

# The Affordable Care Act: What Does It Mean for Utah's Medicaid Program?



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*SOME ASSEMBLY REQUIRED: Making Health Reform Work for Utah*

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# About Community Catalyst

Community Catalyst is a national non-profit advocacy organization that works with national, state and local consumer organizations, policymakers and foundations to build consumer and community leadership to improve the health care system.

We support consumer advocacy networks that impact state and federal health care policy, and ensure consumers have a seat at the table as health care decisions are made.



# Presentation Overview

- Key eligibility changes
- Short-term challenges and opportunities
- Long-term challenges and opportunities
- Two Key Takeaways



# Key Eligibility Changes



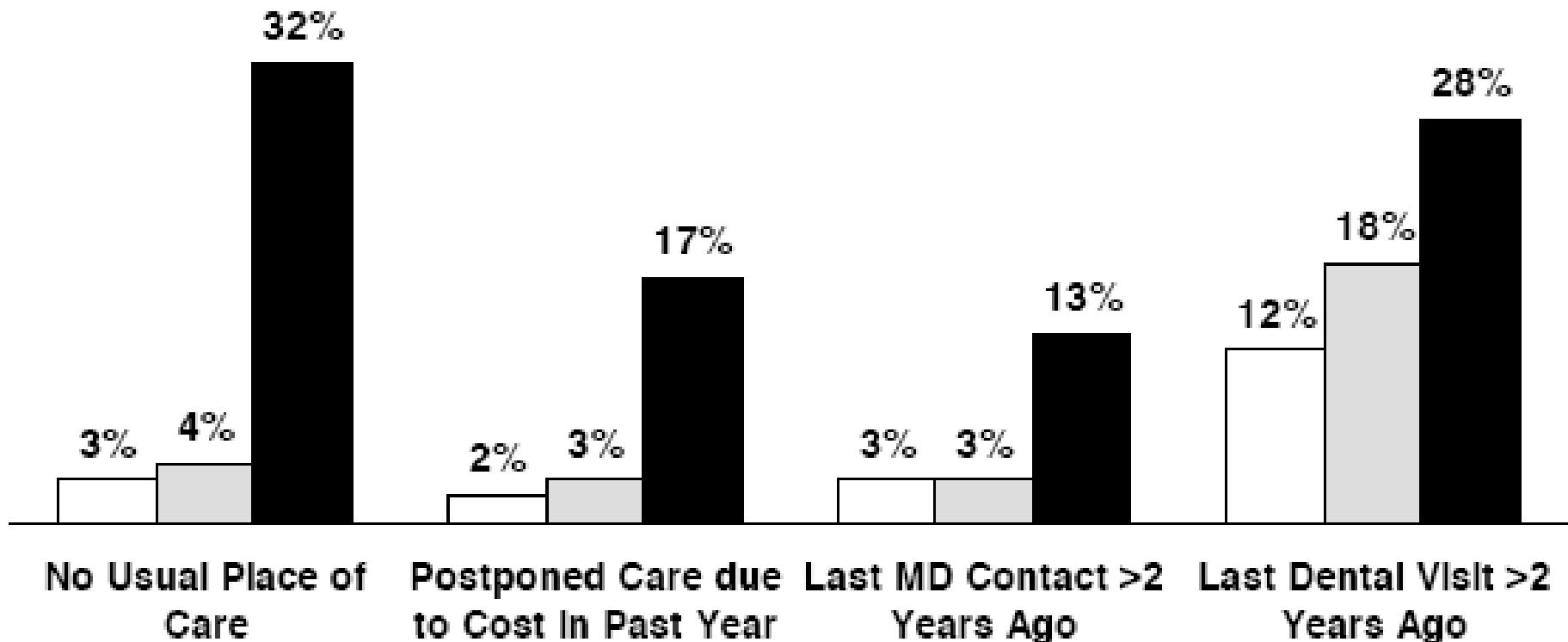
# Medicaid: A Coverage Cornerstone

- Urban Institute Analysis on effects of ACA in Utah:
  - Enrollment in Medicaid program: up by 56 percent
  - Number of uninsured adults <133 percent FPL: cut by over half
- Estimates vary based on assumptions of take-up
  - Utah projections assume 90 percent take-up

# Impact of Expanded Medicaid Coverage

## Children's Access to Care, by Health Insurance Status, 2007

□ Private □ Medicaid/Other Public ■ Uninsured



# Medicaid and CHIP Income Eligibility in Utah

	<b>In 2010</b>	<b>Under the ACA</b>
Children	200% FPL (\$44,100 / family of four)	200% FPL
Parents	44% FPL (\$9,702 / family of four)	133% FPL (\$29,328 / family of four)
Childless adults	N/A	133% FPL (\$14,404 / individual)

# Medicaid Eligibility Changes

- 133 percent of the federal poverty level (FPL) by 2014
- Maintenance of effort until 2014 for adults, 2019 for children
- State option to expand eligibility started in April 2010
- Five-year bar for immigrants still exists
- Elimination of asset test



# Short-Term Challenges & Opportunities



# Challenge:

## Sustain Medicaid During Transition to 2014

- Medicaid is critical for successful implementation in 2014
- Fiscal stress makes Medicaid a target for cuts
- Maintenance of Effort does not protect against all cuts
  - Adults above 133% FPL (Utah's PCN Population)
  - Provider rates
  - Optional benefits (PT, OT, Dental for pregnant women)

# Opportunity: Savings Options Abound

- Care Coordination
  - Dually Eligible
  - Medical Homes state option
- Payment reform demonstration projects:
  - Bundled payments
  - Global payments
  - Pediatric Accountable Care Organizations
  - TBD from Center for Medicare and Medicaid Innovation

