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HEALTH MANAGEMENT ASSOCIATES

*HMA Weekly Roundup*  
*Trends in State Health Policy*

**IN FOCUS:** MEDICAID MANAGED CARE ENROLLMENT UPDATE - Q1 2013

**HMA ROUNDUP:** NEVADA ANNOUNCES MEDICAID MCO RFP AWARDS; WASHINGTON RELEASES DUAL ELIGIBLE RFA; NEW YORK DELAYS DUAL ELIGIBLE DEMONSTRATION START DATE; MEDICAID EXPANSION DELIBERATIONS CONTINUE IN FLORIDA

**IN THE NEWS:** ARKANSAS HOUSE VOTES TO EXPAND COVERAGE UNDER PRIVATE OPTION; NORTH DAKOTA APPROVES MEDICAID EXPANSION; WHITE HOUSE PROPOSES DELAYING MEDICAID DSH CUTS; NEW HAMPSHIRE CREATES COMMISSION TO OVERSEE MEDICAID MANAGED CARE TRANSITION

**APRIL 17, 2013**

*Research and Consulting in the Fields of Health and Human Services Policy, Health Economics and Finance, Program Evaluation, Data Analysis, and Health System Restructuring*

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## IN FOCUS: MEDICAID MANAGED CARE ENROLLMENT UPDATE – Q1 2013

This week, our *In Focus* section reviews recent Medicaid MCO enrollment trends in 17 states. Many state Medicaid agencies elect to post to their websites monthly enrollment figures by health plan for their Medicaid managed care population. We believe this data allows for the most timely analysis of enrollment trends across states and managed care organizations. As the discussion below describes, most of these 17 states<sup>1</sup> released monthly Medicaid managed care enrollment data through much of the fourth quarter of 2012 and first quarter of 2013. Additionally, we have one-time enrollment numbers for the newly implemented KanCare Medicaid managed care program in Kansas, although it is not known if this enrollment figures will be made public going forward.

In the discussion below, we describe recent enrollment trends in the states where we track data. We also provide company-specific data for 10 Medicaid managed care organizations.

It is important to note the limitations of the data that is presented. First, we note that not all states report the data at the same time during the month. As a result, some of these figures reflect beginning-of-the-month tallies while others reflect an end-of-the-month snapshot. Second, in some cases the data are comprehensive in that they cover all of the state-sponsored health programs for which the state offers managed care; in other cases, the data reflects only a subset of the broader population. This is a significant limitation of the data and the key limiting factor in drawing direct ties between the data described below and figures publicly reported by Medicaid MCOs. As such, the data we review in Table 1 should be viewed as a sampling of the enrollment trends across these states as opposed to a comprehensive summary, which, unfortunately, is not available on a monthly basis.

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<sup>1</sup> Arizona, California, Florida, Georgia, Hawaii, Illinois, Louisiana, Maryland, Michigan, Missouri, Pennsylvania, South Carolina, Tennessee, Texas, Washington, West Virginia, and Wisconsin

Table 1 - Medicaid Managed Care Monthly Enrollment October 2012 – March 2013

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Arizona</b>	<b>1,125,715</b>	<b>1,113,205</b>	<b>1,110,488</b>	<b>1,111,892</b>	<b>1,108,237</b>	<b>1,106,817</b>
+/- m/m	(6,071)	(12,510)	(2,717)	1,404	(3,655)	(1,420)
% y/y	-7.0%	-7.0%	-6.0%	-4.9%	-4.1%	-3.2%
<b>California</b>	<b>3,861,755</b>	<b>3,878,071</b>	<b>3,882,835</b>	<b>3,885,402</b>	<b>4,109,843</b>	<b>4,077,401</b>
+/- m/m	(5,135)	16,316	4,764	2,567	224,441	(32,442)
% y/y	8.7%	7.8%	7.2%	6.2%	11.5%	8.6%
<b>Florida</b>	<b>1,217,126</b>	<b>1,220,272</b>	<b>1,225,948</b>	<b>1,226,417</b>	<b>1,236,652</b>	<b>1,232,014</b>
+/- m/m	10,123	3,146	5,676	469	10,235	(4,638)
% y/y	10.3%	10.4%	7.1%	6.6%	6.4%	7.0%
<b>Georgia</b>	<b>1,120,606</b>					
+/- m/m	(2,364)	N/A	N/A	N/A	N/A	N/A
% y/y	0.2%					
<b>Hawaii</b>	<b>45,488</b>	<b>45,481</b>	<b>45,484</b>	<b>45,363</b>	<b>45,533</b>	<b>45,706</b>
+/- m/m	116	(7)	3	(121)	170	173
% y/y	2.8%	2.5%	2.0%	1.9%	2.0%	2.3%
<b>Illinois</b>	<b>225,458</b>	<b>228,482</b>	<b>232,120</b>	<b>233,794</b>	<b>234,772</b>	<b>235,419</b>
+/- m/m	3,057	3,024	3,638	1,674	978	647
% y/y	9.6%	10.5%	11.0%	10.8%	10.9%	11.2%
<b>Louisiana</b>	<b>895,325</b>	<b>898,599</b>	<b>898,283</b>	<b>902,293</b>	<b>901,113</b>	
+/- m/m	(1,052)	3,274	(316)	4,010	(1,180)	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
<b>Maryland</b>	<b>790,585</b>	<b>793,482</b>	<b>791,520</b>	<b>797,854</b>	<b>797,285</b>	<b>799,076</b>
+/- m/m	3,431	2,897	(1,962)	6,334	(569)	1,791
% y/y	4.8%	5.0%	4.1%	4.7%	4.4%	3.2%
<b>Michigan</b>	<b>1,232,399</b>	<b>1,227,748</b>	<b>1,245,470</b>	<b>1,237,979</b>	<b>1,236,866</b>	<b>1,237,537</b>
+/- m/m	236	(4,651)	17,722	(7,491)	(1,113)	671
% y/y	0.9%	0.8%	1.7%	0.9%	0.7%	0.6%
<b>Missouri</b>	<b>419,245</b>	<b>422,019</b>	<b>422,046</b>	<b>418,375</b>	<b>421,499</b>	
+/- m/m	(594)	2,774	27	(3,671)	3,124	N/A
% y/y	-1.6%	-1.2%	-1.4%	-2.2%	-1.7%	
<b>Pennsylvania</b>	<b>1,293,855</b>	<b>1,287,507</b>	<b>1,293,606</b>	<b>1,292,808</b>		
+/- m/m	32,590	(6,348)	6,099	(798)	N/A	N/A
% y/y	N/A	N/A	N/A	2.5%		
<b>South Carolina</b>						<b>458,806</b>
+/- m/m	N/A	N/A	N/A	N/A	N/A	N/A
% y/y						2.2%
<b>Tennessee</b>	<b>1,213,474</b>	<b>1,208,879</b>	<b>1,205,480</b>			
+/- m/m	7,396	(4,595)	(3,399)	N/A	N/A	N/A
% y/y	-0.2%	-0.2%	-0.5%			
<b>Texas</b>	<b>3,522,201</b>	<b>3,533,758</b>	<b>3,524,827</b>	<b>3,510,876</b>	<b>3,494,812</b>	<b>3,532,600</b>
+/- m/m	49,361	11,557	(8,931)	(13,951)	(16,064)	37,788
% y/y	38.4%	35.3%	34.4%	35.2%	34.0%	9.5%
<b>Washington</b>	<b>764,565</b>	<b>797,712</b>	<b>799,856</b>	<b>803,292</b>	<b>802,645</b>	
+/- m/m	(571)	33,147	2,144	3,436	(647)	N/A
% y/y	7.8%	12.3%	13.6%	14.8%	14.8%	
<b>West Virginia</b>	<b>168,896</b>	<b>171,233</b>	<b>171,715</b>	<b>171,537</b>	<b>172,838</b>	<b>172,311</b>
+/- m/m	2,209	2,337	482	(178)	1,301	(527)
% y/y	0.6%	0.7%	-0.1%	2.0%	0.9%	1.1%
<b>Wisconsin</b>	<b>679,884</b>	<b>537,040</b>	<b>547,717</b>	<b>556,699</b>	<b>602,166</b>	<b>644,284</b>
+/- m/m	(4,192)	(142,844)	10,677	8,982	45,467	42,118
% y/y	-3.4%	-24.3%	-22.9%	-21.3%	-15.0%	-8.7%

