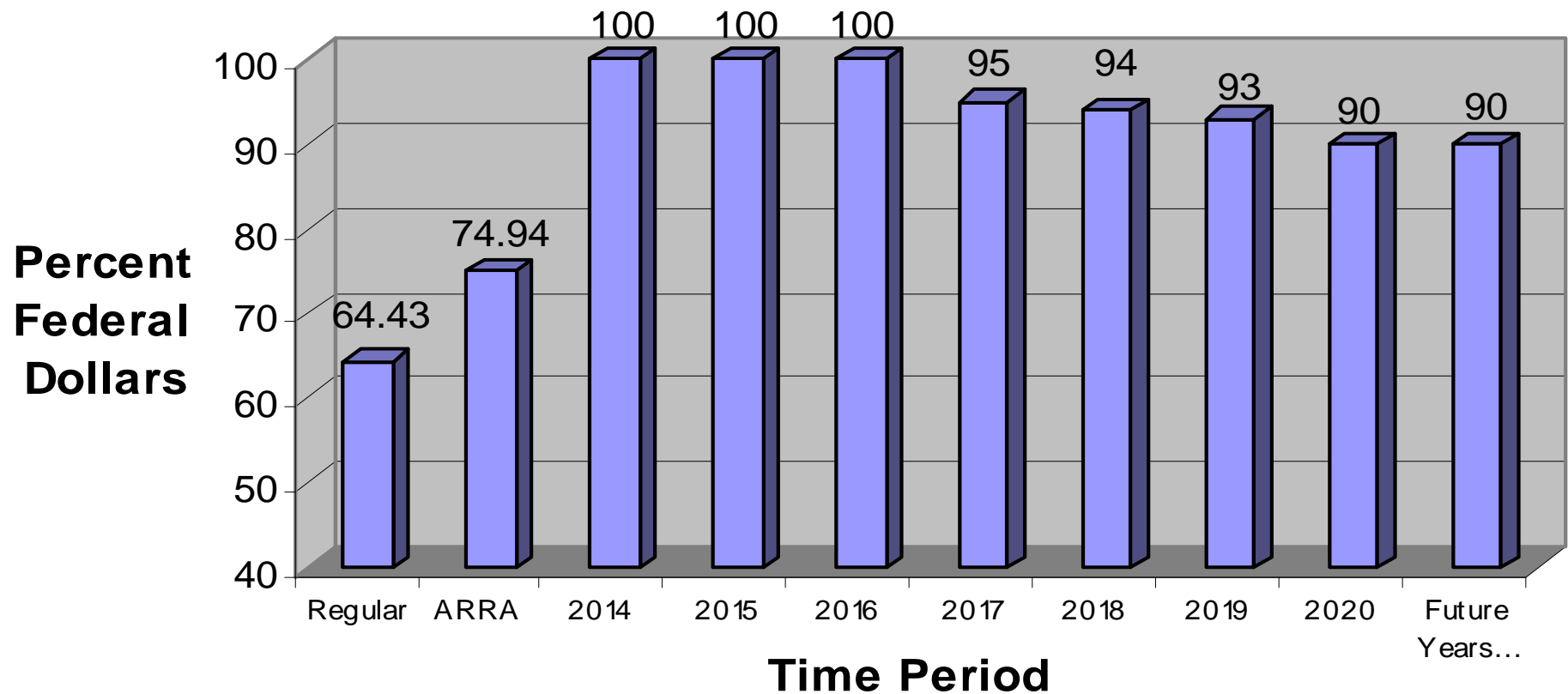
	Low 57%	Medium 75%	High 100%
Newly Qualified	110,000	145,000	200,000
Woodwork	30,000	35,000	50,000
Total Enrolled	140,000	180,000	250,000
State Share	\$23.8 M	\$31.2 M	\$41.6 M

**Source:** Presentation by Kaiser Family Foundation on 5/26/10 reported an estimated 57% standard participation rate for all populations affected by reform. This was calculated from the base CBO participation rates used to cost the federal reform legislation. In addition, when presenters considered outreach efforts and other methods states might employ to seek out coverage for previously uninsured individuals, the participation rate is estimated to be as high as 75%, which is referred to as an enhanced participation rate. <http://www.kff.org/healthreform/8076.cfm>





# Oklahoma FMAP Outlook: Newly Qualified



**Source:** CMS, Regular reflects FY 2010 FMAP Estimates



# State Dollar Offsets

- Pregnant Women
- Insure Oklahoma
- Oklahoma Cares (Breast & Cervical Cancer Services)
- SoonerPlan (Family Planning Services)
- Other State Agencies



# Impact Analysis for Planning

[www.implan.com](http://www.implan.com)

***New Members: 200,000 newly qualified  
50,000 woodwork effect***

<b>Years</b>	<b>Avg Annual State Dollars</b>	<b><u>Avg Annual Federal Dollars</u></b>	<b>Jobs</b>	<b>Avg Annual Earnings</b>	<b>Avg Annual OK Tax Rev</b>
<b>2014 - 2016</b>	<b>\$42.3 Million</b>	\$600 Million	<b>22,500</b>	\$530 Million	<b>\$71.7 Million</b>
<b>2017 - 2019</b>	<b>\$73 Million</b>	\$600 Million	<b>23,900</b>	\$570 Million	<b>\$76 Million</b>
<b>2020</b>	<b>\$95 Million</b>	\$607 Million	<b>24,800</b>	\$574 Million	<b>\$79 Million</b>



# Eligibility Rule Changes

## MAGI (Modified Adjusted Gross Income)

- Intended to simplify
- Consistency between states
- New data matches



# Information System Changes



# New CMS IT Guidance

- Service Oriented Architecture
- Reusable
- Interoperable
- Scalable
- Ease of Use



# CMS IT Funding

- Enhanced funding available - Medicaid Eligibility Systems (thru 12-15-2015)
  - 90% match - design, development and implementation
  - 75% match - ongoing operations
    - Must meet or exceed new CMS IT guidance
- In the past only 50% match for development and operations



# **Federal / State Decisions and Concluding Steps**





# ACA Requirements...

Decisions still needed...

- Benefit Packages



# Other Authority and Approvals

- State Plan Amendments
- Waivers
- Promulgated Policy
- Tribal Consultation
- Medical Advisory Committee
- OHCA Board
- Legislature
- Oklahoma Governor



# Accountable Care Organizations



# Accountable Care Organizations (ACO)

## Defined:

- Medicare Shared Savings Program or Pioneer ACO Model.
- ACO's are networks of physicians and other providers working together.
- Improve the quality of health care services and reduce costs for a defined patient population.

## Eligible Providers:

- Group practices
- Independent practice associations
- Networks of individual practitioners
- Partnerships of hospitals and professionals
- Hospitals that employ professionals
- Other groups



# ACO Basic Features

- ACO must agree to at least a three-year contract
- Must serve an assigned Medicare patient population of at least 5,000
- Invisible Member Enrollment
- Performance Measurement
- Shared Savings
- Stronger Incentives (Future)



# ACO Challenges

- Volume-based incentives for providers
- Slow growth / uptake
- Significant upfront investment
- No early incentives & financial rewards
- Long-range savings dependent upon culture change