Covering the Low-Income, Uninsured in Oklahoma: 
Recommendations for a Medicaid Demonstration Proposal

Presented to the OHCA Board
June 27, 2013
<table>
<thead>
<tr>
<th>Select Risk Factor</th>
<th>Annual Wage &lt; $25,000</th>
<th>Annual Wage &gt; $50,000</th>
<th>Increased likeliness &lt; $25,000 has risk factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health is Fair or Poor</td>
<td>37.3%</td>
<td>6.0%</td>
<td>6.2</td>
</tr>
<tr>
<td>Current Smoker</td>
<td>46.2%</td>
<td>14.0%</td>
<td>3.3</td>
</tr>
<tr>
<td>Diabetes</td>
<td>13.7%</td>
<td>5.5%</td>
<td>2.5</td>
</tr>
<tr>
<td>Heart Disease</td>
<td>4.7%</td>
<td>2.0%</td>
<td>2.3</td>
</tr>
<tr>
<td>Asthma</td>
<td>13.9%</td>
<td>7.4%</td>
<td>1.9</td>
</tr>
<tr>
<td>Obesity</td>
<td>40.7%</td>
<td>28.6%</td>
<td>1.4</td>
</tr>
<tr>
<td>Heavy Drinking</td>
<td>4.1%</td>
<td>3.5%</td>
<td>1.2</td>
</tr>
<tr>
<td>High Blood Pressure</td>
<td>32.4%</td>
<td>27.7%</td>
<td>1.2</td>
</tr>
<tr>
<td>High Cholesterol</td>
<td>38.3%</td>
<td>34.1%</td>
<td>1.1</td>
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</tbody>
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Requested Framework

Oklahoma Plan:

- Incorporates public health approaches
- Improves the community’s health outcomes
- Addresses individual accountability for wellness
- Aligns with plans to reduce the number of uninsured, reduce reliance on Medicaid, and support the State’s economic base
Foundation For Recommendation

• Streamline current Medicaid eligibility to gain program efficiencies

• Utilize the Insure Oklahoma framework to provide care for the low-income, uninsured
  – Oklahoma grown (strong community support)
  – Robust enrollment and business involvement
  – Reduces churn
  – Provides a leverage point for multi-payer initiatives
Streamline Current Medicaid Eligibility

Annual Income

- 250% FPL: $57.6K
- 200% FPL: $46.1K
- 185% FPL: $42.6K
- 133% FPL: $30.6K
- 100% FPL: $23.0K
- 79.4% FPL: $8.9K
- 30.4% FPL: $6.9K

CHIP and SoonerCare Expansion
- Ages 0-19 & Pregnant Women

BCC Age <65 American Indian

Breast and Cervical Cancer (BCC) Treatment
- Age 65 and younger

Family Planning ServicesCoverage Only
- Age 19 and older

INSURE OKLAHOMA
- ESI Employer-Sponsored Insurance
  - Ages 19 and older
  - Spouses & Dependents

IP Individual Plan
- Ages 19 and older
- Spouses & Dependents

SOONERCARE TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) also known as Parents and Children
- Non-Pregnant Parents
- TANF State Option
- Children Ages 0-19
- Pregnant Women and Children Ages 0-5

SOONERPLAN
- OKLAHOMA CARES
  - Breast and Cervical Cancer (BCC) Treatment
  - Family Planning ServicesCoverage Only

SOONER-CARE: AGED, BLIND & DISABLES (ABD)
- ABD State Option
- Health Insurance Premium Subsidy Only
- College Students Ages 19-22
- Students Ages 19-22

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Streamline Current Medicaid Eligibility

<table>
<thead>
<tr>
<th>Annual Income</th>
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<th>Annual Income</th>
<th>Annual Income</th>
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</thead>
<tbody>
<tr>
<td>400% FPL</td>
<td>$94.2K</td>
<td>185% FPL</td>
<td>$43.6K</td>
<td>133% FPL</td>
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<tr>
<td>100% FPL</td>
<td>$23.5K</td>
<td>80% FPL</td>
<td>$9.1K</td>
<td>30% FPL</td>
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<tr>
<td>Pregnant Women including family planning &amp; unborn child services</td>
<td>Children Ages 0-19</td>
<td>Children Ages 0-5</td>
<td>Children Ages 6-19</td>
<td>Non-Pregnant Parents³</td>
</tr>
</tbody>
</table>

CHIP
Children Ages 0-19

INSURE OKLAHOMA
ESI Employer-Sponsored Insurance
Adults Age 19-64
Non-Pregnant Parents³

SOONERCARE
Disabled & Medically Frail
Alternative Plan for Disabled and Frail

- Modified IO Individual Plan—with health home benefits
- Use of care coordination and behavioral health benefits to reduce barriers to achieving individual accountability
- Maximum allowable cost sharing—with appropriate reductions
- New payment strategies that focus on improving individual and population health outcomes
- Integration of public health infrastructure and initiatives
System Overview

Income < 138% FPL, but don’t currently qualify for Medicaid

- **Income > 138% FPL**
  - Commercial insurance purchased individually or with APTCs

- **Disabled and Medically Frail**
  - Modified IO Plan
  - Alternative Option and Wrap-Around Coverage

- **Healthy, Higher Income**
  - Exchange QHP plans purchased with Medicaid Premium Assistance

- **Access to ESI**
  - Commercial insurance purchased with Medicaid Premium Assistance

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<tr>
<th>Health home sites and benefits</th>
<th>Behavioral health &amp; care coordination</th>
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<tr>
<td>New payment strategies</td>
<td>Increased cost sharing and incentives</td>
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Indian Health System Proposals

• Continue full federal reimbursement to I/T/Us through Medicaid for categorical groups moving to the exchange

• Allow full federal reimbursement through Medicaid for uncompensated care provided by I/T/Us

• Implement payment strategies that reward positive outcomes on developed quality metrics
Estimated 10-year Impacts

- Newly Enrolled: 187,000 – 275,000
- Costs to the State (in millions):

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<tbody>
<tr>
<td></td>
<td>$850</td>
<td>$640</td>
<td>$158</td>
<td>-$464</td>
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## Estimated 10-year Impacts

### Estimates of 10-Year Financial Cost and Economic Impact of the Proposed Demonstration Program, 2023

<table>
<thead>
<tr>
<th>Take-Up</th>
<th>New Enrollees</th>
<th>Total Cost (Federal and State)</th>
<th>Net Cost to State (Surplus)</th>
<th>Total Economic Impact</th>
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<tbody>
<tr>
<td>Low</td>
<td>204,911</td>
<td>$10.5 billion</td>
<td>($486 million)</td>
<td>$13.6 billion</td>
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<tr>
<td>Medium</td>
<td>233,334</td>
<td>$12.0 billion</td>
<td>($465 million)</td>
<td>$15.6 billion</td>
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<tr>
<td>High</td>
<td>257,493</td>
<td>$13.3 billion</td>
<td>($447 million)</td>
<td>$17.3 billion</td>
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Next Steps

• Determine which recommendations to pursue

• Form a steering committee to oversee the review and implementation of proposals

• Engage in Tribal consultation process

• Work with CMS to determine bottom-line issues

• Refine proposal and engage in State policy making processes
A health care intelligence business

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