Pennsylvania’s HealthChoices Program: Inclusion of Populations with Special Needs

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## Overview of Pennsylvania’s Medical Assistance Program

$18 billion in Expenditures/ 2.2 million Eligibles

*Not all expenditures accounted for on this chart*

<table>
<thead>
<tr>
<th>Number of Eligible People</th>
<th>Expenditures</th>
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</thead>
<tbody>
<tr>
<td>Adults w/o Children</td>
<td>$968,411 6%</td>
</tr>
<tr>
<td>Families</td>
<td>$3,728,188 22%</td>
</tr>
<tr>
<td>Disabled</td>
<td>$7,123,162 42%</td>
</tr>
<tr>
<td>Elderly</td>
<td>$5,157,802 30%</td>
</tr>
</tbody>
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FY 11-12 Projected
Evolution of Physical Health Medicaid Managed Care in Pennsylvania

1970s
Voluntary Managed Care
Select counties

1980s
HealthPASS
100,000 consumers in Philadelphia area

1990s
HealthChoices
1997: Southeast
1999: Southwest

Today
HealthChoices in 25 counties
Voluntary in 25 counties
ACCESS Plus in 42 counties

Over 1.6 million consumers are served through our managed care programs.
Parallel Evolution of Behavioral Health Medicaid Managed Care in Pennsylvania

1970s
Voluntary Managed Care
Select counties

1980s
HealthPASS
100,000 consumers in Philadelphia area

1990s and Today
HealthChoices
Operational in all 67 counties
Pennsylvania’s Managed Care Programs

ACCESS Plus and Voluntary Managed Care

ACCESS Plus

HealthChoices
HealthChoices Program Goals

- Improve access to health care services for MA consumers
- Improve quality of care for MA consumers
- Maximize opportunities to provide cost-effective healthcare
HealthChoices Program Eligibility

- **Inclusivity**
  - Enroll all ages and most eligibility groups, including SSI population and individuals with disabilities
  - Managed care organizations must identify and assist enrollees with special needs

- **Focus on Special Needs**
  - Any need that might create a barrier between the individual and health care service
  - Not limited by clinical diagnosis
  - Consumers can self-identify and define their own special need
Why Include the SSI and Disabled Population?

- **Access**
  - To improve access to primary care and decrease emergency room utilization

- **Quality**
  - To improve quality of care

Poor quality of care was directly linked to access of care. This population deserved equal to or more than the program goals that were in place.
Laying the Groundwork

- Extensive consultation with internal and external stakeholders
- Involvement of consumers
- Development of MCO Special Needs Units
- Department Special Needs Division
- Toll-free hotlines
- Working in partnership
Rate Setting

• Began with a schedule of rates that were not risk-adjusted
• Moved to risk-adjusted rates, which worked especially well for the SSI population
• Risk-adjust MCO payments on a monthly basis
• Make efficiency adjustments
Rating Groups

- TANF and Healthy Beginnings under age 2 months
- TANF and Healthy Beginnings age 2 through 11 months
- TANF age 1+
- Healthy Beginnings age 1+
- SSI and Healthy Horizons
- Federal General Assistance
- Categorically Needy State-only General Assistance
- Medically Needy State-only General Assistance
- Maternity care (paid in addition to capitation rate)
Other Rate Mechanisms

- High-cost risk pool
- Shift nursing care
- Maternity
What Are Our Successes?

- Improved access and quality
- Stakeholder communication
- Physical Accessibility
- Network development
- Financial stability
- Consumer satisfaction

All HealthChoices MCOs with reportable data ranked in America’s Best Medicaid Health Plans, with 5 ranking in the top 25.
What Are Our Lessons Learned?

• Embrace change

• Establish flexibility and partnership

• Taking into account acuity levels of consumers is essential in the rate development process
Moving Forward

• Program has evolved from Special Needs Units to integrated case management

• Continually monitoring for improvements

• Considering enrollment of other populations

• Evaluating program models for areas where HealthChoices does not currently operate
Questions?