

# HEALTH MANAGEMENT ASSOCIATES

# HMA Weekly Roundup

Trends in State Health Policy

..... July 9, 2014 .....



[RFP CALENDAR](#)

[DUAL ELIGIBLES  
CALENDAR](#)

[HMA NEWS](#)

**Edited by:**  
Greg Nersessian, CFA  
[Email](#)

Andrew Fairgrieve  
[Email](#)

Kartik Raju  
[Email](#)

## THIS WEEK

- **IN FOCUS: MEDICAID MCO ENROLLMENT UPDATE – Q2 2014**
- LA COUNTY BEGINS PASSIVE ENROLLMENT IN DUALS DEMO
- IOWA MEDICAID DIRECTOR STEPS DOWN
- ARIZONA RELEASES BEHAVIORAL HEALTH RFP
- NEW YORK MARKETPLACE INSURERS FILE RATE INCREASES
- NEW ENTRANTS EXPECTED IN GEORGIA MARKETPLACE
- GAO REPORT FINDS MEDICAID PAYS LESS FOR DRUGS THAN OTHER FEDERAL PROGRAMS
- WHITE HOUSE RELEASES REPORT ON CONSEQUENCES OF STATES NOT EXPANDING MEDICAID

## IN FOCUS

### QUARTERLY MEDICAID MANAGED CARE ENROLLMENT UPDATE – Q2 2014

This week, our *In Focus* section reviews recent Medicaid enrollment trends in capitated risk-based managed care in 20 states. Many state Medicaid agencies elect to post monthly enrollment figures by health plan to their websites for their Medicaid managed care population. We believe this data allows for the timeliest analysis of enrollment trends across states and managed care organizations. Many of these 20 states have released monthly Medicaid managed care enrollment data through much of the second quarter (Q2) of 2014.

Eight of the states in the table below – Arizona, California, Kentucky, Maryland, Michigan, New York, Washington, and West Virginia – have expanded Medicaid as of January 1, 2014 (April 1, 2014 in Michigan) and have seen increased Medicaid managed care enrollment during the first quarter of 2014. (HMA excluded Illinois from this list, because although they have expanded Medicaid, the Medicaid expansion population will not begin enrolling in managed care until the second half of 2014.)

- As of May 2014 enrollment data, these eight states have seen Medicaid managed care enrollment increase by more than 1.7 million beneficiaries since December 2013.
- Managed care enrollment in these eight states has increased more than 38 percent since September 2013.

### Monthly Enrollment by State – January 2014 through June 2014

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Arizona</b>	<b>1,100,901</b>	<b>1,115,877</b>	<b>1,141,493</b>	<b>1,187,696</b>	<b>1,227,490</b>	<b>1,264,717</b>
+/- m/m	452	14,976	25,616	46,203	39,794	37,227
% y/y	-1.2%	0.5%	2.9%	6.8%	10.3%	13.4%
<b>California</b>	<b>6,679,094</b>	<b>6,896,146</b>	<b>7,021,639</b>	<b>7,185,407</b>	<b>7,393,171</b>	N/A
+/- m/m	653,118	217,052	125,493	163,768	207,764	
% y/y	34.6%	32.8%	35.0%	64.0%	65.6%	
<b>Florida</b>	<b>1,557,230</b>	<b>1,574,743</b>	<b>1,583,905</b>	<b>1,562,161</b>	<b>1,876,243</b>	<b>2,201,774</b>
+/- m/m	57,340	17,513	9,162	(21,744)	314,082	325,531
% y/y	5.8%	7.0%	7.6%	6.1%	27.5%	49.6%
<b>Georgia</b>	<b>1,099,580</b>	<b>1,129,986</b>				
+/- m/m	(17,138)	30,406	N/A	N/A	N/A	N/A
% y/y	-3.2%	-0.3%				
<b>Hawaii</b>	<b>312,299</b>					
+/- m/m	8,827	N/A	N/A	N/A	N/A	N/A
% y/y	8.9%					
<b>Illinois</b>	<b>315,454</b>	<b>315,725</b>	<b>318,440</b>	<b>325,306</b>	<b>340,420</b>	N/A
+/- m/m	2,412	271	2,715	6,866	15,114	
% y/y	17.0%	16.6%	17.3%	20.7%	26.0%	
<b>Indiana</b>	<b>745,227</b>	<b>755,448</b>	<b>768,102</b>	<b>755,245</b>	<b>758,987</b>	<b>772,629</b>
+/- m/m	(8,338)	10,221	12,654	(12,857)	3,742	13,642
% y/y	N/A	N/A	N/A	N/A	N/A	1.1%
<b>Kentucky</b>	<b>738,751</b>	<b>805,054</b>	<b>857,312</b>	<b>943,111</b>	<b>927,825</b>	<b>927,211</b>
+/- m/m	69,814	66,303	52,258	85,799	(15,286)	(614)
% y/y	N/A	N/A	N/A	N/A	N/A	38.1%
<b>Louisiana</b>	<b>875,053</b>	<b>879,173</b>	<b>881,193</b>	<b>884,762</b>	<b>890,661</b>	<b>896,262</b>
+/- m/m	(7,225)	4,120	2,020	3,569	5,899	5,601
% y/y	-2.6%	-2.6%	-2.2%	-1.6%	-0.9%	0.0%
<b>Maryland</b>	<b>930,784</b>	<b>974,315</b>	<b>1,007,698</b>	<b>1,044,684</b>	<b>1,084,026</b>	N/A
+/- m/m	102,905	43,531	33,383	36,986	39,342	
% y/y	16.7%	22.2%	25.3%	29.5%	33.8%	
<b>Michigan</b>	<b>1,254,940</b>	<b>1,271,576</b>	<b>1,271,741</b>		<b>1,363,273</b>	<b>1,500,937</b>
+/- m/m	10,535	16,636	165	N/A	91,532	137,664
% y/y	1.4%	2.8%	2.8%		9.3%	20.6%
<b>Missouri</b>	<b>399,314</b>	<b>393,628</b>	<b>390,154</b>	<b>382,585</b>	<b>387,104</b>	<b>398,857</b>
+/- m/m	(2,693)	(5,686)	(3,474)	(7,569)	4,519	11,753
% y/y	-4.6%	-6.6%	-7.5%	-9.1%	-7.4%	-4.0%
<b>New York</b>	<b>4,057,919</b>	<b>4,067,666</b>	<b>4,098,663</b>	<b>4,200,417</b>	<b>4,307,165</b>	<b>4,365,186</b>
+/- m/m	3,113	9,747	30,997	101,754	106,748	58,021
% y/y	2.9%	2.5%	4.1%	5.7%	7.8%	9.2%
<b>Ohio</b>	<b>1,701,486</b>	<b>1,697,843</b>	<b>1,684,091</b>	<b>1,730,975</b>	<b>1,751,889</b>	N/A
+/- m/m	(648)	(3,643)	(13,752)	46,884	20,914	
% y/y	3.5%	3.5%	2.7%	4.3%	5.6%	
<b>Pennsylvania</b>	<b>1,629,291</b>	<b>1,633,080</b>	<b>1,645,031</b>	<b>1,650,848</b>		N/A
+/- m/m	3,497	3,789	11,951	5,817	N/A	
% y/y	26.0%	15.3%	16.9%	2.0%		
<b>Tennessee</b>	<b>1,190,466</b>	<b>1,207,294</b>	<b>1,222,896</b>			N/A
+/- m/m	5,783	16,828	15,602	N/A	N/A	
% y/y	-0.8%	0.7%	2.6%			
<b>Texas</b>						
+/- m/m	N/A	N/A	N/A	N/A	N/A	N/A
% y/y						

