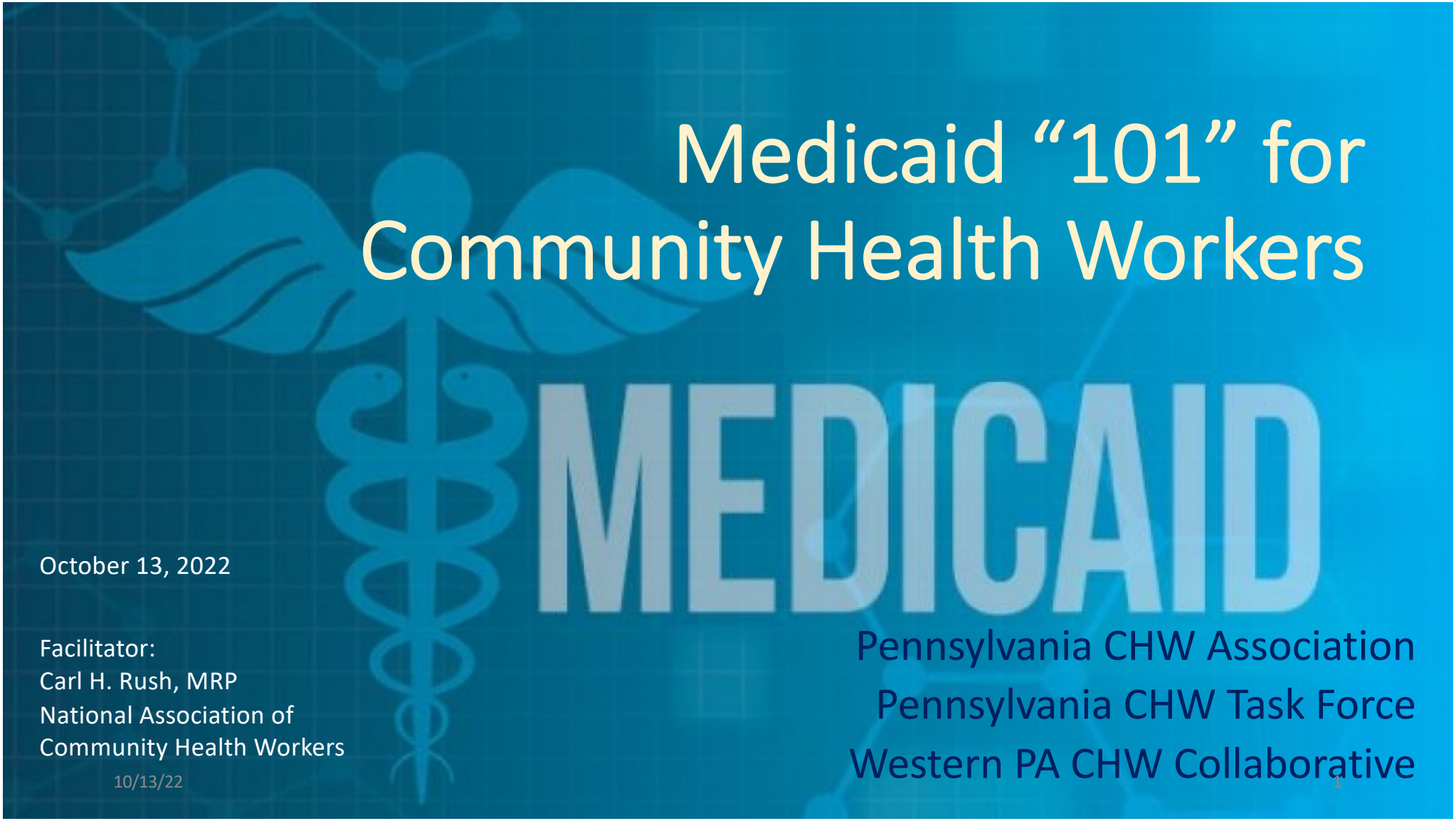
Medicaid “101” for Community Health Workers



October 13, 2022

Facilitator:
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Pennsylvania CHW Association
Pennsylvania CHW Task Force
Western PA CHW Collaborative

Introductions: please type in Chat Window

Name and organization

Pre-webinar survey results (N=84)

Have you or family members received Medicaid benefits? **71% Yes**

Have you worked with clients/community members to help them access services covered by Medicaid? 80**% Yes**

What are some positive things about Medicaid (words or short phrases)?

Access: “Helps people who wouldn't otherwise have medical coverage have some coverage”

“Eliminates barriers”

Affordability:

- “Affordable”
- “Being able to see your doctor at no cost to you”

Heard in other states - Universality:

- “Available in all states”
- “Accept people from all backgrounds”

What are some things that people don't like about Medicaid?