Source: State Medicaid Agency websites

## State Specific Analysis

### Arizona

Arizona's Q4 enrollment declined sharply in October and November, wholly driven by reductions in acute care enrollment. While ALTCS (Arizona's managed long-term care program) enrollments rose by a few hundred over Q4, acute care enrollment saw reductions of more than 21,000 total enrollees. Through Q1 2013, enrollment in ALTCS remained steady, with net declines in acute care enrollment continuing. Overall, year-over-year enrollment as of March 2013 is down 3.2 percent.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Acute Care	1,075,164	1,062,567	1,059,753	1,061,011	1,057,438	1,056,052
ALTCS	50,551	50,638	50,735	50,881	50,799	50,765
<b>Total Arizona</b>	<b>1,125,715</b>	<b>1,113,205</b>	<b>1,110,488</b>	<b>1,111,892</b>	<b>1,108,237</b>	<b>1,106,817</b>
+/- m/m	(6,071)	(12,510)	(2,717)	1,404	(3,655)	(1,420)
% y/y	-7.0%	-7.0%	-6.0%	-4.9%	-4.1%	-3.2%

### California

As anticipated, the transition of Healthy Families enrollees into Medi-Cal managed care, which began in January 2013, significantly impacted enrollments, adding more than 225,000 enrollees in January and February, and bringing total Medicaid managed care enrollments in California above 4 million. March 2013 enrollment is up 8.6 percent from the previous year. Additionally, we note that Medi-Cal managed care will be expanding into most of the remaining rural counties in June of this year, with potential enrollments of 280,000 additional managed care lives.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Two-Plan Counties	3,351,456	3,366,363	3,370,163	3,357,391	3,581,643	3,536,865
GMC Counties	510,299	511,708	512,672	557,214	560,049	575,435
<b>Total California</b>	<b>3,861,755</b>	<b>3,878,071</b>	<b>3,882,835</b>	<b>3,885,402</b>	<b>4,109,843</b>	<b>4,077,401</b>
+/- m/m	(5,135)	16,316	4,764	2,567	224,441	(32,442)
% y/y	8.7%	7.8%	7.2%	6.2%	11.5%	8.6%

### Florida

Florida managed care enrollments totaled more than 1.2 million in March 2013, up 7.0 percent on a year-over-year basis. As noted above, this does not include Florida Healthy Kids (CHIP) enrollments (see table below).

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
MMCP	1,055,026	1,057,925	1,062,584	1,061,310	1,069,043	1,064,402
Reform Pilot	162,100	162,347	163,364	165,107	167,609	167,612
<b>Total Florida</b>	<b>1,217,126</b>	<b>1,220,272</b>	<b>1,225,948</b>	<b>1,226,417</b>	<b>1,236,652</b>	<b>1,232,014</b>
+/- m/m	10,123	3,146	5,676	469	10,235	(4,638)
% y/y	10.3%	10.4%	7.1%	6.6%	6.4%	7.0%

Below we have provided single-month enrollments by health plan for the Florida Healthy Kids program. If available, we will continue to provide these figures on a monthly basis in future quarterly enrollment reporting.

	Apr-13
WellCare	82,547
UnitedHealthcare	68,412
Amerigroup	59,672
Vista (Coventry)	21,075
Florida Health Care Plans	4,352
Sunshine State HP (Centene)	893
Blue Care	343
<b>Total FL Healthy Kids</b>	<b>237,294</b>

## Hawaii

Hawaii's managed care enrollment in both the QUEST and QExA programs has held fairly constant through Q4 2012 and Q1 2013. Between the two programs, enrollment is up 1.2 percent from the previous year, at just over 287,000 total enrollees.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Total QUEST	240,360	240,522	240,919	241,282	240,945	241,427
Total QExA	45,488	45,481	45,484	45,363	45,533	45,706
<b>Total Hawaii</b>	<b>285,848</b>	<b>286,003</b>	<b>286,403</b>	<b>286,645</b>	<b>286,478</b>	<b>287,133</b>
+/- m/m	1,838	155	400	242	(167)	655
% y/y	2.7%	2.1%	1.7%	1.8%	1.3%	1.2%

## Illinois

As of March 2013, Illinois managed care plans enrolled more than 271,000 Medicaid lives. Enrollment in the Suburban Chicago Integrated Care Program (ICP), which serves Medicaid Aged, Blind, and Disabled (ABD) recipients, appears to have leveled off at around 36,000 of an expected 40,000 enrollees, while voluntary MCO enrollment has added more than 13,000 new enrollees since September 2012. Overall, enrollment is up nearly 10 percent over the previous year, with new ICP enrollment expansions to come in Q2 and Q3 2013.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Voluntary MCO</b>	<b>225,458</b>	<b>228,482</b>	<b>232,120</b>	<b>233,794</b>	<b>234,772</b>	<b>235,419</b>
+/- m/m	3,057	3,024	3,638	1,674	978	647
% y/y	9.6%	10.5%	11.0%	10.8%	10.9%	11.2%
<b>ICP</b>	<b>35,890</b>	<b>35,983</b>	<b>35,934</b>	<b>35,923</b>	<b>36,079</b>	<b>36,006</b>
+/- m/m	(201)	93	(49)	(11)	156	(73)
% y/y	13.1%	10.2%	8.0%	3.0%	2.5%	1.6%
<b>Total Illinois</b>	<b>261,348</b>	<b>264,465</b>	<b>268,054</b>	<b>269,717</b>	<b>270,851</b>	<b>271,425</b>
+/- m/m	2,856	3,117	3,589	1,663	1,134	574
% y/y	10.1%	10.4%	10.6%	9.7%	9.7%	9.8%

## Kansas

Kansas launched the KanCare Medicaid managed care program on January 1, 2013. At the end of March, the program had enrolled more than 373,000 individuals in three plans (see below). These enrollment figures were provided by the Kansas Health Institute, and it is unknown if they will be available on a monthly or quarterly basis going forward.

	Mar-13
Amerigroup	119,950
Sunflower (Centene)	134,514
UnitedHealthcare	118,654
<b>Total Kansas</b>	<b>373,118</b>

## Louisiana

Having gone live early in 2012, Louisiana's Bayou Health Medicaid managed care program has now enrolled more than 900,000 Medicaid beneficiaries. Enrollment appears to have stabilized, with normal fluctuations from month to month as individuals enroll and disenroll. As of publication, March 2013 enrollments were not available.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Total Louisiana</b>	895,325	898,599	898,283	902,293	901,113	
<i>+/- m/m</i>	<i>(1,052)</i>	3,274	<i>(316)</i>	4,010	<i>(1,180)</i>	

## Maryland

As of March 2013, Maryland enrolled just under 800,000 Medicaid managed care lives. Month-to-month enrollments have been positive for four of the last six months, and year-over-year enrollment is up 3.2 percent.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Total Maryland</b>	<b>790,585</b>	<b>793,482</b>	<b>791,520</b>	<b>797,854</b>	<b>797,285</b>	<b>799,076</b>
<i>+/- m/m</i>	3,431	2,897	<i>(1,962)</i>	6,334	<i>(569)</i>	1,791
<i>% y/y</i>	4.8%	5.0%	4.1%	4.7%	4.4%	3.2%

## Michigan

Despite three months of negative net enrollments over the past two quarters, Michigan managed care enrollment increased by more than 5,000 net lives over Q4 2012 and Q1 2013. Enrollment is up just slightly, at 0.6 percent on a year-over-year basis.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Total Michigan</b>	<b>1,232,399</b>	<b>1,227,748</b>	<b>1,245,470</b>	<b>1,237,979</b>	<b>1,236,866</b>	<b>1,237,537</b>
<i>+/- m/m</i>	236	<i>(4,651)</i>	17,722	<i>(7,491)</i>	<i>(1,113)</i>	671
<i>% y/y</i>	0.9%	0.8%	1.7%	0.9%	0.7%	0.6%

## Missouri

Missouri Medicaid managed care enrollments declined by roughly 15,000 in Q2 2012. However, enrollments rebounded through the remainder of 2012 after the state implemented new managed care contracts on July 1, 2012. Through February 2013, enrollment stood at more than 420,000, down 1.7 percent from the previous year.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Total Medicaid	374,929	377,133	376,876	373,261	376,239	
Total CHIP	44,316	44,886	45,170	45,114	45,260	
<b>Total Missouri</b>	<b>419,245</b>	<b>422,019</b>	<b>422,046</b>	<b>418,375</b>	<b>421,499</b>	
+/- m/m	(594)	2,774	27	(3,671)	3,124	
% y/y	-1.6%	-1.2%	-1.4%	-2.2%	-1.7%	

## Pennsylvania

After a Q3 in which HealthChoices enrollment declined by more than 20,000 lives, Q4 2012 added roughly 32,000 enrollees to the program. As of January 2013, enrollment is up 2.5 percent over the previous year. A second phase of the expansion in the New East region is set to begin on March 1, 2013. All told, the two expansion regions could add an estimated 465,000 new enrollees or close to a 40 percent increase. February and March data were not available at the time of publication.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
HealthChoices	1,273,385	1,267,133	1,272,899	1,271,980		
Voluntary MCO	20,470	20,374	20,707	20,828		
<b>Total Pennsylvania</b>	<b>1,293,855</b>	<b>1,287,507</b>	<b>1,293,606</b>	<b>1,292,808</b>		
+/- m/m	32,590	(6,348)	6,099	(798)		
% y/y	N/A	N/A	N/A	2.5%		

