A Medicaid Cure: Florida’s Medicaid Reform Pilot

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Presentation before the National Conference of State Legislatures
August 2012
Florida Medicaid: We Were You

• What led to Florida’s Medicaid Reform in 2005?
  -- Skyrocketing spending (growing 13% per year)
  -- Unsustainable growth (on a path to 59% of total state budget by 2015)
  -- Complex management (20 waivers; multiple delivery systems)
  -- Fraud and abuse (2/3 in traditional fee-for-service)
  -- Fragmented care (services based on budgets, not health needs)
  -- Lack of preventive care (no incentives for healthy behavior)
  -- No choices or flexibility (patients stuck in one-size-fits-all plan)

• Old Medicaid is experiencing similar problems in 2012:
  -- Consumes 1 in 4 budget dollars
  -- Single largest state budget line item
  -- Spending growing twice as fast as education spending
  -- 40% of doctors don’t accept new Medicaid patients
  -- Medicaid patients use the ER twice as much as the uninsured
  -- Sometimes, Medicaid is worse than no insurance at all
Florida Medicaid: Pro-Patient

• Healthier patients in 30 health categories:
  --Better than traditional Florida Medicaid managed care
    o 64% of health outcomes better in reform
  --Faster improvement in health outcomes
    o 68% of health outcomes improved more in Reform
  --More than half of health outcomes above national average
    o 53% of health outcomes above U.S. average and 15% are very near
  --Diabetes care, mental health treatment, prenatal care, and preventive care are showing significant improvement

• Happier patients in 6 key satisfaction measures:
  --Far above national average for doctor satisfaction
  --Above national average for access to specialists
  --Above national average for overall access to care
  --Some measures even beat traditional HMOs
Florida’s Medicaid Cure: 5 Keys

1. “Medicaid marketplace”: Real choices and accountability
   --Patients can choose from up to 11 plans
   --HMOs/PSNs paid risk-adjusted, capitated rate; assume risk/share savings
   --Patients have more choices than with traditional Medicaid managed care

2. Customized benefit packages: Personalized care
   --Plans cover federally-mandated benefits and customized benefit packages
   --Competition works—more plan benefits = greater market share
   --Plans offer 6 extra benefits and specialty care for pregnant moms, HIV/AIDS, kids with complex physical and mental health needs

3. Choice Counseling: Education and outreach
   --31 multi-lingual, multi-modal FTEs help patients pick the best plan for them
   --Patients have 30 days to pick a plan and 90 days to switch for any reason

4. Enhanced Benefit Reward$: Patient engagement
   --Patients can earn up to $125 year for healthy behaviors

5. Medicaid “Opt-out”: Bridge to private coverage
   --Patients with ESI can buy subsidized coverage for their families
Laureny and Alan’s Story
Florida’s Medicaid Cure: Pro-Taxpayer

Projected Savings from Florida’s Medicaid Reform

Sources: Florida Agency for Health Care Administration; MSIS Data from U.S. Centers for Medicare and Medicaid Services
Resources

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