

D.C. Medicaid Reform



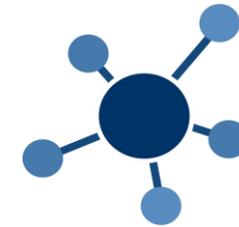
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Medical Care Advisory Committee
October 23, 2019

Department of Health Care Finance

Presentation Overview

- Agency Priorities
- Reform Efforts to Date
- The Path Forward
- Next Steps



DHCF Established Three Strategic Priorities to Guide its Focus Over the Next Five Years



VISION

All residents in the District of Columbia have the supports and services they need to be actively engaged in their health and to thrive.

MISSION

The Department of Health Care Finance works to improve health outcomes by providing access to comprehensive, cost-effective and quality healthcare services for residents of the District of Columbia.

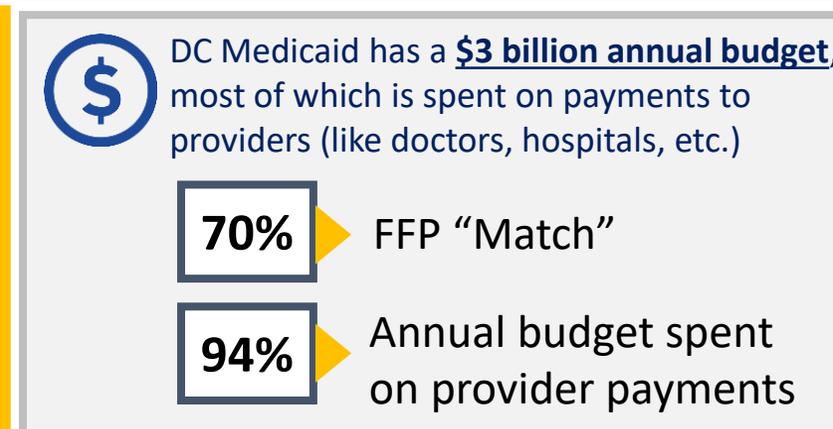
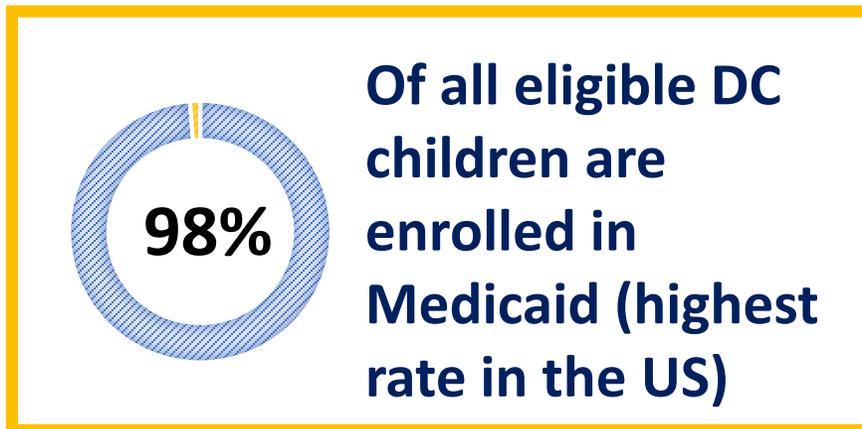
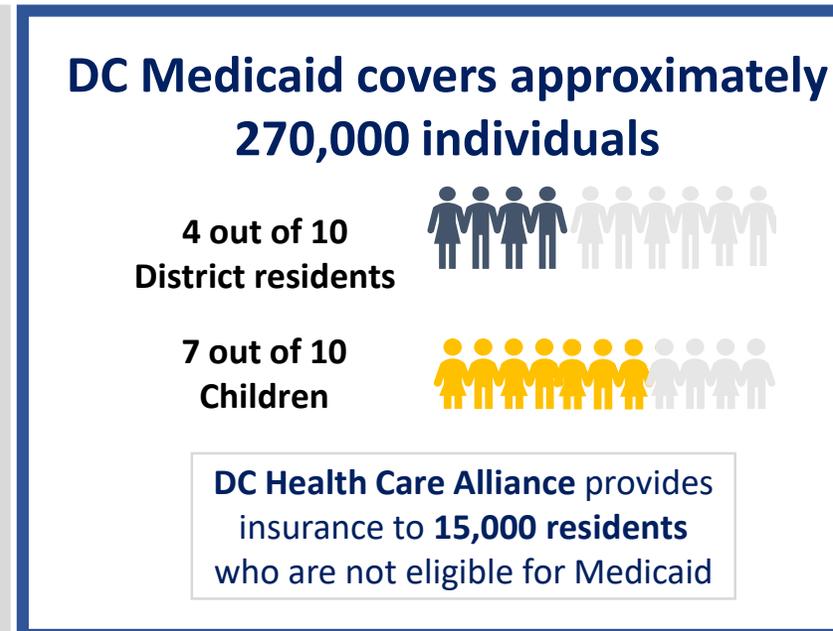
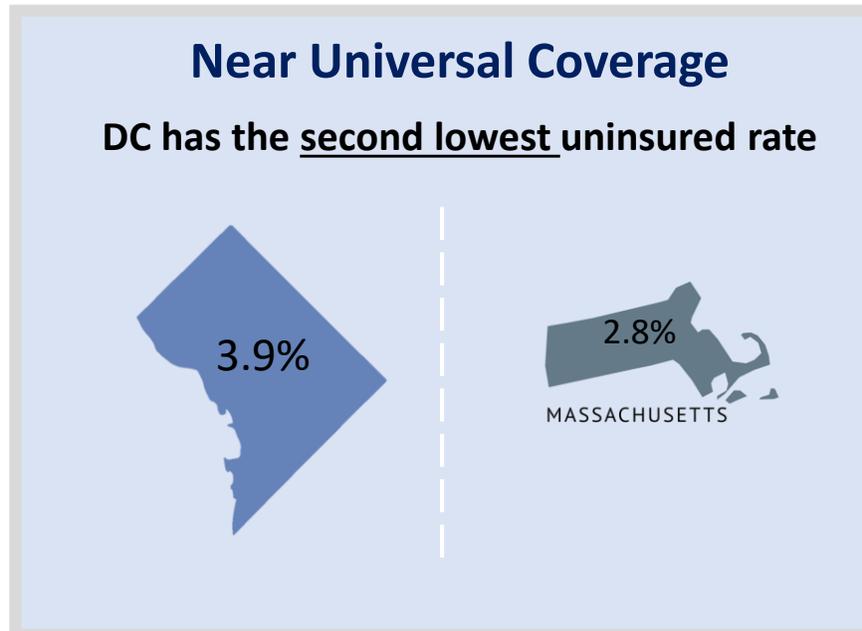
VALUES

