



Michigan Department of Community Health

Director: James Haveman

Healthy Michigan

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Medicaid Director

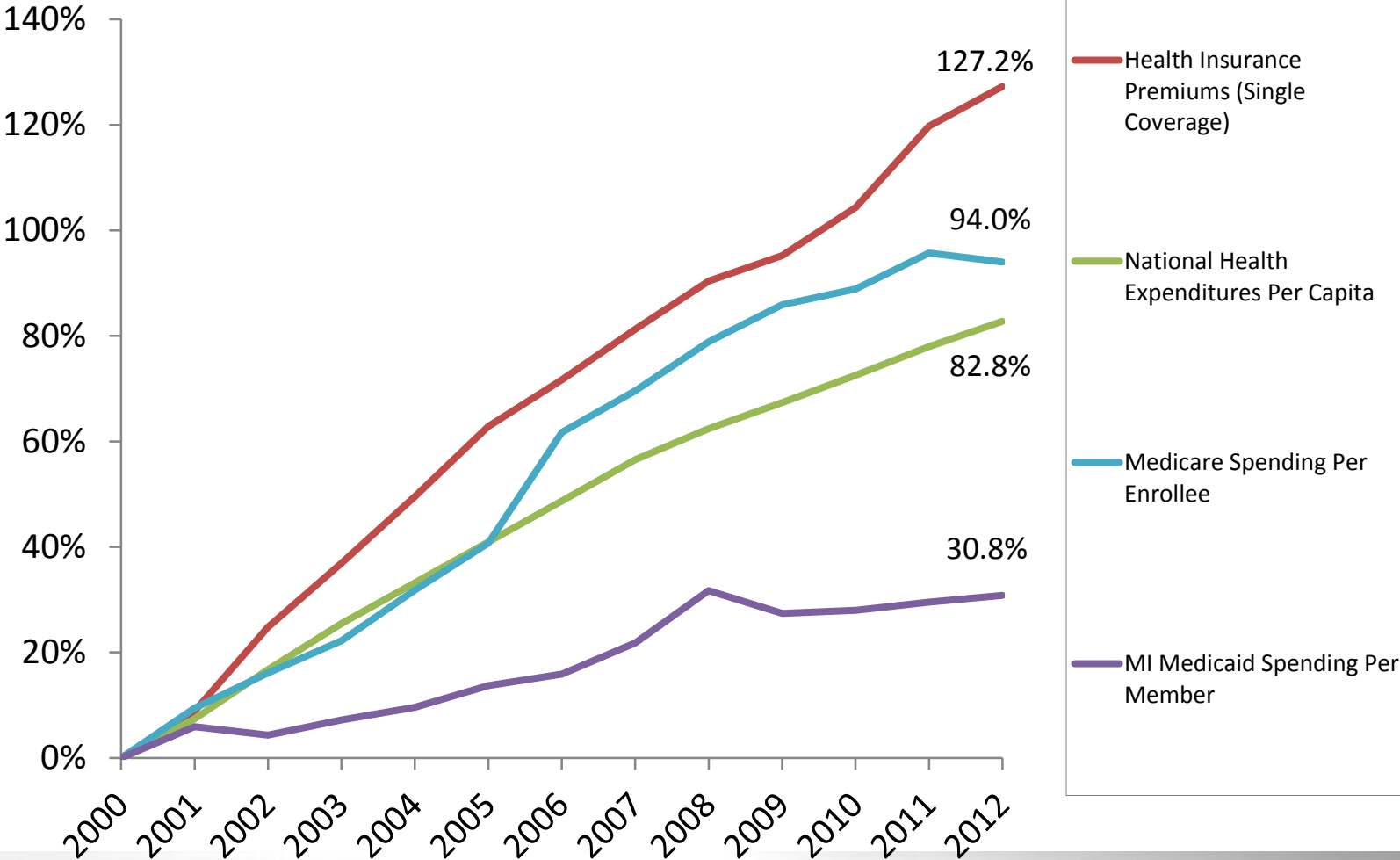


Foundation for Healthy Michigan

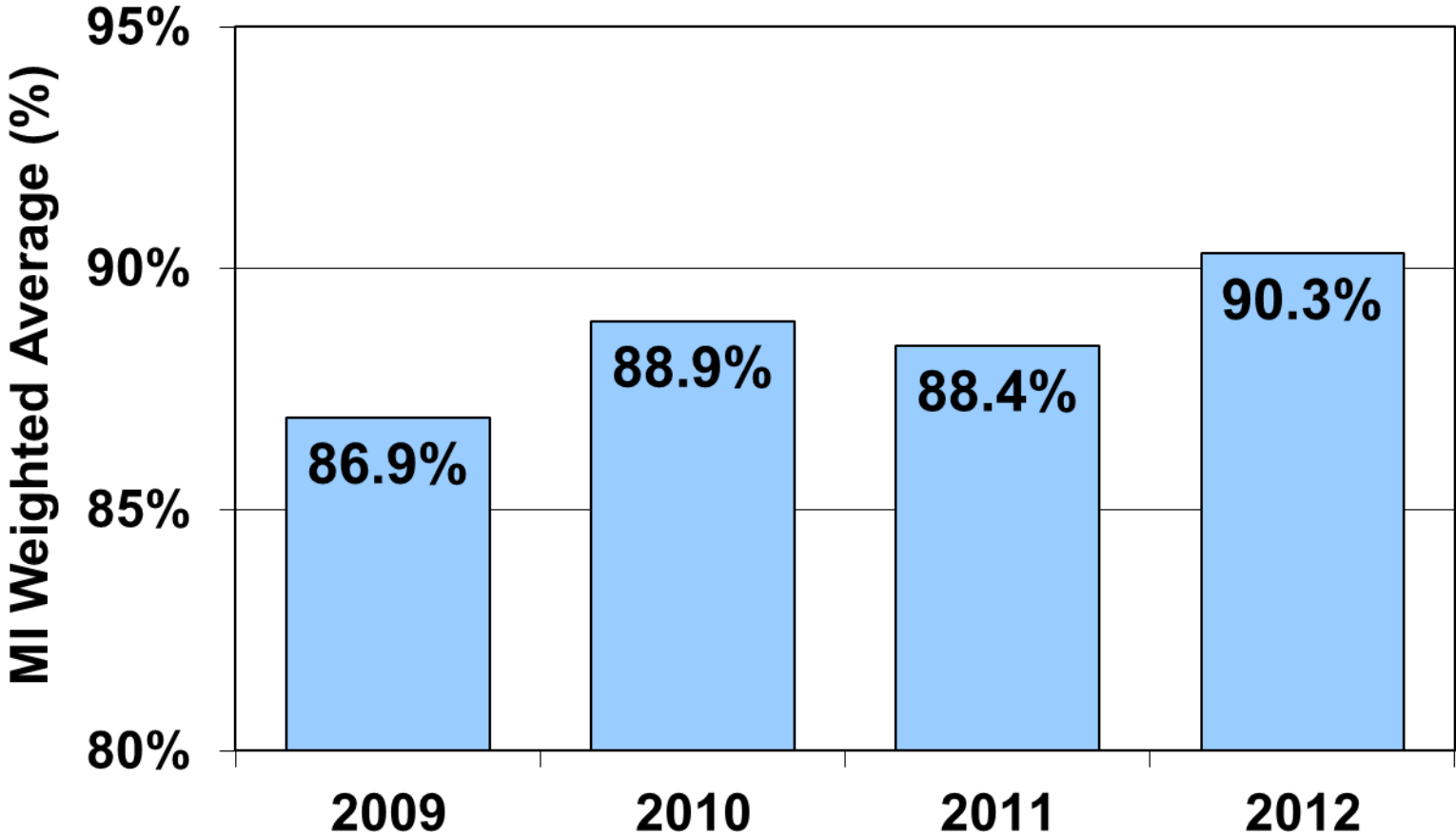
- Total commitment to full risk managed care in 1997
 - Fully privatized system
 - Early adopter for disabled as mandatory
 - Saved \$s; stabilized budget
- Highest standard of accountability and transparency
 - Procurement based on quality and capacity
 - Accreditation; annual audited HEDIS; annual CAHPS
 - Primary care physician assigned to each new enrollee
 - 6 of 13 MI HMOs in Medicaid top 20 according to NCQA
 - Performance incentive \$s and auto assignment preference



Historical Costs of Health Care 2000-2012



Michigan Medicaid Managed Care Prenatal Visits



Path to Legislative Enactment

- In Governor's FY14 Executive Budget
- Legislature eliminated in FY14 budget
- Separate "expansion" bill introduced 5/9/13
- House passed with changes 6/13/13
- Senate passed w more changes 8/27/13
- House concurred on 9/3/13
- Governor signed on 9/16/13
- No immediate effect



Policy and Political Issues

Economic

- Uncompensated care costs; impact on private insurance
- Competitiveness with other states; get our tax \$s back
- Business avoids ACA penalties; healthier workforce
- Infusion of federal funds boosts economy

Human Need and Health System

- Access to primary care/medical homes; healthy behaviors
- Individual stories of persons with unmet health needs
- Consumer engagement; sensitivity to health costs
- Financial health of hospitals with Medicare/DSH cuts



Healthy Michigan Plan Themes

Legislation about program improvement broadly

- Managed care approach
- Alignment of incentives – beneficiaries, providers, and health plans
- Skin in the game – consumer engagement
- Healthy behaviors emphasis
- Continue to improve Medicaid with integrated care and value based design and purchasing
- Accountability

Healthy Michigan - Consumer Engagement

- MI Health Account
 - Required contributions of 2% of income for >100% FPL plus co-pays for all
 - Quarterly statements showing service and \$s
- Healthy Behaviors
 - Identifying areas of improved health through health risk assessment
 - Informing and encouraging healthy behaviors
 - Rewards for engaging in healthy behaviors

Healthy Michigan - Implementation

- No immediate effect = April 1 implementation
- Tremendous focus in preparations on eligibility systems and resources
- Many web applications approved with no human intervention
- 199,862 enrolled by end of April
- Individual stories are moving
- Still big opportunities to pursue
 - Behavioral health impact on Corrections system
 - High utilizers

Questions

