
MASSHEALTH: THE BASICS

PREPARED BY
CENTER FOR HEALTH LAW AND ECONOMICS
UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL

Webinar: May 29, 2014



**WEBINAR
OVERVIEW**

- MassHealth: The Basics, April 2014 Update
- Eligibility, enrollment and spending in MassHealth

PRESENTERS

- Kate Nordahl,
Massachusetts Medicaid Policy Institute
- Center for Health Law and Economics,
University of Massachusetts Medical School:
 - Robert Seifert
 - Kate Russell
 - Carol Gyurina

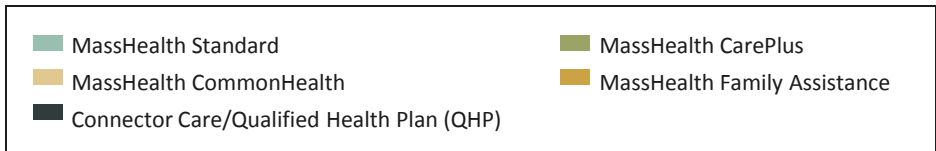
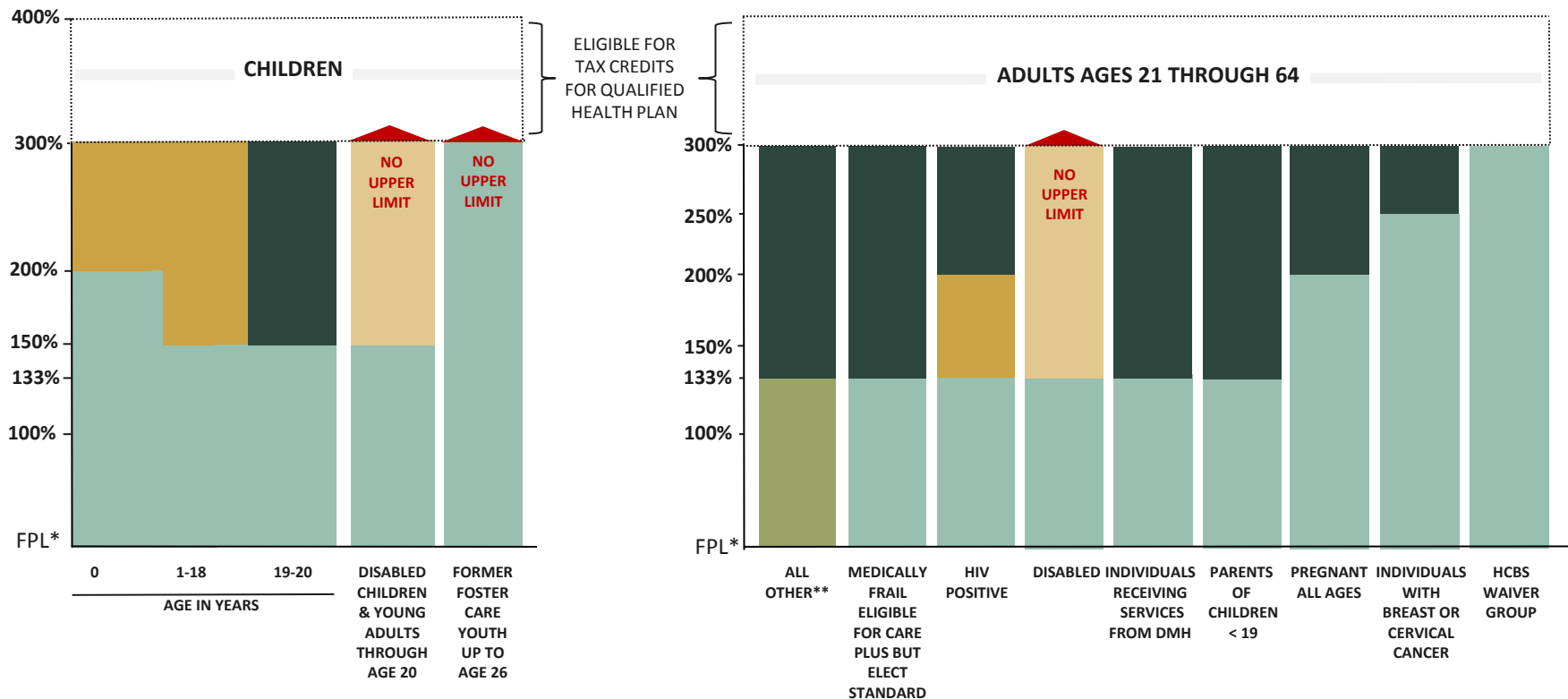
**FUNDAMENTALS
OF MASSHEALTH**

- MassHealth is Medicaid (Title XIX of the Social Security Act) and the State Children’s Health Insurance Program (CHIP, Title XXI)
- Federally- and state-funded and state-administered
- 1.4 million members; increasing under the ACA
- Includes benefits not covered by other insurance
- Supports workers’ access to private insurance

**MASSACHUSETTS
1115 WAIVER**

- Section 1115 Research and Demonstration Waiver (“MassHealth”) since 1997
 - Expanded eligibility for higher incomes and broader categories; subsidies in Commonwealth Care
 - Programmatic innovations such as CommonHealth, payment reforms and delivery system transformation
 - Supplemental financial support for safety net providers
- Vehicle for reform
- 5-year renewal request pending (effective 7/1/2014)

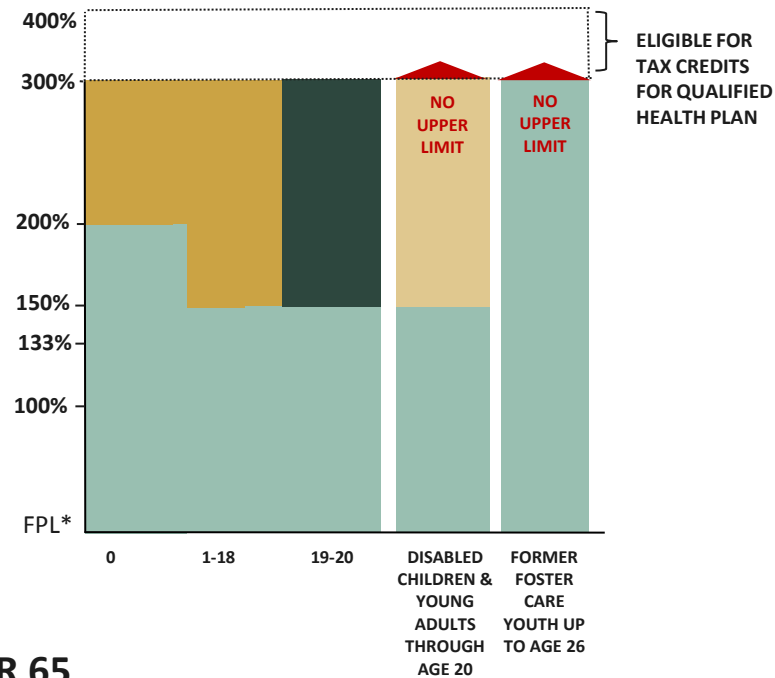
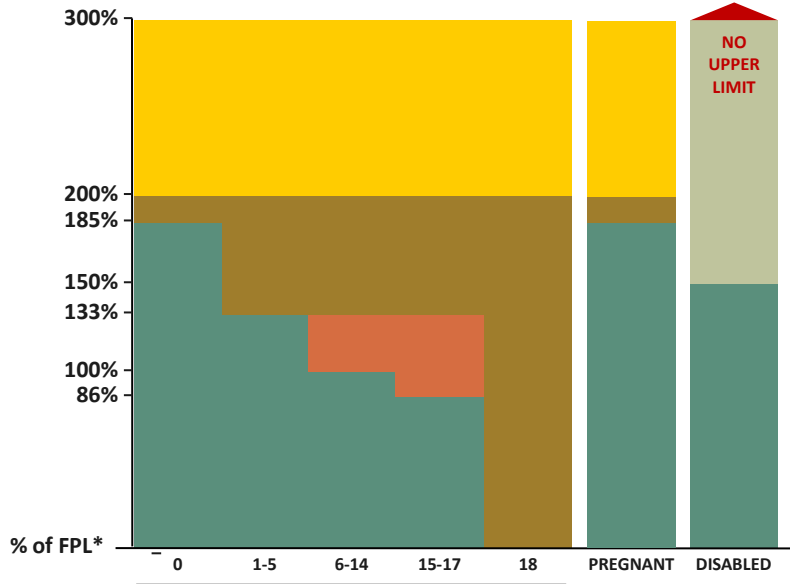
MASSHEALTH ELIGIBILITY UNDER THE ACA