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Washington</b>	<b>935,337</b>	<b>1,021,170</b>	<b>1,062,776</b>	<b>1,113,553</b>	<b>1,183,203</b>	
+/- m/m	116,938	85,833	41,606	50,777	69,650	N/A
% y/y	16.4%	27.2%	31.8%	39.7%	47.3%	
<b>West Virginia</b>	<b>191,398</b>	<b>197,340</b>	<b>203,314</b>	<b>205,885</b>	<b>202,109</b>	<b>203,157</b>
+/- m/m	6,470	5,942	5,974	2,571	(3,776)	1,048
% y/y	11.6%	14.2%	18.0%	20.4%	17.8%	18.3%
<b>Wisconsin</b>	<b>726,205</b>	<b>730,581</b>	<b>725,793</b>	<b>681,284</b>	<b>685,682</b>	<b>689,585</b>
+/- m/m	(8,962)	4,376	(4,788)	(44,509)	4,398	3,903
% y/y	21.6%	13.7%	6.0%	-6.0%	-6.6%	-7.5%

In the discussion below, we describe recent enrollment trends in the states where we track data.

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 totals, while others reflect an end-of-the-month snapshot. Second, in some cases the data is comprehensive in that it covers 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 managed Medicaid 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 reported by publicly traded Medicaid MCOs. Consequently, the data we review in Table 1 and throughout the *In Focus* section, 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.

## State Specific Analysis

### Arizona

#### Medicaid Expansion Status: Expanded January 1, 2014

Arizona's MCO enrollment, particularly in the ALTCS (Arizona's Managed Long Term Care) program, remained stable over the last quarter of 2013 and the first quarter of 2014. In Q4 2013, Arizona's acute care program enrollment declined by more than 23,000 beneficiaries. However, through the first two quarters of 2014, Arizona's MCO enrollment has increased by more than 164,000 lives, up 13.4 percent from June 2013.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Acute Care	1,046,301	1,061,183	1,086,733	1,132,732	1,172,388	1,209,423
ALTCS	54,600	54,694	54,760	54,964	55,102	55,294
<b>Total Arizona</b>	<b>1,100,901</b>	<b>1,115,877</b>	<b>1,141,493</b>	<b>1,187,696</b>	<b>1,227,490</b>	<b>1,264,717</b>
+/- m/m	452	14,976	25,616	46,203	39,794	37,227
% y/y	-1.2%	0.5%	2.9%	6.8%	10.3%	13.4%

### California

#### Medicaid Expansion Status: Expanded January 1, 2014

Medi-Cal's managed care expansion into rural counties of the state first appeared in November 2013 enrollment data, adding roughly 180,000 new beneficiaries in Q4 2013. Q1 2014 enrollment data appears to show significant enrollment increases due to the Medicaid expansion, with enrollment up nearly 1.4 million through April 2014, bringing total enrollment up to nearly 7.4

million, a 65 percent increase over March 2013. Additionally, California saw its first duals demonstration enrollments in the Cal MediConnect program in April.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Two-Plan Counties	4,387,858	4,492,936	4,576,634	4,661,516	4,758,111	
Imperial/San Benito	48,751	53,765	51,891	52,483	54,186	
Regional Model	155,565	178,893	167,552	174,192	179,309	
GMC Counties	661,323	692,079	705,233	723,878	747,795	
COHS Counties	1,425,597	1,478,473	1,520,329	1,569,893	1,638,448	
Duals Demonstration				3,445	15,322	
<b>Total California</b>	<b>6,679,094</b>	<b>6,896,146</b>	<b>7,021,639</b>	<b>7,185,407</b>	<b>7,393,171</b>	
+/- m/m	653,118	217,052	125,493	163,768	207,764	
% y/y	34.6%	32.8%	35.0%	64.0%	65.6%	