## South Carolina

It has been almost a full year since South Carolina has posted monthly Medicaid managed care enrollment figures. For March 2013, there were close to 460,000 managed care enrollees in a HMO plan, up 2.2 percent from the previous year. Additionally, the state enrolled just over 180,000 managed care enrollees in a PCCM or medical home program, up 6 percent from the previous year. We anticipate monthly enrollment figures will be available going forward.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>HMO total</b>						<b>458,806</b>
+/- m/m	N/A	N/A	N/A	N/A	N/A	N/A
% y/y						2.2%
<b>PCCM/Other</b>						<b>180,333</b>
+/- m/m	N/A	N/A	N/A	N/A	N/A	N/A
% y/y						6.0%
<b>Total South Carolina</b>						<b>639,139</b>
+/- m/m	N/A	N/A	N/A	N/A	N/A	N/A
% y/y						3.2%



## Tennessee

Tennessee's TennCare Medicaid managed care program ended CY 2012 with enrollments of just over 1.2 million, down just 0.5 percent from the previous year. As of publication, no Q1 2013 data have been made available.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Total Tennessee</b>	<b>1,213,474</b>	<b>1,208,879</b>	<b>1,205,480</b>			
+/- m/m	7,396	(4,595)	(3,399)			
% y/y	-0.2%	-0.2%	-0.5%			

## Texas

As of December 2011, Texas had enrolled more than 2.6 million lives in MCO plans. By March 2013, the number of enrolled lives was more than 3.5 million. In March and April 2012, Texas added more than 800,000 managed care lives through expansions in the STAR and STAR+PLUS managed care programs into several new regions in the state. February 2013 enrollment was up 34 percent over the previous year, while March 2013 enrollment was up 9.5 percent.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
STAR	2,529,775	2,542,624	2,526,411	2,509,566	2,493,205	2,525,073
STAR+PLUS	405,628	403,796	407,097	405,774	406,403	408,358
STAR HEALTH	30,776	30,465	28,904	30,138	30,191	30,217
CHIP	556,022	556,873	562,415	565,398	565,013	568,952
<b>Total Texas</b>	<b>3,522,201</b>	<b>3,533,758</b>	<b>3,524,827</b>	<b>3,510,876</b>	<b>3,494,812</b>	<b>3,532,600</b>
+/- m/m	49,361	11,557	(8,931)	(13,951)	(16,064)	37,788
% y/y	38.4%	35.3%	34.4%	35.2%	34.0%	9.5%

## Washington

On July 1, 2012, newly procured managed care plans began to serve both the Basic Health and Healthy Options programs. Enrollment has grown overall since, adding a net 37,000 managed care lives in Q4 2012 and Q1 2013, with February 2013 enrollment up 14.8 percent over the previous year. March 2013 enrollment figures were not available at the time of publication.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Total Washington</b>	<b>764,565</b>	<b>797,712</b>	<b>799,856</b>	<b>803,292</b>	<b>802,645</b>	
+/- m/m	(571)	33,147	2,144	3,436	(647)	
% y/y	7.8%	12.3%	13.6%	14.8%	14.8%	

## West Virginia

West Virginia managed care enrollments have varied slightly month to month but remain steady on a year-over-year basis. As of March 2013, more than 172,000 lives were enrolled in managed care plans, up 1.1 percent from the year prior.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Total West Virginia</b>	<b>168,896</b>	<b>171,233</b>	<b>171,715</b>	<b>171,537</b>	<b>172,838</b>	<b>172,311</b>
+/- m/m	2,209	2,337	482	(178)	1,301	(527)
% y/y	0.6%	0.7%	-0.1%	2.0%	0.9%	1.1%

## Wisconsin

Managed care enrollment dropped off sharply in November 2012, as UnitedHealthcare pulled out of the Southeast BadgerCare+ region. This only exacerbated a trend since early 2011 of declining enrollment. Year-over-year enrollment growth had steadily fallen from more than 16 percent in early 2011, to negative 3.4 percent in October 2012. Year-end 2012 enrollment was down 23 percent from the prior year. Since November 2012, however, enrollments in BadgerCare+ have rebounded, adding more than 107,000 net enrolled lives through March 2013. This brings total Wisconsin managed care enrollment up to more than 644,000, down 8.7 percent from the previous year.

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
BadgerCare+	646,111	503,244	513,958	523,012	568,678	610,829
SSI	33,773	33,796	33,759	33,687	33,488	33,455
<b>Total Wisconsin</b>	<b>679,884</b>	<b>537,040</b>	<b>547,717</b>	<b>556,699</b>	<b>602,166</b>	<b>644,284</b>
+/- m/m	(4,192)	(142,844)	10,677	8,982	45,467	42,118
% y/y	-3.4%	-24.3%	-22.9%	-21.3%	-15.0%	-8.7%

## Select Company Analysis

Where available, we have included total Medicaid enrollments as reported in Q4 company financial statements.

### Aetna

We track monthly enrollment data in four states where Aetna operates. In the four states below, Aetna enrolled more than 530,000 Medicaid beneficiaries in January 2013, up 9.1 percent from the previous year. Aetna reported 1.257 million total Medicaid lives in its Q4 2012 financial statements. As we have noted in previous Weekly Roundups, Coventry has agreed to a deal to be acquired by Aetna. When the acquisition has closed, we will integrate Coventry and Aetna's monthly enrollment reporting. As part of the acquisition, Aetna has sold its existing Missouri business to WellCare, which will be reflected in Q2 2013 enrollment updates.

Aetna	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Arizona	297,076	294,190	293,669	294,622	293,621	293,484
+/- m/m	(1,808)	(2,886)	(521)	953	(1,001)	(137)
% y/y	-5.9%	-5.8%	-4.9%	-3.9%	-3.6%	-2.7%
Missouri	108,272	108,074	107,658	106,886	106,661	N/A
+/- m/m	(533)	(198)	(416)	(772)	(225)	N/A
% y/y	106.9%	105.1%	103.0%	101.7%	99.3%	N/A
Pennsylvania	59,576	59,423	60,055	60,056	N/A	N/A
+/- m/m	5,269	(153)	632	1	N/A	N/A
% y/y	N/A	N/A	N/A	9.7%	N/A	N/A
Texas	71,491	71,165	70,189	69,117	68,166	69,169
+/- m/m	129	(326)	(976)	(1,072)	(951)	1,003
% y/y	4.7%	-0.5%	-3.2%	-4.2%	-6.7%	-3.0%
<b>Total Aetna</b>	<b>536,415</b>	<b>532,852</b>	<b>531,571</b>	<b>530,681</b>	<b>468,448</b>	<b>362,653</b>
+/- m/m	3,057	(3,563)	(1,281)	(890)	(2,177)	866
% y/y	-11.0%	-11.8%	-11.3%	9.1%	8.7%	-2.8%

Source: State Medicaid Enrollment data

Notes: Totals, month/month, and year/year changes adjusted for missing MO, PA data

## Centene

We track monthly enrollment data in nine states where Centene operates risk-based health plans. Across these states, Centene covered more than 1.75 million lives as of October 2012, up 71 percent over the previous year. Centene's nationwide Medicaid enrollment is around 2.56 million, as reported in Q4 2012 financial statements.. New contracts in Missouri and Washington went live on July 1, 2012, adding more than 110,000 additional covered lives.

