

Protect, Modernize, and Expand Medicaid

Expand and enhance quality health care to achieve affordable, universal coverage

Today Medicaid covers 72 million low income and/or disabled Americans, the vast majority of whom lack access to other affordable health insurance. Medicaid plays an especially critical role for certain populations – covering nearly half of all births and 47 percent of children with special health care needs – and is the largest source of funding for long-term services and supports. Medicaid finances nearly a fifth of all personal health care spending in the U.S., providing significant financing for hospitals, community health centers, physicians, nursing homes, and jobs in the health care sector. Health care reform efforts aimed at achieving universal coverage should leverage the Medicaid program to cover up to an additional 9 million uninsured individuals.

Medicaid managed care is delivering value to States and consumers through: ensuring the delivery of high-quality care; increasing access to well-care and primary care; providing access to enhanced services and supports not covered in Fee-for-Service programs; improving beneficiary satisfaction with coverage; and realizing cost-savings and increasing States' ability to meet their budget goals. Two-thirds of Medicaid enrollees are in comprehensive managed care products and States are shifting more complex Medicaid populations into managed care every year. To expand access while maintaining a sustainable Medicaid program, States should:

Expand Medicaid and Transition Fee-for-Service Populations to Managed Care

- Expand Medicaid to all States to cover an additional 2.3 million individuals, including an estimated 1.5 million Americans with mental illness and substance use disorder (SUD).
- Auto-enroll eligible individuals into the program and simplify eligibility determinations to provide coverage to 6.7 million individuals who are eligible today, but not yet enrolled.
- Implement Medicaid Buy-In programs for low-income enrollees in Exchange plans to reduce churn, lower the per capita cost of coverage by 43 percent on average and increase choice in rural areas.
- Transition Fee-for-Service populations into managed care, including beneficiaries who are dually eligible for Medicare and Medicaid, to save \$100 billion over 10 years.

Provide Managed Care Organizations (MCOs) with Broader Flexibilities

- Design localized, flexible health benefits to encourage appropriate use and place of services.
- Align provider payment rates to reward quality outcomes and efficient health care resource use through value-based care programs.
- Promote fully integrated medical and social services care models to address social determinants of health to improve outcomes, lower spending, and reduce health disparities.
- Develop performance-based networks to improve quality by modernizing network adequacy standards and promoting premium physician designation based on quality and cost efficiency.

Protect Medicaid through Adequate Funding

- Provide adequate funding to ensure stability for beneficiaries.
- Allow MCOs to reinvest funds into value-add benefits and community-based programs.



Medicaid coverage costs 43% less than
Exchange Coverage



93% of Managed Care Organizations
work with community-based organizations to link members to social services



12% lower Re-Admission Rate
for children with diabetes in managed care versus FFS