## Florida

### Medicaid Expansion Status: Not Expanded

Florida began to roll-out its statewide Medicaid managed care program (MMA) in Q2 2014, adding an estimated 650,000 new enrollees in May and June 2014, and bringing final Q2 enrollment above 2.2 million, a 50 percent increase from June 2013. *Note: June 2014 FL Healthy Kids enrollment was not available at the time of publication. HMA has estimated FL Healthy Kids enrollment at 270,000, in line with the slight decline in enrollment over the first five months of 2014.*

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
MMCP	1,058,116	1,061,018	1,052,341	1,035,739	860,401	507,307
Reform Pilot	163,990	161,898	160,134	154,359	91,014	86,577
MMA					559,501	1,254,314
SMMC LTC	48,451	66,359	84,032	82,959	83,446	83,576
FL Healthy Kids	286,673	285,468	287,398	289,104	281,881	270,000
<b>Total Florida</b>	<b>1,557,230</b>	<b>1,574,743</b>	<b>1,583,905</b>	<b>1,562,161</b>	<b>1,876,243</b>	<b>2,201,774</b>
+/- m/m	57,340	17,513	9,162	(21,744)	314,082	325,531
% y/y	5.8%	7.0%	7.6%	6.1%	27.5%	49.6%

## Georgia

### Medicaid Expansion Status: Not Expanded

Georgia has not reported Medicaid managed care enrollment numbers beyond February 2014, when total enrollment stood at 1.13 million, down 0.3 percent from the previous year.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Georgia</b>	<b>1,099,580</b>	<b>1,129,986</b>				
+/- m/m	(17,138)	30,406				
% y/y	-3.2%	-0.3%				

## Hawaii

### Medicaid Expansion Status: Expanded in 2014

Hawaii's managed care enrollment in both the QUEST managed Medicaid and QUEST Expanded Access (QExA) managed Medicaid aged, blind, and disabled (ABD) programs topped 312,000 as of January 2014, up 8.9 percent from the previous year. Without enrollment data for most of Q1 and Q2, it is too early to

see significant impact from the Medicaid expansion, especially considering Hawaii's organic managed care enrollment growth over the previous year.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Total QUEST	264,698					
Total QExA	47,601					
<b>Total Hawaii</b>	<b>312,299</b>					
+/- m/m	8,827					
% y/y	8.9%					

## Illinois

### Medicaid Expansion Status: Expanded January 1, 2014

As of December 2013, Illinois managed care plans enrolled more than 313,000 Medicaid lives, up nearly 17 percent from the previous year. Enrollment in the Integrated Care Program (ICP), which serves Medicaid aged, blind, and disabled (ABD) recipients, continues to increase as geographic expansion progresses. March 2014 enrollment data shows the first month of ICP enrollment in the city of Chicago, although only 2,370 of an estimated 69,000 ICP beneficiaries have been enrolled. As of May 2014, more than 340,000 beneficiaries were enrolled in managed care, up 26 percent from the previous year. The first enrollments in Illinois' duals demonstration, known as the Medicare-Medicaid Alignment Initiative (MMAI) occurred in March 2014. Medicaid expansion impacts will not begin to appear until July 2014 at the earliest, when mandatory managed care enrollment rollout begins in 5 regions.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Voluntary MCO	255,211	255,296	255,580	256,287	254,363	
Integrated Care Program	60,243	60,429	62,668	68,564	83,226	
Duals Demonstration			192	455	2,831	
<b>Total Illinois</b>	<b>315,454</b>	<b>315,725</b>	<b>318,440</b>	<b>325,306</b>	<b>340,420</b>	
+/- m/m	2,412	271	2,715	6,866	15,114	
% y/y	17.0%	16.6%	17.3%	20.7%	26.0%	

## Indiana

### Medicaid Expansion Status: Not Expanded, Pending Debate

This is the fourth quarter we have presented Indiana managed care enrollment across Hoosier Healthwise, Care Select, and Healthy Indiana Program (HIP). As of June 2014, Indiana enrolled more than 772,600 across these three programs, up 1.1 percent from June 2013.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Hoosier Healthwise	676,801	684,547	689,939	674,553	682,677	688,410
Care Select	33,319	32,523	36,248	33,974	32,860	36,638
HIP	35,107	38,378	41,915	46,718	43,450	47,581
<b>Indiana Total</b>	<b>745,227</b>	<b>755,448</b>	<b>768,102</b>	<b>755,245</b>	<b>758,987</b>	<b>772,629</b>
+/- m/m	(8,338)	10,221	12,654	(12,857)	3,742	13,642
% y/y						1.1%

## Kentucky

## Medicaid Expansion Status: Expanded January 1, 2014

This is also the fourth quarter we have been able to present managed care enrollment in Kentucky. As of June 2014, Kentucky enrolled more than 927,000 beneficiaries in risk-based managed care. Kentucky has added nearly 260,000 new Medicaid enrollees to managed care in Q1 and Q2 2014, with total enrollment up 38.1 percent from Q3 2013.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Kentucky</b>	<b>738,751</b>	<b>805,054</b>	<b>857,312</b>	<b>943,111</b>	<b>927,825</b>	<b>927,211</b>
+/- m/m	69,814	66,303	52,258	85,799	(15,286)	(614)
% y/y						38.1%

