



Overview
January 15, 2015

Overview of Medicaid and CHIP

Medicaid and the State Children's Health Insurance Program (CHIP) are:

- Joint programs between state and federal government
- Major payers in our health care system
- Tailored by each state to meet the needs of the vulnerable populations of the state
- Growing

Overview of Medicaid Nationally

Medicaid:

- Created in 1965 through an amendment to the Social Security Act
- Provides coverage for a broad range of health care services
- Serves children, pregnant women, the frail elderly, physically disabled individuals and individuals with intellectual or developmental disabilities
- Nationally, Medicaid state and federal expenditures in FY 2013 were over \$449 billion

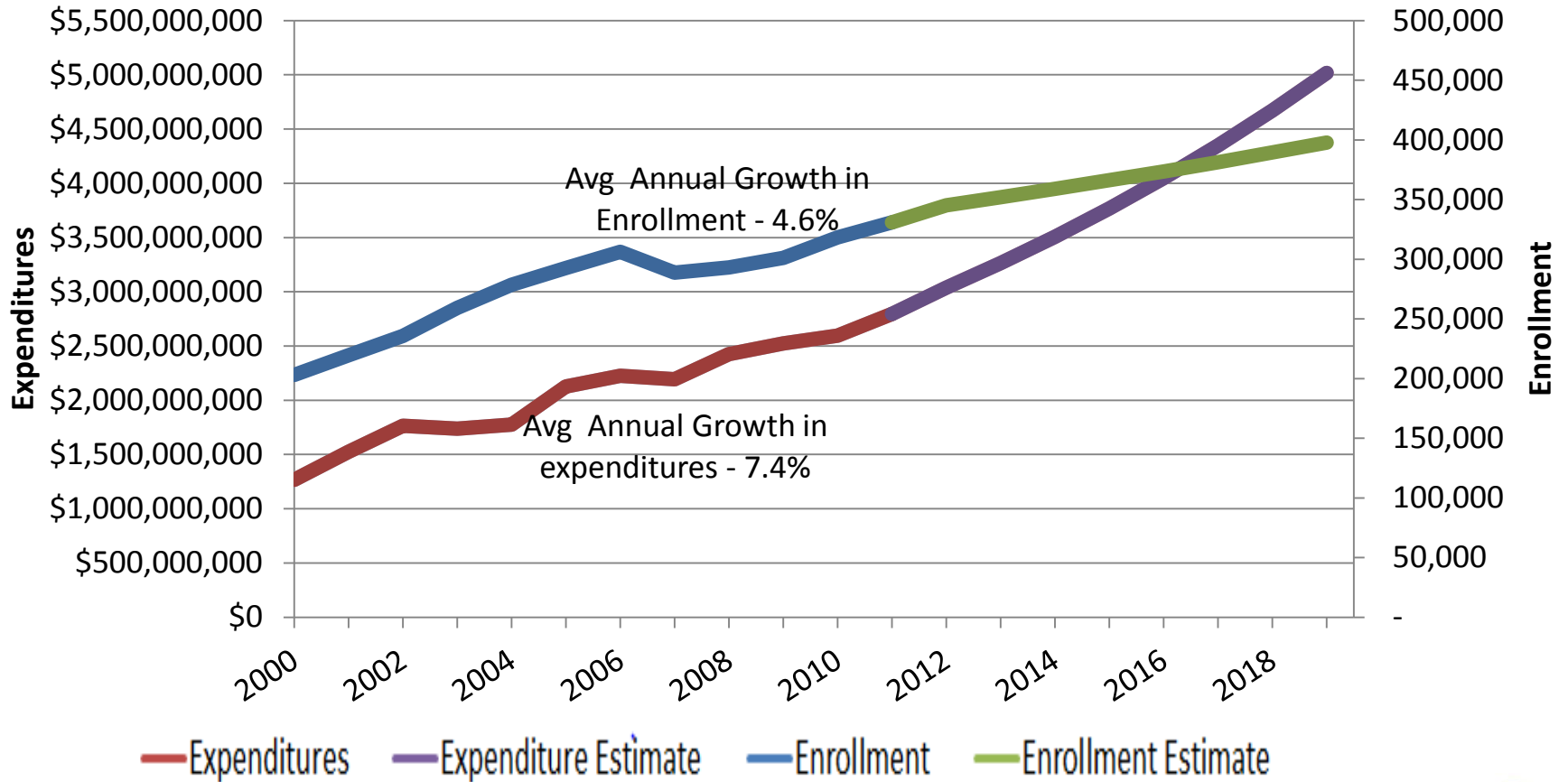
Overview of CHIP Nationally

Children's Health Insurance Program (CHIP):

- Created in 1997, reauthorized in 2009
- Provides coverage for health care services
- Serves children in families who have too much income to qualify for Medicaid
- Nationally, CHIP state and federal expenditures in FY 2013 were \$13.2 billion