Provider selection: "Specific providers won't take Medicaid"
"Lack of providers" "Long waits"

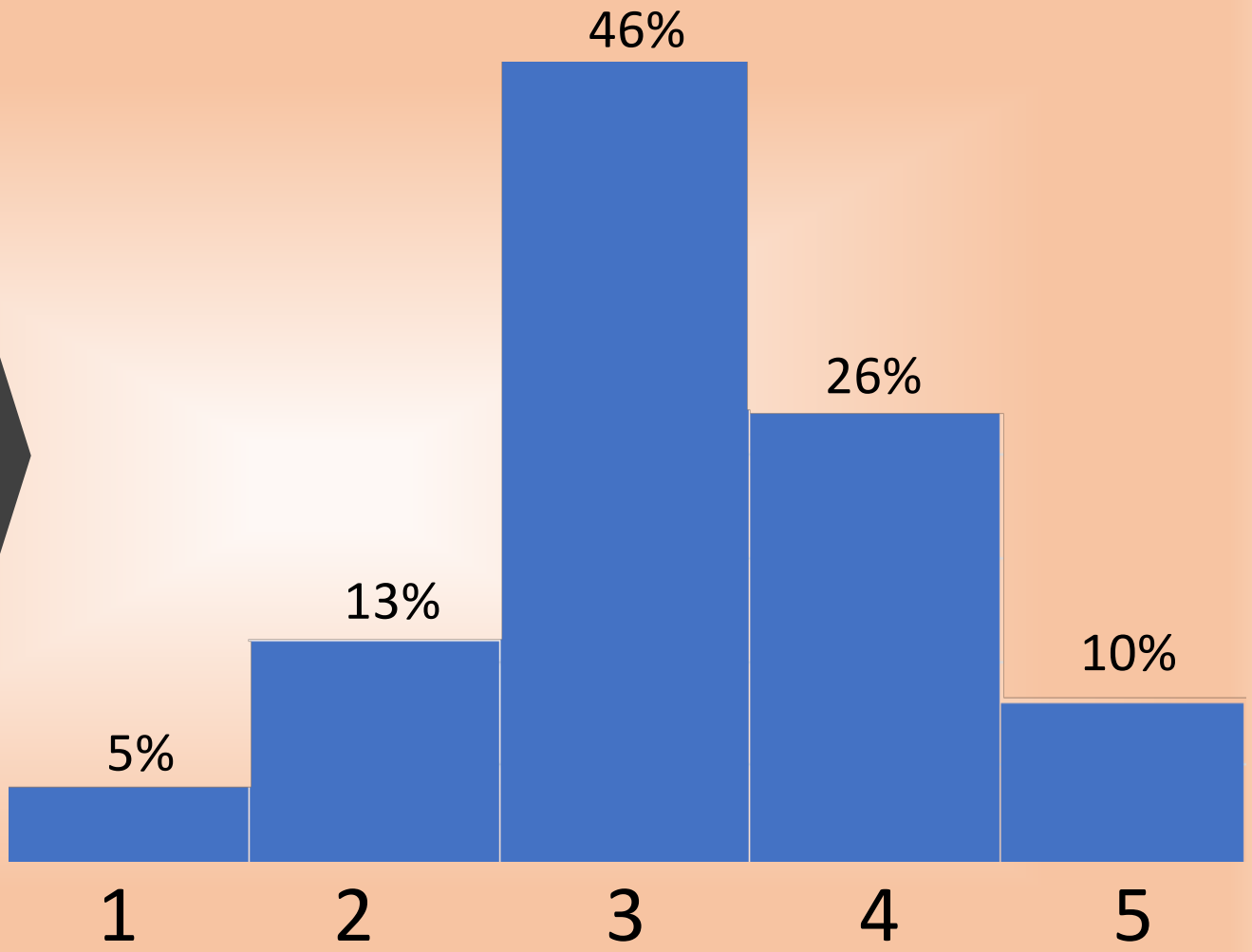
- Some services just not covered
- Stigma

Challenges for providers:

- "Billing policies"
- "Poor reimbursement rates… costly for provider enrollment"

"How complicated it is to understand"

How confident are you in what you know about how Medicaid works? (N=84)