## Louisiana

## Medicaid Expansion Status: Not Expanded

Louisiana's Bayou Health Medicaid managed care program enrollment peaked at around 900,000 Medicaid beneficiaries in early 2013. Enrollment has declined since, down roughly 2.6 percent as of January 2014. Since then, enrollment is up more than 21,000, at more than 896,000, in line with June 2013.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Louisiana</b>	<b>875,053</b>	<b>879,173</b>	<b>881,193</b>	<b>884,762</b>	<b>890,661</b>	<b>896,262</b>
+/- m/m	(7,225)	4,120	2,020	3,569	5,899	5,601
% y/y	-2.6%	-2.6%	-2.2%	-1.6%	-0.9%	0.0%

## Maryland

## Medicaid Expansion Status: Expanded January 1, 2014

Since expanding Medicaid as of January 1, 2014, Maryland Medicaid managed care enrollment has increased by more than 256,000 beneficiaries, up 33.8 percent in May 2014 over the previous year.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Maryland</b>	<b>930,784</b>	<b>974,315</b>	<b>1,007,698</b>	<b>1,044,684</b>	<b>1,084,026</b>	
+/- m/m	102,905	43,531	33,383	36,986	39,342	
% y/y	16.7%	22.2%	25.3%	29.5%	33.8%	

## Michigan

## Medicaid Expansion Status: Expanded April 1, 2014

Michigan Medicaid managed care enrollment has increased by more than 256,000 beneficiaries over Q1 and Q2 2014. As of June 2014, managed care enrollment is a just over 1.5 million, up 20.6 percent from the previous year.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Michigan</b>	<b>1,254,940</b>	<b>1,271,576</b>	<b>1,271,741</b>		<b>1,363,273</b>	<b>1,500,937</b>
+/- m/m	10,535	16,636	165	N/A	91,532	137,664
% y/y	1.4%	2.8%	2.8%		9.3%	20.6%

## Missouri

**Medicaid Expansion Status: Not Expanded**

Missouri managed care enrollments in both the Medicaid and CHIP programs have declined noticeably over the second half of 2013, with the first half of 2014 continuing this trend. Despite an increase in enrollment in May and June, total enrollment is down 7.5 percent from the previous year.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Total Medicaid	354,913	349,364	346,349	339,851	344,355	357,147
Total CHIP	44,401	44,264	43,805	42,734	42,749	41,710
<b>Total Missouri</b>	<b>399,314</b>	<b>393,628</b>	<b>390,154</b>	<b>382,585</b>	<b>387,104</b>	<b>398,857</b>
+/- m/m	(2,693)	(5,686)	(3,474)	(7,569)	4,519	11,753
% y/y	-4.6%	-6.6%	-7.5%	-9.1%	-7.4%	-4.0%

## New York

**Medicaid Expansion Status: Expanded January 1, 2014**

New York's Medicaid managed care programs collectively enrolled more than 4.36 million beneficiaries as of June 2014, up 9.2 percent over the previous year. This, despite modest declines in Family Health Plus, is likely due to outmigration into the state's Exchange.

*Note: While these reported numbers show an increase in net overall enrollment of more than 310,000, and nearing 400,000 new enrollees in mainstream Medicaid MCOs in the first half of 2014, these numbers are lower than those cited by state officials which are north of 500,000, which may be due to a delay in enrollment information and verification due to individuals enrolling in Medicaid through the state Exchange portal.*

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Mainstream MCOs	3,580,631	3,588,763	3,624,007	3,747,724	3,876,986	3,964,905
Family Health Plus	341,859	342,202	338,008	313,668	289,476	258,485
Managed LTC	119,827	120,865	121,210	123,063	124,549	125,416
Medicaid Advantage	10,672	10,884	10,794	10,772	10,814	10,953
Medicaid Advantage Plus	4,930	4,952	4,644	5,190	5,340	5,427
<b>Total New York</b>	<b>4,057,919</b>	<b>4,067,666</b>	<b>4,098,663</b>	<b>4,200,417</b>	<b>4,307,165</b>	<b>4,365,186</b>
+/- m/m	3,113	9,747	30,997	101,754	106,748	58,021
% y/y	2.9%	2.5%	4.1%	5.7%	7.8%	9.2%

## Ohio

**Medicaid Expansion Status: Expanded January 1, 2014**

January 2014 enrollment sat at just over 1.7 million, up 3.5 percent from March 2013. Managed care enrollment ticked up noticeably in April and May 2014. This is partially due to the first enrollments in the MyCare Ohio duals demonstration, for which the first enrollments were reported in May. As of May 2014, enrollment in the state's three managed care programs is more than 1.75 million, up 5.6 percent from May 2013.



	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
CFC Program	1,527,918	1,523,766	1,510,273	1,556,077	1,576,866	
ABD Program	173,568	174,077	173,818	174,898	175,023	
Duals Demonstration					25,882	
<b>Total Ohio</b>	<b>1,701,486</b>	<b>1,697,843</b>	<b>1,684,091</b>	<b>1,730,975</b>	<b>1,751,889</b>	
+/- m/m	(648)	(3,643)	(13,752)	46,884	20,914	
% y/y	3.5%	3.5%	2.7%	4.3%	5.6%	

## Pennsylvania

### Medicaid Expansion Status: Not Expanded, Pending Debate

2013 brought significant growth in the Pennsylvania HealthChoices program due to its expansion into the New East and New West regions. Enrollments through the first four months of 2014 have shown slight month-to-month enrollment increases, with net new enrollments of 25,000 so far in 2014. April 2014 enrollment sits at 1.65 million, up 2 percent from the prior year.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Pennsylvania</b>	<b>1,629,291</b>	<b>1,633,080</b>	<b>1,645,031</b>	<b>1,650,848</b>		
+/- m/m	3,497	3,789	11,951	5,817		
% y/y	26.0%	15.3%	16.9%	2.0%		

## Tennessee

### Medicaid Expansion Status: Not Expanded

Tennessee's TennCare Medicaid managed care program ended Q1 2014 at roughly 1.22 million total enrollees, up 2.6 percent from the previous year. As of publication, no Q2 2014 data has been made available. This is typical, as Tennessee typically delays enrollment data by approximately three months.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Tennessee</b>	<b>1,190,466</b>	<b>1,207,294</b>	<b>1,222,896</b>			
+/- m/m	5,783	16,828	15,602			
% y/y	-0.8%	0.7%	2.6%			

## Texas

### Medicaid Expansion Status: Not Expanded

Through December 2013, Texas reports enrollment of just under 3.4 million beneficiaries across the four managed care programs detailed below, down 4.0 percent from the prior year. As of the time of publication, Q1 and Q2 2014 enrollment data was not publicly available.