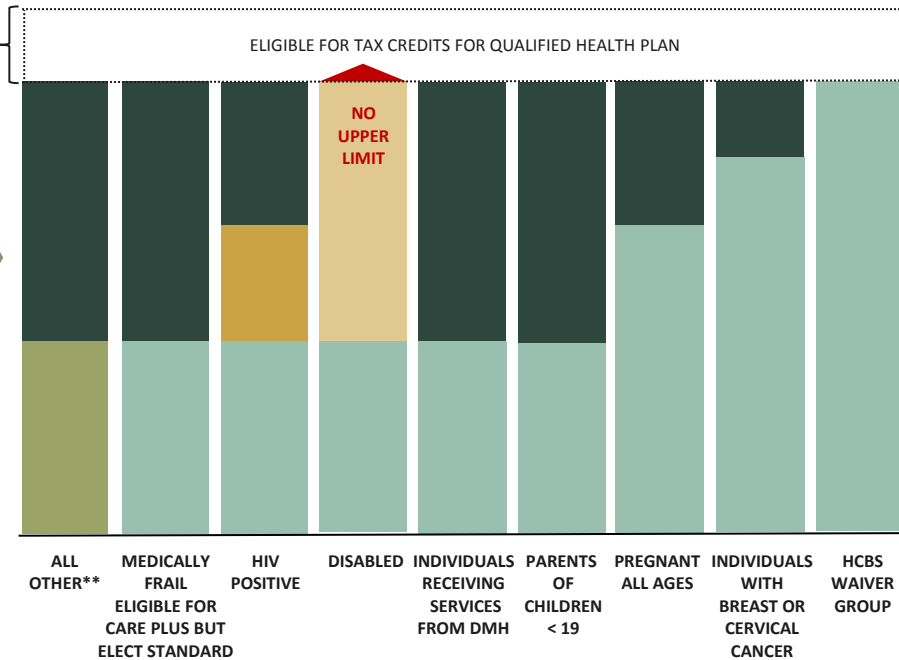
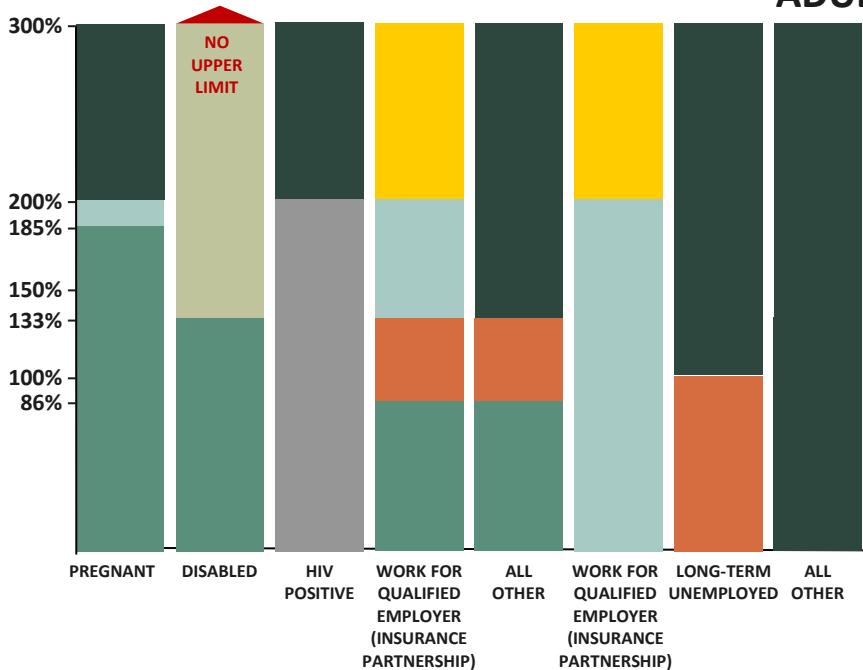
*FPL = income as percent of federal poverty level

** Includes members previously eligible for Commonwealth Care and for MassHealth Basic and Essential.

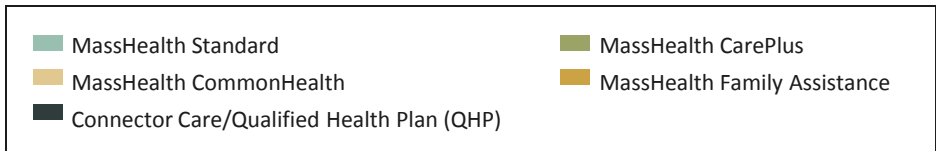
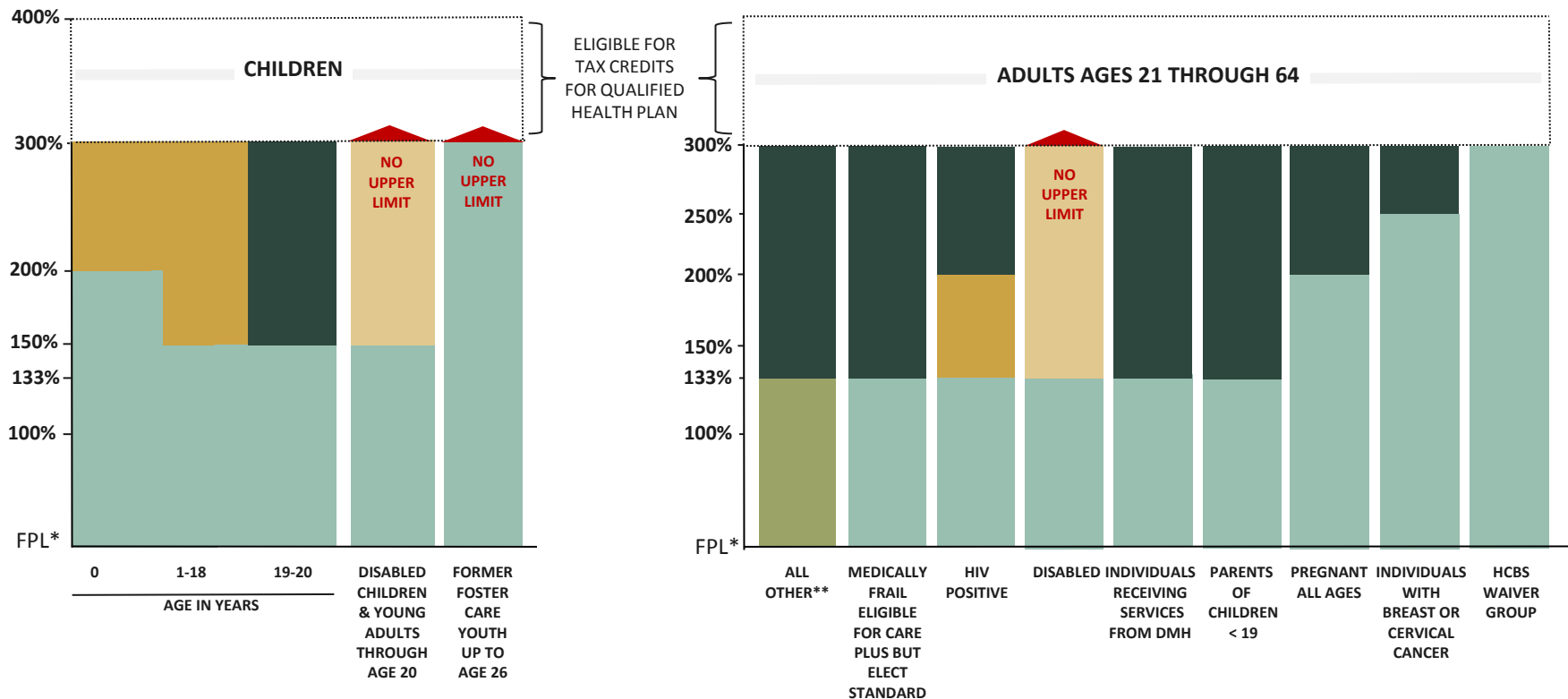
CHILDREN



