# How Is Florida's Medicaid Managed Care Working for Children?

by Joan Alker and Jordan Messner

#### **Key Findings**

- A small survey of pediatricians, many of whom see large numbers of children covered by Medicaid, found that challenges exist for children enrolling in and accessing care through Florida's managed care system. Families with children being re-assigned to other managed care plans and/or physicians without their knowledge was cited as a common enrollment problem.
- Managed care plan requirements for prior authorization (both for prescription drugs and other treatments) were often mentioned as a barrier to needed care for children and imposed more paperwork burdens on pediatricians.
   Barriers to getting their patients the prescription and over-the-counter medications they needed were also a serious concern for pediatricians. Wait times for primary care visits do not appear to be a serious problem according to responding pediatricians.
- Making referrals to specialists was cited as a problem by 59 percent of responding pediatricians. By far the most common specialty service noted as difficult to find for children covered by Medicaid was a referral for behavioral/ mental health services. Other difficult referrals mentioned were dermatology,

- dentistry and orthopedics. Specialists that were noted as being easier to find for children with Medicaid coverage were cardiologists and pulmonologists.
- On national pediatric quality measures for children, Florida deserves high marks for transparency and reporting. However, Florida's performance does not compare favorably to other states. Only six out of ten infants in Florida are receiving the recommended number of well-baby visits, and the majority of adolescents in Florida are not receiving annual well-child visits at all. Only 27 percent of children covered by Florida's Medicaid and Children's Health Insurance Plan (CHIP) received a preventive dental visit as compared to 48 percent of Medicaid and CHIP covered children nationwide.

# How is Florida's Medicaid managed care working for children?

To answer this question, we looked at existing data sources and also conducted a survey of pediatricians in Florida. Our results suggest there is considerable room for improvement in Medicaid managed care for Florida's children.



## What role does Medicaid play for children?

Medicaid is the largest single insurer of children in the United States. Covering 37.8 percent of children nationwide, and 41.6 percent of children in Florida, Medicaid serves the youngest and most vulnerable children in the country. Medicaid also plays a disproportionate role in providing health coverage for children of color and those with disabilities.

Medicaid and its companion program, the Children's Health Insurance Program (CHIP), have worked together to reduce the uninsured rate for children to a historic low of 6 percent in 2014. Florida has also seen declines in its uninsured rate but continues to perform well below the national average with 9.3 percent of its children uninsured—ranking 46th in the country.<sup>2</sup>

Medicaid's structure includes comprehensive affordable services for children who, in most situations, do not have to pay any cost-sharing. Medicaid's benefit package for children (the Early Periodic Screening Diagnosis and Treatment or EPSDT benefit) is very comprehensive and is regarded by the American Academy of Pediatrics as the definitive standard for children's health care. These protections exist because research has demonstrated that costs for low-income families create barriers to needed care.<sup>3</sup>

Many studies have found improvements in access to care for children receiving Medicaid<sup>4</sup> as well as long-term gains such as better high school and college graduation rates, better health, and improved economic opportunity as adults.<sup>5</sup> However, areas of concern remain with respect to Medicaid's provision of services for children—especially in the area of dental and other specialty services.<sup>6</sup>

## How is care delivered to children in Medicaid?

The majority of children in Medicaid today receive their health care services through a capitated managed care arrangement both nationwide and in Florida. Florida's Medicaid program has undergone a decade-long transition to managed care, and by July 2015 95 percent of children covered by Medicaid had been enrolled in managed care plans.<sup>7</sup>

# How does Florida perform on national pediatric quality indicators?

States are encouraged but not required to report on a series of quality indicators for children in Medicaid and CHIP. Known as the "Child Core Set," Florida deserves high marks for transparency and reporting on these measures. Florida consistently reports more measures than most states.<sup>8</sup>

However, Florida's performance for children does not compare favorably to other reporting states—especially with respect to access to primary care visits, well child visits, and dental services.

On measures that examine access to primary care (a visit to a primary care physician within the past year or two depending on age), Florida Medicaid and CHIP programs perform in the bottom quartile of reporting states for most age groups (see Table 1).

Only six out of ten infants in Florida are receiving the recommended number of well-baby visits, and the majority of adolescents in Florida are not receiving an annual well-child visit at all (see Table 2).



