

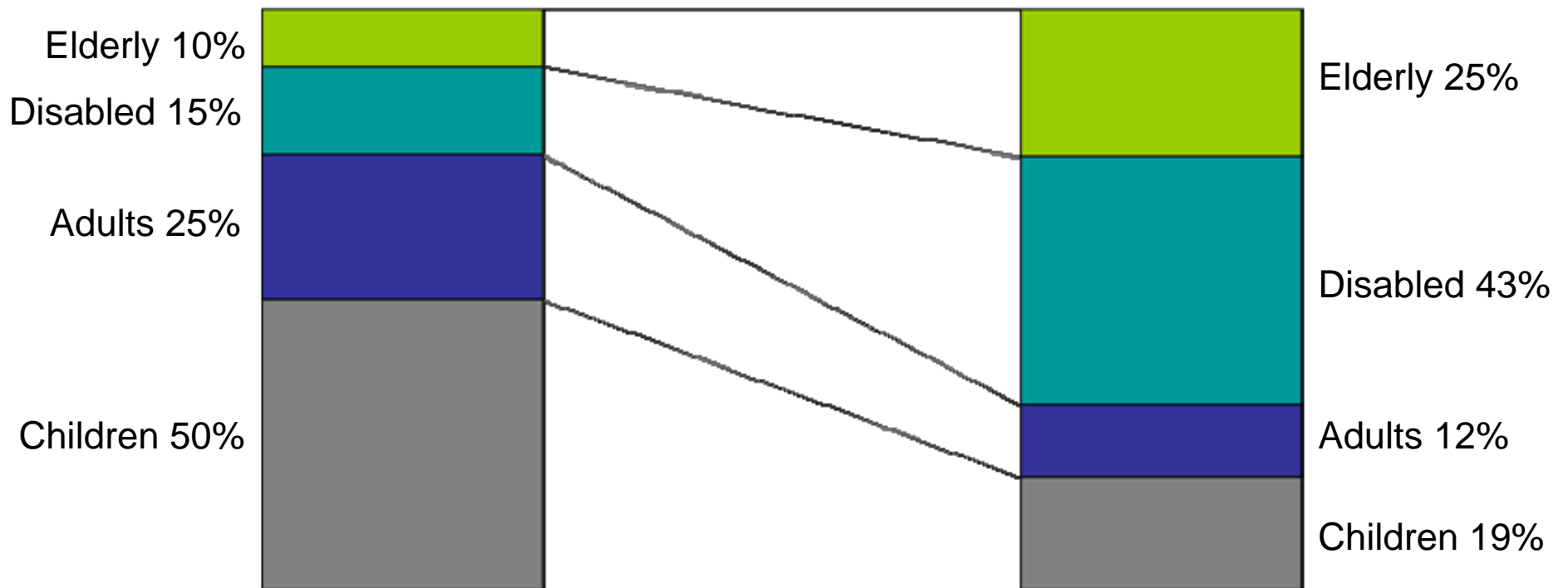
# **Medicaid, Budgets and Health Reform:** **Are We Asking States and Counties to Do More with Less?**

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# Medicaid Enrollees and Expenditures by Enrollment Group



Source: Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on 2006 MSIS data.

# Medicaid Benefits



## “Mandatory” Items and Services

- Physician services
- Laboratory and x-ray services
- Inpatient hospital services
- Outpatient hospital services
- Early and periodic screening, diagnostic and treatment (EPSDT) services for individuals under 21
- Family planning
- Rural and federally-qualified health center (FQHC) services
- Nurse midwife services
- Nursing facility (NF) services for individuals 21 or over

## “Optional” Items and Services

- Prescription drugs
- Clinic services
- Dental services, dentures
- Physical therapy, rehabilitative services
- Targeted case management
- Primary care case management
- Intermediate care facilities for the mentally retarded (ICF/MR) services
- Inpatient psychiatric care for individuals under 21
- Home health care services
- Personal care services
- Hospice services