ADULTS UNDER 65



MASSHEALTH ELIGIBILITY UNDER THE ACA

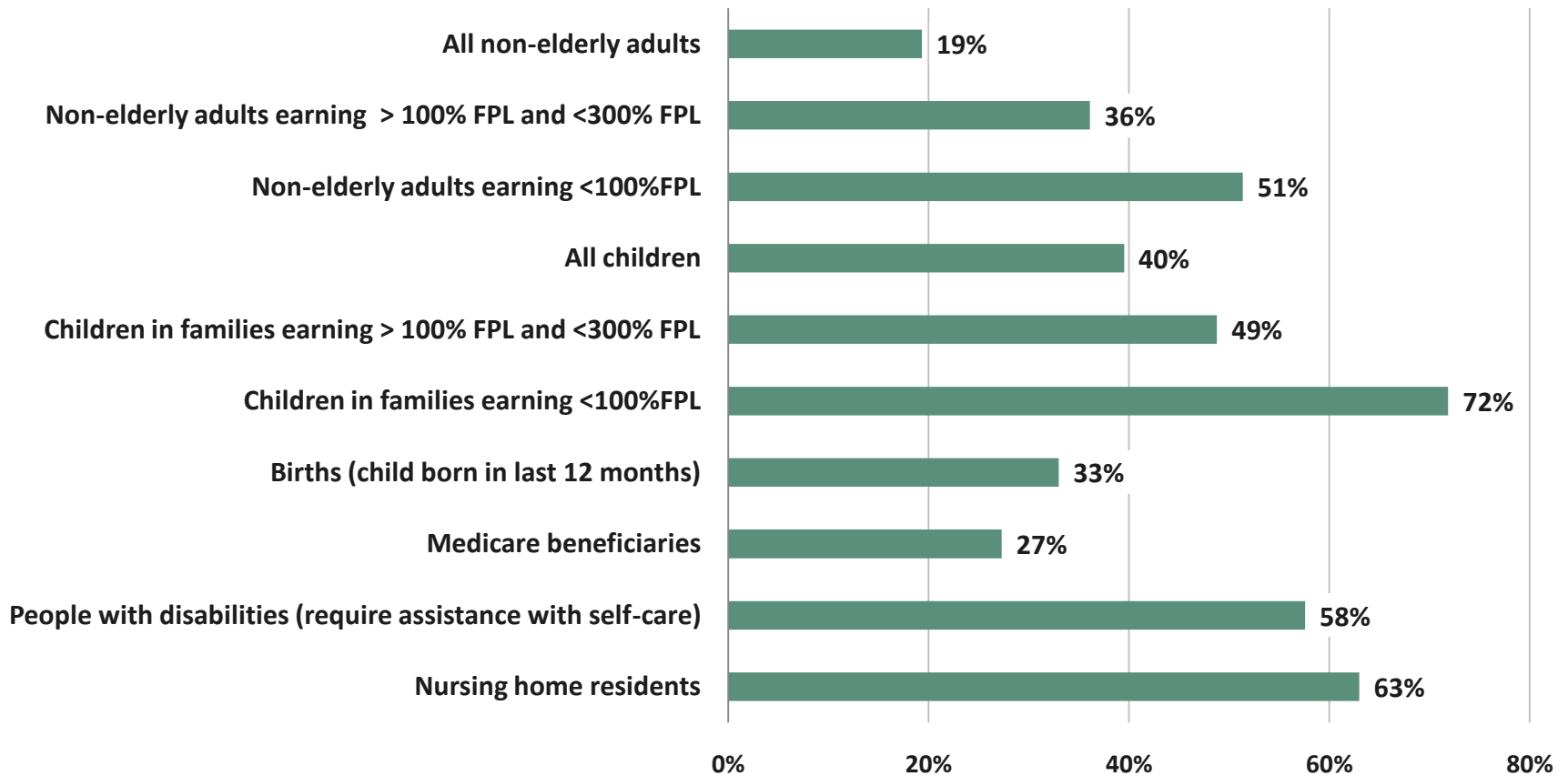


*FPL = income as percent of federal poverty level

** Includes members previously eligible for Commonwealth Care and for MassHealth Basic and Essential.

MASSHEALTH IS IMPORTANT TO MANY POPULATION GROUPS

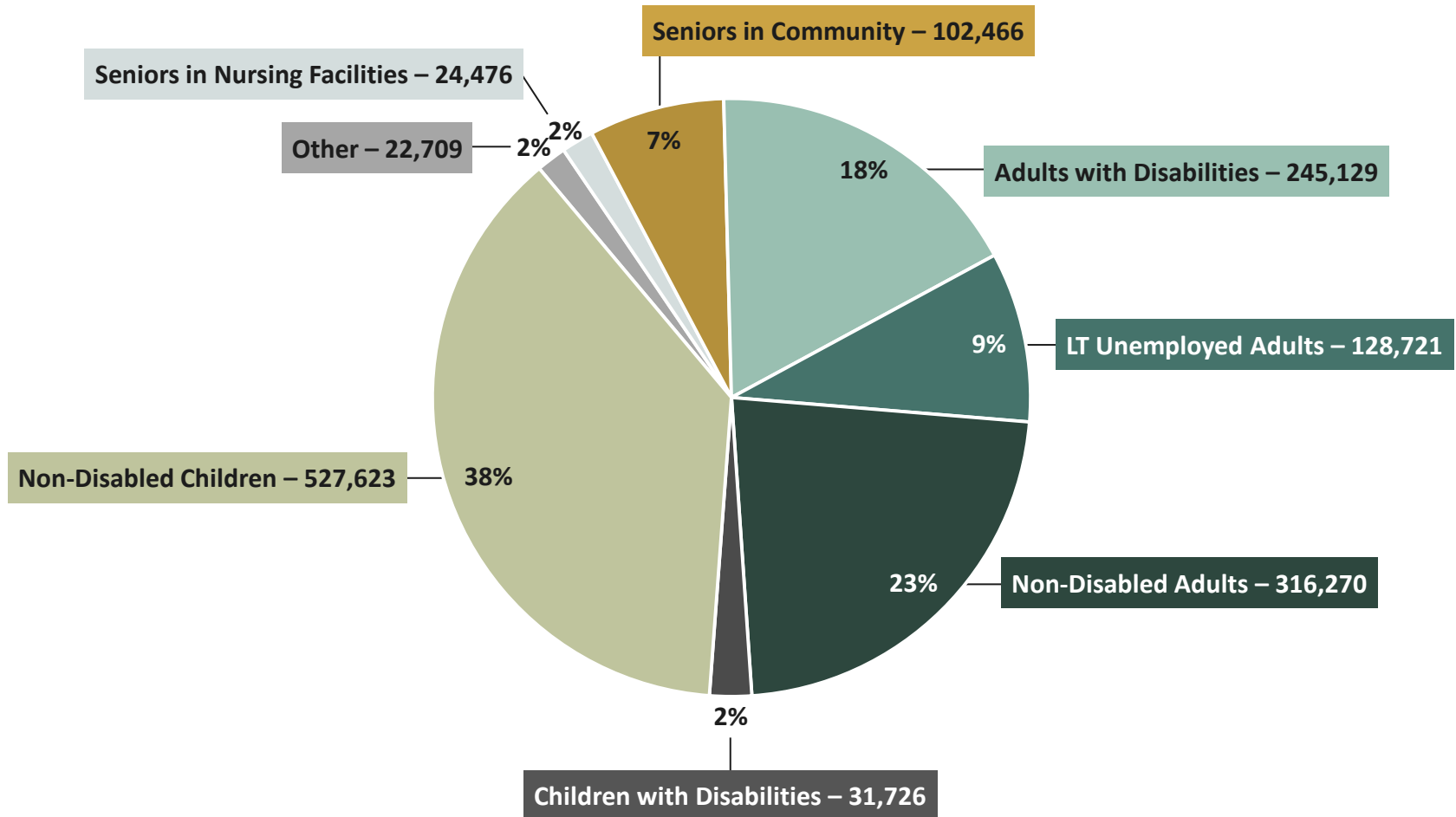
PERCENT OF SELECT MASSACHUSETTS POPULATIONS COVERED BY MASSHEALTH, 2012



sources: Author's calculations using the 2012 American Community Survey (ACS). Nursing home data from Kaiser State Health Facts (C. Harrington, H. Carrillo, M. Dowdell, P. Tang, and B. Blank. Table 6, "Nursing, Facilities, Staffing, Residents, and Facility Deficiencies, 2005 Through 2010," Department of Social and Behavioral Sciences, University of California, San Francisco, accessed January 2012). Data for "all children" and "all elderly adults" calculated from Census 2012 population data projections and MassHealth Snapshot report, 2013 monthly average.

MASSHEALTH COVERS CHILDREN, ADULTS & SENIORS, AND OFTEN SUPPLEMENTS OTHER INSURANCE

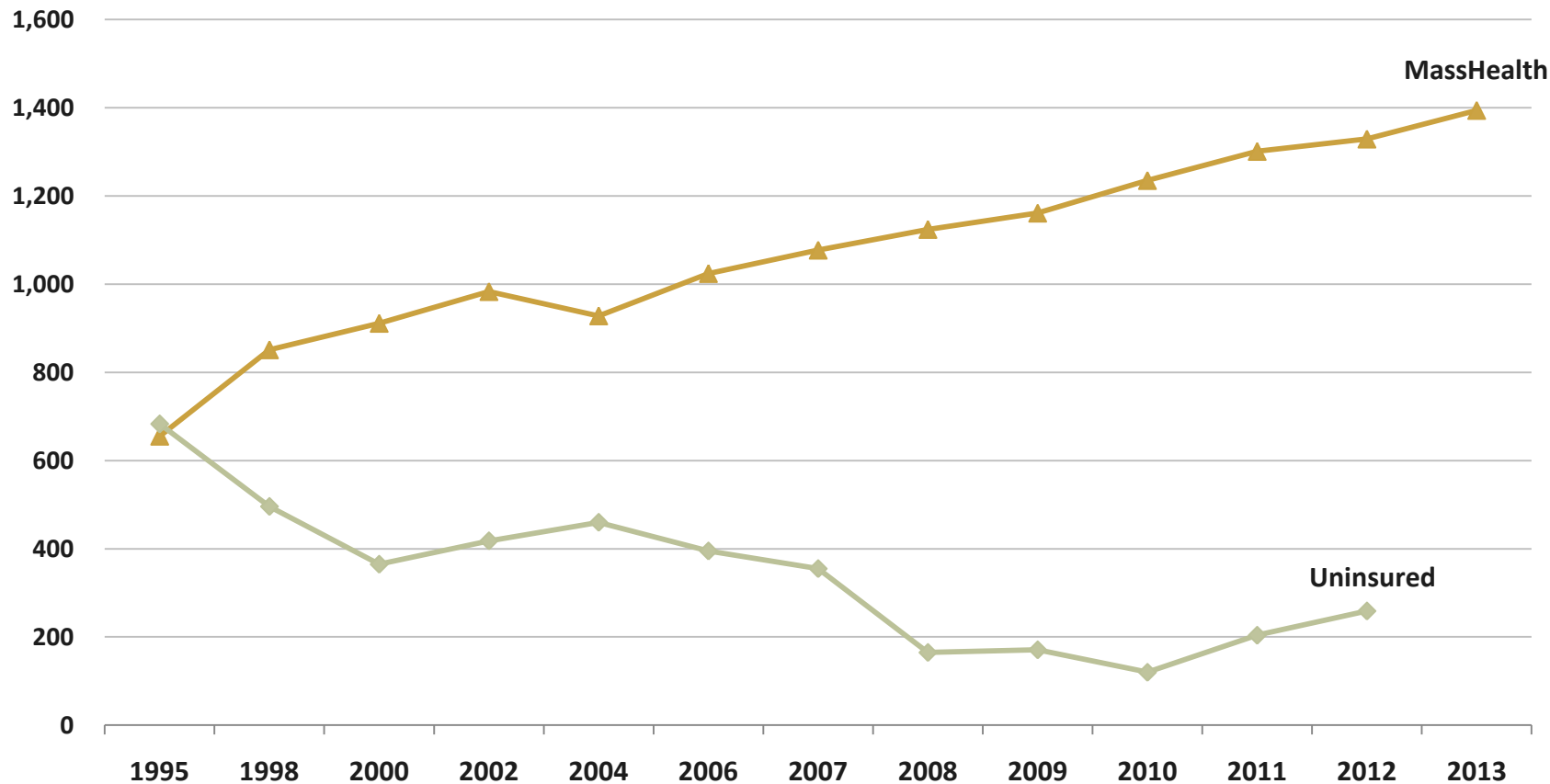
PERCENT OF TOTAL MASSHEALTH ENROLLMENT, DECEMBER 2013



