

Florida's Medicaid Choice: Options and Implications

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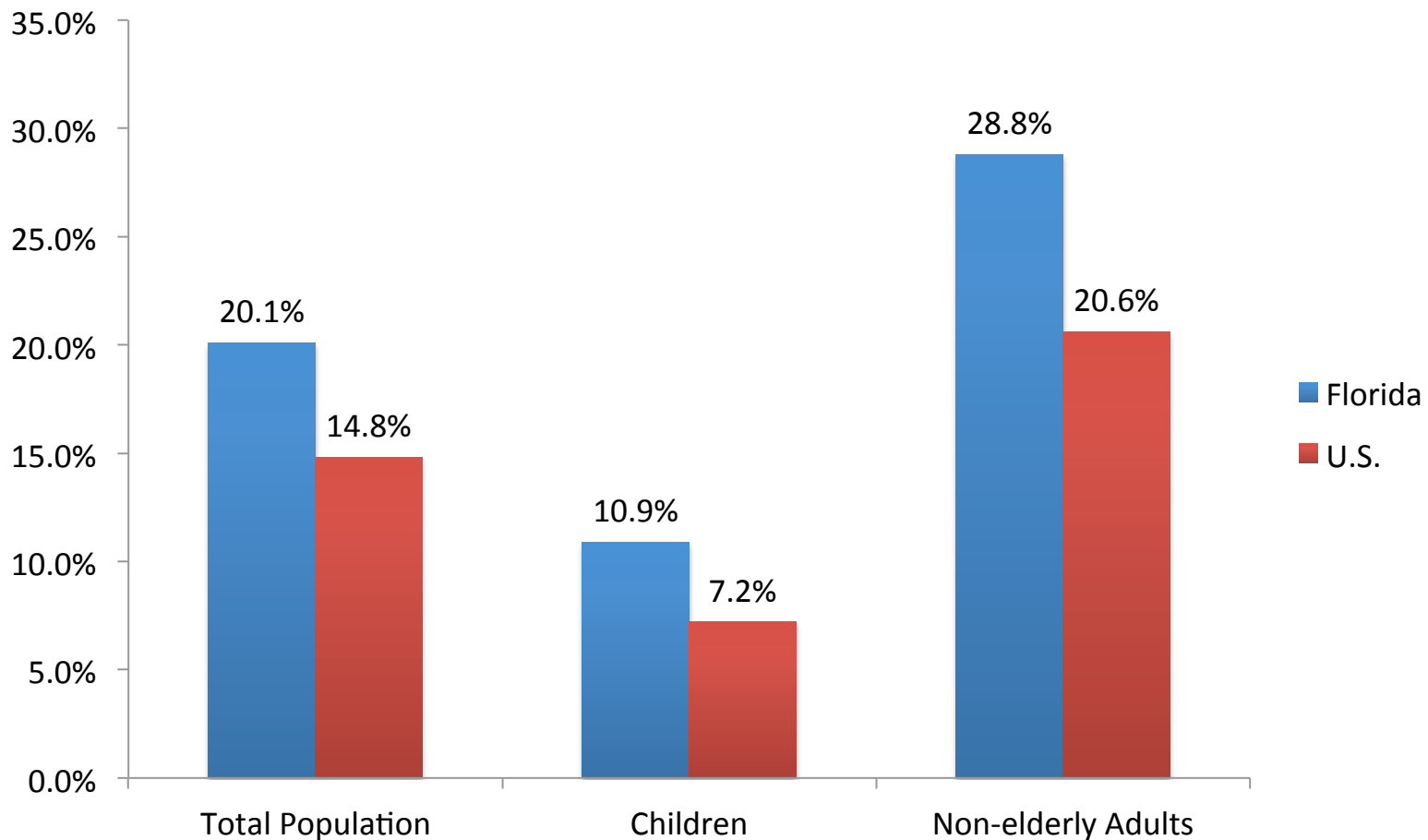
Georgetown University Health Policy Institute