Centene	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Arizona	22,404	22,197	22,140	22,171	22,086	22,080
+/- m/m	(139)	(207)	(57)	31	(85)	(6)
% y/y	0.1%	-0.5%	0.3%	1.3%	1.1%	1.5%
Florida	208,556	209,104	210,072	210,644	211,142	210,156
+/- m/m	2,248	548	968	572	498	(986)
% y/y	13.3%	12.4%	7.5%	6.9%	5.8%	6.8%
Georgia	301,055					
+/- m/m	(499)	N/A	N/A	N/A	N/A	N/A
% y/y	1.4%					
Louisiana	168,592	168,662	167,520	166,242	165,411	
+/- m/m	(445)	70	(1,142)	(1,278)	(831)	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
Missouri	57,493	59,253	60,294	58,006	61,854	
+/- m/m	1,362	1,760	1,041	(2,288)	3,848	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
South Carolina						90,099
+/- m/m	N/A	N/A	N/A	N/A	N/A	N/A
% y/y						5.1%
Texas	916,778	921,979	921,381	920,266	919,421	929,416
+/- m/m	14,928	5,201	(598)	(1,115)	(845)	9,995
% y/y	90.2%	87.9%	87.6%	88.2%	87.0%	19.1%
Washington	42,273	53,173	54,835	56,967	58,144	
+/- m/m	1,889	10,900	1,662	2,132	1,177	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
Wisconsin	38,428	38,513	38,368	38,418	38,413	38,477
+/- m/m	174	85	(145)	50	(5)	64
% y/y	-4.7%	-5.7%	-5.3%	-4.0%	-4.2%	-3.2%
<b>Total Centene</b>	<b>1,755,579</b>	<b>1,472,881</b>	<b>1,474,610</b>	<b>1,472,714</b>	<b>1,476,471</b>	<b>1,290,228</b>
+/- m/m	17,629	7,457	67	(4,028)	2,580	9,067
% y/y	71.1%	99.1%	96.9%	96.9%	96.1%	14.7%

Source: State Medicaid Enrollment data

Notes: Totals, month/month, and year/year changes adjusted for missing GA, LA, MO, SC, TX, WA data

## Coventry

We track monthly enrollment data in six states where Coventry operates risk-based health plans. As of January 2013, enrollment in these states is up 20.2 percent over the prior year to more than 448,000 covered lives, driven largely by growth in Missouri, Florida and Pennsylvania. Across all states, Coventry enrolls 974,000 Medicaid lives, as reported in Q4 2012 financial statements. As we have noted in previous Weekly Roundups, Coventry has agreed to a deal to be acquired by Aetna. When the acquisition closes, we will integrate Coventry and Aetna's monthly enrollment reporting.

Coventry	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Florida	48,713	48,757	49,120	49,564	50,266	50,684
+/- m/m	821	44	363	444	702	418
% y/y	16.3%	16.4%	14.3%	13.2%	14.5%	16.5%
Maryland	12,437	12,541	12,633	13,409	13,856	14,292
+/- m/m	4	104	92	776	447	436
% y/y	-11.0%	-10.5%	-10.8%	-6.1%	-3.0%	-0.2%
Michigan	42,404	41,710	41,880	40,950	40,580	40,248
+/- m/m	(533)	(694)	170	(930)	(370)	(332)
% y/y	-8.5%	-9.3%	-8.2%	-10.0%	-10.6%	-11.0%
Missouri	253,480	254,692	254,094	253,483	252,984	N/A
+/- m/m	(1,423)	1,212	(598)	(611)	(499)	
% y/y	32.2%	32.7%	32.4%	31.3%	2.7%	
Pennsylvania	28,998	28,446	28,497	28,407		
+/- m/m	6,695	(552)	51	(90)	N/A	N/A
% y/y	N/A	N/A	N/A	81.0%		
West Virginia	61,696	62,874	63,125	63,038	63,509	63,280
+/- m/m	1,300	1,178	251	(87)	471	(229)
% y/y	5.8%	5.6%	5.8%	6.0%	3.9%	3.7%
<b>Total Coventry</b>	<b>447,728</b>	<b>449,020</b>	<b>449,349</b>	<b>448,851</b>	<b>421,195</b>	<b>168,504</b>
+/- m/m	6,860	1,188	237	(1,274)	304	(143)
% y/y	18.9%	19.0%	18.8%	20.2%	2.5%	2.6%

Source: State Medicaid Enrollment data

Notes: Totals, month/month, and year/year changes adjusted for missing MO, PA data

## Health Net

We track Health Net's monthly enrollment data in California where the company covered more than 838,000 Medicaid members through March 2013, an increase of more than 20 percent from the previous year.

Health Net	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
California	770,306	775,482	781,638	717,800	926,794	838,515
+/- m/m	485	5,176	6,156	(63,838)	208,994	(88,279)
% y/y	17.4%	16.7%	16.7%	6.1%	35.4%	20.2%

Source: State Medicaid Enrollment data

## Humana

We track Humana's monthly enrollment data in Florida, where the company covered 50,700 Medicaid members through March 2013. In Florida, Humana enrollment losses over the past year have reversed, with Q1 2013 enrollment up 14.7 percent from the prior year.

Humana	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Florida	48,178	48,716	49,228	49,844	50,435	50,711
+/- m/m	952	538	512	616	591	276
% y/y	7.0%	11.6%	11.6%	10.9%	12.3%	14.7%

Source: State Medicaid Enrollment data

## Molina

We track monthly enrollment data in six of the states where Molina operates risk-based health plans. Across these states, Molina experienced healthy enrollment growth through 2012, driven by contract wins in Texas (rural CHIP, Dallas STAR+PLUS) and the acquisition of Abri Health Plan in Wisconsin. Additional enrollment under a new contract term in Washington was tempered by the loss of Molina's Missouri contract as of July 1, 2012. Enrollments for February 2013 show more than 9 percent growth from the prior year, with enrollment in these six states nearing 1.2 million. Molina reported total enrollments of 1.797 million in Q4 2012 financial reports.

Molina	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
California	178,024	174,372	173,525	192,308	194,373	195,569
+/- m/m	2,658	(3,652)	(847)	18,783	2,065	1,196
% y/y	-9.6%	-12.5%	-13.2%	-4.7%	-3.4%	-2.9%
Florida	71,044	71,434	72,209	73,022	73,882	74,386
+/- m/m	629	390	775	813	860	504
% y/y	9.9%	9.3%	6.6%	7.3%	7.5%	8.6%
Michigan	206,785	205,556	207,949	208,066	206,162	206,581
+/- m/m	(454)	(1,229)	2,393	117	(1,904)	419
% y/y	-0.8%	-0.9%	-1.9%	-1.8%	-2.4%	-2.2%
Texas	269,644	266,593	265,159	262,893	258,428	256,811
+/- m/m	(937)	(3,051)	(1,434)	(2,266)	(4,465)	(1,617)
% y/y	86.9%	79.5%	78.4%	76.0%	71.9%	-2.3%
Washington	390,062	395,718	395,190	395,802	395,843	N/A
+/- m/m	722	5,656	(528)	612	41	
% y/y	14.0%	15.4%	15.9%	16.5%	16.4%	
Wisconsin	42,651	44,575	45,953	46,924	67,418	85,597
+/- m/m	1,432	1,924	1,378	971	20,494	18,179
% y/y	4.0%	8.4%	10.8%	12.8%	61.0%	105.7%
<b>Total Molina</b>	<b>1,158,210</b>	<b>1,158,248</b>	<b>1,159,985</b>	<b>1,179,015</b>	<b>1,196,106</b>	<b>818,944</b>
+/- m/m	4,050	38	1,737	19,030	17,091	18,681
% y/y	7.5%	6.7%	6.2%	7.8%	9.2%	-5.6%

Source: State Medicaid Enrollment data

Notes: Totals, month/month, and year/year changes adjusted for missing WA data

## UnitedHealth

We track monthly enrollment data in 12 states where UnitedHealth operates risk-based health plans. Within these states, UnitedHealth covers nearly than 2.3 million lives, more than half of reported 3.83 million total covered Medicaid lives (Q4 2012). In this subset of markets, UnitedHealth has seen expansion in Texas and new business contracts that went live in Louisiana and Washington, adding roughly 285,000 in new enrollment.

UnitedHealth	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Arizona	248,725	245,989	245,164	245,436	244,137	243,635
+/- m/m	594	(2,736)	(825)	272	(1,299)	(502)
% y/y	-4.9%	-4.9%	-3.9%	-2.9%	-2.7%	-2.0%
Florida	114,220	115,062	115,927	116,518	116,890	117,183
+/- m/m	1,319	842	865	591	372	293
% y/y	0.2%	1.6%	1.4%	3.0%	4.7%	8.1%
Hawaii	25,304	25,846	26,491	27,090	27,824	28,501
+/- m/m	1,059	542	645	599	734	677
% y/y	23.2%	25.7%	28.2%	30.9%	33.8%	36.6%
Louisiana	233,438	234,925	236,411	240,462	240,937	
+/- m/m	398	1,487	1,486	4,051	475	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
Maryland	147,059	147,936	147,913	149,761	149,837	150,379
+/- m/m	1,073	877	(23)	1,848	76	542
% y/y	7.3%	7.8%	7.0%	7.8%	7.6%	6.2%
Michigan	233,551	231,633	234,481	231,888	231,633	230,828
+/- m/m	(1,859)	(1,918)	2,848	(2,593)	(255)	(805)
% y/y	-3.1%	-3.5%	-3.1%	-4.2%	-4.2%	-4.2%
Pennsylvania	187,448	184,754	184,667	184,333		
+/- m/m	(321)	(2,694)	(87)	(334)	N/A	N/A
% y/y	N/A	N/A	N/A	-13.0%		
South Carolina						53,227
+/- m/m	N/A	N/A	N/A	N/A	N/A	53,227
% y/y						-22.1%
Tennessee	570,085	567,789	566,391			
+/- m/m	5,112	(2,296)	(1,398)	N/A	N/A	N/A
% y/y	1.0%	1.0%	0.6%			
Texas	168,581	168,603	167,772	168,170	167,791	169,861
+/- m/m	1,643	22	(831)	398	(379)	2,070
% y/y	60.6%	58.8%	59.0%	59.7%	60.2%	7.0%
Washington	30,578	40,097	41,711	43,405	44,062	
+/- m/m	698	9,519	1,614	1,694	657	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
Wisconsin	279,725	117,713	116,766	117,768	117,636	118,457
+/- m/m	(10,074)	(162,012)	(947)	1,002	(132)	821
% y/y	-4.3%	-60.0%	-60.5%	-60.0%	-60.2%	-60.0%
<b>Total UnitedHealth</b>	<b>2,238,714</b>	<b>2,080,347</b>	<b>2,083,694</b>	<b>1,524,831</b>	<b>1,340,747</b>	<b>1,112,071</b>
+/- m/m	(8,300)	(167,009)	2,509	3,387	(1,218)	55,104
% y/y	18.2%	9.4%	9.5%	10.5%	15.1%	-13.4%