Accountability – Compassion – Empathy – Professionalism – Teamwork

STRATEGIC PRIORITIES

1. Building a health system that provides whole person care
2. Ensuring value and accountability
3. Strengthening internal operational infrastructure

DHCF Programs Provide Healthcare Coverage to Nearly 40% of District Residents – Supporting Near Universal Coverage in DC



Health Challenges Remain Despite High Levels of Healthcare Coverage



Life expectancy is highly variable across the District.

- 17-year difference in lifespan: Ward 3 (86 years) and Ward 8 (69 years)



One in ten births is preterm.

- The percentage of live preterm births decreased from 2006 to 2016 for all wards, but has remained around 10% District-wide since 2009.
- ~1/3 of preterm births in the District occur among women who have previously experienced a preterm birth.



Avoidable and Preventable Conditions

- 12th highest 911 call-volume in the country. Hospital emergency departments have very high rates of ambulatory care sensitive conditions (ACSS).
- In Wards 7 and 8, 20% of hospital discharges and 21% of ED visits are for ACS conditions.



Inappropriate Use of Acute Care

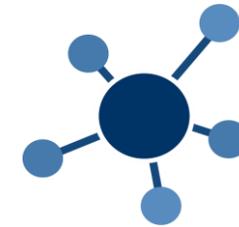
- ~10% of District residents report they delayed medical care due to not being able to get an appointment soon enough.
- Ward 1 residents report the most challenges (~14%).