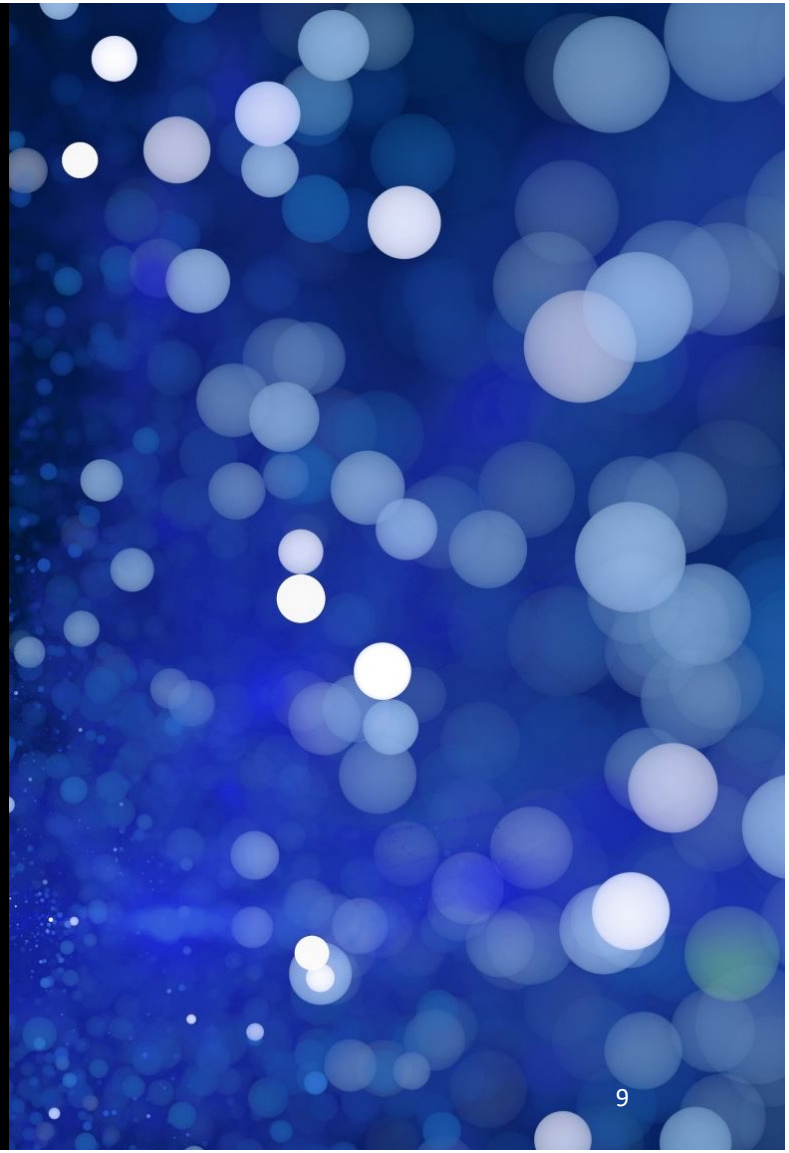
What we'll cover today

- Medicaid history and purpose
- Eligibility categories and basic services
- How Medicaid pays for services
- Opportunities and challenges for CHWs
- How Medicaid payment policy affects CHWs' work

Purpose and structure of Medicaid

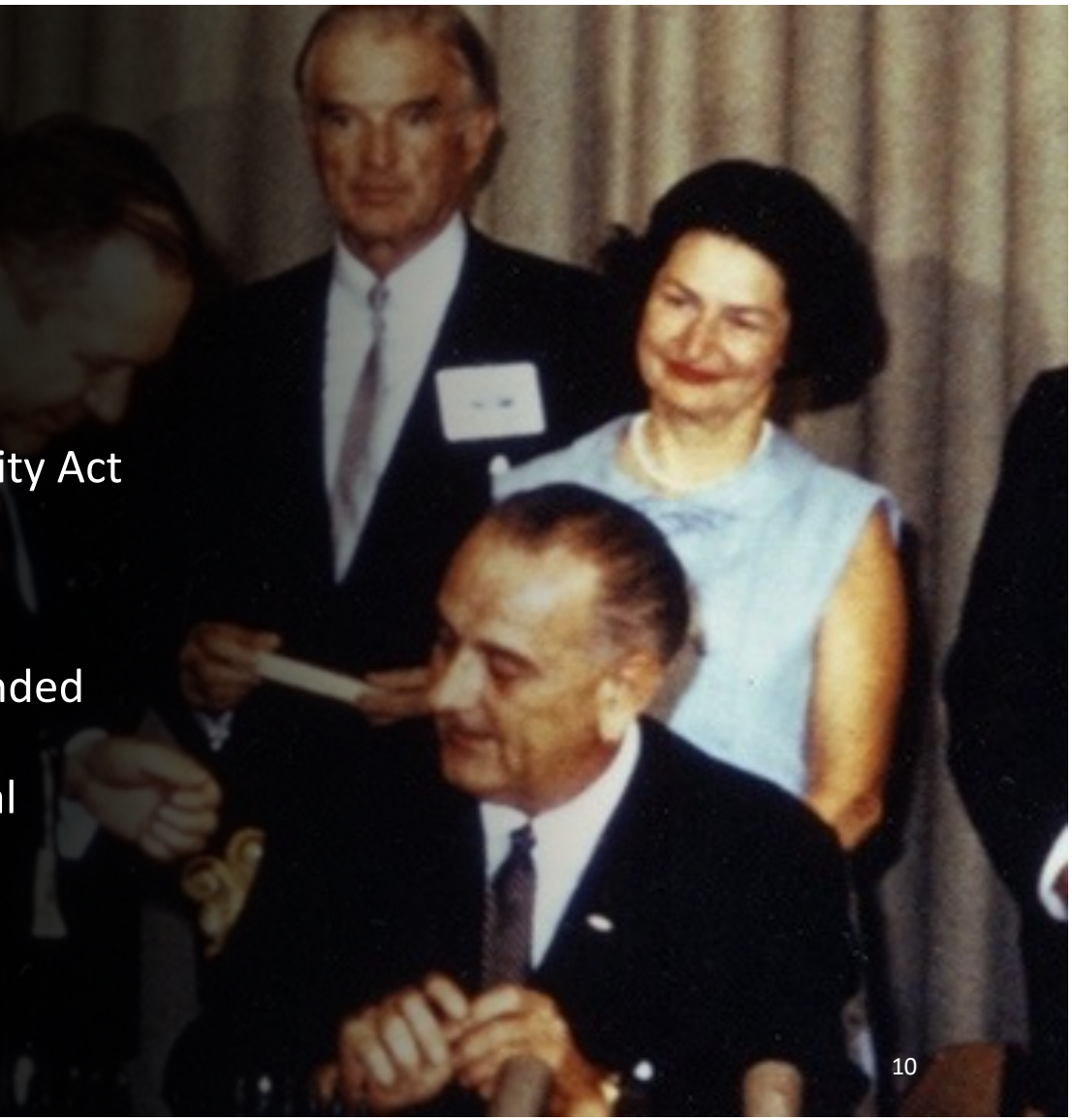
Entitlement: “Medical assistance”