Source: State Medicaid Enrollment data

Notes: Totals, month/month, and year/year changes adjusted for missing LA, PA, SC, TN, WA data

## WellCare

We track monthly enrollment data in four states where WellCare operates risk-based Medicaid health plans. Excluding Georgia, which has not reported since October 2012, March 2013 enrollments in these three states us up 4.4 percent over the previous year. With the inclusion of Georgia, this covers roughly two-thirds of WellCare's 1.587 million total Medicaid enrollees as of Q4 2012 financial results.

WellCare	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Florida	373,455	372,860	371,987	370,161	379,744	378,866
+/- m/m	1,324	(595)	(873)	(1,826)	9,583	(878)
% y/y	12.6%	12.2%	8.2%	4.6%	5.9%	6.2%
Georgia	550,966					
+/- m/m	(1,673)	N/A	N/A	N/A	N/A	N/A
% y/y	-1.7%					
Hawaii	29,752	30,080	30,689	31,203	31,900	32,545
+/- m/m	766	328	609	514	697	645
% y/y	25.6%	26.3%	28.2%	30.9%	33.8%	36.8%
Illinois	137,571	138,838	140,444	141,640	141,546	141,605
+/- m/m	939	1,267	1,606	1,196	(94)	59
% y/y	3.6%	4.8%	5.5%	6.0%	6.0%	6.4%
<b>Total WellCare</b>	<b>1,091,744</b>	<b>541,778</b>	<b>543,120</b>	<b>543,004</b>	<b>553,190</b>	<b>553,016</b>
+/- m/m	2,263	672	733	(630)	9,489	(819)
% y/y	2.5%	7.3%	5.0%	2.9%	4.0%	4.4%

Source: State Medicaid Enrollment data

Notes: Totals, month/month, and year/year changes adjusted for missing GA data



## WellPoint

WellPoint completed its acquisition of Amerigroup in late 2012. Amerigroup enrollments in the eight states we track are now included in the WellPoint table below.

WellPoint's Amerigroup acquisition significantly bolstered the company's risk-based Medicaid enrollments. WellPoint reported 1.8 million total Medicaid lives Q3 2012. After the acquisition, WellPoint reported 4.56 million total covered lives in Q4 2012. The eleven states in which we now track WellPoint enrollments make up just over half of their total Medicaid business.

WellPoint	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
California	443,171	443,653	432,394	367,212	366,470	380,561
+/- m/m	(3,461)	482	(11,259)	(65,182)	(742)	14,091
% y/y	2.3%	1.8%	-0.6%	-15.8%	-16.0%	-14.1%
Florida	189,425	189,260	189,543	187,825	187,713	186,149
+/- m/m	1,104	(165)	283	(1,718)	(112)	(1,564)
% y/y	9.3%	9.2%	6.0%	4.3%	2.9%	2.3%
Georgia	268,585					
+/- m/m	(192)	N/A	N/A	N/A	N/A	N/A
% y/y	2.9%					
Louisiana	141,507	141,626	140,752	140,445	139,961	
+/- m/m	(881)	119	(874)	(307)	(484)	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
Maryland	208,625	209,235	208,505	209,943	210,170	211,371
+/- m/m	682	610	(730)	1,438	227	1,201
% y/y	2.6%	3.1%	2.5%	3.2%	3.2%	2.6%
Tennessee	200,096	199,001	198,396			
+/- m/m	1,775	(1,095)	(605)	N/A	N/A	N/A
% y/y	0.1%	-0.1%	-0.6%			
Texas	744,564	745,813	742,530	736,776	730,976	735,985
+/- m/m	11,720	1,249	(3,283)	(5,754)	(5,800)	5,009
% y/y	26.3%	22.8%	21.3%	21.4%	20.4%	8.8%
Washington	17,054	25,162	25,692	26,426	26,449	
+/- m/m	(102)	8,108	530	734	23	N/A
% y/y	N/A	N/A	N/A	N/A	N/A	
Wisconsin	21,263	21,213	20,887	21,229	21,293	21,261
+/- m/m	(201)	(50)	(326)	342	64	(32)
% y/y	-8.1%	-8.5%	-9.2%	-6.2%	-5.9%	-5.1%
West Virginia	80,936	81,717	81,704	81,595	82,302	82,004
+/- m/m	484	781	(13)	(109)	707	(298)
% y/y	-2.0%	-2.1%	-1.7%	-0.5%	-1.2%	-0.8%
<b>Total WellPoint</b>	<b>2,315,226</b>	<b>2,056,680</b>	<b>2,040,403</b>	<b>1,771,451</b>	<b>1,765,334</b>	<b>1,617,331</b>
+/- m/m	10,928	10,039	(16,277)	(70,556)	(6,117)	18,407
% y/y	17.8%	19.2%	17.6%	15.7%	14.9%	0.3%

Source: State Medicaid Enrollment data

Notes: Totals, month/month, and year/year changes adjusted for missing GA, LA, TN, WA data

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## HMA MEDICAID ROUNDUP

### Arkansas

#### HMA Roundup

**House Approves Medicaid Expansion and Sends Bill to Senate.** Following an unsuccessful attempt on Monday to pass HB 1219, the Arkansas House voted 77-23 to approve the appropriation bill to enable Medicaid expansion federal funds to pay for private plans available on the state's health exchange. There were nine members who switched to an "aye" from either a non-vote or a "no" vote, while one member switched from an aye to a "no" vote. The bill now proceeds to the Senate, where the enabling legislation had previously fallen just short of the 27 votes needed to reach a three quarters majority. A vote should take place on Wednesday, April 17, 2013.

### California

#### HMA Roundup - Jennifer Kent

**CalPERS Panel Votes to Replace Blue Shield Statewide HMO Contract.** The California Public Employees' Retirement System's (CalPERS) pension and health benefits committee voted to switch from its statewide HMO contract with Blue Shield of California to four plans: Anthem Blue Cross, Blue Shield of California, UnitedHealth Group, and Sharp Health Plan. On Wednesday, the full board will consider the panel's recommendation for final action. Kaiser Permanente's HMO contract—separate from this bid—is unaffected by the action. Panel members indicated that greater competition should drive greater cost containment and innovation.

#### In the news

- **"Labor-backed plan would fine large employers who send workers to Medi-Cal"**

Labor unions have voiced their support for a measure that would assess a fine to large employers who do not pay adequate wages to keep their employees off of Medi-Cal (the state's Medicaid program) rolls. Fines assessed would be used to fund Medi-Cal and provider rate increases. ([Sacramento Bee](#))

### Florida

#### HMA Roundup - Gary Crayton and Elaine Peters

**Senate Offers Compromise on Medicaid Expansion.** The Senate budget committee on Wednesday approved Sen. Negron's "Healthy Florida" plan (SB 1816) to serve 1.1 million adults with incomes below 138 percent FPL through an expansion and to draw down \$51 billion in federal funding over the next 10 years, while state taxpayers would pay \$3.5 billion. In an effort to keep all options available, the committee also approved Sen. Bean's "Florida Health Choices Plus" plan (SB 1844) to serve 600,000 adults with incomes below 100% FPL that would cost \$15 million in state funds for FY 2013-14. Sen. Negron also offered a compromise and said he wants lawmakers to also approve a smaller House "Health Choices Plus" plan that covers 115,000 parents, children and disabled Floridians

(but not childless adults) and authorizes \$2,000 annually to pay for private insurance that would cost Florida taxpayers \$237 million annually in state funds. Sen. Negron, however, indicated that financing was likely not enough and that federal dollars may need to be added to the program. The potential hybrid plan laid out by Negron would use federal and state money, but let eligible individuals either go into a program set out by the state or choose to take a set sum of money and find insurance coverage on their own.

