Trends in Risk-Based Medicaid Managed Care: A National Overview

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for

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Medicaid enrollment in comprehensive risk-based managed care has been climbing steadily.

NOTE: Comprehensive risk-based managed care includes Health Insuring Organizations (HIO), comprehensive managed care organizations (MCO), and Program of All-Inclusive Care for the Elderly (PACE).

Source: Medicaid Managed Care Enrollment Reports, 2003-2011, CMS.
In 26 states, over half of Medicaid beneficiaries are enrolled in comprehensive risk-based plans.

Penetration of comprehensive risk-based managed care, July 1, 2011:

- U.S. Overall = 51%

NOTE: Comprehensive risk-based managed care includes Health Insuring Organizations (HIOs), comprehensive managed care organizations (MCO), and Program of All-Inclusive Care for the Elderly (PACE).

States are expanding their use of managed care in Medicaid through a range of actions.

NOTE: States were asked to report new initiatives or expansions in these areas; the data do not reflect ongoing state efforts in these areas. While states have reported managed care quality initiatives in the past, there was not a comparable count available for FY 2011.

SOURCE: KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, October 2011 and 2012.
States are expected to rely primarily on MCOs to serve the millions of uninsured adults <139% FPL who will gain Medicaid coverage under the ACA.

- Many are in fair or poor health, have multiple chronic conditions, and/or have a mental illness or substance use disorder.
- 40% are extremely poor, more than 1/4 did not complete high school; many have no experience using health insurance or managed care systems.

Both states and MCOs are implementing initiatives to better coordinate and integrate care, often focused on populations with chronic and complex conditions and disabilities.

Increasingly, states are expanding risk-based managed care to include dual eligible beneficiaries, the frailest and most medically complex population in Medicaid.

- Almost 1.2 million dual eligible beneficiaries in 33 states – about 13% of all dual eligible beneficiaries – are enrolled in these plans for their Medicaid services.
- State demonstrations to integrate care and align Medicare and Medicaid financing for dual eligibles may include as many as 2 million of these ~ 9.2 million seniors and younger people with disabilities; most of the 21 state proposals employ a capitated model.