Table 1.

Access to Primary Care	Ranking by Quartile	Florida Medicaid and CHIP Rate	All Reporting States Median
Children with a PCP visit in the past year			
Ages 12-24 months	3	93.9	96.4
Ages 25 months to 6 years	4	78.3	88.6
Children with a PCP visit in past 2 years			
Ages 7-11 years	4	80.0	91.2
Ages 12-19 years	4	83.7	90.6

#### Table 2.

Well Child Visits	Ranking by Florida Medicaid Quartile and CHIP Rate		All Reporting States Median	
Children receiving 6 or more well-child visits in first 15 months	3	59.6	62.1	
Children and adolescents receiving at least one well-child visit				
3 – 6 years	3	63.7	67.4	
12 – 21 years	2	44.2	43.5	

Only 27 percent of Florida's children covered by Medicaid and CHIP receive preventive dental services as compared to 48 percent of children nationwide (see Table 3).9

Table 3.

Dental and Oral Health	Ranking by Quartile		
Children, ages 1 – 20, enrolled for at least 90 continuous days and received at least one:			
Preventive dental service	4	27.1	47.6
Dental treatment service	4	12.1	22.3

On the vast majority of quality measures Florida ranks below the median state—only in the area of asthma medication management does Florida consistently rank highly compared to other states.



#### Survey of Florida's Pediatricians

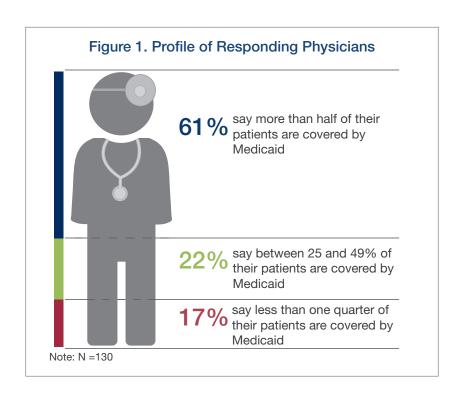
In an effort to learn more about the experience of children in Florida's managed care program, Georgetown University researchers conducted a survey of the membership of the Florida Chapter of the American Academy of Pediatrics.

#### Profile of Responding Physicians<sup>10</sup>

Responses were received from 131 pediatricians around the state, three-quarters of whom were general pediatricians and one-quarter of whom were specialists. The largest number of respondents were from the Tampa-St. Petersburg and Gainesville areas. Because

of the low response rate these findings are not intended to be generalizable but to provide valuable insights into the experience of pediatricians who are seeing large numbers of children covered by Florida's Medicaid program. As Figure 1 shows, 61 percent of those responding had a *majority* of patients who were enrolled in Medicaid.

Responding physicians (n=124) also tended to participate in many Medicaid managed care plans with 56.5 percent saying they were participating in five or more plans or all available plans.<sup>11</sup>





#### **Enrollment Problems**

Since the move to managed care, two-thirds of responding physicians reported an increase in patients who have been reassigned to a new managed care plan without their knowledge. These reassignments cause problems for families and physicians alike. One respondent said "Some of our patients keep getting switched to plans where they have to go all the way across the state for primary care." Other problems noted included newborns being assigned to different plans than their mothers and considerable staff time being spent helping families switch back to their previous plans so children could continue to see their regular doctors.

Have you noticed any changes in the numbers of patients who appear to have been reassigned to a different managed care plan without their knowledge?		
No, I haven't noticed any changes.	21.0%	
Yes, I've noticed an increase in the number of patients who have been reassigned without their knowledge.	68.9%	
Yes, I've noticed a decrease in the number of patients who have been reassigned without their knowledge.	10.1%	
N = 119		

# Has children's access to care improved or worsened as a result of the move to managed care?

Pediatricians were asked if they had experienced cases where plan benefit limits or prior authorization requirements had prevented them from providing children with needed treatments. Fifty-five percent of respondents said they had many such cases, while 18

percent said they had none or just a few such cases (see Table 4).

A respondent gave the following example of the kinds of problems that arise: "One Medicaid patient had to have a prior authorization filled out for a liquid at the age of five for a seizure medication, it was denied. Children cannot developmentally swallow a tablet at age five."