SOURCE: MassHealth, December 2013 Snapshot Report.

GROWING MASSHEALTH ENROLLMENT HAS ACCOMPANIED THE DECLINE IN THE NUMBER OF UNINSURED

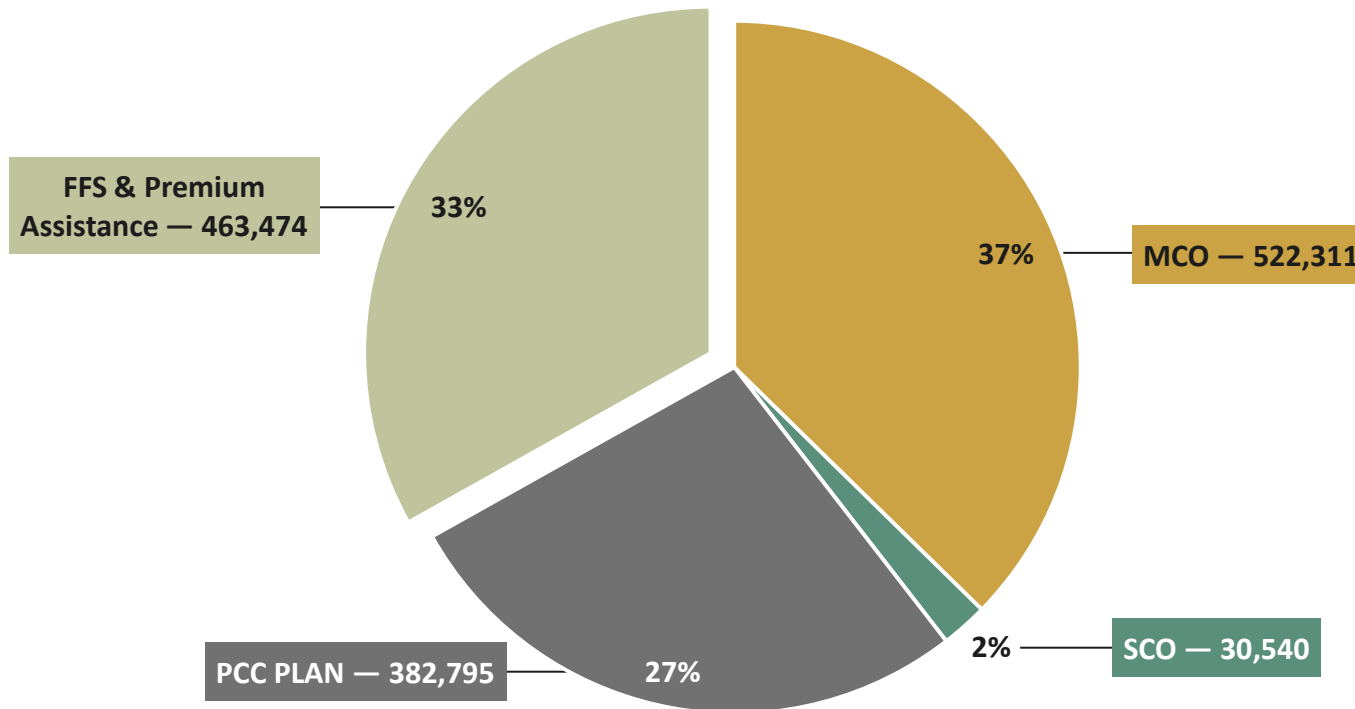
TRENDS IN MASSHEALTH ENROLLMENT AND UNINSURED, 1995-2011
(THOUSANDS)



SOURCES: MassHealth figures are from the Office of Medicaid and are monthly averages, except 1998-2002 which are as of June 30. Uninsured numbers for 1998-2011 from the Division of Health Care Finance and Policy, from a survey in that year, and for 2012 from the Center for Health Information and Analysis, from ACS data. 1995 Uninsured numbers from Blendon et al., "Massachusetts Residents Without Health Insurance, 1995," Harvard School of Public Health.

MORE THAN THREE IN FIVE MASSHEALTH MEMBERS ARE ENROLLED IN MANAGED CARE

MASSHEALTH ENROLLMENT BY PAYER TYPE, DECEMBER 2013



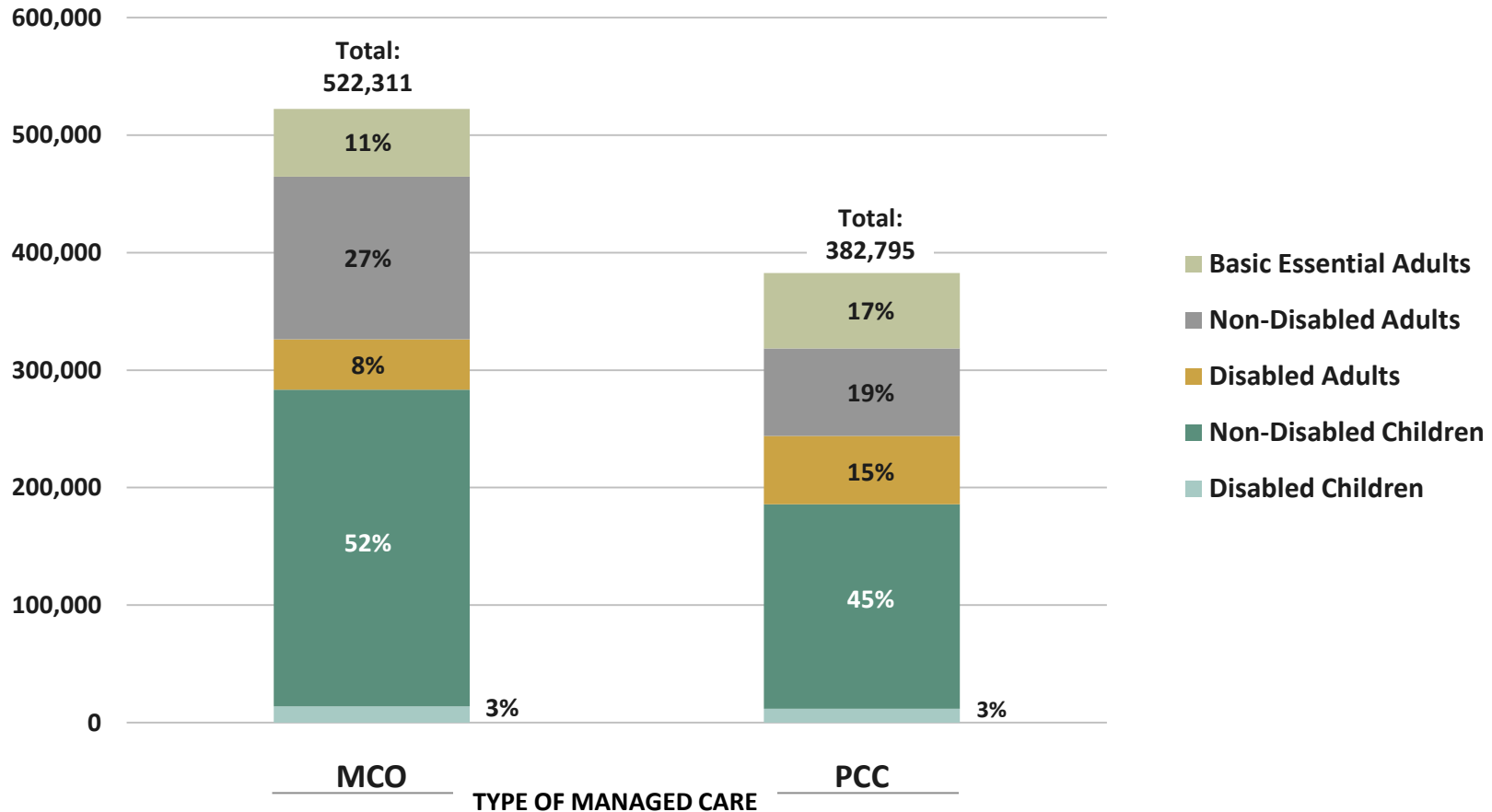
As of May, 13,274 individuals have enrolled in One Care, a new MassHealth program.

