Dear Health Committee Chairs:

This is your May 2009 Health Chairs E-Bulletin with the latest state health policy resources.

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Updates from NCSL

- **Free Two-Part Webinar Series**
  The first will take place Friday, **June 5** at 2pm EDT and cover the topic of mental health in higher education. On Friday, **June 12** at 2pm EDT, the second webinar will focus on mental health in K-12 schools. Details regarding registration will soon be available. If you have any questions, please email us.

- **Register Now!**
  NCSL will hold its Legislative Summit **July 20 - 24** in Philadelphia. Health Committee sessions will include:
  - Health Reform: Can States Afford to Innovate?
  - Medicaid: Can Investments in Quality Contain Costs?

- **New NCSL Policy Webpages**
  Check out the latest resources for health policymakers.
  - Underage Drinking
  - H1N1 Flu (Swine Flue) Public Health Alert
  - State Budget Update

- **Listen to a New Webcast**
  This webcast provides a menu of policy options on how to effectively build healthy communities while promoting a thriving economy.
  - Healthy Foods, Healthy Bodies and Healthy Budgets

- **Other Resources Available from NCSL**
  - State Health Notes
    Read this biweekly health policy newsletter online—or sign up to have it emailed to you directly.
Capitol Ideas
Refer to this compilation of top policy issues influencing state legislatures. The most recent issue includes:
  o Planning for pandemic flu
  o Keeping kids safe online
  o Promoting healthy communities to reduce childhood obesity

Public Health Herald
Take a look at this quarterly health and wellness policy messenger. The most recent issue focuses on tobacco use.

Medicaid

Getting the Most for Your $  
As the number of Medicaid beneficiaries increases, states are looking for new ways to maximize the impact of available funds. The Commonwealth Fund recently released Maximizing Quality and Value in Medicaid, which examines how return-on-investment (ROI) analyses can improve quality and control costs in Medicaid. Policymakers seeking to develop value-driven strategies for containing growth of costs over time can use ROI forecasting to help identify program and infrastructure investments that have potential to generate downstream reductions in health care spending.

![Figure 1. Continuum of Medicaid Cost Control Strategies](source: The Commonwealth Fund)
Variations in P4P Models
With 63 million beneficiaries—66 percent of whom are in managed care—and more than $361 billion in annual expenditures, state Medicaid programs are in an excellent position to impact quality at the point of care and to foster greater alignment across health plans and delivery systems. The Center for Health Care Strategies, Inc.'s *Provider Incentive Programs: An Opportunity for Medicaid to Improve Quality at the Point of Care* presents examples of how states are becoming more involved in the pay-for-performance (P4P) at the practice level. Although P4P is just one tool available to states to improve quality, Medicaid programs can play an important role in creating much needed alignment in P4P.

Managed Care and Federally Qualified Health Centers
The National Academy for State Health Policy's *Policies and Strategies to Make Medicaid Managed Care Work for FQHCs* compares the managed care policies in Alabama and Michigan with regard to enrollment, access, quality and financing. The brief finds that strong communication between state Medicaid agencies, public health departments, FQHCs and other stakeholders is key to providing health care to vulnerable populations.

Increasing Enrollment of Eligible Children
Because many states are working to increase enrollment of eligible children in public health coverage programs, the National Academy for State Health Policy also recently published *Maximizing Kids' Enrollment in Medicaid and SCHIP* to provide states with the most effective approaches for enrolling eligible children. The paper's recommendations include simplifying enrollment and renewal procedures, utilizing community-based outreach, using technology to coordinate programs and reduce administrative burdens, and identifying effective marketing strategies.
Dual Eligibles

A State-by-State Look at Duals

The Kaiser Commission on Medicaid and the Uninsured recently published three issue briefs concerning the population of individuals dually-eligible for Medicare and Medicaid coverage. *Where Does the Burden Lie? Medicaid and Medicare Spending for Dual Eligible Beneficiaries* finds that states spend four times more to provide coverage for dual eligibles than on non-duals. For these beneficiaries, Medicare covers most acute care services, while Medicaid pays for the majority of long-term care services.

*Dual Eligibles: Medicaid Enrollment and Spending for Medicare Beneficiaries in 2005* provides a variety of statistics on dual eligibles in all 50 states, including the total number of dual eligibles, the number of aged and disabled duals, and Medicaid expenditures on this population. *Rethinking Medicaid’s Financing Role for Medicare Enrollees* examines the fiscal impacts of different options for restructuring the federal-state financing relationship for duals. The options include federal assumption for the financing of Medicare premiums, Medicaid acute care services or all long-term care services.