Health Challenges Remain Despite High Levels of Healthcare Coverage

- Today, about one quarter of the Medicaid population (about 51,000), is in the Medicaid Fee for Service (FFS) program but...
 - ...the FFS population represents about 61% of costs
- The average FFS beneficiary costs approximately \$14,000 a year as compared to \$5,000 for the average MCO beneficiary, not including long term services and supports (LTSS) costs...
 - ...and the FFS population tends to have higher rates of emergency room use, hospital admissions, and inpatient stays

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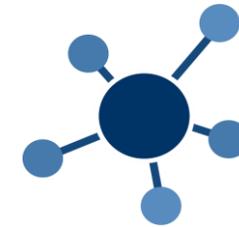


DHCF has engaged in delivery system shifts in many areas over the last several years

- **Increasing value-based payment approaches:** Shifting care delivery and reimbursement toward value and quality over volume
- **Expanded quality measurement and data analysis:** Greatly expanded Medicaid data warehouse capabilities and expansion and alignment of provider and program measurement methodologies
- **Promoting access to the right care at the right time:** Offering person-centered care management to the populations who need it most

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Building on Reform Efforts to Improve Health Outcomes: The Next Five Years

The Goal: Improve health outcomes so that District residents can live their best lives

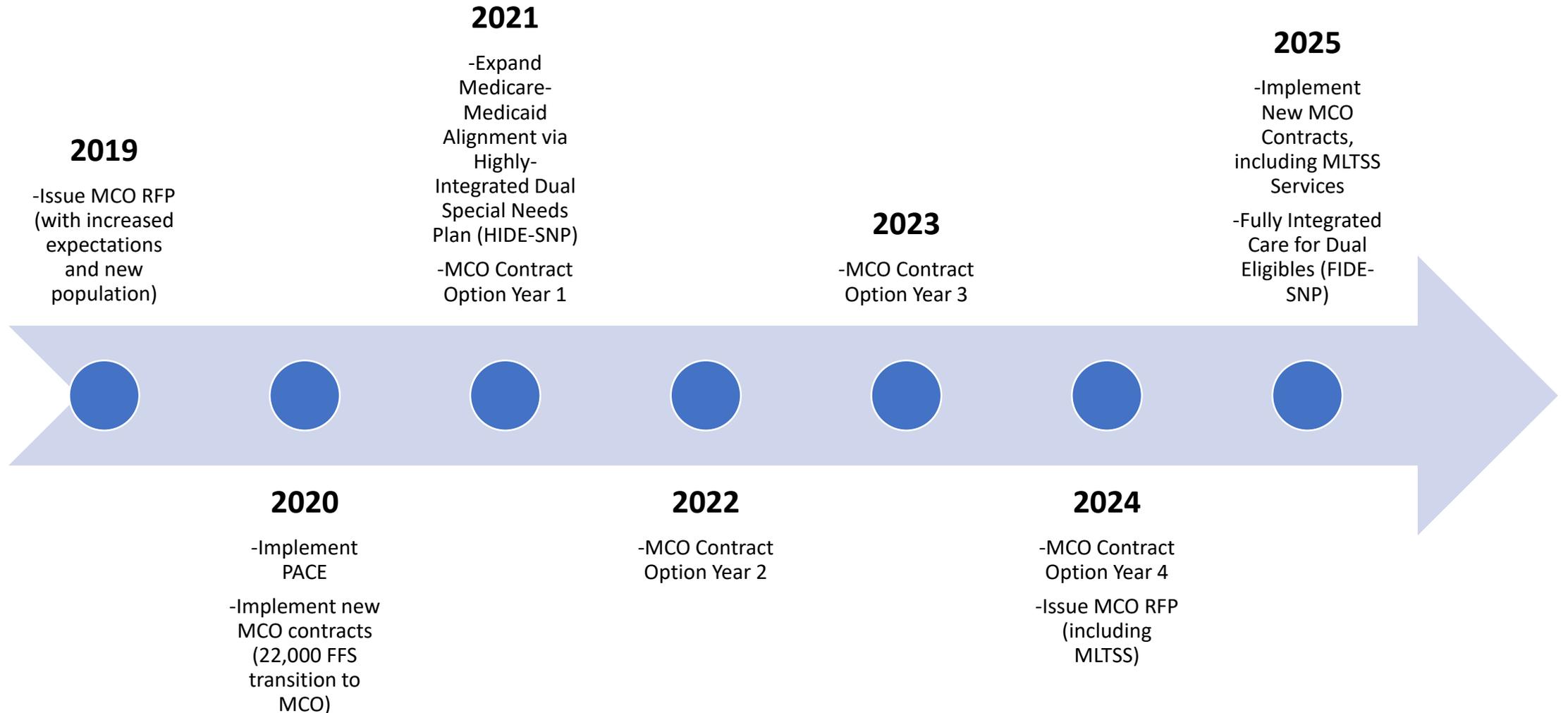
The Path to Improve Outcomes:

- More value over volume: increase expectations for value-based purchasing through managed care
- Increased access to care: require universal contracting for key providers (acute care hospitals and FQHCs)
- More coordinated care: transition FFS Medicaid population to managed care

