KanCare Update

Presentation to the
Senate Ways and Means Commitee

February 14, 2012
Secretary Robert Moser, M.D.
Kansas Department of Health and Environment

Our vision is to serve Kansans in need with a transformed, fiscally sustainable Medicaid program that provides high-quality, holistic care and promotes personal responsibility.

Populations Served

Low Income Children and Families
- Roughly 210,000 (SFY 2010)
- Targeted to women and children at or below 150% of FPL

Aged
- Roughly 36,000 Kansans (SFY 2010)
- Kansas residents 65 and older and in frail health
- Determined through an assessment that long term care services are necessary
- Countable assets cannot exceed $2,000 (a home and a car are exempted)

Persons with Disabilities
- Roughly 57,000 Kansans (SFY 2010)
- Any person receiving Supplemental Security Income through the Social Security Administration is automatically eligible for Medicaid
- Many disabled children qualify for Medicaid services
- Some disability services are income qualified and others are not

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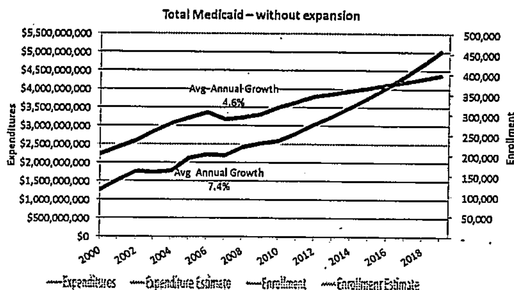
Sustained Medicaid Growth



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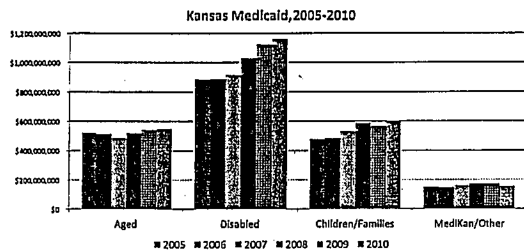
Senate Ways & Means
Date: 02-14-2012
Attachment: 1

Growth by Population



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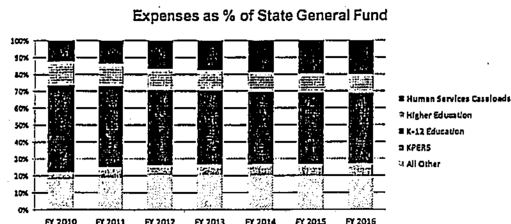
The Crowd-Out Effect

Expenses as % of State General Fund



FY 12-16 projected; illustrates impact on other programs if Medicaid spending growth continues unabated. Assumes projected deficits would be offset in other programs.

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Fragmentation – Poor Results

- Spending is spread widely across service types, funding streams, state agencies, and providers
- There is no uniform set of outcomes or measures for programs or providers
- No accountability for improving care or care coordination

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Implementing the Solution:

KanCare

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Stakeholder Involvement

- Solicited ideas for reforms or pilots to curb growth, achieve long-term reform, and improve the quality of services in Medicaid
- 60+ submissions with more than 100 proposals submitted in February 2011
- Three public forums this summer with 1,000 participants and more than 1,600 individual ideas
- Web survey generated about 200 additional responses
- Stakeholder web conferences helped define issues and key concerns with emerging themes

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Person-Centered Care Coordination

- There will be 3 integrated care companies, each consumer will choose one to enroll with. Each KanCare company will:
- Improve health and coordinate all aspects of care
- Be held accountable for improving health outcomes, not for cutting services
- Use established community partners, such as CDDOs, CMHCs, CILs and AAAs
- Ensure provider quality
- Provide education about health, medications and preventative measures available
- Health homes will be created initially for individuals with a mental illness, diabetes or both

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Person-Centered Care Coordination

- Coordinate Medicare and Medicaid coverage
- Create a conflict-free eligibility and enrollment process
- Prevent premature institutional placement
- Case management structure that fully integrates and coordinates care across all health care settings

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Home and Community Based Services Included

- Kansas currently has the sixth highest percentage of seniors living in nursing homes in the country.
- Including institutional and long-term care in person-centered care coordination means KanCare contractors will take on the risk and responsibility for ensuring that individuals are receiving services in the most appropriate setting.
- Services for Kansans with developmental disabilities will continue to utilize the statutory role of CDDOs, but their inclusion in KanCare means the benefits of care coordination will be available to them.
- The medical model of care will not be placed on top of the long term care system for the DD population. DD Reform Act will continue to govern DD service provision.
- Providing Kansans with developmental disabilities enhanced care coordination will improve access to health services and continue to reduce disparities in life expectancy while preserving services that improve quality of life.

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Pay for Performance

Physical Health
- Comprehensive Diabetes Care
- Well child visits within first 15 months of life
- Annual monitoring for patients on persistent medications
- Follow-up after hospitalization for mental illness

Behavioral Health
- Number who gain and maintain competitive employment
- Substance Use Disorder services measures
- Decrease utilization of inpatient psychiatric services
- Exceed current community integration rates

Long-Term Care
- Reduce re-admissions to hospital from nursing home
- Number of nursing home days vs. total number of nursing home eligible individuals
- Customer satisfaction survey results
- Percent of total nursing home resident days provided in homes designated as "Person-Centered Care Homes" by the PEAK program

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Consumer Voice

- Because these reforms were driven by Kansans, the Administration also proposes to form an advisory group of persons with disabilities, seniors, advocates, providers and other interested Kansans to provide ongoing counsel on implementation of KanCare.
- Additionally, managed care organizations will be required to create member advisory committee to receive regular feedback, include stakeholders on the required Quality Assessment and Performance Improvement Committee, and have member advocates to assist other members who have complaints or grievances.

Legislative Oversight

- Working with legislative leaders to maintain and increase legislative oversight
- Realign and/or rename appropriate committees
- Regular reports from the Administration

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Cost Curve

Projected Savings

(Assumes conservative baseline of 6.6% growth in Medicaid without reforms.)

Year	Savings
FY 2013	$29 million
FY 2014	$113 million
FY 2015	$198 million
FY 2016	$235 million
FY2017	$277 million
Total	$853* million

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Implementation Timeline

- Technical bids received January 31
- Financial bids due February 22
- Contract award expected summer of this year

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