**Medicaid Expansion Can Save \$430M Annually on Medically Needy Program.** While various legislative proposals related to healthcare coverage expansion continue to be considered in the waning days of the current session, there has been very little discussion about an element of Medicaid expansion that could save the state's taxpayers some \$430 million annually out of state general revenue. The state's Medicaid Director, Justin Senior, received word from "a high ranking federal official" that the Federal Government would fully fund the Medically Needy program, assuming Medicaid expansion is approved by the legislature and signed into law. This program provides for individuals with serious illnesses unable to afford such treatments. Florida could receive as much as \$50 billion in additional Federal funds under Medicaid expansion over the next decade, with additional state costs of about \$3 billion over the same time frame. However, the projected savings from full federal support for the Medically Needy program would more than cover the state's share of Medicaid expansion costs, according to Amy Baker, Director of the Florida Legislature's Economic and Demographic Research Office.

**House Select Committee on PPACA Rejects Medicaid Expansion.** On Monday, April 15, 2013, the House Select Committee on PPACA rejected by a vote of 11-6 a proposal to replace PCB SPPACA 13-03, (i.e., Florida Health Choices Plus authored by Representative Corcoran) with Senator Negron's Healthy Florida Plan. By the same margin, the House select committee approved the Health Choices Plus proposal to offer \$2,000 subsidies through an online marketplace to 116,000 uninsured low income residents at an annual cost of about \$237 million. House Speaker Will Weatherford has consistently opposed Medicaid expansion.

### **In the news**

- **"Florida can save millions by accepting federal Medicaid funds, state agency says"**

Florida Medicaid officials have released revised estimates projecting \$430 million in annual savings if the state were to expand Medicaid. The revised estimates are due to clarification from an unnamed federal official who indicated that states would receive full federal funding for the "medically needy" population. ([Miami Herald](#))

## **Indiana**

### **HMA Roundup – Cathy Rudd**

**Medicaid RFP for Prior Authorization and Utilization Management.** The state has issued a request for proposal (RFP) for Medicaid prior authorization and utilization management services for its fee for service program, with submissions due by May 23, 2013 and a contract award scheduled by July 17, 2013. Currently, two vendors, MDWise and Advantage Health Solutions, provide these services and administer the Care Select disease management program. This RFP indicates that Indiana will consider adding ad-

vanced imaging to the list of services requiring prior authorization, although an administrative rule change would be required. The state requests that bidders propose specialized processes or technologies to ensure the clinical appropriateness of advanced imaging procedures. Indiana intends to award one or more contracts for a four-year term, with two one-year extension options. The RFP may be accessed at [Link](#)

**RFP for Money Follows the Person Program Services.** The state issued an RFP for Money Follows the Person (MFP) program services, including administrative coordination, transition, and reporting. The Division of Aging aims to contract with a vendor to provide transition and ongoing case management services for MFP participants for a two-year contract term, with two one-year extension options. The proposals are due by May 10, 2013 and the contract award is targeted for June 1, 2013. The current incumbent vendor is Advantage. The RFP may be accessed at [Link](#)

## *Iowa*

### **HMA Roundup**

**Medicaid Expansion Public Hearing Sponsored by the Iowa House.** On Tuesday, April 16, 2013, the Iowa House sponsored a public hearing on Medicaid expansion. The majority of speakers favored Medicaid expansion, citing Federal funding that would cover more Iowans at a lower incremental cost to state taxpayers. Notably, the Iowa Hospital Association promoted the idea that expansion is a “win-win-win” proposition for taxpayers, businesses, government, and the currently uninsured. However, a vocal minority highlighted the governor’s Healthy Iowa plan that would cover Iowans up to 100 percent of the poverty level, rather than relying on Federal funding that may not be there for the long term. A bill supporting Medicaid expansion passed the Democratic Senate but faces uncertain prospects in the Republican House.

## *Michigan*

### **HMA Roundup – Esther Reagan**

**Republican Legislators Under Pressure to Support Medicaid Expansion.** Following House and Senate budget proposals that excluded Governor Snyder’s proposed Medicaid expansion, Republican legislators are being heavily lobbied by a disparate group of advocacy groups, healthcare providers, and small business groups to support Medicaid expansion. The advocacy group, Michigan Universal Health Care Access Network, has distributed a petition to be presented to Republican leaders next week. The provider-led group Expand Medicaid has posted video testimonials explaining the benefits of expansion. Finally, small business groups, including the Small Business Association of Michigan and the Michigan Business and Professional Association, are pushing for Medicaid expansion to avoid penalties for not offering their own plans to workers. Legislators are aiming for a June 1, 2013 deadline to finish the budget.

**Senate and House Budgets Differ on Department of Community Health Provisions.** In both the House and Senate, budget bills have excluded Medicaid expansion funds explicitly requested by the Governor, although leaders from both chambers indicate openness to expansion providing it is accompanied by fundamental unspecified Medicaid reforms. The Senate and House differ on a number of Department of Community Health provi-

sions, including children's dental benefits, veterans mental health benefits, and community mental health benefits. The Senate maintained funding for the expansion of Health Kids Dental, but the House removed that funding entirely. The Senate maintained mental health and substance abuse services for veterans, while the House stripped that funding from the budget. The Senate added \$3 million for community mental health services for special populations, but the House never made such a commitment.

## *Montana*

### **HMA Roundup**

**Senate Backs Medicaid Expansion for Premium Assistance.** Despite the expressed opposition of Republican leadership, a coalition of Senate Democrats and a handful of Republicans voted 27-23 to support a bill that amended HB623 to accept Medicaid expansion federal dollars for premium assistance. A final Senate vote is expected on Thursday, setting up a potential battle with the House about whether to send along HB 623 to Governor Bullock without a conference committee.

## *Nevada*

### **HMA Roundup**

**Incumbent Medicaid Managed Care Plans Retain Contracts.** Last week, the state of Nevada announced that Amerigroup (a subsidiary of WellPoint) and Health Plan of Nevada (UnitedHealth) would continue as the Medicaid managed care plans Urban Washoe and Clark Counties through June 30, 2017. These four-year contracts are valued at about \$1.5 billion each, with an additional one-year extension option. Any other counties that shift to managed care in the future will work with these winning vendors. The state aims to have newly eligible Medicaid beneficiaries enroll in managed care plans in the two aforementioned counties.

## *New York*

### **HMA Roundup – Denise Soffel**

**FIDA:** Recently, the Department of Health (DOH) convened a call to discuss the Fully Integrated Duals Advantage (FIDA) program. The key takeaways were that the FIDA program will expand from duals in home and community-based settings to include those in nursing homes and that the FIDA program will be delayed by three months. Open enrollment is now slated to begin on April 1, 2014 and passive enrollment for those receiving home and community-based services starting on July 1, 2014. Those living in nursing homes may begin enrollment on October 1, 2014, with passive enrollment for this population starting January 1, 2015. The launch of the Office for People With Developmental Disabilities FIDA program will likely be delayed.

**New York State Announcement of Intent to Solicit Proposals for Medicaid Administrative Services (MAS) Contractor:** On April 4, 2013, New York State released an announcement of its intent to solicit proposals for a Medicaid Administrative Services contractor. The contractor will provide fiscal agent and administrative services for the state's Medicaid program, including the Medicaid fee-for-service system, selected administra-

tive components of the Medicaid managed care program, and selected non-Medicaid programs. The RFP is currently under review by CMS. The Department of Health intends to award a 5-year contract, with the option to renew for three one-year periods. It is anticipated that the initial 5-year period will begin in December 2013.

## *North Dakota*

### **HMA Roundup**

**Governor Signs Medicaid Expansion Legislation.** On Tuesday, April 16, 2013, Governor Dalrymple signed legislation to expand Medicaid to cover an additional 20,000 uninsured residents of North Dakota, following last week's passage of the bill in the Senate. Despite Republican reluctance to support the ACA, the expansion of Medicaid coverage gained support from GOP legislators when provisions allowed the state the flexibility to support premium insurance and to revisit the expansion should federal funding levels be reduced in the future.

## *Ohio*

### **HMA Roundup**

**Medicaid Expansion Still Not Addressed by Legislature.** With the legislative session nearing an end, the House Finance Committee pushed forth with a two-year budget that removes Governor Kasich's Medicaid expansion proposal. House Democrats continue to hope to add the proposal back into the budget by amendments, although a full House vote is expected by Thursday, April 18, 2013. Meanwhile the Kasich Administration continues to have talks with the Federal HHS Department to identify flexibility to provide private coverage for Medicaid expansion beneficiaries.