Federal-state partnership and matching



Brief history

- 1965 amendments to the Social Security Act
- Arizona was last state to adopt (1983)
- Program eligibility has gradually expanded
- ACA Medicaid expansion – 90% federal match
- ARP-COVID – emergency expansion



Eligibility for Medicaid benefits

Nursing home payments authorized in 1950

1965 amendments added categorical and income-based ***medical*** benefits

At first was "welfare recipients" only (cash assistance – now TANF)

Well-child care (EPSDT) added in 1967

Pregnant women and children added in 1989

Kids 6-18 added in 1990

CHIP coverage for kids added in 1997 for incomes above Medicaid

ACA (2010) Medicaid expansion adds adults

Income limits vary by category

Small group discussion (groups of 6-7)

Discuss for 10 minutes, and be ready to report (posted in Chat window):

- What is one thing you know about Medicaid that you think others in this workshop might not know?
- What is one thing you've learned so far in this workshop that surprised you?

Special cases of eligibility/coverage

- Dual eligibles (Medicare and Medicaid)
- “Unqualified” non-citizens (may get some emergency services)
- Incarcerated individuals (hospital or nursing home care)
- Foster kids (ACA makes them eligible up to age 26)

Eligibility Group	Federal Minimal Requirement as Percentage of Federal Poverty Level[19]	Range of state eligibility by Percentage of Federal Poverty Level
Children ages 0-1	138%	144-324%[20]
Children ages 2-5	138%	138%-324%[20]
Children ages 6-18	100%	133%-324%[20]
Pregnant women	138%	138%-380%[20]
Parents	11%	18%-221%[21]
Disabled	75%	75%-100%[22]
Elderly (65+)	75%	75%-100%[22]
Childless adults	For expanded states: 138% Non-expanded states: none	Expanded states: 138%-215% Non-expanded states: no coverage, except for Wisconsin, which covers 100% FPL[21]

