

# **Health Care Reform in Maryland**

## **What does it mean for LHD STI efforts?**

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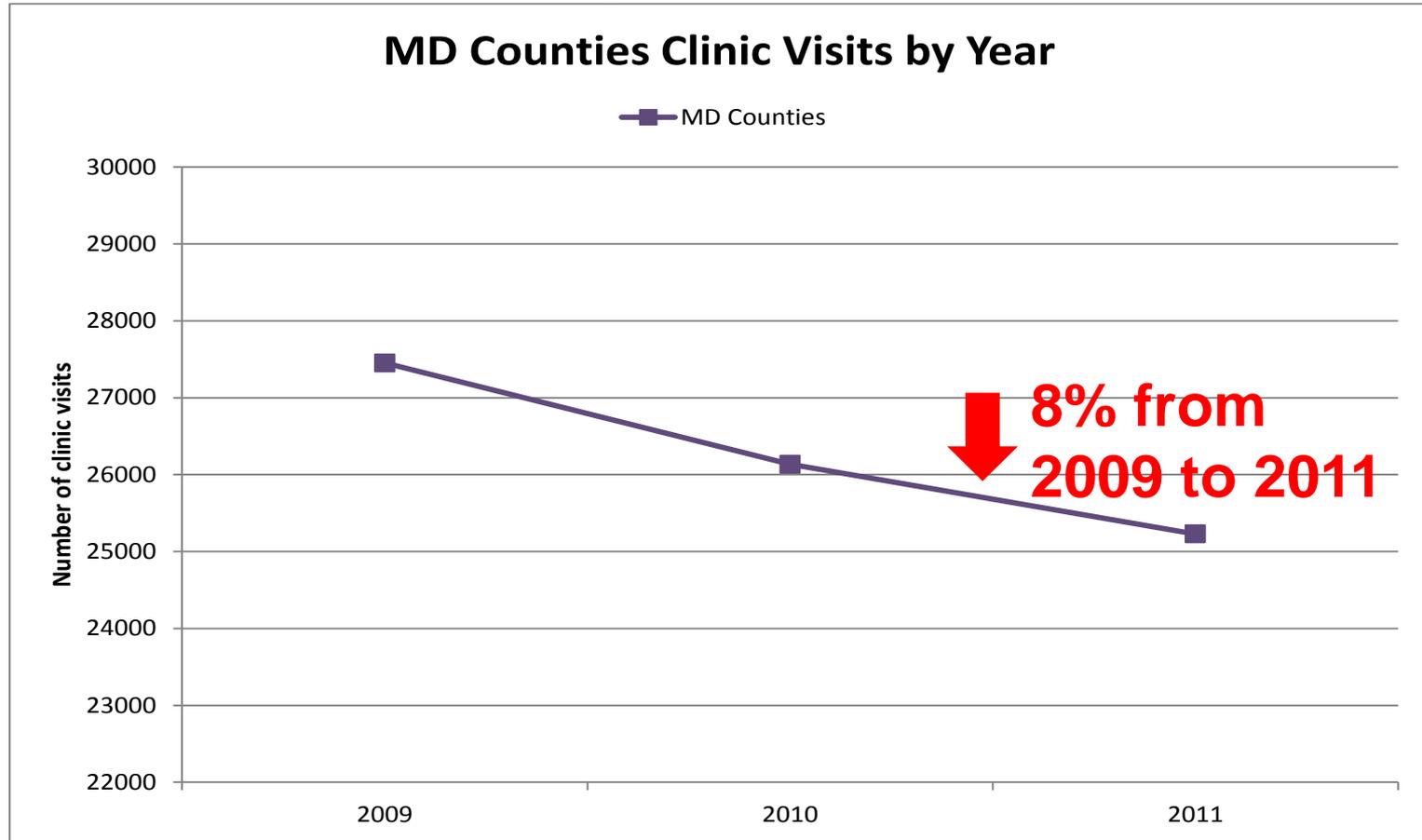
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# STI Funding – Budget Reductions

	FY 2009	FY 2011	% change
State Core Public Health Funds	\$73,253,355	\$41,776,484	↓ 43%
State STI Categorical Funds	\$570,393	\$537,595	↓ 6%
Federal STI Funds to DHMH	\$1,373,935	\$1,308,235	↓ 5%
Laboratories Administration- Chlamydia Test Line Item	\$110,000	\$0	↓ 100%

NOTE: State funding amounts are the amounts appropriated.