### **In the news**

- **"Cleveland Clinic, University Hospitals, others plan aggressive push for Ohio Medicaid expansion"**

Hospitals in northeast Ohio are planning for a major lobbying push on the Medicaid expansion. The group of hospitals are fighting to keep the expansion on the table after it was left out of the House proposed budget bill earlier this month. ([Cleveland Plain Dealer](#))

## *Pennsylvania*

### **HMA Roundup - Matt Roan**

**Consultant Reports on Highmark-West Penn Allegheny Released by Department of Insurance (DOI).** Last week, the Department of Insurance released reports from two consulting firms regarding the proposed merger of the state's largest insurer, Highmark, with the state's second largest health system, West Penn Allegheny Health System. The DOI has been reviewing the \$1.1 billion deal since November 2011. The consultants found that the merger could generate improved delivery of care, slower healthcare cost growth, and should not threaten the financial stability of Highmark. The DOI had been waiting for the reports before offering final approval to the deal.

## Texas

### HMA Roundup – Dianne Longley & Linda Wertz

Representative Zerwas Offers a “Texas” Solution for Medicaid Expansion. Following hours of testimonials supporting Medicaid expansion, on Tuesday, April 16, 2013, Representative Zerwas proposed a “Texas solution” for health coverage expansion aimed at qualifying for Medicaid expansion federal funds. HB 3791 would have the state health commissioner pursue a waiver to reform the state’s Medicaid program while being “cost neutral” to the state’s taxpayers. The bill would have the state’s portion of additional program costs paid by premiums on health plans, while instituting cost-sharing measures and premium-assistance for private plans. If negotiations with the Federal HHS Department do not bear fruit by September 1, 2014, the legislation would require the Health and Human Services Commission and Department of Insurance to create a cost-neutral state program. While many Republicans want Medicaid to be delivered as a block grant to offer maximum flexibility to the states, Zerwas notes that such an option is not realistic today.

### In the news

- **“Senate Approves Bill That Targets Medicaid Fraud”**

Texas senators passed a Medicaid fraud bill this week, sending it to the House for their approval. Legislators estimated millions in savings from the fraud prevention bill. ([Texas Tribune](#))

## Washington

### HMA Roundup – Doug Porter

Washington’s Health Care Authority released a request for applications (RFA) on April 11 for the capitated portion of the dual eligible financial alignment demonstration. Washington is pursuing both the capitated and the managed fee-for-service demonstrations. The capitated RFA is focused on Snohomish and King counties, with the intention of awarded two plans per county. In 2010, Snohomish and King counties reported approximate 41,000 combined dual eligible beneficiaries. Responses to the RFA are due on May 15 with successful bidders to be announced around June 5. ([Link to Duals Demonstration site](#))

## National

### HMA Roundup

**Home Care Minimum Wage Rules Spark Controversy with Medicaid Directors.** In an April 8, 2013 letter to the Office of Management and Budget, Medicaid Directors warned that new minimum wage and overtime rules for home care workers could disrupt complicated and long-standing arrangements for low-income people, particularly in the case of friends and family as caretakers. Home care workers offer personal care services covered through Medicaid that help many seniors and disabled beneficiaries. While labor leaders praise the application of these rules to home care workers, advocates for seniors



and the disabled worry that the hours that attendants may work will decline and many Medicaid home and community-based care programs may be imperiled.

### In the news

- **“Hospitals Lobby Hard for Medicaid Expansion”**

Hospitals, state hospital associations, and other advocates are joining together in a push to convince state legislators and governors to adopt the Medicaid expansion. Lobbying is focused on the economic benefits from a significant injection of federal funding to states, however, hospitals also acknowledge that the expansion is key to their financial health, as they prepare for reimbursement reductions under the ACA. ([Stateline](#))

- **“Medicaid Offers States More Help with Managed Care Technical Details”**

CMS has partnered with Mathematica Policy Research, the Centers for Health Care Strategies, Manatt Health Solutions, and the National Committee for Quality Assurance to provide additional support to states on Medicaid managed care issues, including planning and procurement, benefit design and serving the needs of complex populations, access and quality, and the use of data for program oversight and management ([CMS Letter to States - PDF](#)) (CQ HealthBeat)

- **“Does the Obama administration have the money to set up Obamacare?”**

Washington Post’s Sarah Kliff explores the questions being raised on whether or not HHS has sufficient federal funding to establish and run the federal exchanges. ([Washington Post](#))

- **“Wait For Obamacare Price Tags Could Last Months”**

NPR reports that it could be months before states follow in Vermont’s lead on releasing rates under the exchanges. New York’s rates are not expected to be released until July. In late March, the Society of Actuaries published a study forecasting that medical claims per policyholder would rise 32 percent, on average, in the individual market by 2017. ([NPR news](#))

- **“The White House wants to reverse \$500 million in Medicaid cuts”**

The White House budget has proposed the postponement of Medicaid DSH cuts for one year, delaying their implementation to 2015. The cuts in Medicaid DSH for 2014 were estimated at \$500 million dollars. ([Washington Post](#))

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## OTHER HEADLINES

### Colorado

- **“Medicaid expansion advances in Colorado”**

The Colorado Senate approved a measure to expand Medicaid in the state. Governor John Hickenlooper is a strong supporter of the Medicaid expansion. Colorado estimates 160,000 residents could get coverage under the expansion. ([AP via San Francisco Chronicle](#))



## Mississippi

- **“Medicaid expansion fight focuses on DSH funding”**

Medicaid disproportionate share hospital (DSH) funding is a major focus of the Medicaid expansion debate in Mississippi. Hospitals that rely on DSH funding assert that without expansion, they will have to deliver the same volume of uncompensated care with reduced DSH funding. Governor Phil Bryant has stated he believes that the Supreme Court ruling on the expansion would prevent the federal government from cutting DSH if a state does not expand Medicaid. ([Hattiesburg American](#))

## Missouri

- **“Gov. Nixon rallies for expanded Medicaid coverage”**

Missouri Governor Jay Nixon joined a rally of activists in support of the Medicaid expansion this week. Gov. Nixon is continuing to push the legislature to act on the expansion, citing the potential to insure 300,000 more Missourians and make up for cuts coming to hospital funding. ([Columbia Missourian](#))

## Nebraska

- **“Medicaid expansion debate to continue Wednesday”**

Nebraska lawmakers continue debate this week on a bill to expand Medicaid to as many as 54,000 new enrollees. ([Lincoln Journal Star](#))

## New Hampshire

- **“Gov. Hassan creates state Medicaid commission”**

Governor Maggie Hassan has convened a commission to oversee the long-delayed Medicaid managed care program implementation in New Hampshire, asserting that successful implementation of managed care is key to the Medicaid expansion in 2014. ([New Hampshire Union Leader](#))

## Oklahoma

- **“Oklahoma Gov. Mary Fallin urged to reconsider Medicaid decision”**

Oklahoma’s former health commissioner joined a growing call for Governor Mary Fallin and republican lawmakers to consider expanding Medicaid. Gov. Fallin made the decision last year not to expand Medicaid, citing the additional costs to the state. ([The Oklahoman](#))

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## COMPANY NEWS

- **AmeriHealth Mercy Health Plan Becomes AmeriHealth Caritas**

AmeriHealth Mercy Health Plan, a Medical Assistance (Medicaid) managed care plan, announced today that it has chosen AmeriHealth Caritas as its new name. “Caritas” is Latin for “charity,” and embodies AmeriHealth’s legacy of compassionate caring for the underserved and chronically ill. The new name is the result of the

change in ownership announced in August 2011, in which Blue Cross Blue Shield of Michigan joined Independence Blue Cross as co-owner of AmeriHealth Caritas Family of Companies.

- **“hCentive helping New York, Colorado and Kentucky with HIX implementation”**

Reston, Va.-based hCentive announced it has contracts with New York, Colorado and Kentucky to help with the implementation of their health insurance exchanges, according to CEO Sanjay Singh. Additionally, the company is also helping a several national and regional payers connect with state and federal health insurance exchanges, he says. According to Singh, hCentive is the first organization to build an exchange solution from the ground up, post ACA. ([HealthCareITNews](#))

## RFP CALENDAR

Below is an updated Medicaid managed care RFP calendar. The events are color coded by state/program and are listed in date order.