Florida Philanthropic Network,

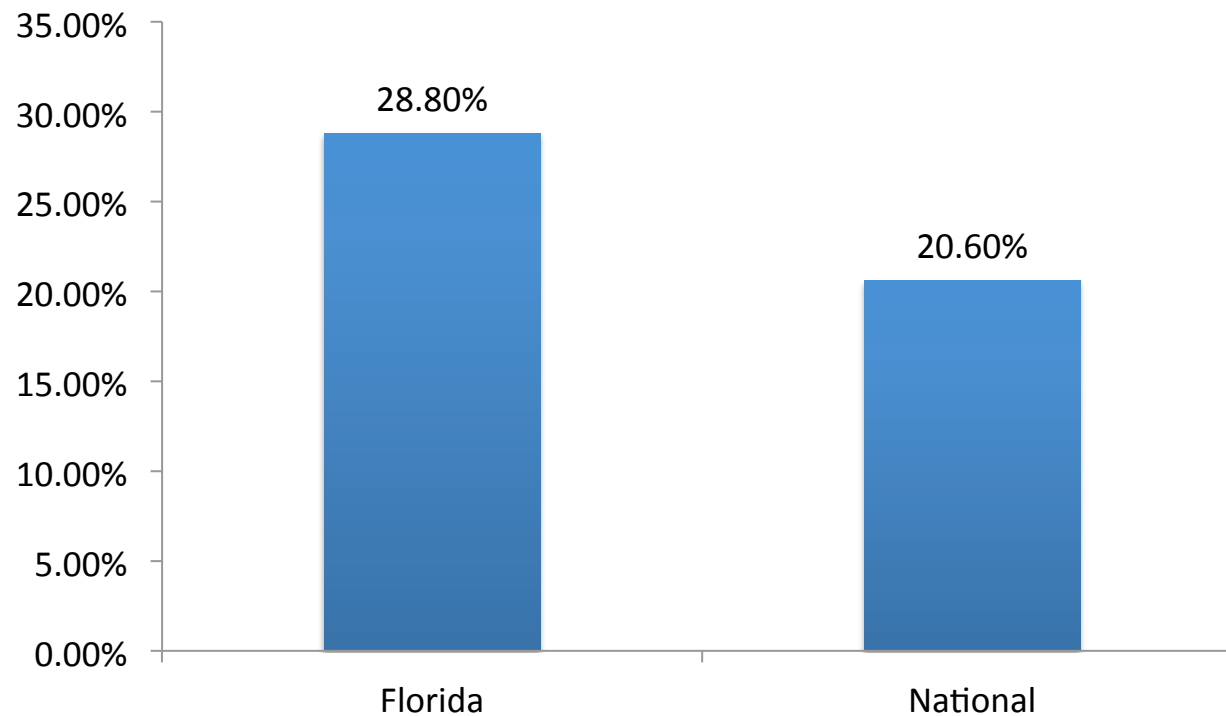
Tallahassee, FL

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Florida vs. U.S. Uninsured Rates, 2012