## Washington

### Medicaid Expansion Status: Expanded January 1, 2014

As of December 2013, Washington Medicaid managed care enrollment stood at 818,400. Over the first five months of 2014, enrollment has increased by nearly 365,000, bringing May 2014 total enrollment up to 1.18 million, a 47.3 percent increase over the previous year.



	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total Washington</b>	<b>935,337</b>	<b>1,021,170</b>	<b>1,062,776</b>	<b>1,113,553</b>	<b>1,183,203</b>	
+/- m/m	116,938	85,833	41,606	50,777	69,650	
% y/y	16.4%	27.2%	31.8%	39.7%	47.3%	

### West Virginia

#### Medicaid Expansion Status: Expanded January 1, 2014

West Virginia managed care enrollments have grown significantly in Q4 2013 and through Q2 2014. As of October 2013, 170,700 beneficiaries were enrolled in managed care plans, up just 1.1 percent from the year prior. As of June 2014, managed care enrollment is above 203,000, an increase of 18.3 percent over the prior year.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
<b>Total West Virginia</b>	<b>191,398</b>	<b>197,340</b>	<b>203,314</b>	<b>205,885</b>	<b>202,109</b>	<b>203,157</b>
+/- m/m	6,470	5,942	5,974	2,571	(3,776)	1,048
% y/y	11.6%	14.2%	18.0%	20.4%	17.8%	18.3%

### Wisconsin

#### Medicaid Expansion Status: Not Expanded

Across the state's three managed care programs, June 2014 enrollment totals more than 689,500, down 7.5 percent from the year before.

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
BadgerCare+	651,066	655,439	650,752	605,747	609,912	613,216
SSI	33,698	33,765	33,747	33,972	34,109	34,682
LTC	41,441	41,377	41,294	41,565	41,661	41,687
<b>Total Wisconsin</b>	<b>726,205</b>	<b>730,581</b>	<b>725,793</b>	<b>681,284</b>	<b>685,682</b>	<b>689,585</b>
+/- m/m	(8,962)	4,376	(4,788)	(44,509)	4,398	3,903
% y/y	21.6%	13.7%	6.0%	-6.0%	-6.6%	-7.5%

Health Management Associates also collects monthly enrollment data for the health plans in these 20 states. For more information, contact Andrew Fairgrieve at: [afairgrieve@healthmanagement.com](mailto:afairgrieve@healthmanagement.com)



## HMA MEDICAID ROUNDUP

### Arizona

**Arizona Issues Behavioral Health RFP.** On July 7, 2014, Arizona's Department of Health Services issued a RFP for two managed behavioral health entities to provide integrated behavioral and physical health services to Medicaid eligible adults (including duals) with severe mental illness (SMI). Dual eligible adults with SMI will also be included and contractors will serve them through a D-SNP model. The state intends to award one contract in each of the two geographic service areas (GSAs). The two GSAs (North and South) cover all Arizona counties excluding Maricopa County, which is already operating a behavioral health model. The same contractor may not operate in both GSAs. Additionally, the RFP also includes the provision of behavioral health services to non-Medicaid eligible children and adults for which the agency receives funding. A pre-offer conference will be held on July 31, 2014, and proposals are due on October 9, 2014. [Read more](#)

### California

#### HMA Roundup – Alana Ketchel

**LA County Begins Passive Enrollment in Duals Demo.** On July 2, 2014, the *California Healthline* reported that the California dual eligible demonstration began passive enrollment in the largest participating county, Los Angeles, on July 1. On the first day of enrollment, 26,759 individuals were newly enrolled into Cal MediConnect, raising the total for the five counties currently enrolled to 49,966. LA Care, one of the largest providers, will not begin passive enrollment until January 2015. [Read more](#)

**Class Action Lawsuit Filed Against Anthem Blue Cross for Allegedly Misleading Enrollees About Their Coverage.** On July 9, 2014, *Kaiser Health News* reported that Consumer Watchdog has filed a class action lawsuit against Anthem Blue Cross, the state's largest individual health insurer, for allegedly misleading enrollees about whether their doctors and hospitals were participating in the insurer's new plans. The lawsuit also claims that the insurer failed to disclose that it had stopped offering any plans with out-of network coverage in Los Angeles, Orange, San Francisco and San Diego counties. As a result, many consumers now owe thousands of dollars in medical bills and are unable to see their long-time doctors. [Read more](#)

**San Francisco Supervisors Enact Laura's Law.** On July 8, 2014, KQED's State of Health blog reported that the San Francisco Board of Supervisors agreed to adopt "Laura's Law," a piece of legislation that would compel certain people

with mental illness to receive treatment. The law also calls for an external evaluation of the program after three years. San Francisco joins Nevada, Orange, and Yolo counties in adopting the law. [Read more](#)