*Source: Judy Solomon, Center on Budget and Policy Priorities*

# Medicaid Coverage Expansion in the ACA



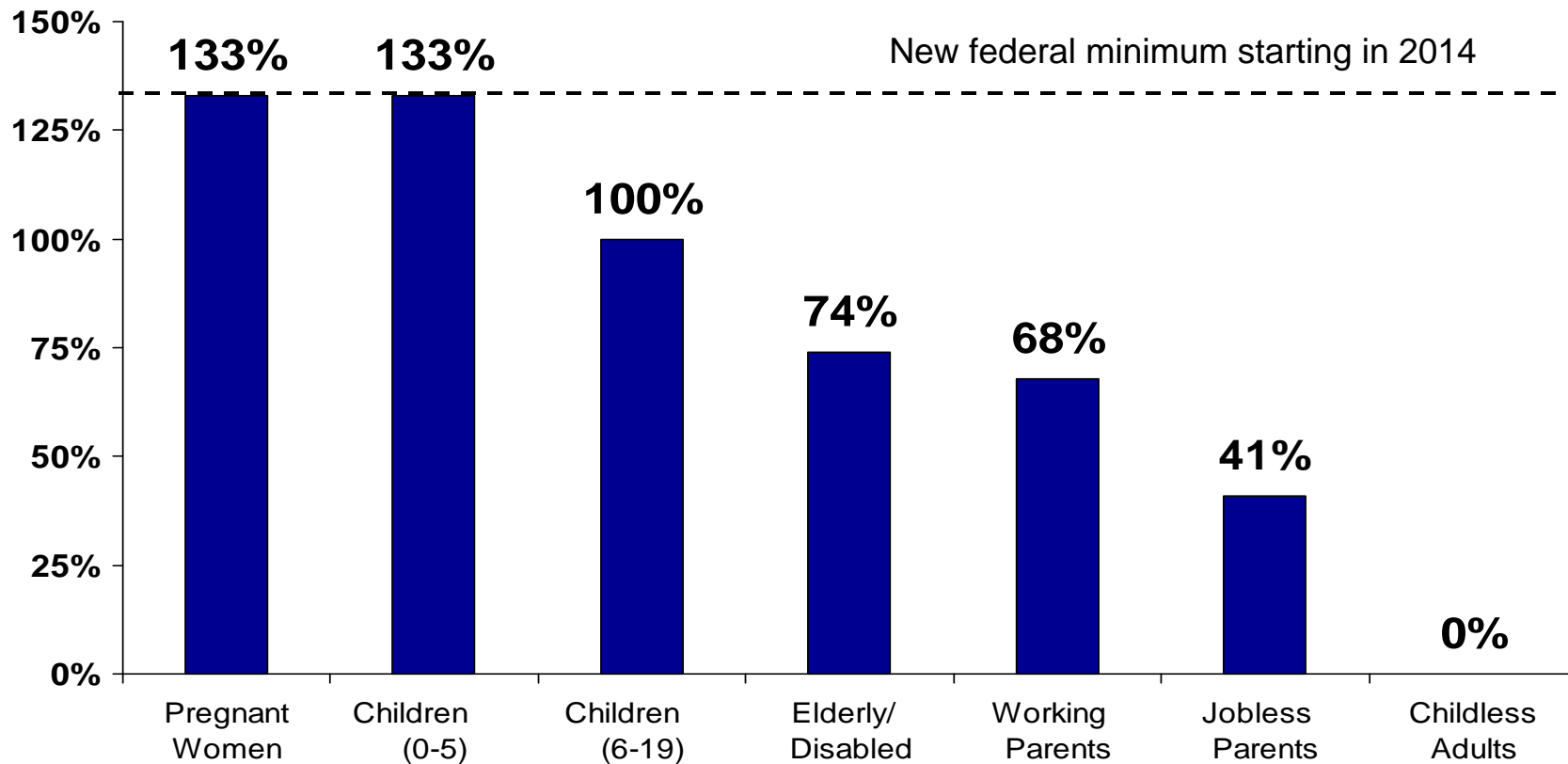
- Medicaid expansion to 133% of Federal Poverty Level (FPL) beginning in 2014.
- Approximately \$14,404 for individuals and \$29,327 for a family of four.
- States may phase in prior to 2014.
- Includes childless adults.
- 100% federal match (FMAP), 2016-2018.
- Phased down to 90% FMAP by 2020.