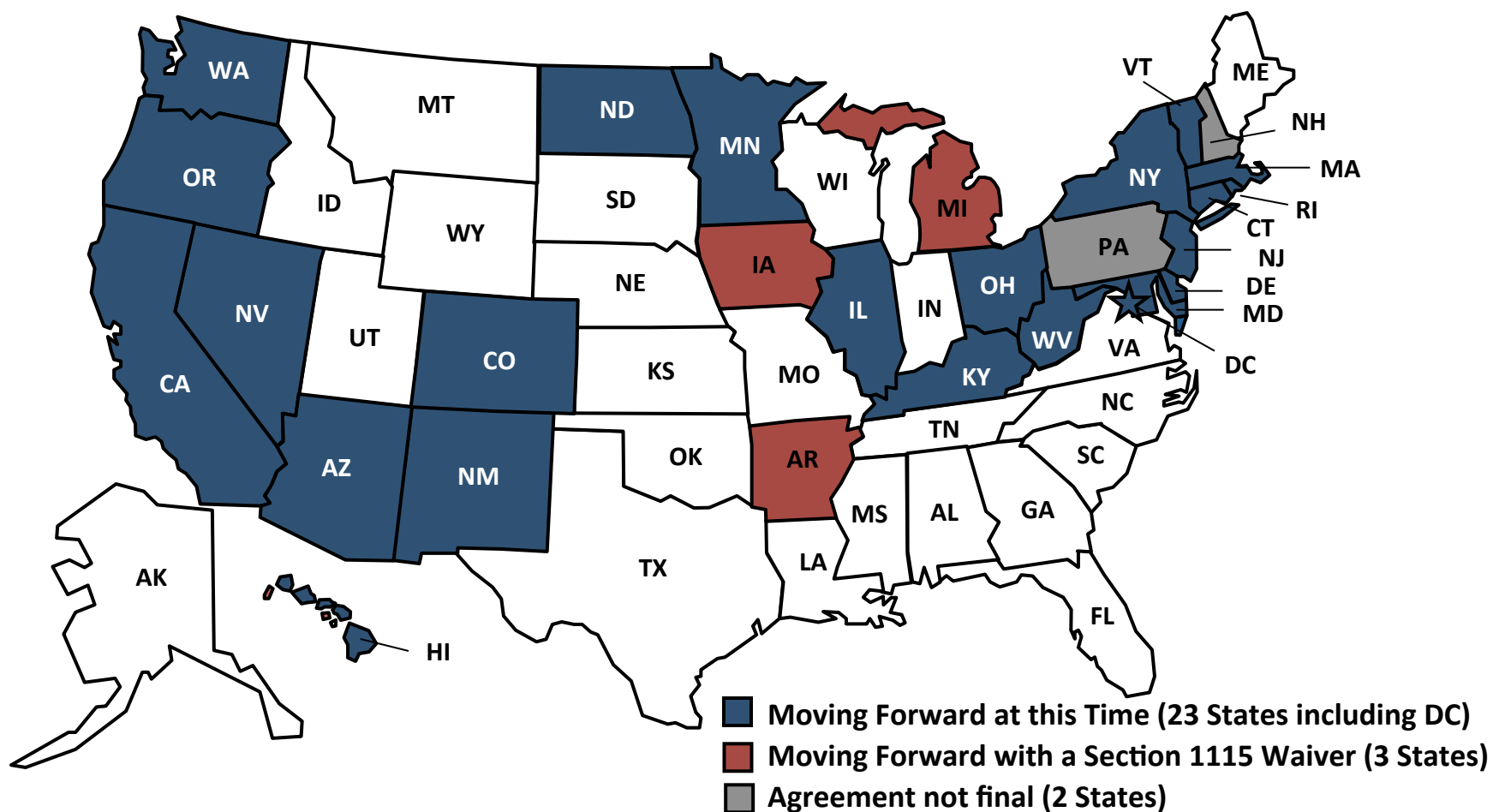
Florida has high rate of uninsured adults, 2012



Florida vs. Neighboring States: Rate of Uninsured Adults, 2012

Florida	28.8%
Alabama	19.9%
Georgia	25.5%
Louisiana	24.8%
South Carolina	23.8%
Texas	30.5%