# STD Clinic Visits (excluding Baltimore City)



NOTE: In 2009, 6 counties provided only partial year data; in 2011, 1 county provided only partial year data.

# Safety Net Services Provided by LHD STI Programs

- STI screening, testing and treatment
- One stop services
- Disease Intervention Specialists
- Sentinel Surveillance

# Trusted Partner

- Good community acceptance by high risk populations
- Safety net for uninsured, undocumented
- Confidential services

# Health Reform in Maryland

An Introduction to the Affordable Care Act, which was signed into law on March 23, 2010

- Coverage expansions in Medicaid (up to 138% FPL)
- Coverage expansion in the Exchange (138% and up), with tax credits on a sliding scale from 138-400% FPL
- Insurance market reforms
  - Pre-existing condition, annual and lifetime limits, guarantee issue
  - Coverage to age 26 on parent policies
  - Individual mandate (unless affordability exemption)

# Health reform will make commercial health insurance products more comprehensive and comparable

All health plans are required to cover 10 essential health benefits:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care

# Beginning in 2014, all citizens must have health insurance

- Referred to as the individual mandate, this requirement is key for the stability of the insurance markets because healthy, low-cost individuals are needed to balance the number of high-cost individuals entering the market who were previously denied coverage
- Hardship exemptions are allowed, based on cost

# MD Health Reform Changes that may impact your STI programs

- Medicaid Expansion
- Maryland Health Insurance Exchange
- Patient Centered Medical Home –  
Community Integrated Medical Home
- State Health Improvement Process (SHIP)

# Medicaid Expansion



# Medicaid Expansion: Overview

- Coverage expansion in Medicaid (up to 138% FPL)
- Simplify and streamline the Medicaid consumer experience, including new eligibility system with real-time determinations and Navigator program

# Today, the eligibility determination process for Medicaid is very complicated...

Individuals are determined eligible for one of **over 50** eligibility categories, based on:

- Income
  - Assets
  - Children
  - Disability status
  - Pregnancy status
  - Age
  - Debt
  - And many others...
- ...which they verify by providing documentation like:
- Birth certificate
  - Work visa
  - Pay stub
  - Passport
  - Lease
  - Bank statements
  - Social security card
  - Driver's license
  - Medical bills
  - And many others

# Individuals must apply in person

Eligibility is determined by eligibility workers, which are located at various locations around the state:

- Departments of Social Services
- Local Health Departments
- Hospitals
- Federally Qualified Health Centers
- Division of Eligibility Waiver Services

Sometimes, an application can be filled out online, but then this must be printed and used, in person, by an eligibility worker. This means that the application for every single Medicaid beneficiary must be touched by an eligibility worker at least once.

# Medicaid Expansion: New Eligibility Categories

- Beginning in 2014, many eligibility categories will be collapsed into these four:

Parents/Caretaker Relatives

Children <19

Pregnant Women

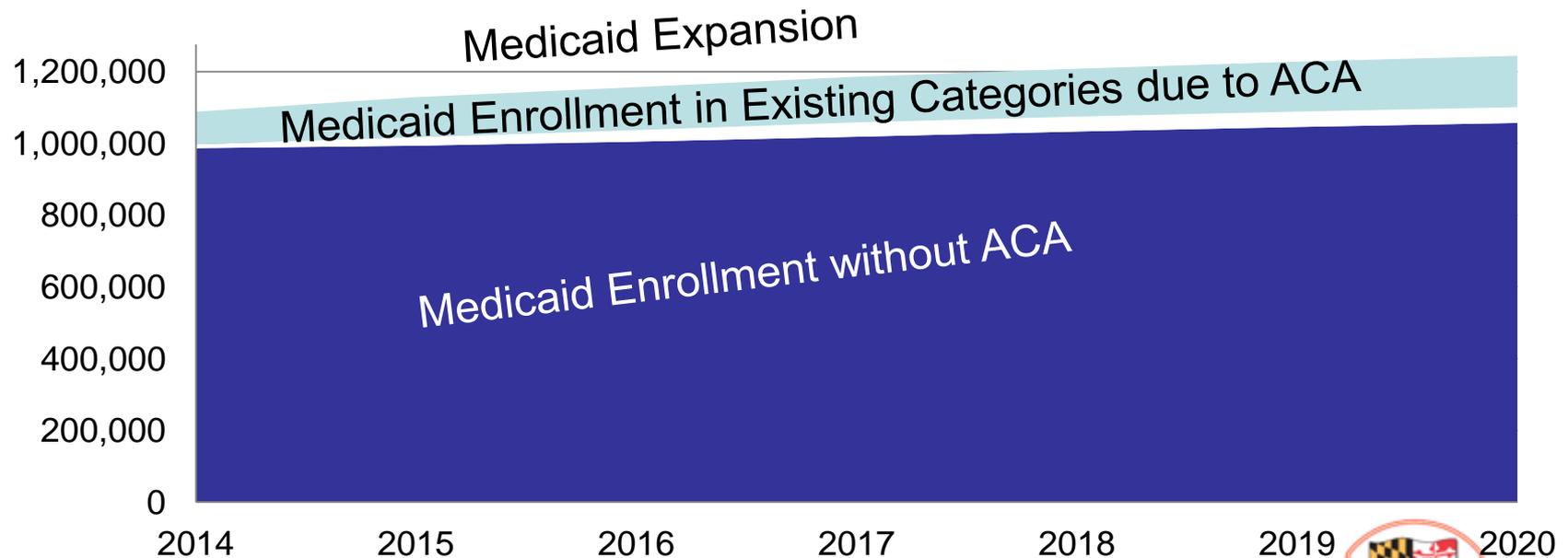
New Adult Group

- Eligibility for most people will be based on Modified Adjusted Gross Income (MAGI)
  - This is a federal standard, linked to tax methods
  - This method is not applied to disability and LTC groups; for those groups, the existing rules are used

# Starting in 2014, all citizens below 138% FPL, whether or not they have children, will be eligible for Medicaid

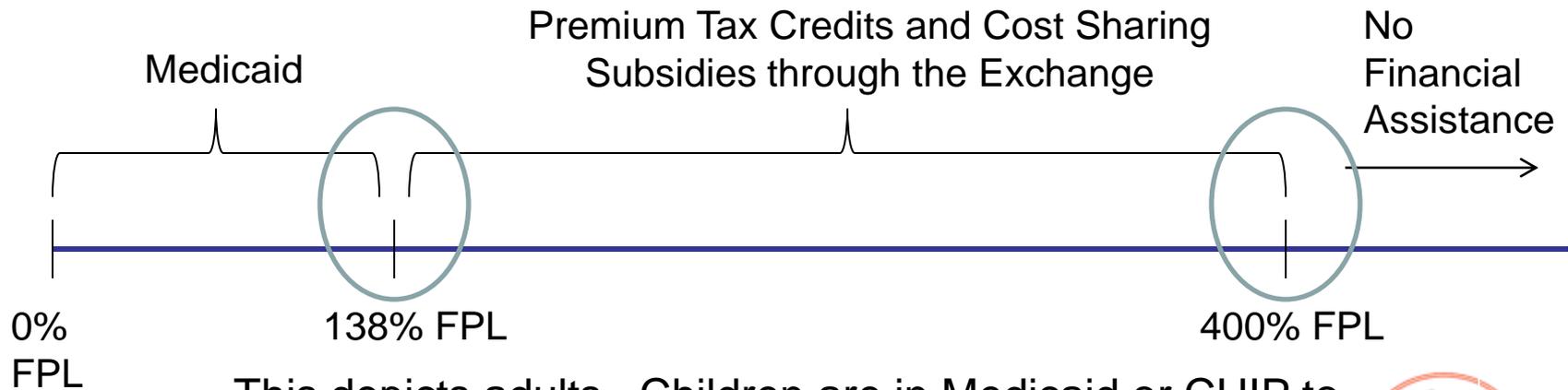
- Medicaid is being expanded to ANYONE (not just parents) who meets the income requirement, which is being set at 138% of FPL. (Today, most people have to be under 116% FPL to qualify).
- This means expanding full coverage to 190,000 Marylanders by 2020.