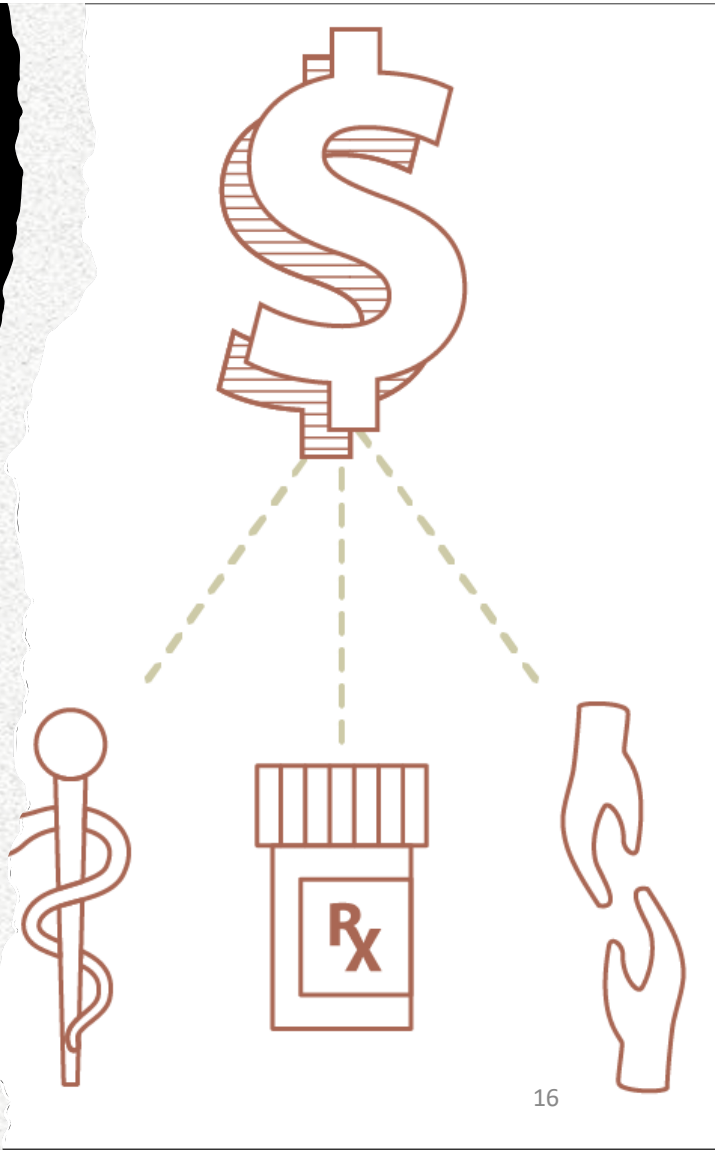
How state Medicaid pays for services

Most states use a mix of payment models

- Fee for service
- Managed care
- Alternative Payment Models (APMs)
  - Value-Based Payment
  - Alternative care structures: Accountable Care Organizations (AEs)
  - Prospective payment system for FQHCs (PPS)

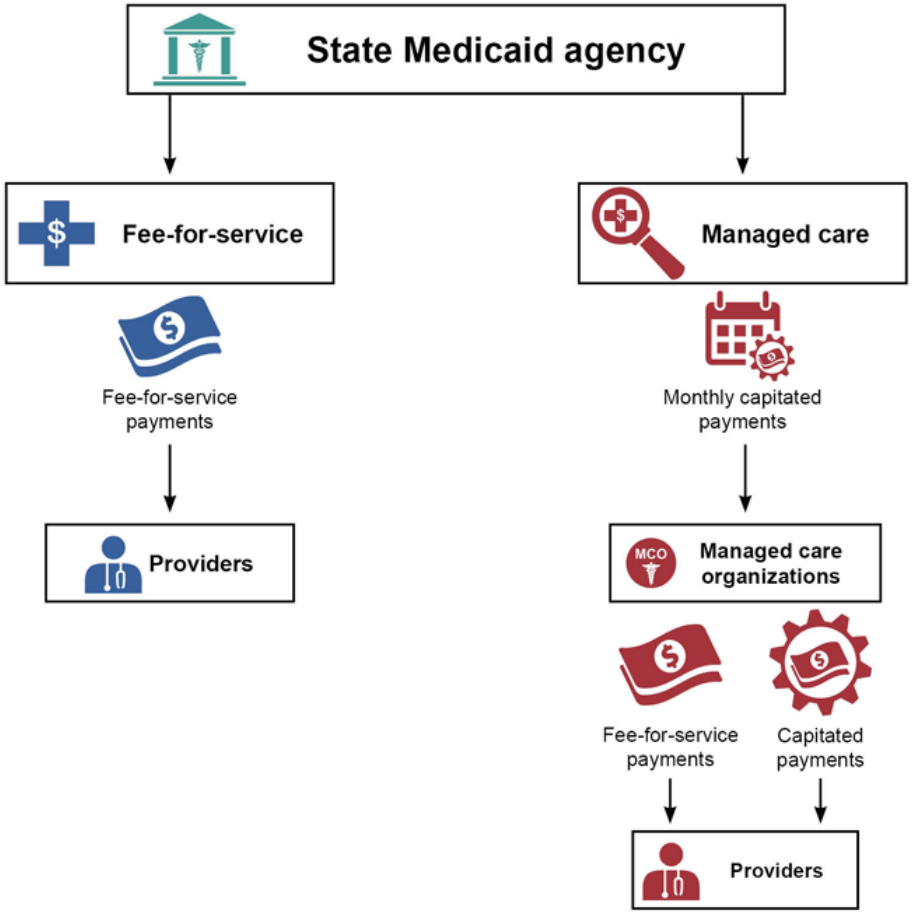
Fee for service (FFS)

- "Reimbursement" or billing for individual units of service after service is delivered (like a doctor's office visit)
- Most "managed care" states pay directly for some services using FFS, mainly long-term care
- FFS providers have incentive to provide as many billable units of service as possible (paying for quantity)



Managed care

- Managed care organizations get monthly "capitation payments" (premiums) for each "member"
  - Monthly rates are different for each eligibility category
- MCO must pay for most member services out of their capitated revenue
  - MCOs pay most providers using fee for service
- Many MCOs employ CHWs or pay for their services as an administrative expense, even if the state does not authorize CHW services as medical expenses
- ~65% of PA recipients get services thru one of 10 Medicaid MCOs (Health Choices)



Source: GAO. | GAO-18-528

Note: Managed care organizations may also pay providers through other payment approaches in which the provider assumes some risk for covered services.