Status of Medicaid Expansions

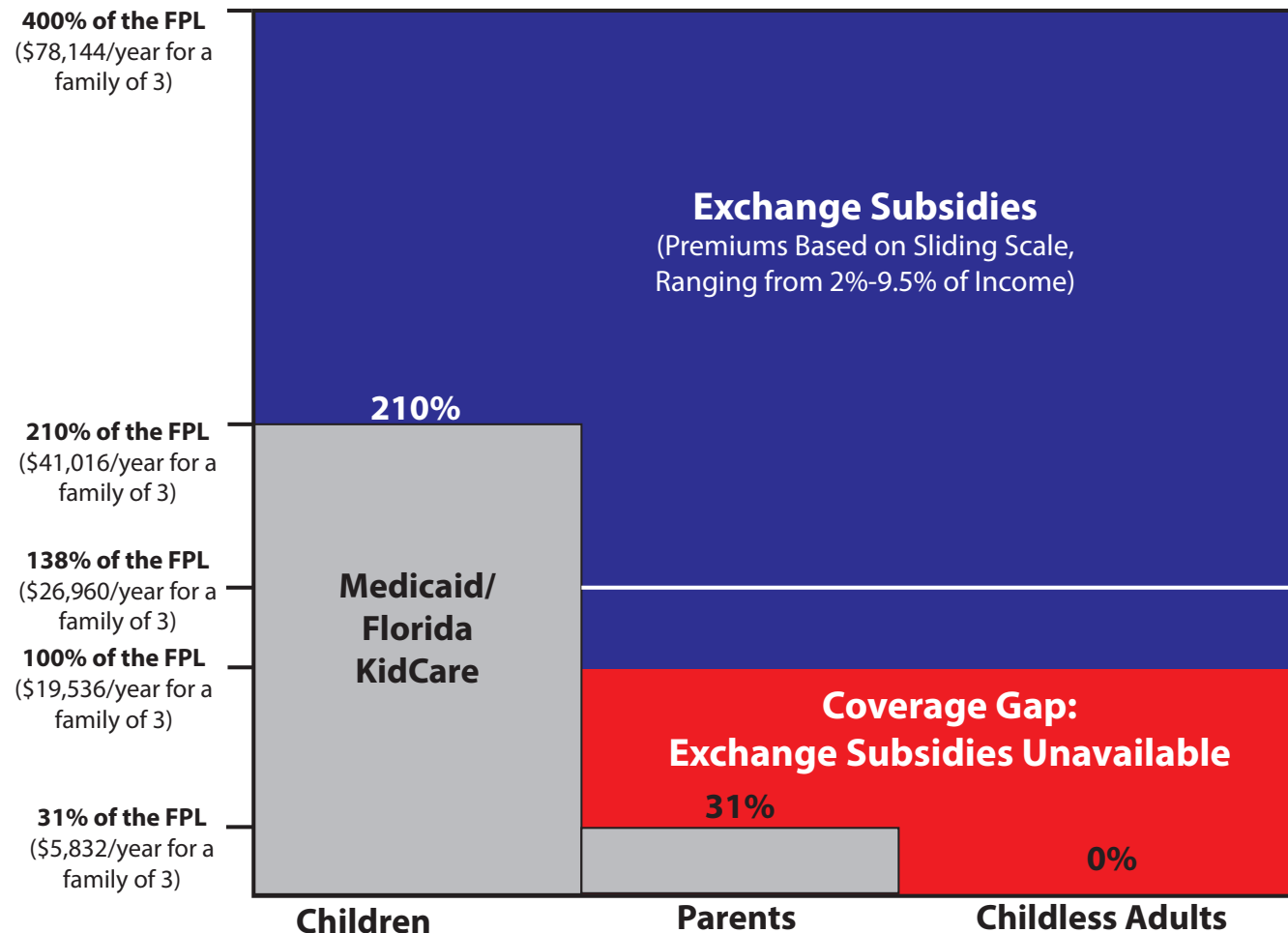


SOURCES: State decisions on the Medicaid expansion as of October 21, 2013.
Based on data from the Centers for Medicare and Medicaid, Kaiser Family
Foundation and state legislative scan by Georgetown CCF.

Who remains uncovered w/o Medicaid?

- Newly eligible for Medicaid includes adults up to 133% FPL
- Adults above 100% FPL can get tax credits to purchase coverage in the new insurance marketplaces if they don't have Medicaid coverage.
- Those below the poverty line will remain uncovered.
- 764,000 Floridians are now in coverage gap.