"We spend much time and money appealing denials, even for treatments that patients have received for many years." – Pediatrician

Table 4.

	1	1		ſ
	Many	Some	Just a Few	None
Cases where plan benefit limits impeded ability to provide needed treatments (N=117)	54.7%	27.4%	5.1%	12.8%
Cases where plan requirements for prior authorization prevented providing needed treatments (N=115)	54.7%	27.0%	11.3%	7.0%



#### Access to Medication

Children's access to medications was a significant area of concern for pediatricians. When asked whether their patients experienced difficulty accessing prescription or over-the-counter medications, 84 percent said yes (n=110). The kinds of problems noted most commonly by pediatricians were changes in plan formularies or drugs that were not covered by plan formularies. One pediatrician noted, "We . . . have problems with formulary changes, where a child has been on one medication successfully, then is forced to change to a medication in a different class." Pharmacies not being in plan networks and difficulties in accessing compounding pharmacies were also cited as problems.

Wait times for visits were not perceived as a significant problem by most respondents, with 95 percent reporting that sick visits were available within a week of a patient request and well child visits available within one month of the request. Most offices reported shorter timelines for available appointments.

#### Access to Specialty Care

As noted above, most respondents to the survey were general practitioners. As a result, many respondents routinely refer children to specialists. While a significant minority reported that this is not a problem (37 percent), the majority did report having trouble finding a specialist that will accept Medicaid. It is worth noting that similar problems may exist for children with private insurance, though responding physicians said they believe there is a more serious problem for their Medicaid patients as compared to those with private insurance. Two-thirds (n=110) reported that Medicaid patients had greater difficulty seeing a pediatric specialist compared to privately insured patients.

Table 5.

Trouble finding a pediatric specialist that will accept Medicaid when referring a patient		
Never/ Infrequently 36.7%		
Frequently/ Always	58.8%	
I do not make referrals	5.5%	
(N=109)		

## What kinds of specialists are the most difficult to find?

We asked pediatricians to identify which specialists were hardest to refer children to successfully and which specialists were the easiest to find. A pediatrician noted, "By far the most difficult specialists to find for children on Medicaid were those providing mental/behavioral health services." Other difficult-to-find pediatric specialists noted were for dermatology followed by dental services and orthopedics. Specialists noted as relatively easy to find were cardiologists and pulmonologists.

#### CONCLUSION

In general, pediatricians responding to the survey were frustrated with low reimbursement rates, delayed payments, considerable administrative burdens, and barriers to care for their patients. A handful of respondents thought managed care was working well for children. More commonly though, pediatricians responding to the survey believed the system of care has worsened for their Medicaid patients. National quality indicators also suggest that Florida has considerable room for improvement in its managed care program.

"Medicaid managed care has only shifted responsibility for regulating a difficult system from the government to private payers. This has led to increased fragmentation of the Medicaid population and it has made care coordination more difficult than was previously the case. The red tape and oversight that physicians are subject to in dealing with the Medicaid managed care patients is daunting." – Pediatrician



#### **METHODOLOGY**

The survey was distributed online to members of the Florida Chapter of the American Academy of Pediatrics (FCAAP) and they recorded responses using Survey Monkey. Respondents were also able to mail or email in responses, and a small number of responses were collected in person at regional FCAAP meetings. Responses were received from late February to early May 2016. In total, 131 responses were received, with a response rate of approximately 6 percent. Due to the low response rate, findings should not be considered generalizable. Each respondent did not answer all questions, so sample size is reported for each data point used.