## Medicaid Enrollment with and without ACA



# Medicaid Expansion: Continuity of Coverage

- Four new companies have applied to become MCOs, meaning in 2014 there may be as many as eleven MCOs participating in Medicaid
- MCOs will be expected to work with the Maryland Health Connection and private issuers to ensure continuity of care as individuals move between Medicaid, the Exchange, and private insurance



This depicts adults. Children are in Medicaid or CHIP to 300% FPL.

# MD Health Benefit Exchange:



# Maryland Health Benefit Exchange Act of 2011

- Established Maryland's state-based exchange as a public corporation and independent unit of state government

# Maryland Health Benefit Exchange Act of 2012

- Outlines the implementation policies for operating the state-based exchange
  - Navigator program
  - Carrier requirements to participate

# Why It's Important to Maryland

- **Expands access** to health insurance for 730,000 Marylanders (13% of Maryland) currently without health insurance
  - Gives individuals access to primary care physicians, preventive services
- **Provides federal subsidies** for individuals up to 400% of FPL to pay for health insurance premiums
  - Infuses **\$500 million** in federal subsidies into the State of Maryland → NEW funds in health care system
- **Lowers uncompensated care** costs in the healthcare system
  - lower insurance premiums across the state

# Maryland Health Connection

- **One single entry point** for commercial insurance or Medicaid
  - No wrong door approach defined by CMS
- **Offers tax subsidies and cost sharing reductions** to individuals and families
  - Only place individuals can access subsidies
  - Federal government will pay a portion of costs for health insurance for people who earn up to 400% of FPL
  - Cost sharing reductions are available to individuals under 250% of FPL
- Open Enrollment Period Begins Oct. 2013
- Coverage Effective Jan. 2014

# Individuals & Families Subsidies

Single Person FPL %	Annual Income	Maximum Premium (as % of Income)	Enrollee Monthly Share
133% FPL	\$14,483.70	3.0%	\$36.21
150% FPL	\$16,335.00	4.0%	\$54.45
200% FPL	\$21,780.00	6.3%	\$114.35
250% FPL	\$27,225.00	8.05%	\$182.63
300% FPL	\$32,670.00	9.5%	\$258.64
350% FPL	\$38,115.00	9.5%	\$301.74
400%	\$43,560.00	9.5%	\$344.85

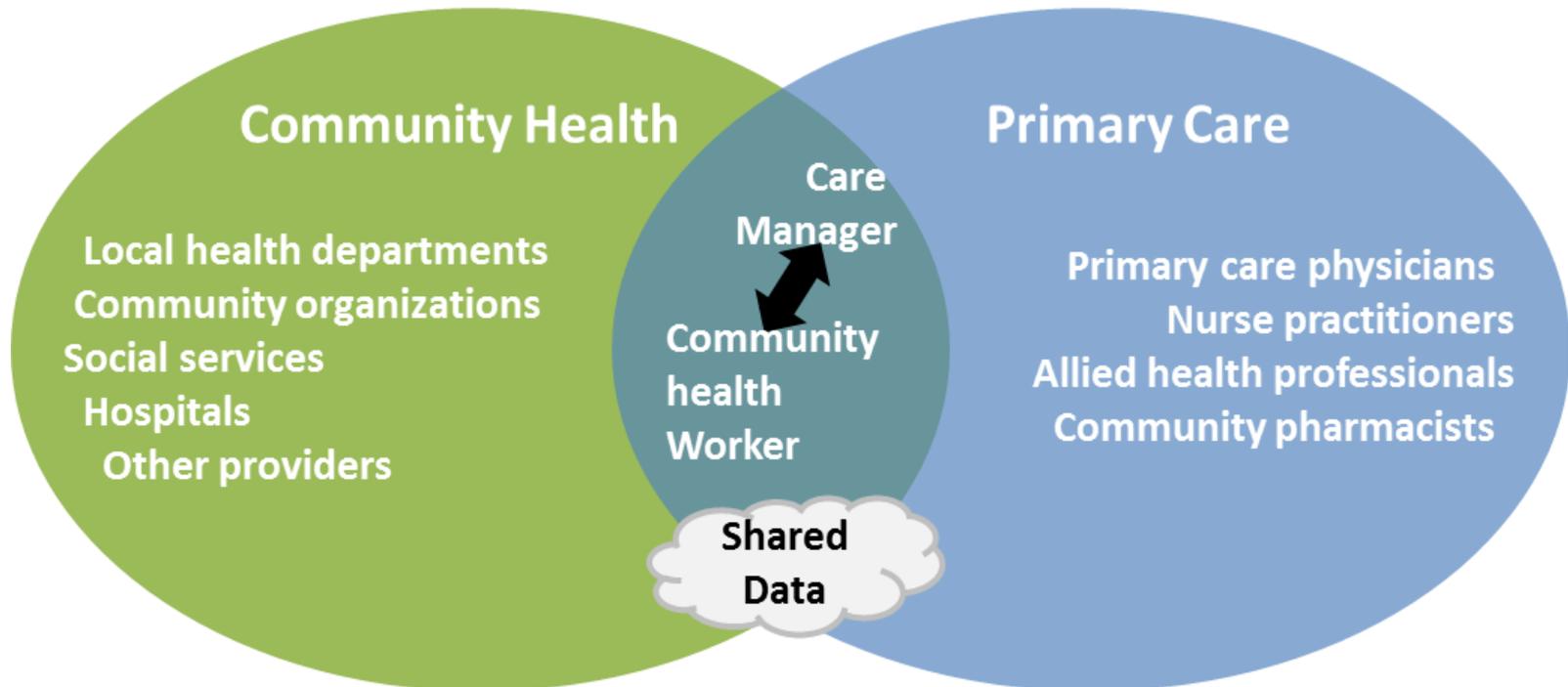
# **Patient Centered Medical Home – Community Integrated Medical Home**