Alternative Payment Models (APMs)

- Create incentives to focus on quality, access, health equity
- Pay for outcomes or quality measures: "value based payment"
- Many different models
  - from bonuses for reaching quality goals
  - to bundled payment for "episode of care"
  - to sharing of financial risk (what does that mean?)
  - to "capitation" (per member per month) – paying in advance (before services are delivered)
- MI Medicaid MCOs are starting to use APM with providers, mainly in primary care

Small group discussion (groups of 6-7)

Discuss for 10 minutes, and be ready to report:

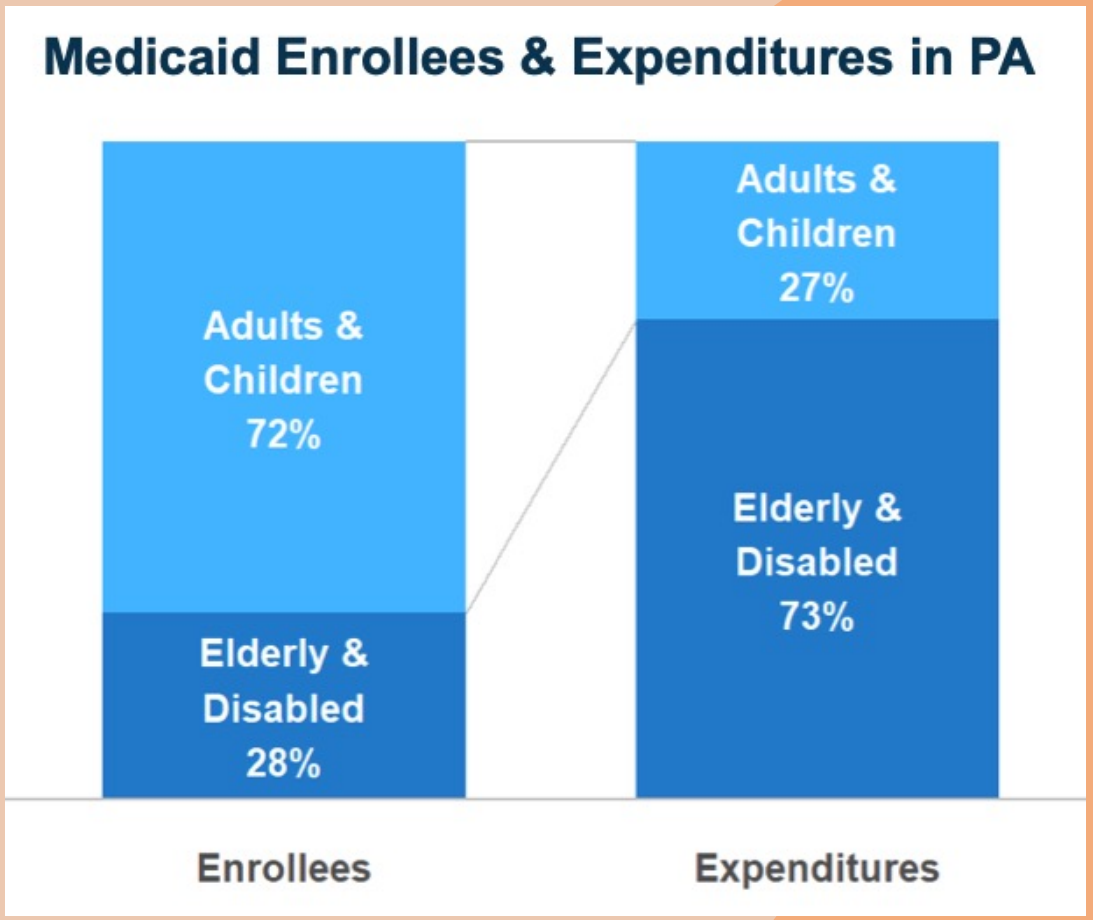
- What is the most significant thing you've learned so far today about ***how Medicaid pays for services***?

How big is Medicaid?