# Opportunity: (More!) Savings Options Abound

- Family Planning State Option (800K in Utah)
- No payments for preventable errors
- Grants for incentives for healthy behaviors
- Incentives for preventive services
- Incentives to expand community-based long-term care
- ACA public health investments beyond Medicaid

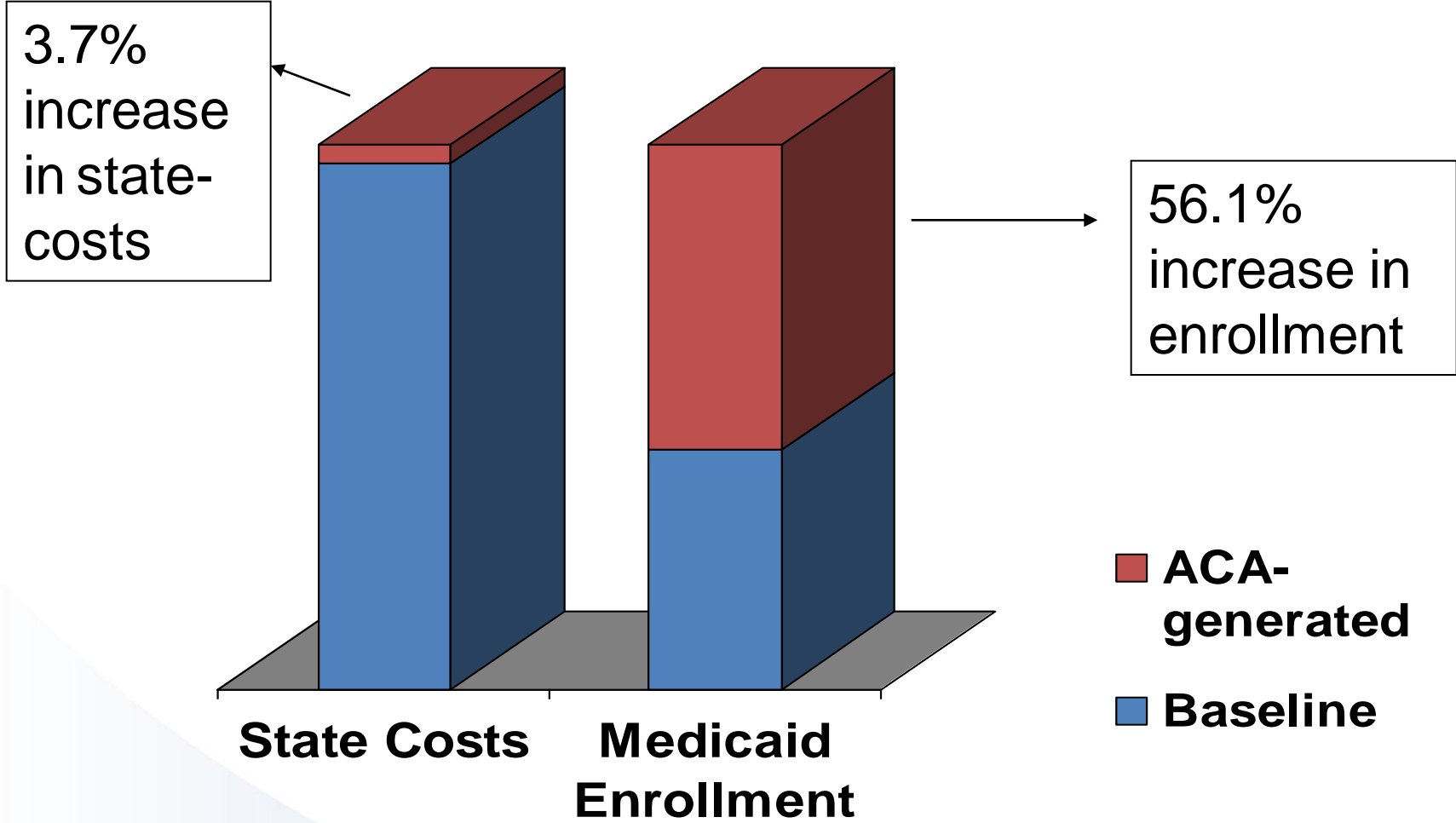
# Long-Term Challenges & Opportunities



# Medicaid Financing

Calendar Year	FMAP for Newly Eligibles
2014	100%
2015	100%
2016	100%
2017	95%
2018	94%
2019	93%
2020 and beyond	90%

# Utah Costs in Context



# Benefits for Newly Eligible

- “Benchmark benefits” for newly eligible
- Minimum “actuarial value”: 60 percent
- Must offer essential benefits as specified in the law
- Medically frail has access to current benefits



# Enrollment and Retention

- Enrollment simplification
  - Single application form
  - Simplified income determination
  - Still some gaps
- Web-based enrollment
- Outreach to vulnerable, immigrant and rural populations



# Adequate Provider Network



- Community Health Center funds
- National Health Service Corps
- Enhanced rates for primary care clinicians

# What Are They Key Takeaways?



# Key Takeaway #1:

Preserving Medicaid through the current downturn is critical to the success of reform

- Expansion doesn't happen until 2014
- Pressure to cut program in the meantime
- Positive savings opportunities included in ACA
- But Utah must be proactive in electing those savings opportunities

## Key Takeaway #2:

Long-term planning is needed to ensure the program is ready to serve new enrollees in 2014

- Integrated, simplified enrollment systems and appropriate outreach
- Benefit package that meets enrollees' needs
- Adequate provider network

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# Questions?

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