Healthcare Integration: It Takes Partnerships
Challenges & Solutions: Southern California Health Plan Breakout
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Molina Healthcare

Founded in 1980 by Dr. C. David Molina

Single clinic – Wilmington, CA

NCQA Accredited with a Commitment to provide quality healthcare to those most in need and least able to afford it

Fortune 500 company that touches over 4.3 million Medicaid beneficiaries

16 states
Current Health Plan Enrollment

2.27 Million Members as of June, 2014

[Map showing enrollment numbers for various states, including California (454K), Illinois (85K), Michigan (296K), Ohio (119K), Florida (59K), New Mexico (247K), Texas (210K), Washington (461K), Wisconsin (85K), Utah (84K), and South Carolina (119K).]
Government Programs We Specialize In

MEDICAID and CHILDREN’S HEALTH INSURANCE PROGRAM (CHIP)
- Medicaid is for low income families or individuals
- Jointly funded by the state and federal governments
- Managed by the states
- 2014 poverty guideline for a family of four is $23,850
- CHIP supports families with children that do not qualify for Medicaid
- CHIP is administered by the U.S. Department of Health and Human Services

MEDICARE SPECIAL NEEDS PLANS (SNP) and DUALs
- Medicare a federal program for Americans ages 65 and older & younger people with disabilities & people with end stage renal disease
- SNP is a type of Medicare Advantage Plan with membership for people with specific diseases or characteristics
- Duals are individuals that are dually eligible for Medicaid and Medicare benefits

HEALTH INSURANCE MARKETPLACE
- Virtual stores where people and small businesses can go to buy heavily regulated health insurance (with or without government subsidies)
Healthcare Trends

• Beginning in January 2014, ACA (Affordable Care Act) added 16-18 million new people to Medicaid by expanding income eligibility.
• The ACA is driving integration of care for individuals eligible for both Medicaid and Medicare (aka. Duals).
• Many states are moving towards managed care solutions for their Medicaid programs including Aged, Blind and Disabled, Long Term Care, and Duals.
• The ACA also created a new product – Health Insurance Marketplaces for individuals that do not qualify for Medicaid.
• New M-Cal mental health benefits - Care for mild/moderate conditions and ABA therapy.
Considerations Due to Unprecedented Growth

- **New states/counties available for expansion**
  - Operating health plans in 11 states, with the opportunity for more
  - Operating in 6 California counties, and considering others

- **New product lines in existing markets**
  - Participation in the Exchange is an annual evaluation
  - Medicare and Medi-Medi products are certified annually

- **New benefits (behavioral health, county-provided long term services and supports) in markets currently served:**
  - These are sometimes known well in advance, such as dental for the Exchange, or a decision made with very little time for implementation
Build a In-House Model, or Partner?

**Relevant Factors**

– Bandwidth given other growth opportunities,
– Internal expertise in behavioral health, value to larger organization for developing internal experience
– Clinical Integration—with PCPs, county providers, ability to provide additional services (ex. Transportation) on a real-time basis; participation in Inter-Disciplinary Care Teams; ability to deploy additional staff ASAP, such as our Community Connectors
– Economies of scale, consistency across enterprise
– Office space
– Ability to employ staff from the community, reflecting the language and cultural needs of our Members
Operational/Implementation Challenges

Relevant Factors

– Staffing-On-site, employed and uniformly trained. Frequently, the eligibility criteria, billing/payment guidelines are not finalized before the published start date, which makes staff training (and provider training) really hard.

– Balancing local nuances in relationships and networks with the efficiency and economies of scale afforded by a uniform approach.

– Differentiating Mild/Moderate (Plan responsibility) from Severe (County responsibility)? Requesting authorization after initial visit to review treatment plan. Allows us insight into severity and other services the Member may need. Worked with SD County on establishing criteria.

– Minimizing the confusion in the provider community, given all of the above challenges? Working with the other SD plans to coordinate trainings, high emphasis on communication.