The Coverage Gap in Florida



Medicaid is essential to Reducing the # of Uninsured Floridians

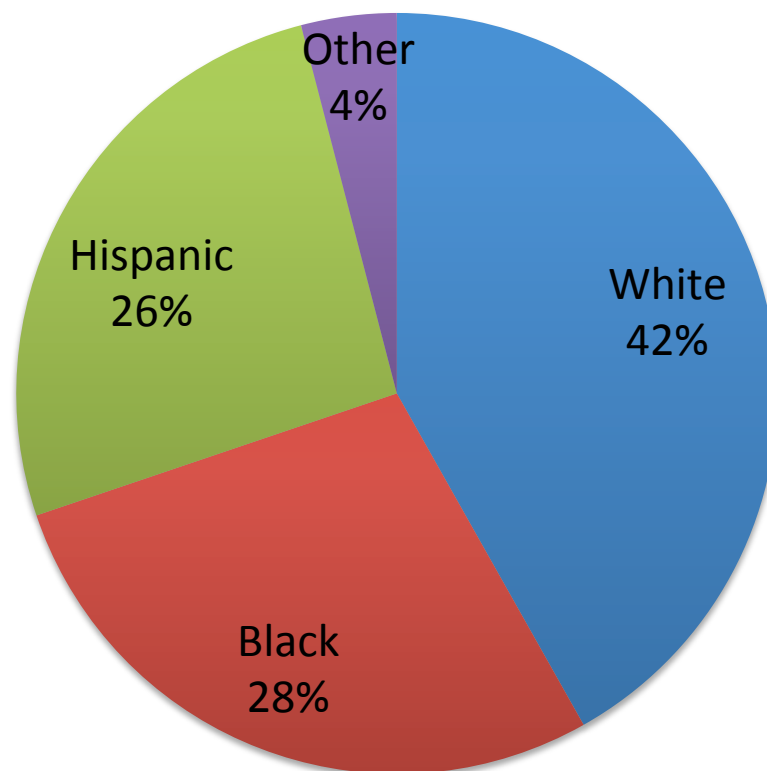
- 68% will remain uninsured if no Medicaid expansion;
- 37% remain uninsured if coverage extended

Estimates of new Medicaid eligibles/ enrollees by County

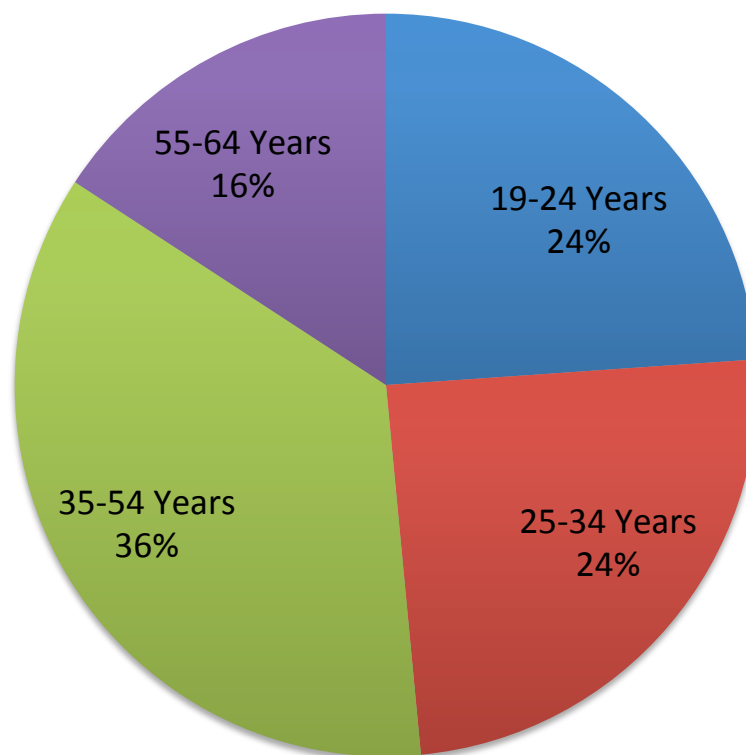
County	Percent of Total State Medicaid Enrollment	Low Estimate	High Estimate
Broward	8.24%	65,900	106,700
Duval	5.11%	40,900	66,200
Highlands	0.57%	4,600	7,400
Hillsborough	7.32%	58,500	94,700
Indian River	0.58%	4,700	7,500
Martin	0.45%	3,600	5,800
Miami-Dade	18.32%	146,600	237,300
Nassau	0.29%	2,400	3,800
Okeechobee	0.28%	2,300	3,700
Orange	6.54%	52,300	84,700
Osceola	2.23%	17,800	28,800
Palm Beach	5.61%	44,900	72,600
Pasco	2.28%	18,200	29,500
Pinellas	4.10%	32,800	53,200
Polk	3.75%	30,000	48,600
Seminole	1.47%	11,700	19,000
St. Lucie	1.51%	12,100	19,600
Volusia	2.59%	20,700	33,500

WHO FALLS INTO THE COVERAGE GAP?