**Duals Demonstration Faces Lawsuit.** On July 7, 2014, the *California Healthline* reported that stakeholders filed a lawsuit against Cal MediConnect, stating that the process to enroll in the duals demonstration is misleading and confusing. The stakeholders also cited problems with the program's implementation. The suit was filed in Superior Court by the Los Angeles County Medical Association. The lawsuit asks for a preliminary injunction to halt the demonstration. [Read more](#)

**Rate Regulation Ballot Measure Being Debated.** On July 2, 2014, the *Los Angeles Times* reported on a legislative hearing regarding the merits of Proposition 45, a ballot measure that would give the State Insurance Commissioner new authority to regulate health insurance rates. Currently, the Insurance Commissioner can only state that rates are unreasonable but cannot force plans to lower them. Challengers to Proposition 45 are concerned it would grant the state too much power over health plans and undermine health reform efforts. [Read more](#)

## Colorado

**Connect for Health Officials Expect More Enrollees to Drop Health Coverage.** On July 8, 2014, the *Denver Post* reported that the Connect for Health exchange is expecting nearly 26 percent of enrollees to drop or decline to pay their policies, resulting in \$1 million less in revenue this fiscal year. Exchange staff originally projected about half this many people would drop or not pay their policies. As the exchange moves toward financial self-sustainability, exchange officials are discussing strategies for mitigating such losses in the future. [Read more](#)

## Florida

### HMA Roundup – Elaine Peters

**State Claims Transition to Medicaid Managed Care Will Increase Access to Care, but Federal Judge Rules It is Too Early to Tell.** On July 8, 2014, *AP* reported on the ongoing legal proceedings from a 2005 lawsuit filed by the Florida Pediatric Society against the Agency for Health Care Administration, claiming that the care provided to children in Florida's Medicaid program is inadequate. Attorneys for the Florida Pediatric Society argue that state lawmakers have consistently failed to provide sufficient funding to raise Medicaid reimbursement rates. They further argued that physicians in the state have been deterred by low Medicaid reimbursements and thus chose not to treat patients, significantly limiting access to care for children. The state argues that the continuing transition of Medicaid patient care to a managed-care system will improve doctor participation and reimbursement rates, and that the lawsuit is therefore moot. But federal Judge Adalberto Jordan dismissed the argument this week, explaining that the verdict is still out on whether the transition to Medicaid managed-care is in fact improving access to care. [Read more](#)

**Florida Becomes First State to Offer a Medicaid Health Plan for Beneficiaries with Serious Mental Illnesses.** On July 5, 2014, the *Pensacola News Journal/Kaiser Health News* reported that Florida has begun offering a Medicaid

health plan designed exclusively for people with serious mental illnesses. Florida is the first state to offer such a plan through Medicaid. The plan, which is offered by Magellan Complete Care, is part of an effort to coordinate physical and mental health care for Medicaid beneficiaries. About 140,000 Floridians are likely to be eligible, and Magellan predicts that about 20,000 will sign up voluntarily in the first year. Plan officials say that they have built a large enough network that most new members will not have to change providers. [Read more](#)

**Federal Audit Identifies \$267 Million Overpayment to Florida's Low Income Pool.** On July 3, 2014, the *Tampa Bay Times* reported that Florida hospitals stand to lose \$267 million in Medicaid Low Income Pool (LIP) funds, which the federal government claims represent overpayments. While Florida opted not to expand Medicaid under the ACA, the state continues to receive \$1 billion each year in LIP payments. A recent federal audit discovered the overpayment to the state's LIP; the federal government now wants to recover the entire amount this year, a move that would significantly affect safety-net hospitals that rely on LIP funds to treat the poor. [Read more](#)

## Georgia

### HMA Roundup – Mark Trail

**Georgia Health Insurance Exchange Expecting Increased Competition in 2015.** On July 2, 2014 *Georgia Health News* reported on which insurers will be participating in Georgia's health insurance exchange in 2015. A total of nine insurers are submitting proposals to offer exchange plans in 2015, up from five this year. At least three of these insurers plan to offer insurance plans statewide, up from just one (Blue Cross and Blue Shield of Georgia) this year. [Read more](#)

## Idaho

**Idaho Medicaid Cuts Coverage for Psycho-Social Rehabilitation.** On July 9, 2014, the *Idaho Statesman*/ the *Idaho Falls Post Register* reported that Optum Idaho, the state's contracted administrator of Medicaid-reimbursed outpatient behavioral health services, is cutting coverage for psycho-social rehabilitation services. Psycho-social rehabilitation, which involves trained professionals teaching patients the skills they need to cope with their behavioral disturbances, is considered by many with behavioral conditions to be critical for helping them function in society. [Read more](#)

**Idaho Asks Supreme Court to Consider Medicaid Reimbursement Challenge.** On July 3, 2014, *AP*/ the *Spokesman Review* reported that the state of Idaho has filed a petition asking the U.S. Supreme Court to consider a 2009 lawsuit challenging the state's Medicaid reimbursement rates. The original lawsuit was filed by five providers, who argued that the state's Medicaid rates were too low because they were kept at 2006 reimbursement levels. A federal judge ruled against the state in 2011, ordering the Idaho Department of Health and Welfare to increase reimbursement rates. Attorney General Lawrence Wasden argues that the ruling "incorrectly permits private parties to interfere with the administration of the state's Medicaid program and the Legislature's choices regarding that program." [Read more](#)

## Iowa

**Iowa Medicaid Director Jennifer Vermeer Steps Down.** On July 8, 2014, the Iowa City Press Citizen reported that State Medicaid Director Jennifer Vermeer is stepping down to become assistant vice president of medical affairs at the University of Iowa Health Care. Vermeer has run the state's Medicaid program since 2008. Deputy Medicaid Director Julie Lovelady will serve as interim director while the Department of Human Services conducts a national search for a new director. [Read more](#)