SOURCE: MassHealth, December 2013 Snapshot Report; EOHHS May 2014 One Care Enrollment Report

MANAGED CARE PROGRAM	POPULATIONS SERVED	COVERED SERVICES
Managed Care Organizations (MCO)	Children and adults under 65	Medical and Behavioral Health services covered by a capitated payment to health plans. Long-term support services (LTSS) and dental benefits not included in MCO benefit but available through MassHealth Fee-For-Service
Primary Care Clinician Plan (PCC)	Children and adults under 65	Behavioral Health services covered by capitated payment to behavioral health plan. Medical services, which are not capitated, are managed by a primary care clinician. Dental and LTSS benefits are available through MassHealth Fee-for-Service <ul style="list-style-type: none"> • <i>Some primary care clinicians receive capitated payments as part of the Primary Care Payment Reform Initiative (PCPRI)</i>
One Care	Ages 21-64 Eligible for MassHealth and Medicare	Full spectrum of services covered by capitated payment to one health plan (includes medical, LTSS, Dental, & Behavioral Health)
Senior Care Options (SCO)	65 + Eligible for MassHealth and Medicare	Full spectrum of services covered by capitated payment to one health plan (includes medical, LTSS, Dental, & Behavioral Health)

MCOs SERVE A LESS MEDICALLY COMPLEX POPULATION THAN THE PCC PLAN

MASSHEALTH MCO AND PCC PLAN ENROLLMENT BY POPULATION TYPE, DECEMBER 2013

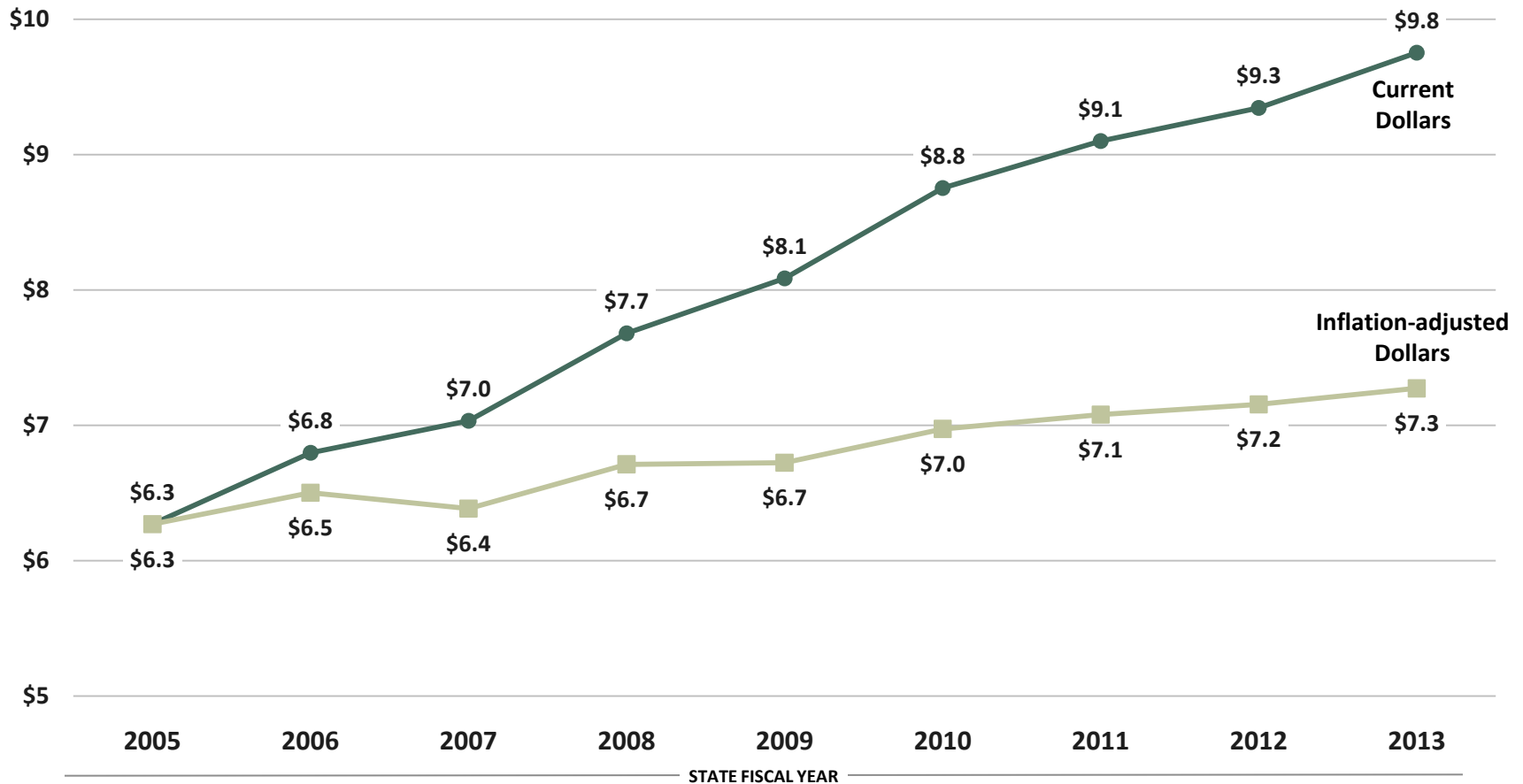


NOTE: Chart shows enrollment for members under age 65.

SOURCE: MassHealth, December 2013 Snapshot Report.

NOMINAL MASSHEALTH SPENDING HAS GROWN BY MORE THAN HALF SINCE 2005; WHEN ADJUSTED FOR MEDICAL INFLATION SPENDING HAS GROWN ON AVERAGE 2% ANNUALLY

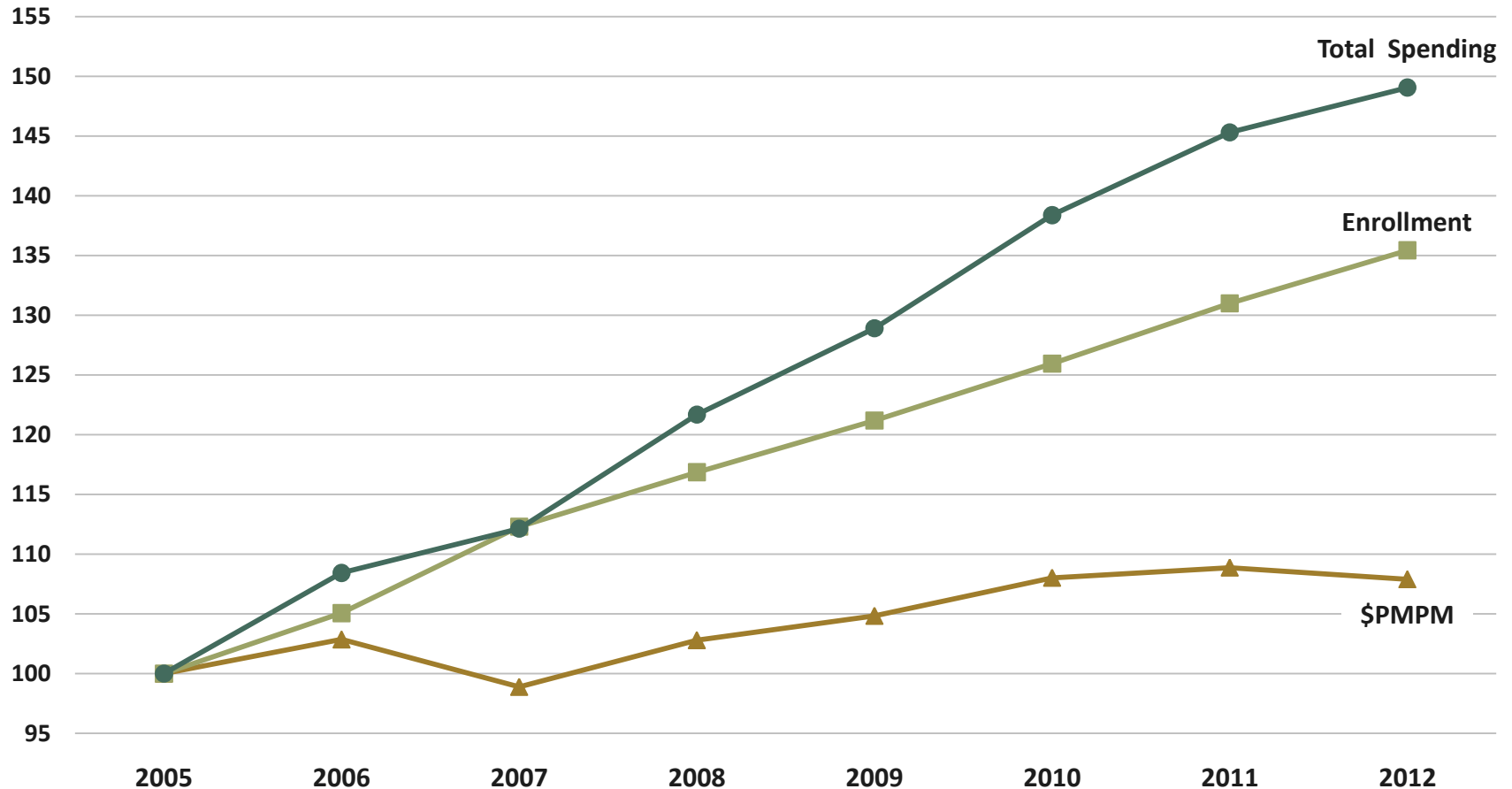
MASSHEALTH SPENDING, SFY 2005-2013 (BILLIONS OF DOLLARS)



source: MassHealth Budget Office. Inflation adjustment uses the Medical Consumer Price Index for the Boston area, from the Bureau of Labor Statistics .