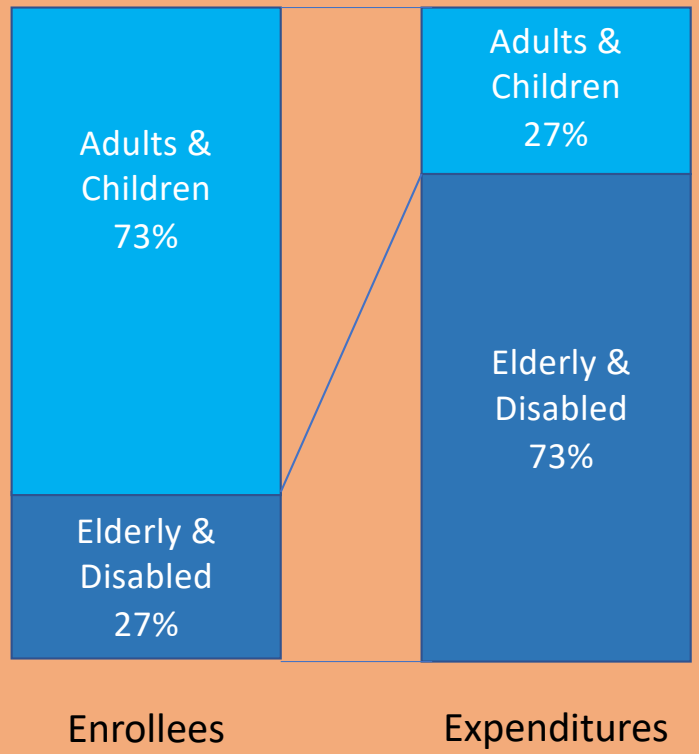
- National total Medicaid spending **$762 Billion** in 2021 ($241B state)
  - Biggest single item in many state budgets (and state has limited control)
- **Pennsylvania fiscal 2022 total $37.4 Billion, 78% thru managed care**
  - **About 3.5M total recipients**
  - **52% federal match for original Medicaid**

Source: Kaiser Family Foundation

Where does the money go?