## Louisiana

**Legislators Seek Information on the Costs and Efficacy of the Bayou Health Medicaid Managed Care Model.** On July 9, 2014, the *Advocate* reported that federal and state officials continue to ask the administration of Governor Bobby Jindal for data comparing the costs of the "Bayou Health" privatized Medicaid model implemented in the state compared to the costs of traditional government-provided Medicaid. Administration officials explain that calculating the cost of the private model has been challenging, but legislators continue to push for the data as the state tries to determine how or if it will revamp the model to cover nearly 900,000 Medicaid beneficiaries over the next few years. [Read more](#)

**Audit Finds State Made \$2.7 Million in Incorrect Payments for Medicaid Coverage for Prisoners.** On July 9, 2014, the *Advocate* reported on a legislative auditor's report which found that the Louisiana Department of Health and Hospitals incorrectly paid \$2.7 million for Medicaid coverage for prisoners from February 2012 to December 2013. DHH Medicaid Director Ruth Kennedy concurred with the audit findings and said the state is working to recover the payments. DHH Chief of Staff Calder Lynch said that the department is also developing an electronic notification system that will allow prison officials to provide information on when an inmate arrives at and leaves prison, which will help prevent incorrect payment in the future. [Read more](#)

## Massachusetts

**State Commission Questions Partners HealthCare's Plan to Acquire Hallmark Health System.** On July 2, 2014, the *Boston Globe* reported that the Massachusetts Health Policy Commission has raised concerns that the potential acquisition of Hallmark Health System by Partners HealthCare could increase spending on medical care and therefore increase premiums for employers and consumers. The Commission believes that allowing Partners, which is the state's largest and highest-paid health care system, to absorb Hallmark will give the system too much market power and drive up health care costs around the region. The panel has asked Partners and Hallmark to submit more information detailing exactly how the merger will improve clinical quality. [Read more](#)

## Michigan

**Healthy Michigan Announces Latest Enrollment Numbers.** On July 7, 2014, the Michigan Department of Community Health (DCH) reported that 317,931 Michiganders have signed up for insurance through the Healthy Michigan insurance exchange since the exchange opened in April 2014. DCH provides enrollment by county on its website. [Read more](#)

## New Jersey

### HMA Roundup – Karen Brodsky

**Medicaid Fee-for-Service Will Pay for MLTSS Services for Medicaid-eligible Individuals Who Are Not Yet Enrolled in a Health Plan.** The Department of Human Services, Division of Medical Assistance and Health Services (DMAHS) notified Medicaid providers of waiver services that they will process claims for individuals with Medicaid who are in need of long term services and supports, but who have not yet enrolled with a managed care organization (MCO). Managed Long Term Services and Supports (MLTSS) began statewide on July 1, 2014, transferring the long term care needs of individuals in four waiver programs to their MCO. But a small number of enrollees must first select an MCO or be auto-assigned if they do not select one, and their MCO enrollment will not become effective until August or September of this year. If these enrollees require waiver services prior to the effective date of MCO membership, Medicaid providers are urged to continue the provision of waiver services during the transitional months of July and August and to bill Medicaid Fee-for-Service if the member is Medicaid eligible but not yet enrolled in an MCO. DMAHS has included a complete set of Medicaid's MLTSS Frequently Asked Questions in its July [newsletter](#).

**Division of Mental Health and Addiction Services Releases RFP for Development of Psychiatric Involuntary Inpatient Beds.** On June 30, 2014, Lynn Kovich, the Assistant Commissioner of the Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) issued a Request for Proposals (RFP) to develop involuntary inpatient care in community-based settings for individuals recovering from mental illness. This will serve as an alternative to state psychiatric hospitalization. The average length of stay for involuntary inpatient care is 22 days. DMHAS is seeking proposals that will serve a minimum of 44 total diversionary beds for adults ages 18 and over, including the elderly population. A maximum annualized amount of \$8,581,875 is available to support this request. Awardees must be operational by January 1, 2015. A mandatory bidders conference is scheduled for Monday, July 14, 2014 at 10:00am at DMHAS offices, 222 S. Warren Street, First Floor Conference Room, Trenton, New Jersey. Bidders should pre-register for the bidders conference by telephoning Cindy Hamilton at 609-777-0678 or via email at [cindy.hamilton@dhs.state.nj.us](mailto:cindy.hamilton@dhs.state.nj.us). Proposals are due by August 8, 2014. [Read more](#)



## New York

### HMA Roundup – Denise Soffel

**Insurance Rate Requests.** New York's prior insurance rate approval law requires all health insurers to file their requested rates with the Department of Financial Services (DFS), where they are subject to public comment and review and approval by the Department. Rate changes for 2015 were posted on the [DFS web site](#), providing a year-over-year percentage change in rates by insurance product, including products offered through the health exchange. Proposed rate changes for individual plans offered through the exchange ranged from a decrease of over 12 percent (Affinity Health Plan) to an increase of 20 percent (Excellus). Health Republic, the CO-OP plan, proposed rate increases of 15 percent. The proposed rate increases indicate only what the insurance companies are requesting. In 2014, insurers requested 9.5 percent increases on average in premiums for individual plans, but DFS approved, on average, a 4.5 percent increase.

**DSRIP Design Grant Applications.** The Department of Health has [posted](#) the applications it received from emerging Performing Provider Systems to receive money to help them plan and design their DSRIP applications. The state received 50 applications for these design grants and will announce awards on August 1. They expect the average grant to be \$500,000, although requests ranged from a low of \$340,000 (Health Alliance of the Hudson Valley) to a high of over \$14 million (American Dental Offices, PLLC). The state has indicated that it is encouraging PPS applicants to consider partnering with others in the same region, and may ultimately require consolidation. New York City had 20 applications, including seven from the NYC Health and Hospitals Corporation, the city's public hospital system. The terms and conditions of the DSRIP program indicate that half of the \$6.4 billion will be allocated to the state's five public hospital systems, and half to all other providers.