ENROLLMENT HAS DRIVEN GROWTH IN MASSHEALTH SPENDING IN RECENT YEARS

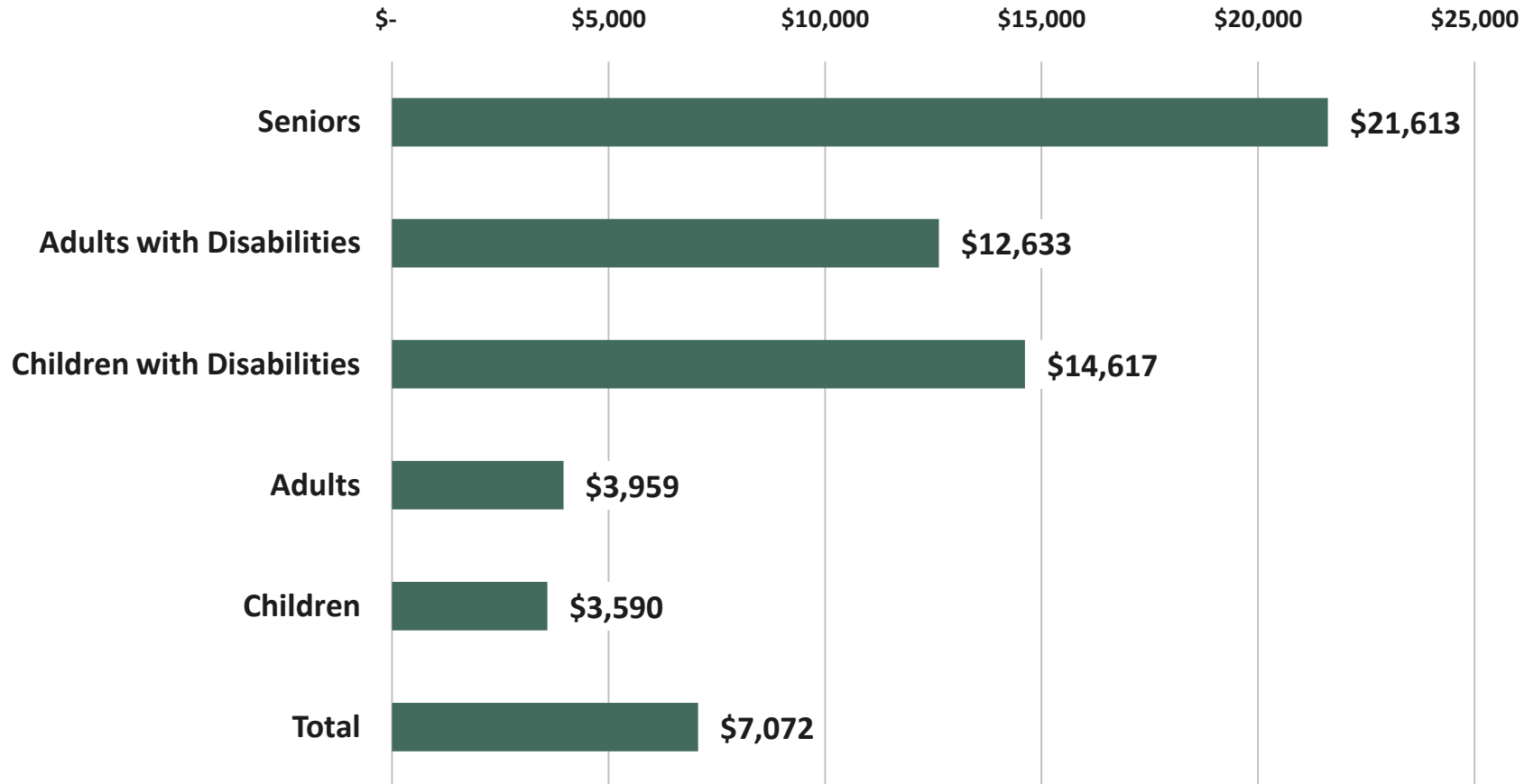
GROWTH IN MASSHEALTH TOTAL SPENDING, ENROLLMENT AND PER MEMBER PER MONTH (PMPM) COSTS (YEAR 2005 = 100)



SOURCES: EOHHS (total spending and enrollment) and authors' calculations.

MASSHEALTH SPENDING PER ENROLLEE IS HIGHER FOR SENIORS AND THE DISABLED

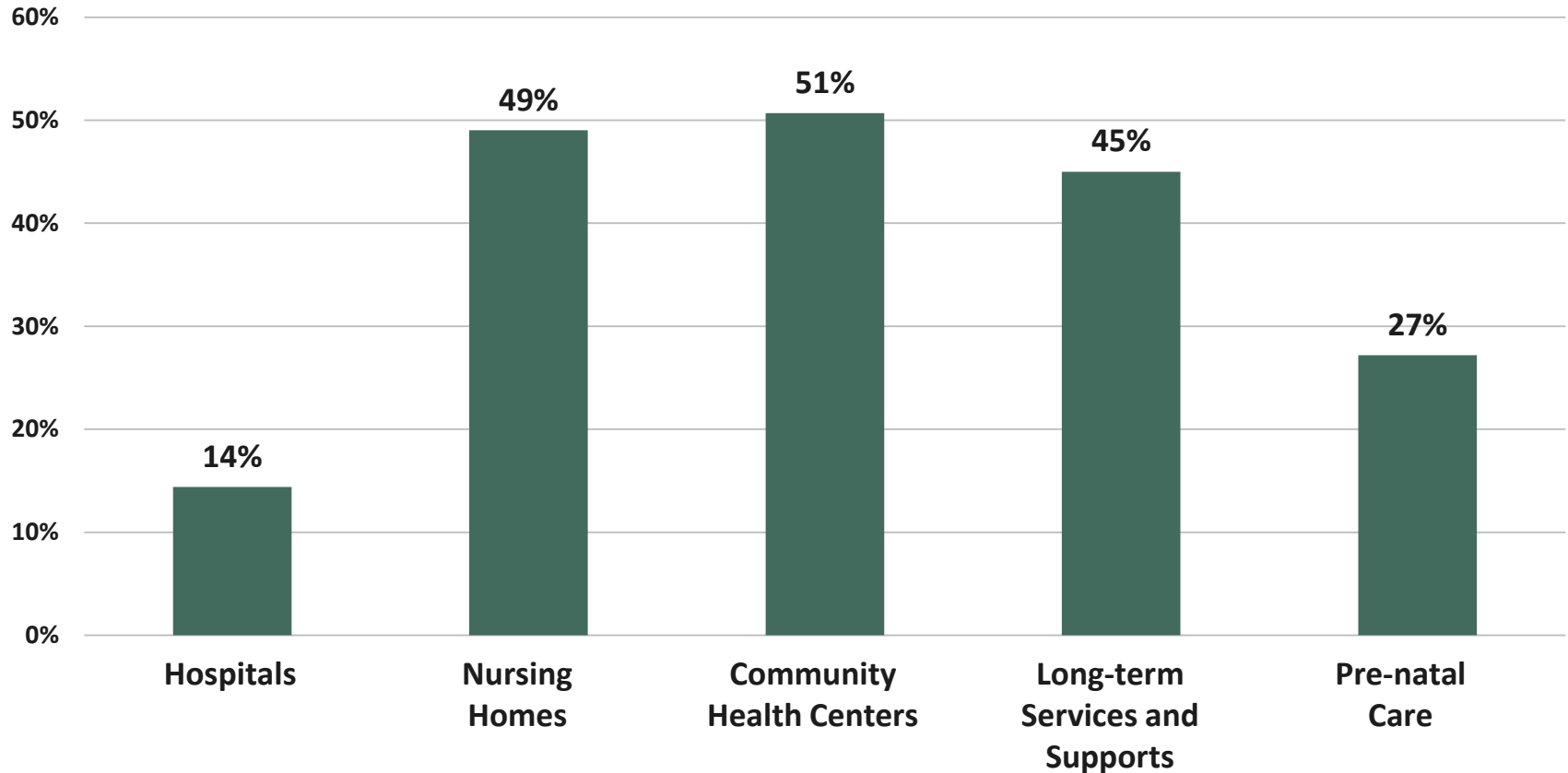
MASSHEALTH PAYMENTS PER ENROLLEE PER YEAR, FY 2013



SOURCES: Calculations based on total spending from the MassHealth Budget Office, and average membership for July 2012 – June 2013 from the MassHealth Snapshot Report.