Date	State	Event	Beneficiaries
April 11, 2013	Washington Duals	RFP Released	41,000
April 12, 2013	Nevada	Contract Awards	188,000
May 1, 2013	Idaho Duals	RFP Released	17,700
May 1, 2013	District of Columbia	Implementation	165,000
May 1, 2013	Texas Rural STAR+PLUS	Proposals due	110,000
May 15, 2013	Virginia Duals	Proposals due	65,400
April 11, 2013	Washington Duals	Proposals due	41,000
May-June, 2013	South Carolina Duals	RFP Released	68,000
June 1, 2013	California Rural	Implementation	280,000
June 5, 2013	Washington Duals	Contract awards	41,000
June, 2013	Idaho Duals	Proposals due	17,700
July 1, 2013	Massachusetts Duals	Implementation	115,000
July 1, 2013	Ohio	Implementation	1,650,000
July 1, 2013	Nevada	Implementation	188,000
July 1, 2013	Idaho Behavioral	Implementation	200,000
August 1, 2013	Idaho Duals	Contract awards	17,700
August 1, 2013	Florida LTC (Region 7)	Implementation	9,600
September 1, 2013	Ohio Duals	Implementation	115,000
September 1, 2013	Rhode Island Duals - Medicaid Only	Implementation	22,700
September 1, 2013	Florida LTC (Regions 8,9)	Implementation	14,000
September 16, 2013	Florida acute care	Contract awards	2,800,000
October 1, 2013	California Duals	Implementation	500,000
October 1, 2013	Illinois Duals	Implementation	136,000
October 1, 2013	Arizona - Acute Care	Implementation	1,100,000
October 1, 2013	Arizona - Maricopa Behavioral	Implementation	N/A
November 1, 2013	Florida LTC (Regions 1,2,10)	Implementation	13,700
December, 1 2013	Florida LTC (Region 11)	Implementation	16,400
January 1, 2014	Arizona Duals	Implementation	120,000
January 1, 2014	New Mexico	Implementation	510,000
January 1, 2014	South Carolina Duals	Implementation	68,000
January 1, 2014	Vermont Duals	Implementation	22,000
January 1, 2014	Washington Duals	Implementation	115,000
January 1, 2014	Virginia Duals	Implementation	65,400
January 1, 2014	Texas Duals	Implementation	214,400
February 1, 2014	Florida LTC (Regions 5,6)	Implementation	19,500
March 1, 2014	Idaho Duals	Implementation	17,700
March 1, 2014	Florida LTC (Regions 3,4)	Implementation	16,700
April 1, 2014	New York Duals	Implementation	133,880
September 1, 2014	Texas Rural STAR+PLUS	Operational Start Date	110,000
October 1, 2014	Florida acute care	Implementation (All Regions)	2,800,000

## DUAL INTEGRATION PROPOSAL STATUS

Below is a summary table of the progression of states toward implementing dual eligible integration demonstrations in 2013 and 2014.

State	Model	Duals eligible for demo	RFP Released	RFP Response Due Date	Contract Award Date	Signed MOU with CMS	Enrollment effective date
Arizona		98,235		Not pursuing Financial Alignment Model			
California	Capitated	456,000	X	3/1/2012	4/4/2012	X	10/1/2013
Colorado	MFFS	62,982					6/1/2013
Connecticut	MFFS	57,569					TBD
Hawaii		24,189		Not pursuing Financial Alignment Model			
Illinois	Capitated	136,000	X	6/18/2012	11/9/2012	X	10/1/2013
Iowa	MFFS	62,714					TBD
Idaho	Capitated	22,548	May 1, 2013	Q2 2013	August 1, 2013		3/1/2014
Massachusetts	Capitated	109,636	X	8/20/2012	11/5/2012	X	7/1/2013
Michigan	Capitated	70,000	TBD	TBD	TBD		1/1/2014
Missouri	MFFS†	6,380					10/1/2012
Minnesota		93,165		Not pursuing Financial Alignment Model			
New Mexico		40,000		Not pursuing Financial Alignment Model			
New York	Capitated	133,880					4/1/2014
North Carolina	MFFS	222,151					TBD
Ohio	Capitated	114,000	X	5/25/2012	Scoring: 6/28/12	X	9/1/2013
Oklahoma	MFFS	104,258					7/1/2013
Oregon		68,000		Not pursuing Financial Alignment Model			
Rhode Island	Capitated	22,700	X	3/27/2013			9/1/2013*
South Carolina	Capitated	68,000	Summer 2013	TBD	TBD		1/1/2014
Tennessee		136,000		Not pursuing Financial Alignment Model			
Texas	Capitated	214,402			Early 2013		1/1/2014
Virginia	Capitated	78,596	X	5/15/2013	July 2013		1/1/2014
Vermont	Capitated	22,000	TBD	TBD	TBD		1/1/2014
Washington	Capitated/MFFS	115,000	X	5/15/2013 (Capitated)	6/5/2013 (Capitated)	MFFS Only	1/1/2014
Wisconsin	Capitated	5,500-6,000	X	8/23/2012	10/1/2012		TBD**
<b>Totals</b>	<b>14 Capitated 7 MFFS</b>	<b>1.5M Capitated 485K FFS</b>	<b>8</b>			<b>5</b>	

\* Phase I enrollment of duals only includes Medicaid benefits. Medicare-Medicare integration to occur within 12 months.

\*\* Wisconsin is completing a comment period on a draft MOU with CMS. Finalized MOU will determine implementation date.

† Capitated duals integration model for health homes population.

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## HMA WEBINAR REPLAYS

### **Replay: *“New Faces in the Expansion Population: Parolees and Ex-Offenders”***

**Donna Strugar-Fritsch – Host**

**Recorded: Monday, March 25, 2013**

On March 25, 2013, HMA hosted a webinar by Principal Donna Strugar-Fritsch, “New Faces in the Expansion Population: Parolees and Ex-Offenders.” Donna, who has a BSN with a master’s in public administration and is a certified correctional health care professional, talked about the challenges and opportunities of covering this special (and large) population. [Link to Recorded Webinar/Slides](#)

### **Replay: *“Translating The Medicaid Expansion Into Increased Coverage: The Role Of Application Assistance”***

**Kaiser Family Foundation**

**Jennifer N. Edwards, DrPH, MHS – Panelist**

**Recorded: Tuesday, March 19, 2013**

This week, the Kaiser Family Foundation’s Commission on Medicaid and the Uninsured held a webinar to examine the role of application assistance in ensuring eligible individuals successfully enroll in health coverage. The webinar featured an overview of the importance of application assistance, drawing on lessons learned from Medicaid and Children’s Health Insurance Program (CHIP), and insights into states’ planning efforts to provide such assistance under the ACA. The Foundation also released a case study highlighting the experience of providing in-person application assistance for Medicaid through community health centers in Utah. [Link to Recorded Webinar/Slides](#)

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## HMA RECENT PUBLICATIONS

### *“Two-Thirds of States Integrating Medicare and Medicaid Services for Dual Eligibles”*

**AARP Public Policy Institute**

**Jenna Walls – Contributor**

This report finds that two-thirds of the states either have or will launch new initiatives to better coordinate care for people who are dually eligible for Medicare and Medicaid services, the so-called "duals," over the next two years. To contain the growth of costs and improve care, many of them are moving to risk-based managed long-term services and supports models. ([Link - PDF](#))

### *“A Plan for Expanding Sustainable Community Health Centers in New York”*

**Community Health Care Association of New York State (CHCANYS)**

**Deborah Zahn – Project Team Consultant**

**Melissa Corrado – Project Team Consultant**

Community Health Care Association of New York State (CHCANYS), with support from the New York State Health Foundation, has released a statewide plan for community health centers to increase their capacity to serve more patients. Based on extensive quantitative and qualitative analyses, the plan identifies geographic areas that have the greatest need and potential for sustainable growth, estimates potential increases in capacity within the existing system, and highlights strategies for creating more capacity. HMA worked with CHCANYS to design and implement the analyses and to develop recommendations and the final report. ([Link - PDF](#))

### *“Asthma” – March 2013*

**Nursing Clinics of North America – Clinics Review Articles**

**Linda M. Follenweider, MS, APN, C-FNP – Editor**

HMA Senior Consultant Linda M. Follenweider serves as co-editor for the March 2013 edition of the Nursing Clinics of North America’s Clinics Review Articles on Asthma. Linda also contributes an article to the journal, titled *“Epidemiology of Asthma in the United States.”* ([Link to Journal – Subscription required for article access](#))

### *“Guide to Healthcare Delivery System and Payment Reform: Planning and Design”*

**HMA Accountable Care Institute**

**Tony D. Rodgers – Contributor**

**Margaret Kirkegaard, MD, MPH – Contributor**

**Meghan Kirkpatrick – Contributor**

The State Innovation Models (SIM) Initiative gives states the opportunity to design innovative healthcare system models that are capable of addressing the underlying social/economic determinants of health. This guide provides an organized approach to the model design planning process and provides a framework that helps states systematically think through the innovation process. ([Link – PDF](#))