EMBRACING OUR FUTURE: MEDICAID AND THE ACA

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PREDICTING THE FUTURE!
We are thrilled with the Supreme Court Decision affirming the Affordable Care Act!

- Social justice and equity
- Coverage for 16 million poor and 16 million near poor citizens
- Safe harbor for those with severe illnesses
- Benefits for 11 million persons with behavioral health conditions
Now, we need to move quickly into implementation of the ACA

- Become involved
- Work together
- Work quickly
- Work smartly
50 Years of Federal Spending

- **1962**
  - Defense 51.7%
  - Everything Else 14.8%
  - Social Security 12.8%
  - Interest 6.1%
  - Safety Net Programs 5.8%
  - International Affairs 5.0%
  - Transportation 3.8%
  - Medicaid, etc. 1.0%
  - Medicare 0%

- **1987**
  - Defense 29.7%
  - Everything Else 15.2%
  - Social Security 13.3%
  - Interest 7.2%
  - Safety Net Programs 7.2%
  - International Affairs 3.8%
  - Transportation 2.5%
  - Medicaid, etc. 2.5%
  - Medicare 0%

- **2011**
  - Defense 22.6%
  - Everything Else 11.7%
  - Social Security 19.8%
  - Safety Net Programs 12.6%
  - Medicaid, etc. 10.1%
  - Interest 6.23%
  - Transportation 2.5%
  - International Affairs 1.2%
Sun Setting
Sun Rising
Some Mini Trends to 2020

- Whole health, person-centered care, and recovery advance rapidly.
- Peer support & health navigation become ubiquitous.
Some Demographic Trends

- Changing US demography:
  - Bigger (282 → 350 m)
  - Older (12 → 18 %)
  - More racially and ethnically diverse (81 → 78 % white)

- Medicaid (80 m) and Medicare (75 m) will continue to grow.
Some Important Facts for Behavioral Healthcare

- People with behavioral health conditions die 25-35 years earlier than others.
- One million people with behavioral health conditions will die from heart attack or stroke in the next 5 years.
- Behavioral health conditions are implicated in all major chronic diseases, and vice versa.
So, what can **we** do?

- Identify a *Strategy Officer* who will help to adapt your organization into the rapidly changing environment: Strategic vs. Steady-State Planning
Now...

- SOME GIVENS ABOUT OUR MEDICAID FUTURE
Changing Context/Future Givens

- Likely Future: Managed care will become ubiquitous through case and capitation rates.
- Likely Future: Integrated care will become ubiquitous, and will extend to social services.
- Likely Future: Underlying model will change from “care delivery” to “prevention and promotion delivery + care delivery”.
Now...

- A FEW COMMENTS ABOUT CURRENT MEDICAID DEVELOPMENTS
Evolving Medicaid Practice

- **IMPORTANT**: Do not jump to an “Omnibus Waiver”; it will not benefit behavioral healthcare (PA proposal).
- **IMPORTANT**: Do integrate MH, SU, and P Care, but leave funds carved out (New VA 1115 Waiver).
- **IMPORTANT**: Do not attempt to do care integration in a very short time period, especially for I/DD services (New KS 1115 Waiver).
Evolving Medicaid Practice

- **IMPORTANT:** Do manage behavioral health benefits using a strategy that does not rely exclusively on managed behavioral healthcare firms (VA, IL, NY)
- **IMPORTANT:** Do early adoption of the 2014 Medicaid Expansion if possible (CA 1115 Waiver; County Funding; TX Counties Considering)
- **IMPORTANT:** Do recognize that those who qualify currently under a state Medicaid Program cannot be included in the 2014 Medicaid Expansion.
Now...

- A FEW COMMENTS ABOUT THE ACA
The ACA is about:

- Coverage and Access
- AND
- Social Justice
ACA Keynotes

- Person Centered Care
- Shared Decision-Making
- Whole Health
Immediate Agenda

- Medicaid Expansion
- Affordable Insurance Exchange
- Essential Health Benefit
Role of Parity

- Two Tiers:
  - Wellstone-Domenici Act of 2008
  - ACA of 2010
- Some Implications:
  - Essential Health Benefit must be at parity
  - Parity does extend to small business plans
Quick ACA Overview

- Insurance Reform
- Coverage Reform
- Quality Reform
- Payment Reform
- IT Reform
ACA Medicaid Expansion

- Fact: System will go live on 1/1/14 for all uninsured adults up to 138 % of poverty.
- About 40 % will have behavioral health conditions (6.5 M).
- Likely Future:
  - You will need to reach out and enroll people in the new system.
  - At the same time, you will have an opportunity to offer them services.
  - Begin strategizing now—may need to run some focus groups to help develop your approach.
ACA Medicaid Expansion

- What is the status in your state?
- Have you begun your advocacy?
- Is your advocacy organized?
- Have you identified key traditional and non-traditional partners?
ACA Affordable Ins. Exchange

- Fact: System will go live on 1/1/14 for all uninsured adults above 138% of poverty.
- About 25% will have behavioral health conditions (4.0 M).
- Likely Future:
  - Reach out to the companies offering insurance products through the Exchange—many enrollees will need “public” level of services.
  - Don’t be shy about reaching across the aisle; this will represent an important business opportunity.
  - Become engaged in your state’s effort to develop an Exchange.
ACA Affordable Ins. Exchange

- What is the status in your state?
- Have you begun your advocacy?
- Is your advocacy organized?
- Have you identified key traditional and non-traditional partners?
ACA New Coverage Mandates

- Fact: Prevention and promotion, pre-existing conditions, and those up to age 26 are now covered.
- Likely Future:
  - There will be a fight in each state over the Essential Health Benefit for that state.
  - You need a State Coalition for Whole Health—Excellent!
  - Mental health and substance use services available to your new clients will depend upon it.
ACA Essential Health Benefit

- What is the status in your state?
- What is your benchmark plan?
- Does it include mental health and substance use benefits?
- Are these benefits at parity?
- Are you involved in the deliberations?
ACA–Health Homes and ACOs

- Fact: Everyone (including you) will be in a “health home” by 2020.

- Likely Future:
  - Health homes will be operated by ACOs.
  - Behavioral health entities can’t form ACOs.
  - You will need to become a provider in an ACO.
  - Think about some out of the box approaches—county/community collaboratives!
ACA—Health Homes and ACOs

- Fact: We *do* have a lot to offer ACOs/CCOs!
- Likely Future:
  - We can and should contribute the concepts of *recovery* to chronic illness care.
  - We can and should contribute the concept of *resilience* (“wellbeing”) to prevention and promotion care.
  - We can contribute peer support and health navigation for cost reduction and improved outcomes.
THE SUN IS RISING, NOT SETTING!
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