MASSHEALTH SPENDING IS IMPORTANT TO MANY TYPES OF PROVIDERS

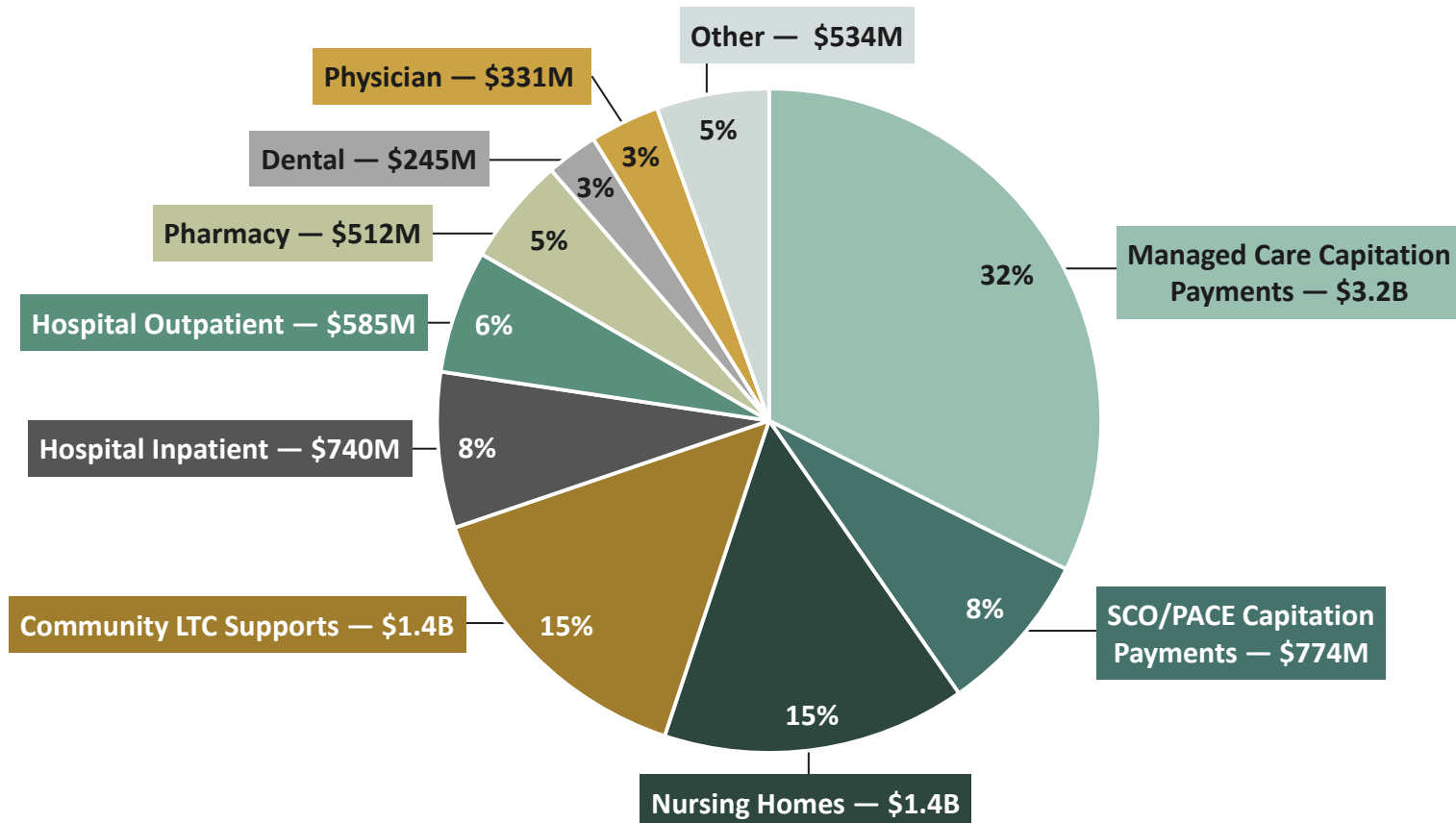
MASSHEALTH REVENUE AS A PERCENTAGE OF PROVIDERS' TOTAL PATIENT REVENUES



SOURCES: Center for Health Information and Analysis, 403 Cost Reports (Acute Hospitals, data from FY2012); Massachusetts Senior Care Association (Nursing Homes – data from CY 2012); Health Resources and Services Administration, Bureau of Primary Health Care, Uniform Data System Report (CHCs – data from Federal FY 2012); “Securing the Future: Report of the Massachusetts Long-Term Care Financing Advisory Committee,” November 2010 (LTSS – data from Calendar Year 2005); Mass. DPH, Massachusetts Births 2010 (Pre-natal Care – data from Calendar Year 2010), March 2013.

MASSHEALTH SPENDING BY SERVICE TYPE FOR STATE FISCAL YEAR 2013

TOTAL MASSHEALTH SPENDING FY2013 = \$9.8B

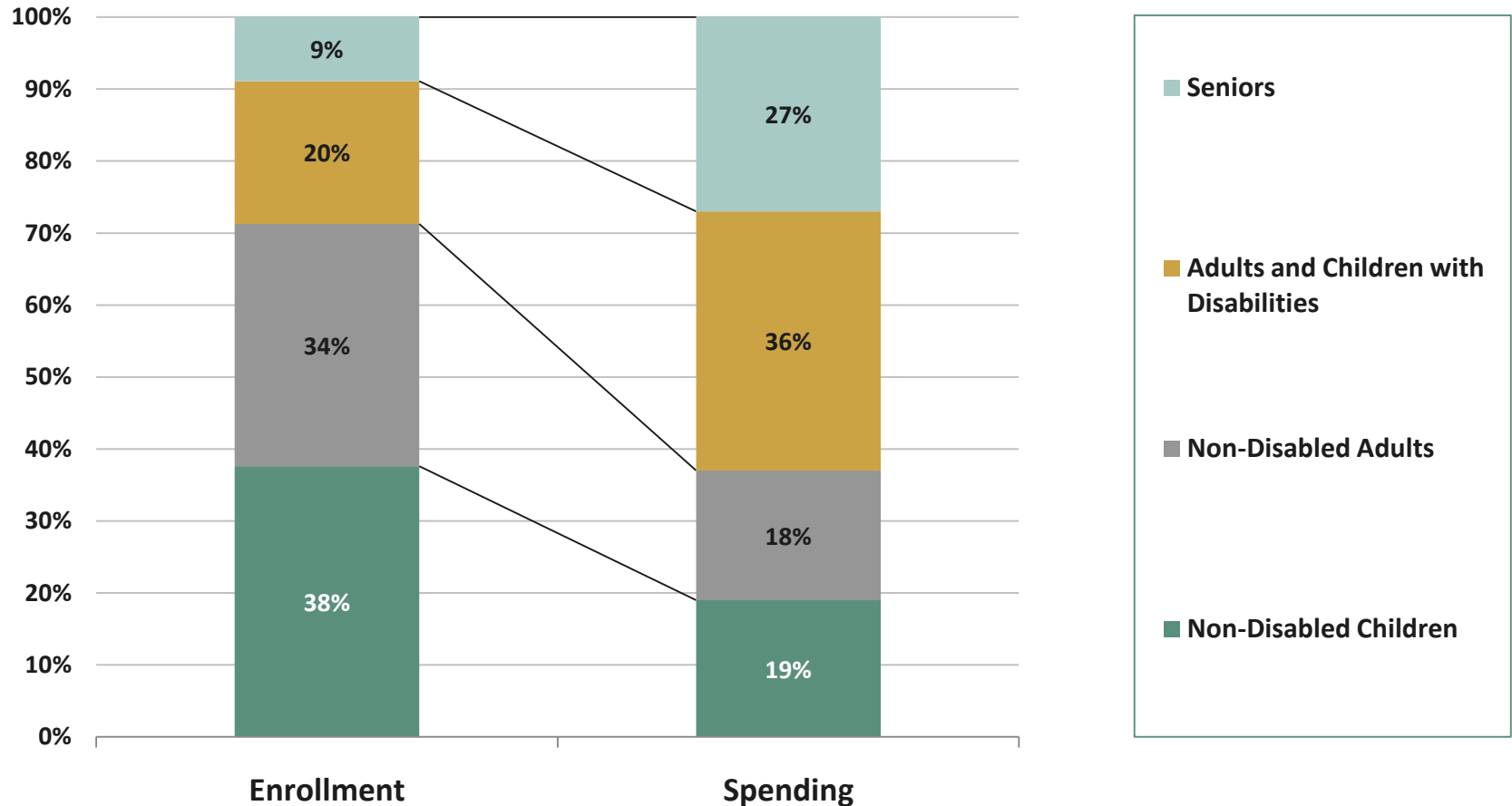


NOTE: "Other" includes Transportation, community health centers, and smaller amounts of spending on rest homes, vision care, EI/Chapter 766, hearing care, group practice organization, family planning clinics, renal dialysis clinics, ambulatory surgery center, eye glasses, DME/Oxygen, imaging/radiation centers, certified independent labs, psychologists, mental health clinics, psychiatric day treatment, substance abuse services, and Medicare crossover payments.

SOURCE: MassHealth Budget Office.

