A Medicaid Cure: Florida’s Medicaid Reform Pilot

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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
    - 64% of health outcomes better in reform
  - Faster improvement in health outcomes
    - 68% of health outcomes improved more in Reform
  - More than half of health outcomes above national average
    - 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

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## 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
Moise’s Story

Lauren and Alan’s Story
Florida’s Medicaid Cure: Pro-Taxpayer

Projected Savings from Florida’s Medicaid Reform

Resources

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