Sustained Medicaid Growth

Total Medicaid – without expansion

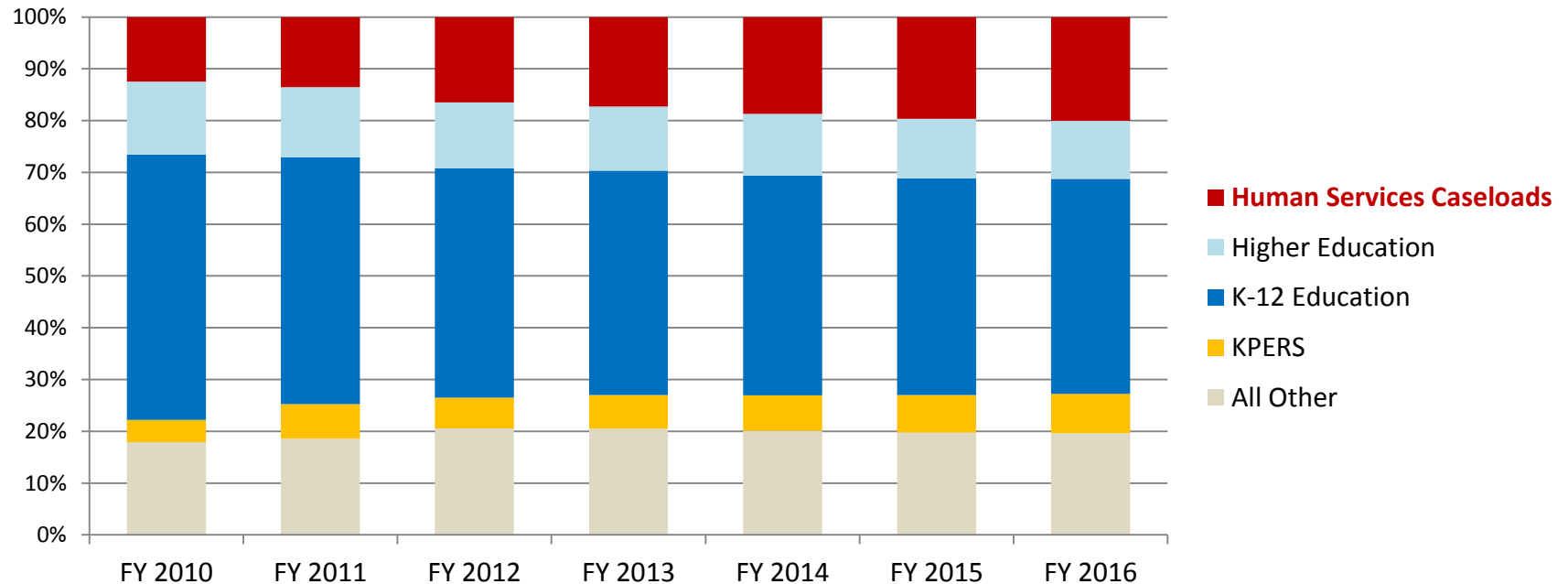


Medicaid Components

SFY 2012 , in \$millions	Children/ Families	Disabled	Aged	MediKan/ Other	TOTAL
Physical Health	630	469	107	77	1283
Behavioral Health	46	126	15	48	235
Substance Abuse	8	7	0	4	19
Nursing Facilities	0	121	375	1	497
Home and Community Based Services	0	475	115	9	599
TOTAL	684	1198	612	139	2633

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.

Key Features of KanCare

- Coordinating care for the whole person
- Clear accountability
- Improving health outcomes
- Consolidation of financing

Whole Person-Centered Care Coordination

- No reduction in current levels of Medicaid services and eligibility
- New services include:
 - Heart and lung transplants for adults
 - Weight-loss surgery
 - Valued-added services
- Health homes
- Options counseling

Clear Accountability

- Each contractor is required to:
 - Maintain a Health Information System (HIS)
 - Report data to State of Kansas and Centers for Medicare and Medicaid Services (CMS)
 - Submit to an External Quality Review (EQR)
- Performance benchmarks
- KanCare Advisory Council
- Bob Bethell Joint Committee on Home and Community Based Services and KanCare Oversight

Improving Outcomes

Through the contracts with the managed care organizations (MCOs), we are focused on:

- Lessening reliance on institutional care
- Decreasing re-hospitalizations
- Managing chronic conditions
- Improving access to health services

Financing Consolidation

- Move almost the entirety of Medicaid into a capitated risk-based managed care system.
- KanCare contractors will be rewarded for paying for preventive care that keeps people healthy.

KanCare 1115 Waiver

- Provides flexibility in program administration
- Bring nearly all Medicaid populations into managed care
- Cover nearly all Medicaid services through managed care, including long-term services and supports

Thank you

Questions?