NJ FamilyCare Update

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Division of Medical Assistance and Health Services

Division of Mental Health and Addiction Services’ Provider Quarterly Meeting
March 9, 2017
February 2017 Enrollment Headlines

1,772,026 Overall Enrollment
3,130 (0.2%) Net Increase Over January 2017
39,235 (2.3%) Net Increase Over February 2016

487,545 (38.0%) Net Increase Since Dec. 2013

94.7% of All Recipients are Enrolled in Managed Care
Managed Care Penetration Rate Stabilizing

Dec. eligibility recast to reflect new public statistical report categories established in January 2014
Notes: Net change since Dec. 2013; includes individuals enrolling and leaving NJFamilyCare.
NJ Total Population: 8,935,421

Total NJ FamilyCare Enrollees (February 2017) - 1,772,026

% of New Jersey Population Enrolled (February 2017) - 19.8%

Children Enrolled (about 1/3 of all NJ children) - 804,562

Sources:
# February 2017 Eligibility Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expansion Adults</td>
<td>553,474</td>
<td>31.2%</td>
</tr>
<tr>
<td>Other Adults</td>
<td>110,049</td>
<td>6.2%</td>
</tr>
<tr>
<td>Medicaid Children</td>
<td>698,277</td>
<td>39.4%</td>
</tr>
<tr>
<td>CHIP Children</td>
<td>112,068</td>
<td>6.3%</td>
</tr>
<tr>
<td>Aged/Blind/Disabled</td>
<td>298,158</td>
<td>16.8%</td>
</tr>
</tbody>
</table>


**Notes:** Expansion Adults consists of 'ABP Parents' and 'ABP Other Adults'; Other Adults consists of 'Medicaid Adults'; Medicaid Children consists of 'Medicaid Children', M-CHIP and 'Childrens Services'; CHIP Children consists of all CHIP eligibility categories; ABD consists of 'Aged', 'Blind' and 'Disabled'.

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[Image of the table with the data]
Total Enrollment: 1,771,672

By Program
- M-CHIP (XXI):
- XIX

By Plan
- Aetna
- WC/HF
- FFS
- AmeriGroup

By Age
- 0-18
- 19-21
- 22-34
- 35-54
- 55-64
- 65+

By Gender
- Male
- Female

By Region
- North: Bergen, Essex, Hudson, Morris, Passaic, Sussex & Warren
- Central: Hunterdon, Mercer, Middlesex, Monmouth, Ocean, Somerset & Union
- South: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester & Salem

Notes:
- Region does not add up to total enrollment due to small "unknown" category that is not displayed.
- *M-CHIP: Individuals eligible under Title XIX, but paid with CHIP (Title XXI) federal funds.
Expansion Population Service Cost Detail

<table>
<thead>
<tr>
<th>Enrollment</th>
<th>307,754</th>
<th>464,661</th>
<th>537,817</th>
<th>539,293</th>
<th>533,789</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan-Jun 2014</td>
<td>$203.2</td>
<td>$277.4</td>
<td>$339.1</td>
<td>$349.9</td>
<td>$336.9</td>
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<tr>
<td>Jul-Dec 2014</td>
<td>$217.6</td>
<td>$274.7</td>
<td>$318.2</td>
<td>$324.7</td>
<td>$321.8</td>
</tr>
<tr>
<td>Jan-Jun 2015</td>
<td>$223.7</td>
<td>$275.5</td>
<td>$318.2</td>
<td>$324.7</td>
<td>$311.1</td>
</tr>
<tr>
<td>Jul-Dec 2015</td>
<td>$70.6</td>
<td>$260.4</td>
<td>$272.5</td>
<td>$287.3</td>
<td>$292.5</td>
</tr>
<tr>
<td>Jan-Jun 2016</td>
<td>$184.2</td>
<td>$275.5</td>
<td>$311.1</td>
<td>$311.1</td>
<td>$311.1</td>
</tr>
</tbody>
</table>

Source: NJ DMAHS Share Data Warehouse fee-for-service claim and managed care encounter information accessed 1/10/2017

Notes: Amounts shown are dollars paid by NJ FamilyCare MCOs to providers for services supplied to NJ FamilyCare members – capitation payments made by NJ FamilyCare to its managed care organizations are not included. Amounts shown include all claims paid through 12/28/15 for services provided in the time period shown. Additional service claims may have been received after this date. Subcapitations are not included in this data. In addition to traditional "physician services" claims, "Professional Services" includes orthotics, prosthetics, independent clinics, supplies, durable medical equipment, hearing aids and EPSDT, laboratory, chiropractor, podiatry, optometry, psychology, nurse practitioner, and nurse midwifery services. "Other" includes dental, transportation, home health, long term care, vision and crossover claims for duals.
The Future of Medicaid
Secretary of HHS: Tom Price, M.D.