Florida's Coverage Gap by Race



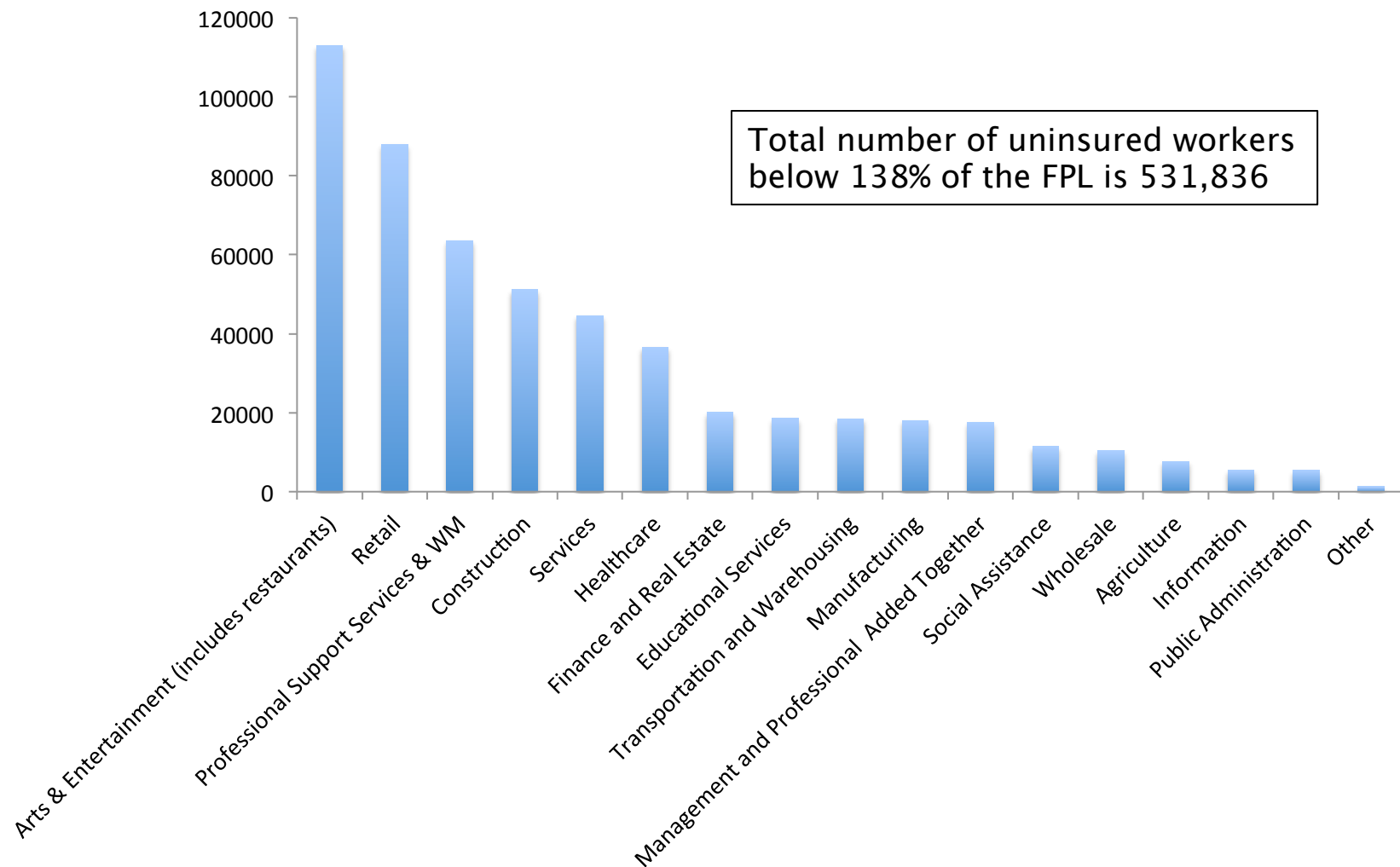
Florida's Coverage Gap by Age



Covering Parents is Good for Kids

- 23% of those in the gap are adults with dependent children;
- Extending coverage to parents provides economic security for the whole family
 - Medical debt is a leading cause of bankruptcy
 - Improves kids enrollment rates
- Improves health of parents
 - OR study found 30% reduction in depression

Employment Sectors with the Greatest Number of Uninsured Workers Below 138% of FPL



Source: CCF analysis of the American Community Survey



A Look at Some of the Fiscal Issues

Federal Government Picks Up Most of the Costs of Covering the Newly Eligible

Year	Federal Medicaid Assistance Percentage (FMAP)
2014	100%
2015	100%
2016	100%
2017	95%
2018	95%
2019	95%
2020 and beyond	90%

How Much Money is at Stake?