Managed Care as the Vehicle:

- Access to care coordination and case management:
- Increased program flexibility promotes innovation
- Utilize plan (Medicaid and Medicare) expertise
- Strengthen program oversight

DC Medicaid Reform Milestones



Years represent calendar years; MCO contracts align with the DC fiscal year (10/1 – 9/30)

Immediate Focus - The Next Year

- Behavioral Health Transformation
- Managed Care Procurement
- Long Term Care Integration
- Reform Planning
- Stakeholder Engagement

Immediate Focus - The Next Year Behavioral Health Transformation

- 1115 Demonstration Waiver
 - Submitted to CMS in June, the demonstration will
 - Allow reimbursement for IMD Services
 - Expand Medicaid's continuum of behavioral health services
 - January 1, 2020: anticipated effective / implementation date
- Planning Grant to Increase Substance Use Provider Capacity
 - Awarded \$4.6 million to:
 - Conduct a comprehensive needs assessment of Medicaid provider capacity to diagnose and treat substance use disorders
 - Provide technical assistance to providers to build capacity to treat in community settings
 - Build infrastructure to enable data collection and communication

Immediate Focus - The Next Year Managed Care Procurement

- Procurement
 - Increased expectations: VBP, universal contracting
 - Expanded population: 22,000 FFS transition to managed care
 - Total enrollment will be evenly distributed among plans
 - Expect to award contacts to up to three plans
- Timeline:
 - Goal to award contracts by May 30, 2020

Immediate Focus - The Next Year

Long-Term Care Service Integration

- DHCF is leveraging its **Duals Special Needs Plan (D-SNP)** program and the **Program of All-Inclusive Care for the Elderly (PACE)** to promote Medicare-Medicaid alignment and integration of services.
- D-SNP and PACE programs will increase coordination of Medicaid and Medicare services through capitated-like payment models

Immediate Focus - The Next Year Planning for Reform

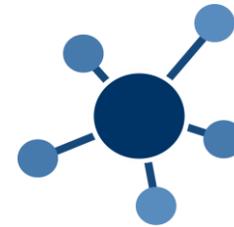
- Planning for the Future:
 - We will be working towards a structural shift in both our program and our organization to achieve our agency vision.
 - We will be guided by the following principles:
 1. Our organizational and program changes are best informed by employee engagement at all levels
 2. Our Medicaid, CHIP, Alliance, and Immigrant Children's Health Care program structure is premised on our strategic priorities
 3. Our organizational structure reflects and aligns with our program structure
 4. Our organizational culture embraces, in all aspects, the concept of performance-driven outcomes that are designed to improve the delivery of publicly funded healthcare in DC

Immediate Focus - The Next Year Stakeholder Engagement

- Behavioral Health Transformation
 - Continued DHCF-DBH collaboration
 - 1115 waiver implementation
 - Planning grant implementation
- Fee-for-Service Transition to Managed Care
 - MCAC Subcommittee – Health System Reform
 - Cross-agency collaboration
 - Provider, beneficiary, and advocacy
- Long Term Services and Supports
 - MCAC Subcommittee / LTC Coalition Meetings
 - Monthly Provider Meetings

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Next Steps

- Behavioral Health Transformation
 - Anticipate waiver approval; plan for implementation
- Stakeholder Engagement
 - Establish avenues for communication:
 - Standing Update at MCAC Meetings
 - DHCF website: create Medicaid Reform page
 - Establish Medicaid Reform listserv and email
 - Outreach to / meetings with key stakeholder groups
- Managed Care Procurement
 - Issue a Request for Proposals (RFP)

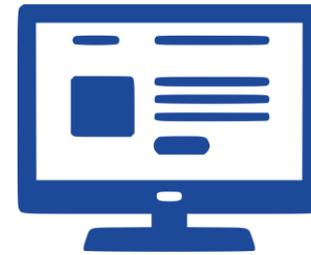
**Keep up
with DC
Medicaid
and get
involved
with DHCF!**



Attend and participate
in MCAC meetings.

Learn more at

<https://dhcf.dc.gov/>



Learn more about the
Mayor's Commission on
Healthcare Systems and
Transformation:

[https://dmhhs.dc.gov/
page/mayor%E2%80%99
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healthcare-systems-
and-transformation](https://dmhhs.dc.gov/page/mayor%E2%80%99s-commission-healthcare-systems-and-transformation)



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