![Comparison of Dual Eligible and Other Medicare Beneficiaries, 2003](image-url)
Difficulty in Providing Coverage for Duals
Following a recent meeting on understanding Medicare and Medicaid, the National Health Policy Forum made available two presentations on Medicare-Medicaid Dual Eligibles. Judith D. Moore, Senior Fellow from the Forum, presented Two Programs, Twice the Challenge?, which examined the differences in the payment systems used by Medicare and Medicaid. The presentation asserted that the lack of coordination of care between the two programs leads to health care that is fragmented, inefficient and costly, which creates incentives for cost shifting.

Barbara Coulter Edwards, Principal of Health Management Associates, presented State Imperative and Federal Opportunity, which reiterates that dual eligibles are the sickest, most vulnerable and most expensive population and are least likely to have coordinated, cost-effective care. According to Edwards, financial incentives for Medicare and Medicaid are not properly aligned, and because Medicaid is a secondary payer, improved primary and acute care is difficult to accomplish. Although many states enroll their aged, blind and disabled population into managed care plans, most exclude dual eligibles, resulting in fragmented care.

NCSL recently covered the topic of dual eligibles in State Health Notes.

Medicare

Enrolling Eligible Seniors
Many low-income seniors eligible for Medicare Saving Programs do not participate often because they are not familiar with the programs or are discouraged by the complexity of the enrollment process. The Commonwealth Fund's Increasing Participation in Benefit Programs for Low-Income Seniors identifies effective methods to increase enrollment, including aligning eligibility rules and enrollment procedures, using a person-centered, one-on-one approach for outreach and enrollment, investing in information technology, and providing financial support for ongoing outreach and enrollment activities.

Variations in Spending
The Dartmouth Institute for Health Policy & Clinical Practice's The Policy Implications of Variations in Medicare Spending Growth finds that between 1992 and 2006 Medicare spending, adjusted for general price inflation, rose 3.5 percent annually. However, there was considerable variation among different regions across the country. Per capita, inflation-adjusted spending in Miami, Florida grew at 5 percent annually, compared to just 2.3 percent in Salem, Oregon and 2.4 percent in San Francisco, California. The brief explains that there is no single reason for this growth but rather multiple factors—including differences in availability of technology, capital and resources, as well as variations in payment systems—contribute to the growth.
Medicare Beneficiaries Facts
A recently released fact sheet by the AARP Public Policy Institute reports that 15 percent of the U.S. population (44 million) is currently enrolled in Medicare and this population is expected to increase to 70 million by 2030. The Medicare Beneficiary Population Fact Sheet also finds that only one in 10 beneficiaries relies solely on the Medicare program for health care coverage. Most have supplemental coverage to help with medical expenses. Almost half of beneficiaries have incomes below 200 percent of the federal poverty level.

Other Online Resources

SCHIP & Medicaid Statistics by State
An online interactive map provides the Estimated Number of Children Enrolled in SCHIP by state. The Kaiser Family Foundation also provides additional resources on topics such as Medicaid spending, temporary federal Medicaid relief, and Medicaid budget actions.

Returns on Public Health Investments
The Center for Health Care Strategies recently created the Return on Investment (ROI) Calculator for Quality Initiatives. This online calculator allows policymakers and stakeholders to forecast ROIs based on intervention strategies, size of targeted population and estimated program costs. Accompanying the calculator is a User's Guide on best practices.

Interactive Map of Pre-Existing Conditions
The Center for American Progress provides an interactive map on pre-existing conditions, including high blood pressure, asthma and diabetes. Because millions of Americans with these conditions often experience difficulties in obtaining health insurance coverage, the Center recommends preventing insurers from denying coverage based on medical history.
About Us

The National Conference of State Legislatures is a bipartisan organization that serves the legislators and staffs of the nation's 50 states, commonwealths and territories, providing research, technical assistance, and opportunities for policymakers to exchange ideas on the most pressing state issues.

Located in NCSL's Washington, DC office, the Forum for State Health Policy Leadership works with state legislators and staff to identify critical health policy issues and address the challenges in developing effective state policy.

Established by the Forum, the Health Chairs Project serves the health committee chairs of all 50 states by providing educational materials on health policy issues, direct access to policy experts and the opportunity to share information and discuss policy strategies among other health chairs.

The Health Chairs E-Bulletin is a monthly email that provides an overview of new developments concerning topics in health, resources that may be helpful in developing policy, and updates on the Health Chairs Project, the Forum, and NCSL.

Missed an issue? Visit the Chairs E-bulletins archives.

Have a great state health policy resource? Please email us to include it in the next issue.

See you in June!

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