MOST MASSHEALTH DOLLARS ARE SPENT ON SERVICES FOR A MINORITY OF MEMBERS

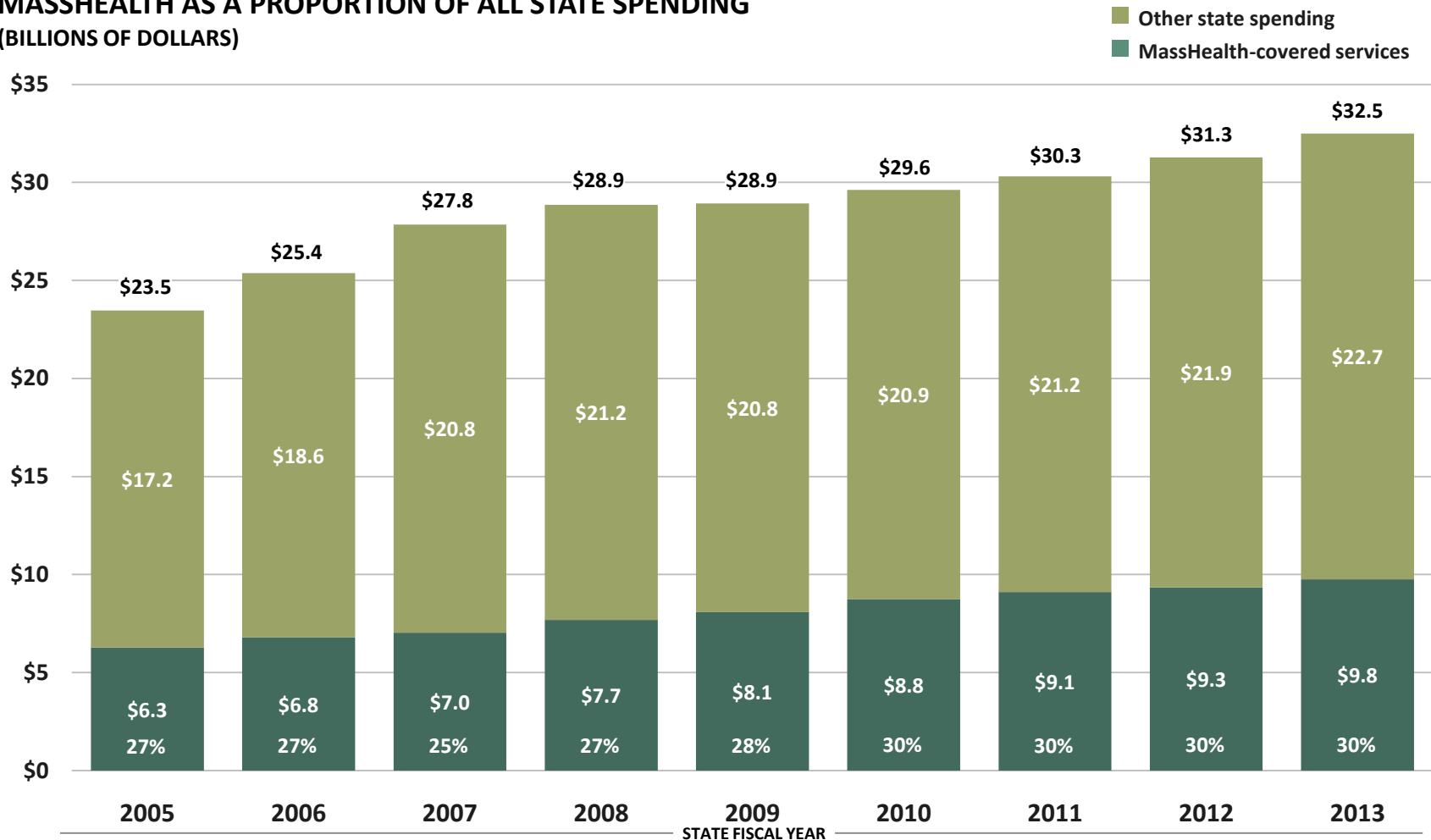
DISTRIBUTION OF MASSHEALTH ENROLLMENT AND SPENDING BY POPULATION GROUP



SOURCES: MassHealth Budget Unit, SFY 2013 data.

FEDERAL AND STATE SPENDING ON MASSHEALTH NOW REPRESENTS 30 PERCENT OF THE STATE BUDGET

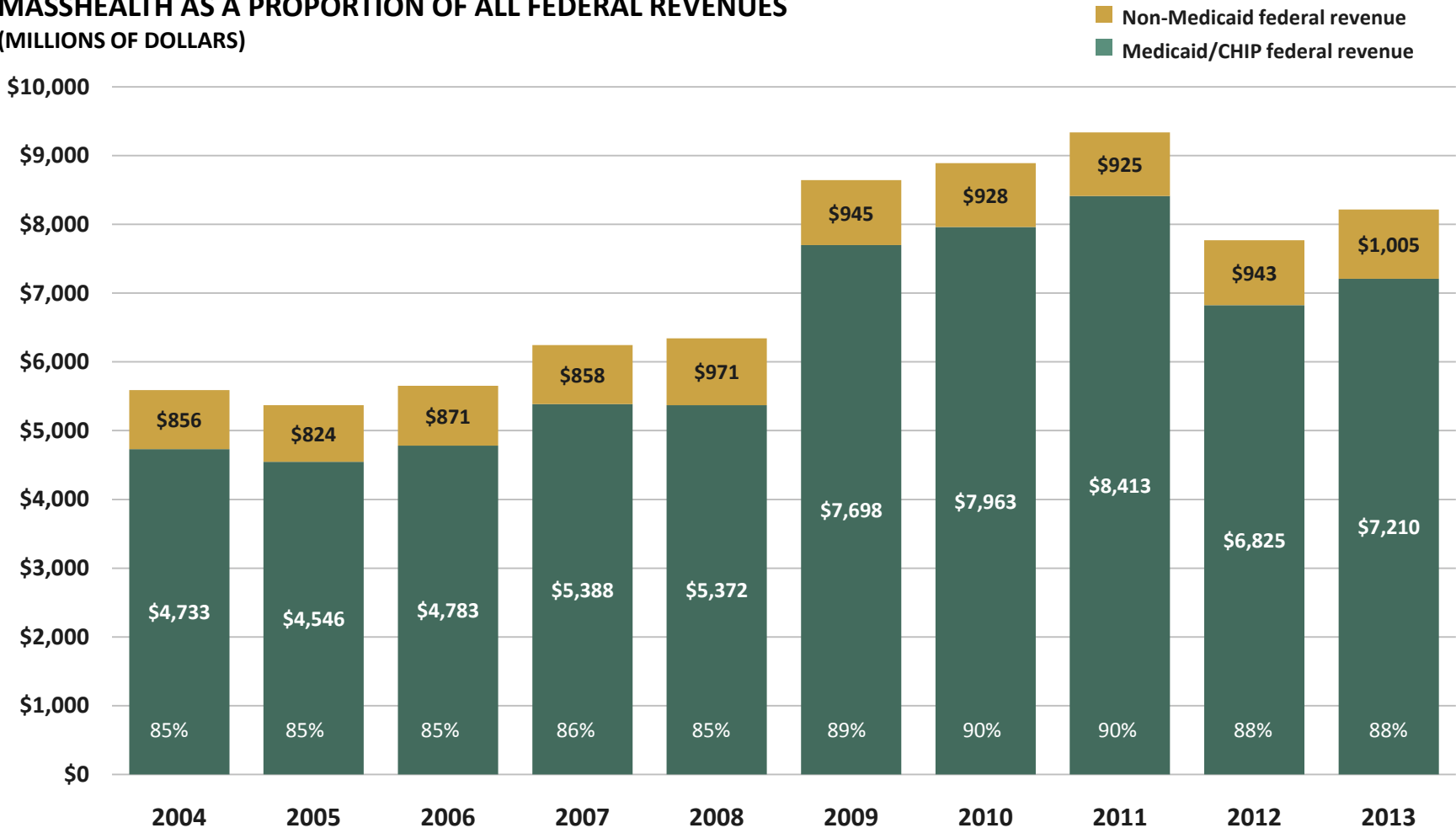
MASSHEALTH AS A PROPORTION OF ALL STATE SPENDING (BILLIONS OF DOLLARS)



SOURCES: EOHHS (MassHealth data); Office of the Comptroller, Statutory Basis Financial Reports (other state spending).

MEDICAID IS THE MAIN SOURCE OF FEDERAL REVENUES TO MASSACHUSETTS

MASSHEALTH AS A PROPORTION OF ALL FEDERAL REVENUES (MILLIONS OF DOLLARS)



SOURCE: Massachusetts Budget and Policy Center

CONTACT INFORMATION

Massachusetts Medicaid Policy Institute Blue Cross Blue Shield of Massachusetts Foundation

Kate Nordahl
Katharine.Nordahl@bcbsma.com

Center for Health Law and Economics University of Massachusetts Medical School

Robert Seifert
Robert.Seifert@umassmed.edu

Carol Gyurina
Carol.Gyurina@umassmed.edu

Kate Russell
Kate.Russell@umassmed.edu

Download the complete *MassHealth: The Basics* chart pack at
<http://bluecrossmafoundation.org/publication/updated-masshealth-basics-facts-trends-and-national-context>