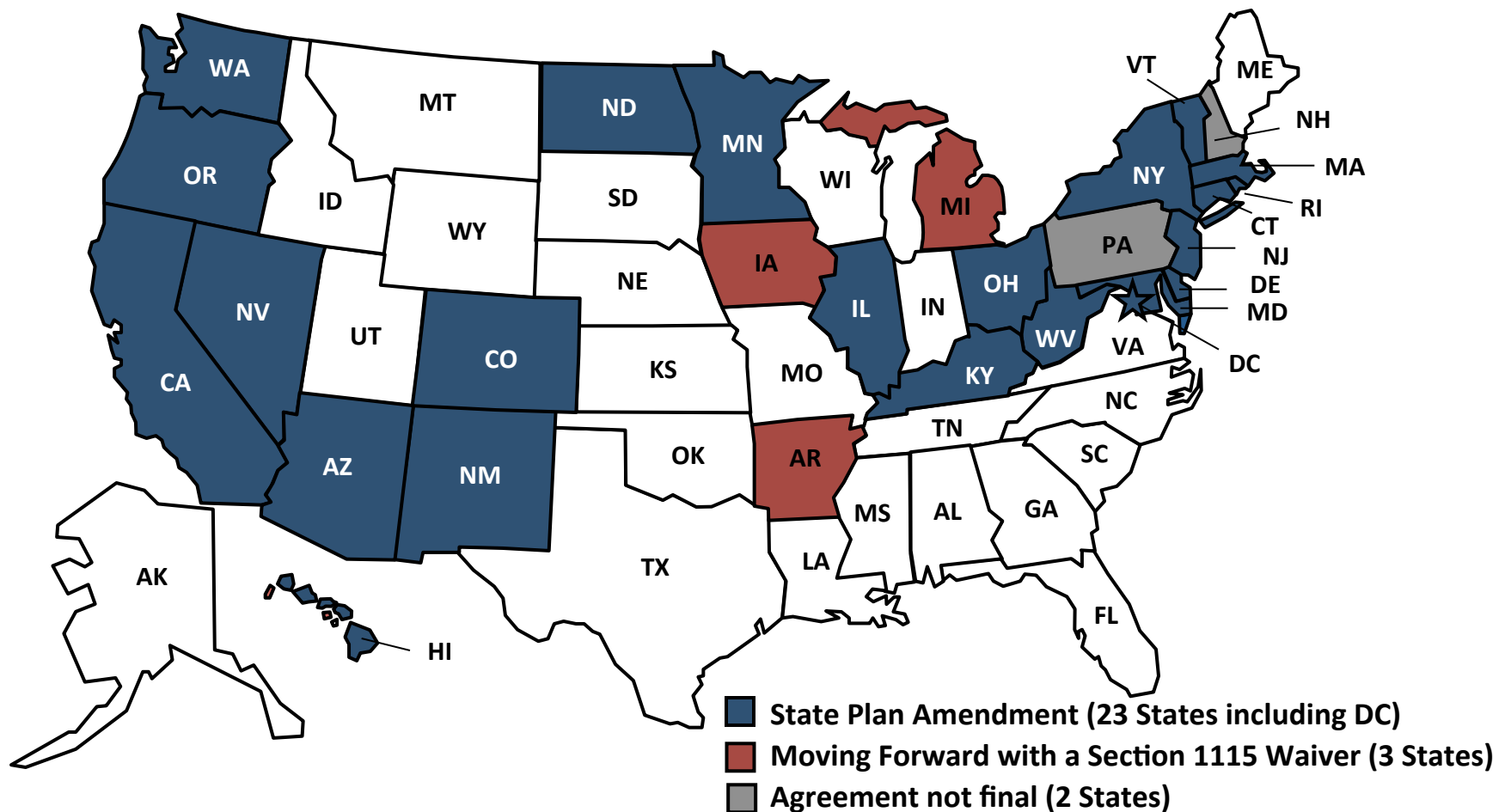
- As of January 1, 2014, *Florida is losing out on almost \$7 million a day by not accepting federal Medicaid dollars.*
- This is based in Social Services Estimating Conference projections of federal \$\$ that would be coming into state if Medicaid \$ were accepted
- The number will grow in the next fiscal year

