

## Maryland Medicaid Expansion

Charles J. Milligan, JD, MPH

Deputy Secretary, Health Care Financing

March 1, 2013

## **Elements of Preparations**

- Eligibility System
- Eligibility Workforce
- Provider Capacity
- Managed Care Organizations (MCOs)
- Continuity of Care

#### Eligibility System

- Medicaid, Maryland's Exchange, and Maryland's eligibility agency (the Department of Human Resources) continue to develop the new eligibility system.
- The system will link to the federal data services hub, and be ready to enroll new individuals in the Exchange (with calculations on premium tax credits) effective October 1, 2013, and enroll individuals in the Medicaid expansion effective January 1, 2014
- The system will process Medicaid eligibility for the vast majority of Medicaid eligibles (those people in the "Modified Adjusted Gross Income" – MAGI – categories)
- Approx. 800,000 current Medicaid eligibles will have their redeterminations processed in the new system beginning in 2014

# Eligibility Workforce

- Medicaid, the Exchange, and the Department of Human Resources continue to prepare the workforce to provide assistance:
  - The Connector Entities (which will include assisters and navigators) will be procured by the Exchange, and will assist Medicaid households as well
  - Local health departments will continue to get grants directly from Medicaid for eligibility determinations
  - Individuals will be able to continue applying at local social services field offices (where they can also apply for other services such as Supplemental Nutrition Assistance Program --SNAP)

# Delivery System Capacity Building

- Medicaid's primary care codes now pay at the level of Medicare effective January 1, 2013 (for both primary care providers with 100% federal funding and specialists at 50% federal funding)
- The rates for these codes increased by approximately 25% to encourage more participation
- Delivery system reforms, such as the all-payer Patient Centered Medical Home program, are also seeking to build capacity

#### Delivery System Capacity Building, con't

- Medicaid is working with other organizations and agencies to help get safety net providers more prepared to enter MCO and commercial insurance carrier networks
- Traditional grant-funded providers develop capacity to bill Medicaid:
  - Free clinics
  - Addiction treatment
  - Public health departments
  - School-based health centers
- Traditional public-payer providers enter commercial networks:
  - o FQHCs
  - Public mental health system

#### Managed Care Organizations

- Three new MCOs are slated to enter Medicaid in 2013, including some MCOs that will bring brand new providers to Medicaid (such as physicians employed by Kaiser Permanente)
- MCOs and commercial carriers are evaluating expanding into each other's traditional markets to help provide continuity
- Recent acquisitions also are likely to spur these changes:
  - Amerigroup was acquired by Wellpoint
  - Coventry was acquired by Aetna

#### Continuity of Care

- Legislation now is pending in Maryland's General Assembly that would require "receiving" carriers and MCOs to:
  - Honor earlier prior authorizations for treatment (of covered benefits), and
  - Allow out-of-network care to complete a course of treatment
- Maryland intends to use a premium assistance model for women between 133-250% FPL who are in qualified health plans, and then become pregnant and qualify for Medicaid



Charles J. Milligan, JD, MPH
Deputy Secretary, Health Care Financing
<a href="mailto:Charles.Milligan@maryland.gov">Charles.Milligan@maryland.gov</a>