



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**

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



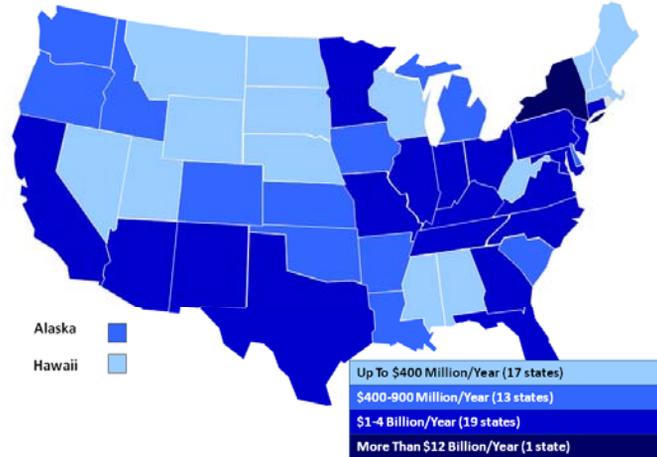
Source: KHI News Service

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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