Future of Florida's Low Income Pool (LIP)

- Section 1115 Waiver will expire on June 30, 2014, including LIP
 - Managed care provisions likely won't change much;
- Low Income Pool (LIP) is statewide fund of federal aid to hospitals and other providers “to provide services to the uninsured and underinsured”. It was established before ACA Medicaid \$ were available.

HOW ARE STATES EXTENDING MEDICAID?

Most common route is a SPA



What Flexibility Do States Have Without a Waiver?

- They can go into managed care without a waiver;
- They can be offered differing benefits packages tied to a commercial benchmark and EHB;
- New federal rules add additional cost-sharing flexibility for adults
- Obscure premium assistance option allows subsidies for individual coverage in exchange

Other Options: 1115 Waiver Route to Buy Marketplace QHPs



Approved



Approved



Proposed

Key Emerging Themes in Waivers

- Mandatory Use of “private insurance” (AR, IA, NH, PA); i.e. buying coverage on the marketplace
 - Public v. private coverage depends on state market structure – AR has no managed care
 - PA has 75% overlap with QHPs and MMCOs
- Key questions – do same benefits and cost-sharing rules apply?
- Will it be cost-effective?

Key Emerging Themes in Waivers

- Premiums or new forms of cost-sharing (IA, MI)
- Promoting wellness (IA, PA)
- Other premium assistance – beefing up existing Section 1906 ESI premium assistance which doesn't require a waiver (IA, NH?)

Comparing the Details

	Arkansas	Iowa	Pennsylvania
	Use Medicaid funds to pay premiums for Marketplace QHPs		
Who's eligible?	All Newly Eligible <ul style="list-style-type: none"> • Parents 17-138% FPL • Childless Adults 0-138% FPL 	Only newly eligible 100-138% FPL	All Newly Eligible <ul style="list-style-type: none"> * Parents 33-138% FPL * Childless Adults 0-138% FPL
Premiums	None	Not to exceed 2% of income; may be waived by meeting specific healthy behavior requirements	Slide scale based on income for enrollees with income >50% FPL; may be reduced by specific healthy behavior and work search requirements
Cost-Sharing	Required 100-138% FPL; may be extended to >50% FPL Max: 5% income	Required for non-emergency use of E.R.	Required for non-emergency use of E.R.

Comparing More Details

	Arkansas	Iowa	Pennsylvania
Benefits	Medicaid Alternative Benefit Plan; QHP Drug Formulary		
Wrap-around Benefits	Provided on FFS basis: <ul style="list-style-type: none"> • 3 months retro coverage • EPSDT (19 - 20) • non-emergency transportation 	Provided on FFS basis: <ul style="list-style-type: none"> • EPSDT (19 – 20) • One year waiver of transportation (to be evaluated) 	Not Included in Proposal
Plan Choice	<ul style="list-style-type: none"> • At least 2 Silver level plans • 30 days to change if auto-assigned 	<ul style="list-style-type: none"> • At least 2 Silver level plans • Auto-assigned if no plan picked 	<ul style="list-style-type: none"> • Choice of 2 QHPs
Cost-Sharing	Not to exceed 5% income; required 100-138% FPL (may be extended to >50% FPL)	Not to exceed 5% income including premiums; required for non-emergency use of E.R.	Required for non-emergency use of E.R.; otherwise state covers cost of in-network QHP cost-sharing

A Different Waiver Route



- Uses existing managed care organizations and pre-paid inpatient hospital plans in Medicaid
- Additional cost-sharing -- Copayments into new health savings accounts
 - Based on first six months usage
 - Can be reduced with healthy behaviors
- Premiums (2% of income) to health savings account for 100-138% FPL
- Cannot be denied enrollment or eligibility due to nonpayment

For more information

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