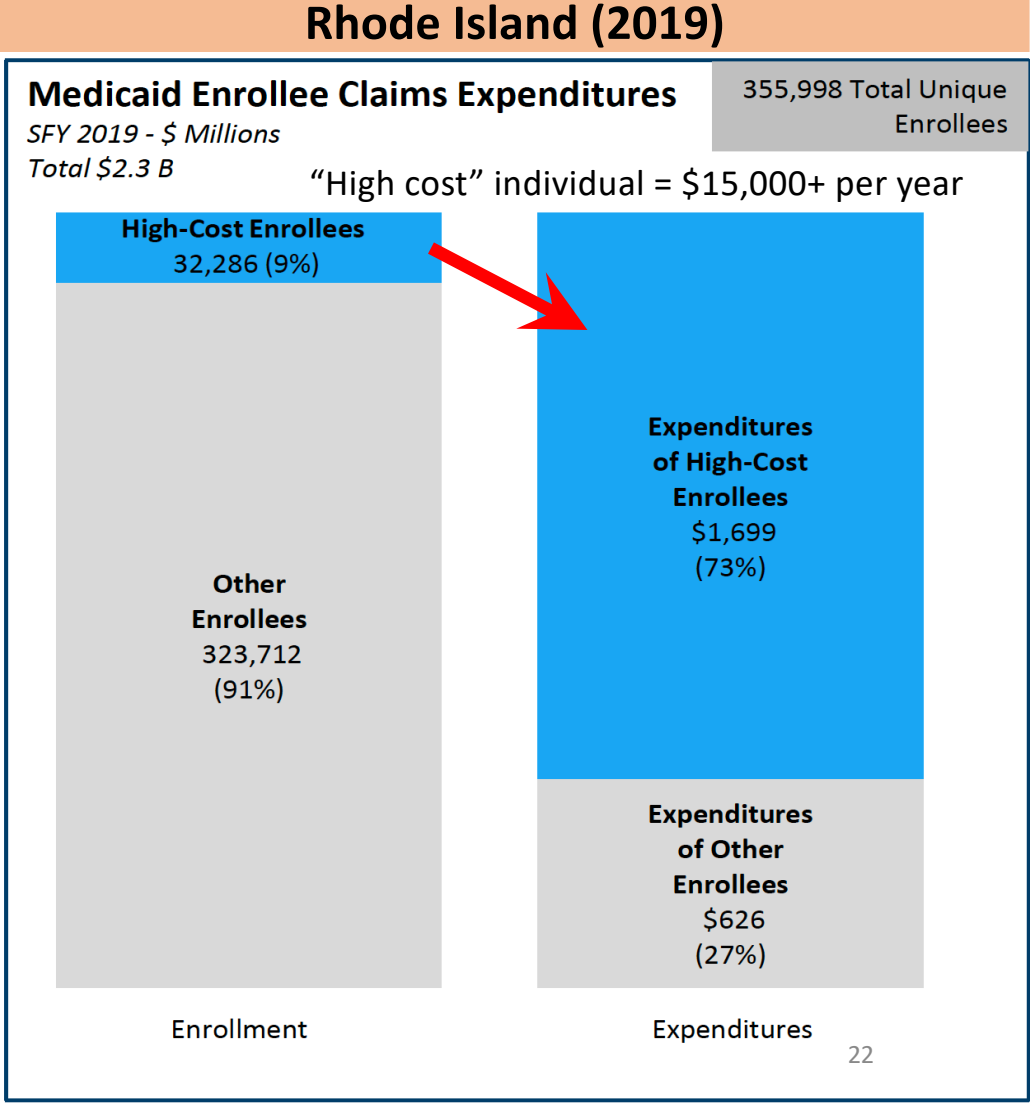
National



Source: Kaiser Family Foundation

Concern for "high-cost" recipients

- Most states have some focus on high-cost or high-utilization individuals
- NM Medicaid MCO care coordination program for high-cost recipients has shown savings
- How can CHWs help?



Some important national issues with Medicaid

- Immigration status and "public charge"
- Cost-sharing
- Eligibility renewal and "churn"
- Expansion

Why are CHW services mostly not covered by Medicaid?

- Entitlement: “Medical assistance”
- CHW services not included in federally mandated “benefits” [table]
- CHWs not defined as “providers” at federal level
- Related services have led the way in some states (doulas, peer support specialists)

Mandatory Medicaid Benefits	
Traditional Medicaid	**Newly Eligible**
• Inpatient hospitial services • Outpatient hospital services • EPSDT • Nursing facility services • Home health services • Physician services • Rural health clinic services • Federally Qualified health Center (FQHC) services • Laboratory and X-ray services • Family planning services • Nurse Midwife services • Certified Pediatric and Family Nurse Practitioner services • Freestanding Birth Center services • Transportation to medical care • Tobacco cessation counseling for pregnant women	• Non-emergency medical transportation • Family planning services and supplies • FQHC and RHC services • Parity between physical and mental health bene its • 10 Essential Health Bene its: - Ambulatory patient services - Emergency services - Hospitalization - Maternity and newborn care - Mental health services and addiction treatment - Prescription drugs - Rehabilitative services and devices - Laboratory services - Preventive services, wellness services, and chronic disease treatment - Pediatric services

pregnant women	- Pediatric services

Optional Medicaid Benefits	
• Eyeglasses	• Private duty nursing services
• Other practitioner services	• Personal care
• Chiropractic services	• Hospice
• Prosthetics	• Case management
• Dentures	• Services for individuals age 65+ in IMDs
• Dental services	• ICF-ID services
• Optometry services	• TB related services
• Other diagnostic, screening, preventive and rehabilitative services	• Inpatient psychiatric services for individuals under 21
• Respiratory care services	• Health homes for enrollees with chronic conditions
• Speech, hearing and language disorder services	• Home and community based services
• Occupational therapy	• Self-Directed personal Assistance Services
• Physical therapy	• Other approved services
• Clinic services	
• Prescription drugs	

Why are state Medicaid programs interested in CHWs?

- Program is under pressure to improve care and control costs
- New emphasis on health equity and social determinants
- Models of health care are changing

Why CHWs?

- Models of health care are shifting from transactional to relationship-based:
  - CHWs are expert in establishing trust and communication to low-income and marginalized populations

What is needed for PA Medicaid to pay for CHW services?

01

Decide what CHW services are most important to cover (from Medicaid's perspective)

02

Decide on payment method

03

Estimate costs and budget requirements

04

State and federal approvals (SPA/waiver)

How can the State's choices in designing a payment program or "CHW benefit" affect the work of CHWs?

- What **services** will be "covered?"
- How much billable **time** can youspend with client/community member (per day/month/year)?
- What is hourly **rate of pay** (billed amount includes a lot of other costs)?
- In what **settings** will Medicaid pay for CHW services (community, clinic, home)?
- Who may refer for/order/recommend/supervise CHW services?
- How will community-based organizations (**CBOs**) participate in Medicaid payment?

Researching Medicaid on the Web

- Kaiser Family Foundation: https://www.kff.org/medicaid/
- Medicaid Health Plans of America: https://medicaidplans.org
- FamiliesUSA Foundation: https://familiesusa.org/resources/
- CMS Medicaid: https://www.medicaid.gov
- Pennsylvania Medicaid: https://www.dhs.pa.gov/Services/Assistance/Pages/Medical-Assistance.aspx
- Pennsylvania Health Law Project: https://www.phlp.org/en/issues/medicaid-eligibility

Quick poll:

How **confident/comfortable** would you feel in a meeting with State officials and other parties to discuss Medicaid payment policies for CHW services? (choose one):

1 Not confident at all

2

3

4

5 Very confident

Thank you!

This workshop was sponsored by NACHW and Pennsylvania CHW Coalitions (the Pennsylvania CHW Association, the Pennsylvania CHW Task Force and the Western PA CHW Collaborative)

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