- Payment: Volume Based to Value Based
- Delivery: Fragmented to coordinated care

# Community-Integrated Medical Home

- Integration of a multi-payer medical home model with community health resources
- 4 pillars:
  - 1) Primary care
  - 2) Community health
  - 3) Strategic use of new data
  - 4) Workforce development
- Two parallel stakeholder engagement processes
  - 1) Payers and Providers
  - 2) Local Health Improvement Coalitions
- All-stakeholder summit to form policy recommendations and develop plan for Model Testing application

# Community-Integrated Medical Home



# State Health Improvement Process

- To catalyze and integrate efforts of –
  - Public Health
  - Hospitals
  - Community Groups and Providers
  - Patient Centered Medical Homes
  - Accountable Care Organizations
  - Health Benefits Exchange
- Goal: Improve Population Health and Reduce Health Disparities

# SHIP Framework for Population Health Improvement

- State and local accountability
  - 39 measures - population health outcomes and determinants informed by HP 2020
  - State and county baselines and 2014 targets
  - Racial/ethnic disparity information for 28 measures
- Provided with toolkits, resources, and technical assistance

# How can LHD STI programs Interface with the “New” System

- Working with insurers
- Third party billing
- New Partnerships

# Working with Insurers

- Umbrella Contract
- Essential community Providers –  
Network Adequacy
- Credentialing

# Health Plan Provider Networks

- Carriers will be allowed to self-define network composition but will be required to include a diverse array of providers to ensure access to care is available.

## Traditional Network Providers

- HHS requires that a qualified health plan must maintain “a network that is sufficient in number and types of providers, including providers that specialize in mental health and substance abuse services, to assure that all services will be accessible without unreasonable delay.” 45 CFR 156.230

## Essential Community Providers

- HHS requires that issuers contract with “a sufficient number and geographic distribution of essential community providers, where available, to ensure reasonable and timely access to a broad range of such providers for low-income, medically underserved individuals in the QHP’s service area.” 45 CFR 156.235

# Third Party Billing

- Billing assessment
- Changes to COMAR 10.02.01: Charges for Services Provided through the Department of Health and Mental Hygiene
- Changes to the DHMH “Non-chargeable” list
- Changes to Statute

# New Partnerships

- Support coordination/collaboration among safety net providers
  - promote future connections between LHD STI and FQHC or CHCs
    - STI clinic/DIS specialty services
    - Partner services

# LHD STI programs important role to play in the “New” system

- Not all will have insurance even after health reform is phased in
- Some with insurance will still want the confidential, anonymous services provided by local health dept
- Specialty services – you see and treat a lot of STIs
- Partner services

# Questions?

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