# Medicaid Coverage Expansion in the ACA (continued)



- Lower federal matching rate (FMAP) for traditional Medicaid recipients (e.g. SSI population).
- Medicaid benefits for newly eligible population need only be modeled on Exchange benefit packages.
  - May be less than traditional Medicaid.
  - However, state may adopt traditional benefit.
- Maintenance of Effort (MOE) for eligibility required:
  - Jan. 1, 2014 for adults; Oct. 1, 2019 for children.
- Mental health and substance use benefits will be required.

# Medicaid Coverage Expansion in the ACA (continued)



Source: Center on Budget and Policy Priorities, 4-21-2010

# Other Relevant Provisions in the ACA



- Insurance market reforms, *e.g.*:
  - Prohibitions on pre-existing condition exclusions by 2014;
  - No lifetime limits on coverage; and
  - Prohibitions on rescinding insurance coverage except for fraud.
- State based health insurance exchanges starting in 2014
  - Federal parity requirements apply to plans offered through exchanges.

## Other Relevant Provisions in the ACA (continued)



- Medicaid “medical home” option effective January, 2011
  - 90% FMAP for two years.
  - CMHC’s with capacity to provide integrated care are eligible for medical home designation.
- Medicaid emergency psychiatric demonstration
  - State specific demonstration projects
  - Lifts IMD restriction for emergency acute care in private psychiatric hospitals.

# Challenges and Opportunities for Public Mental Health Systems



- States will try to rein in spending on most expensive Medicaid services, *e.g.*:
  - Long-term care for seniors; and
  - Medications.
- Growing interest in less expensive (more efficient?) ways to provide services:
  - Utilization of allied health professionals, peer services and supports, tele-medicine in rural areas, etc.
- Emergence of a new wave of managed care.

# Challenges and Opportunities (continued)



- Increased pressures to demonstrate good outcomes.
- More effective integration of mental and physical health care?
- Will states adopt two-tiered Medicaid programs?
  - Potential differences in federal match and benefits.
- Where do vital services such as housing and employment fit into the equation?
- Defining future roles of state and local mental health agencies.

All Mental Health Conditions

Moderately Severe Conditions

Acute or Very Severe Conditions

Prevention and outreach services

Screening, assessment and evaluation

Effective individual, group and family therapies

Peer and caregiver education and supports

Transportation services

Integrated mental health and primary care

Medications

Case management and care coordination

Integrated mental health and substance use treatment

Employment and education supports

Housing with supportive services

Skill-building, recreation and daily living services

Intensive outpatient services

Assertive Community Treatment (ACT)

Jail diversion and reentry services

Crisis intervention and stabilization

Hospital and residential care



# Child and Youth Mental Health Service and Support Array

All Mental Health Conditions | Moderately Severe Conditions | Acute or Very Severe Conditions

Prevention and outreach services

Screening, assessment and evaluation

Effective individual, group and family therapies

Peer and caregiver education and supports

Integrated mental health and primary care

Medications

Case management and care coordination

School and in-home skill-building and behavioral supports

“Wraparound” planning and services

Intensive evidence-based interventions (e.g., MST, FFT)

Integrated mental health and substance use treatment

Respite care

Therapeutic foster care

Juvenile justice screening and diversion

Crisis intervention and stabilization

Day treatment

Hospital and residential care



# Thank You!

Additional resources and information  
can be found at [www.nami.org](http://www.nami.org).

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