

Disease Management and Medicaid

The 11th Princeton Conference
Managing Cost and Quality Through
the Health Care Delivery System

May 21, 2004



Visit AHCA online at
www.fdhc.state.fl.us

Florida Medicaid Program

<p>Budget</p>	<ul style="list-style-type: none"> ● \$8.8 billion spending in FY 00-01; \$9.9 billion appropriations for FY 01-02; \$11 billion FY 02-03; \$13 billion FY04-05 ● Florida 3rd largest in Medicaid spending 						
<p>Expenditures</p>	<ul style="list-style-type: none"> ● Florida ranks 41st in the nation in per capita expenditures ● 47% of all Medicaid expenditures cover institutional services — hospitals, nursing homes; drugs are 17 percent 						
<p>Eligibles</p>	<ul style="list-style-type: none"> ● 2.1 million eligibles ● Elders, disabled, families, pregnant women, children in families below poverty ● Fourth largest Medicaid population in the nation 						
<p>Providers/Plans</p>	<ul style="list-style-type: none"> ● Approximately 81,000 FFS providers; 12 Medicaid HMOs 						
<p>Managed Care Systems</p>	<table border="0"> <tr> <td>PCCM</td> <td>39%</td> </tr> <tr> <td>HMO</td> <td>60%</td> </tr> <tr> <td>PSN</td> <td>1%</td> </tr> </table>	PCCM	39%	HMO	60%	PSN	1%
PCCM	39%						
HMO	60%						
PSN	1%						
<p>Claims</p>	<ul style="list-style-type: none"> ● 116 million claims processed each year; nearly 450,000 daily 						

Florida Medicaid Disease Management Programs

Dates	Disease State(s)	DMO(s)
8/98-2/00	Asthma	-Integrated Therapeutics Group
5/99-6/02	Diabetes	-Coordinated Care Solutions
6/99-6/04	HIV/AIDS	-AIDS Health Care Foundation (With Public Health Trust of Miami-Dade/N. Broward Hospital District in S.FL)
6/99-7/01 9/00-1/03	Hemophilia	-Accordant (S. FL) -Caremark (N. FL)
9/01-8/03	ESRD/CKD	-RMS Disease Management
9/01-8/05	CHF	-Lifemasters Supported SelfCare
8/00-12/01	COPD	-CyberCare Technologies
1/02-6/04	Autoimmune Disorders	-University of Florida
7/01-9/05	Diabetes, Asthma, CHF, HTN	-Pfizer/Pfizer Health Solutions
5/02-6/03	Diabetes, Depression	-Bristol Meyers Squibb
Spring 04	Evaluation of Initiative	-Contract with CorSolutions

Florida Medicaid DM Initial Objectives

- **Provide and test disease management models**
- **Encourage the organization and delivery of services resulting in:**
 - **Better Educated Consumers**
 - **Promote Best Practices**
 - **Improved Care**
 - **Improved Health Outcomes**
 - **Reduced Inpatient Hospitalization**
 - **Reduced Emergency Room Visits**
 - **Lower Total Costs**

Florida Medicaid DM Challenge Initial Contract Terms

- **Negotiated Method of Payment Addressed:**
 - **Administrative Fee**
 - **Shared Savings**
 - **Risk Sharing**
 - **Cost Reconciliation**
 - **Performance Guarantees**
- **"...DMOs were concerned with accepting 'risk' (de facto) with no associated control over utilization management, claims management, provider credentialing, or provider performance/compliance with clinical standards of care." CHCS, 2000**

Florida Medicaid DM Challenge Analytics

- **Program Costs**

- Comprehensive DM programs are expensive to implement.

- **Cost Projections**

- Predicting disease specific costs an inexact science.

- **Claims Based Identification**

- Claims Data does not always accurately identify all or all appropriate population.

Florida Medicaid DM Challenge Outcomes

- **Clinical Outcomes**

- Limited data (n-sizes) inhibits meaningful outcome evaluations.

- **Co-morbid Conditions**

- Multiple co-morbidities present in target population.

- **Coverage and Limitations**

- Benefit package may not be adequate for optimal care.

Florida Medicaid DM Challenge Reaching Critical Mass

- **Population Based Approach**
 - Enrollment is not Engagement.
- **Turnover**
 - Loss of eligibility complicates continuity of care.
- **Contacts**
 - Beneficiaries are often difficult to reach.
- **Patient Distribution**
 - PCPs treat small numbers of targeted beneficiaries.

Florida Medicaid DM Opportunity Program Enhancements

- **Data Mining vs. Data Gathering**

- Analytical Capacity relates directly to success of program.

- **Targeted Resources**

- Focus low cost and high cost interventions appropriately.

- **Service Integration**

- Efficiency in managing a single program with multiple components.

Florida Medicaid DM OPPORTUNITY Program Enhancements

- **Guaranty Results**

- Match incentives with control over desired outcomes.

- **Engaging Patients**

- Create opportunities for engagement at multiple contact points within existing system.

Florida Medicaid DM Success Beneficiaries Impacted

- **Care Management**
 - Improved utilization of existing resources.
- **Self Management**
 - Improved beneficiary knowledge and management of disease process.
- **Physician Collaboration**
 - Physicians respond to meaningful information.

Florida Medicaid Disease Management



Beneficiaries with Great Needs Are Greatly Appreciative