#### **ENDNOTES**

- <sup>1</sup> State Health Access Data Assistance Center (SHADAC), "Coverage Type by Age (2014)," SHADAC analysis of American Community Survey (ACS) Public Use Microdata Sample (PUMS) file, accessed May 20, 2016. Available at <a href="http://datacenter.shadac.org/">http://datacenter.shadac.org/</a>.
- <sup>2</sup> J. Alker and A. Chester, "Children's Health Insurance Rates in 2014: ACA Results in Significant Improvements," Georgetown University Center for Children and Families, November 2015, available at <a href="http://ccf.georgetown.edu/wp-content/uploads/2015/10/ACS-report-2015.pdf">http://ccf.georgetown.edu/wp-content/uploads/2015/10/ACS-report-2015.pdf</a>.
- <sup>3</sup> "Premiums and Cost-Sharing in Medicaid: A Review of Research Findings," Kaiser Commission on Medicaid and the Uninsured, February 2013, available at <a href="http://kff.org/medicaid/issue-brief/premiums-and-cost-sharing-in-medicaid-a-review-of-research-findings/">http://kff.org/medicaid/issue-brief/premiums-and-cost-sharing-in-medicaid-a-review-of-research-findings/</a>.
- <sup>4</sup> "Medicaid Beneficiaries and Access to Care," Kaiser Commission on Medicaid and the Uninsured, April 2010, available at <a href="https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8000-02.pdf">https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8000-02.pdf</a>.
- <sup>5</sup> A. Chester and J. Alker, "Medicaid at 50: A Look at the Long Term Benefits of Childhood Medicaid," Georgetown University Center for Children and Families, July 2015, available at <a href="http://ccf.georgetown.edu/ccf-resources/medicaid-50-look-long-term-benefits-childhood-medicaid/">http://ccf.georgetown.edu/ccf-resources/medicaid-50-look-long-term-benefits-childhood-medicaid/</a>.
- <sup>6</sup> S. Murrin, "Most Children With Medicaid in Four States Are Not Receiving Required Dental Services," Department of Health and Human Services Office of Inspector General, January 2016, available at http://oig. hhs.gov/oei/reports/oei-02-14-00490.pdf.

- <sup>7</sup> Medicaid Managed Care Market Tracker, Kaiser Family Foundation, available at <a href="http://kff.org/data-collection/medicaid-managed-care-market-tracker/">http://kff.org/data-collection/medicaid-managed-care-market-tracker/</a>. Initial concerns by the legislature in 2005 resulted in managed care being piloted in two counties—Broward and Duval—before finally going statewide a full decade later.
- <sup>8</sup> U.S. Department of Health and Human Services, Annual Report on Quality of Care for Children in Medicaid and CHIP, 2015. This report and previous reports are available at <a href="https://www.medicaid.gov/medicaid-chip-program-information/by-topics/quality-of-care/chipra-initial-core-set-of-childrens-health-care-quality-measures.html">https://www.medicaid.gov/medicaid-chip-program-information/by-topics/quality-of-care/chipra-initial-core-set-of-childrens-health-care-quality-measures.html</a>.
- <sup>9</sup> T. Brooks and S. Koslov, "How Does Florida Perform on the Quality of Health Care for Children Enrolled in Medicaid and CHIP?", Georgetown University Center for Children and Families, April 2016, available at <a href="http://ccf.georgetown.edu/ccf-resources/florida-perform-quality-health-care-children-enrolled-medicaid-chip-2/">http://ccf.georgetown.edu/ccf-resources/florida-perform-quality-health-care-children-enrolled-medicaid-chip-2/</a>.
- <sup>10</sup> For more details on the survey, please see methodology section.
- <sup>11</sup> There are 11 regions across the state. Differing numbers of plans operate in each region, ranging from 2 (the Northwest part of the state, including the Panhandle) to 9 (Miami-Dade area).



The authors wish to thank Maggie Clark and her colleagues at The Sarasota Herald-Tribune as well as the Florida Chapter of the American Academy of Pediatrics for their involvement and support of this project. The authors also appreciate the assistance of their colleague, Kelly Whitener. The brief was made possible through the generous support of the Community Foundation of Sarasota County. Design and layout provided by Nancy Magill.

The Georgetown University Center for Children and Families (CCF) is an independent, nonpartisan policy and research center founded in 2005 with a mission to expand and improve high-quality, affordable health coverage for America's children and families. CCF is based in the McCourt School of Public Policy's Health Policy Institute.

Center for Children and Families
Health Policy Institute
Georgetown University
Box 571444
3300 Whitehaven Street, NW, Suite 5000
Washington, DC 20057-1485
Phone (202) 687-0880
Email childhealth@georgetown.edu



ccf.georgetown.edu/blog/



facebook.com/georgetownccf



twitter.com/georgetownccf