Duties of the Secretary of Health and Human Services include advising the President on issues of health and human welfare

Confirmed February 10, 2017; Congressman from Georgia.

Physician for 25 years

Strongly favors repealing the Affordable Care Act and reforming Medicaid and Medicare
Health and Human Services Leadership

CMS Administrator: Seema Verma (Nominated)

Duties of CMS Administrator include overseeing Medicare, Medicaid, CHIP and ACA Health Insurance Marketplaces.

Awaiting Confirmation.
Confirmation hearing was in mid-February.

Worked for many years as a consultant to the State of Indiana both under Governor Mitch Daniels and Governor Mike Pence, including creating the Healthy Indiana Plan and Healthy Indiana Plan 2.0.

Has also consulted for other State Medicaid programs including Iowa, Ohio, Kentucky, Tennessee, Michigan and Maine.
Health and Human Services Leadership

CMCS Administrator: Brian Neale (Appointed)

Most recently Executive Director at the United States Congress Joint Economic Committee

Served as Health Care Policy Director for Vice President Pence in Indiana

Worked with Seema Verna and then-Governor Pence to craft the Healthy Indiana Plan and Healthy Indiana Plan 2.0, the state’s Medicaid expansion plan.

Favors proposals such as work search requirements, wider use of premiums, and coverage lock-outs for non-payment for Medicaid clients.
Federal Administration Outline for Replacing the Affordable Care Act Included:

– Ensuring people with pre-existing health conditions are guaranteed "access" to health insurance, "and that we have a stable transition for Americans currently enrolled in the health-care exchanges.

– Giving people who buy their own health coverage tax credits and expanded health savings accounts to help pay for their coverage, as well as flexibility about the design of their plans.

– Give states "the resources and flexibility" in their Medicaid programs "to make sure no one is left out."

– Legal reforms to protect doctors and patients "from unnecessary costs" that drive up insurance costs, and to bring down the price of high-cost drugs.

– Creating a national insurance marketplace that allows insurers to sell health plans across state lines.

Various speculation around changes to the way Medicaid is financed at the federal level.
Medicaid is the largest source of federal revenue to New Jersey.

Federal Medicaid funding accounts for more than $9.4 billion, or 17% of New Jersey’s general revenue.

Federal money is guaranteed as a match to State Spending:
- 50% match for New Jersey
- State’s must follow federal rules, or waiver special terms and conditions to receive this funding.
**Alternative Medicaid Financing Structure:**
**Block Grant and Per Capita Funding**

*Basic formula:* A “base” spending level is established for each state and it is trended forward by an annual “trend rate,” often linked to Consumer Price Index (CPI) or Gross Domestic Product (GDP) growth.

**Opportunities:** Provides funding/spending certainty to the federal government and increased flexibility to States who want to try new ways of administering their Medicaid program

**Challenges:** Shifts the risks for enrollment growth and program costs over the set amount of funding to the States. Could mean less federal regulation or oversight from the government.
Work requirements for Medicaid recipients
Cost-sharing and premiums for non-disabled adults
Expanding premium support options to encourage individuals to purchase health insurance on the exchange
The use of wait-lists for certain services
Enrollment caps
House Republicans Plan for Repeal and Replace: Medicaid

- Repeals enhanced match for expansion population effective 1/1/2020.
- After 1/1/2020 states could only enroll newly eligible individuals at the state’s traditional matching rate.
- Proposes redeterminations every 6-months for the expansion population beginning 10/1/2017.
- Eliminates the 3-month retroactive eligibility period.
- Converts Medicaid to a per capita cap funding starting FY 2020.
DMAHS Engagement and the National Conversation

DMAHS is engaged in conversations on the national level and is actively participating in webinars and calls with the following entities:

- The National Governors Association (NGA)
- National Association of Medicaid Directors (NAMD)
• **Tom Price’s HR 2300 Empowering Patients First**  
  http://tomprice.house.gov/sites/tomprice.house.gov/files/Section%20by%20Section%20of%20HR%202300%20Empowering%20Patients%20First%20Act%202015.pdf

• **Paul Ryan’s “A Better Way”**  
  http://abetterway.speaker.gov/?page=health-care

• **State Health Reform Assistance Network (SHRAN)**  
  http://statenetwork.org/resource/?tag=shran,shvs&topic=&type=  

• **National Governor's Association Recommendations for President-elect Trump:**  
  https://resources.nga.org/cms/wethestates/healthcare.html