**MMIS System Contract.** On July 2, 2014, *Capital New York* reported that New York's decision to award a \$550 million Medicaid management system contract to Xerox has been challenged by two competitors, Hewlett-Packard (HP) and Computer Sciences Corporation (CSC), which allege the contract was improperly awarded. HP and CSC filed complaints with the state comptroller's office, which is responsible for approving the contract. In deciding whether or not to approve such a contract, the comptroller considers a variety of factors, including applicable statutory, regulatory, and policy requirements; that the selection was done fairly; and that costs and contract language are reasonable. [Read more](#)

**Interim Access Assurance Fund Awards.** NYS has awarded \$462 million from the Interim Access Assurance Fund (IAAF) to 22 safety net hospitals and five major public hospital systems. The awards are meant to assist the hospitals in sustaining key health care services as they develop their proposals for systems of integrated services delivery to be funded and implemented through the Delivery System Reform Incentive Payment (DSRIP) program. The temporary funding available through the IAAF will allow these hospitals to maintain critical services to their communities as they develop integrated Performing Providers Systems (PPS) to be supported by DSRIP funds.

The Department evaluated applications from safety net hospitals based on established eligibility criteria, including federal designation as a Critical Access



Hospital, the degree to which the hospital served Medicaid and uninsured individuals, and the hospital's overall financial health. The NYC Health and Hospitals Corporation received the largest award – \$152 million. Awards to the non-public, safety net hospitals ranged from \$53 million to Brookdale Hospital, to \$286,649 to Rome Memorial Hospital. Seventy percent of the safety net awards went to NYC hospitals, with over three-quarters of that going to four Brooklyn hospitals. [Read more](#)

## North Carolina

**Legislative Budget Negotiators Read Agreement on Medicaid Spending for State Budget.** On July 2, 2014, *AP*/the *Charlotte Observer* reported that the North Carolina Senate's budget negotiators have accepted the House's offer to earmark another \$323 million for possible Medicaid cost overruns in the coming year. The Senate's original budget included \$250 million more in Medicaid funding than the House's budget; this funding disagreement led to a deadlock that forced the fiscal year to begin last week without critical decisions on adjustments for next year's budget. Legislators and Governor McCrory had a harder time calculating Medicaid spending because of problems with the computer systems handling Medicaid invoices and enrollment applications. [Read more](#)

## Pennsylvania

### HMA Roundup – Matt Roan

**Pittsburgh Area Community Hospitals Plan to Continue Accepting Both Highmark and UPMC Enrollees.** On July 8, 2014, the *Observer-Reporter* reported that Moody's Investors Services issued a report last week touting an agreement between Highmark and UPMC brokered by Governor Corbett and Attorney General Kathleen Kane as a "significant breakthrough" in the ongoing dispute between the two western PA healthcare giants. According to Moody's, the stalemate between the two companies created uncertainty, particularly around whether Highmark could retain its employer-sponsored health plan clients if UPMC facilities left the Highmark network. The agreement, which lays out a five year transition plan during which many UPMC facilities will still be available as "in network" options for Highmark enrollees, provides Highmark with time to more fully develop its own delivery system through the Allegheny Health Network. According to the Moody's analysts, this should improve Highmark's ability to retain its employer-sponsored plan clients for at least another year. [Read more](#)

**New Licensure Requirements for Prosthetics Suppliers Will Likely Be Delayed.** On July 3, 2014, the *Pittsburgh Tribune-Review* reported that a new licensure requirement on suppliers of prosthetic and orthotic devices, which was enacted in 2012 and scheduled to go into effect on July 6, may be postponed if Governor Corbett signs a bill passed by the General Assembly last week, which included a provision delaying the licensure requirement until March of 2015. The State Medical Board, which is tasked with processing license applications, has been challenged with processing the applications in a timely manner. As of late June the Board had received 584 applications, but had only issued 183 licenses. Approximately 250 applications contained discrepancies requiring follow-up with the applicants, and about 150 applications were still awaiting

review. The governor has until July 10 to sign the bill, which passed with veto-proof majorities in both the House and Senate. A spokesperson for the Governor did not answer questions when asked if the Governor would sign the bill last week. [Read more](#)

## Texas

### HMA Roundup – Lisa Duchon & Nico Nguyen

**25-Year Funding Plan Approved for New Medical School in Austin.** On July 7, 2014, the *Austin Business Journal*/ the *Austin American-Statesman* reported that the Central Health Board of Travis County approved an agreement to transfer \$35 million annually to the new University of Texas (UT) Dell Medical School over the next 25 years. The funding comes from a tax increase that Travis County voters approved in 2012. The UT System has also committed \$25 million in annual funding and \$40 million over the next eight years to support faculty recruitment; the Michael and Susan Dell Foundation pledged \$50 million over ten years. The medical school facility, which broke ground this spring, is expected to open in the fall of 2016 with an inaugural class of 50 students. Seton Healthcare Family and Central Health also approved plans for a new \$295 million teaching hospital on the medical school campus, expected to open in 2017. The new 211-bed Seton Medical Center will replace the University Medical Center-Brackenridge Hospital, Austin's safety-net hospital and the only Level-1 trauma facility in Central Texas. The combined teaching and research facilities are expected to generate up to 15,000 new jobs and \$2 billion per year in economic activity. [Read more](#)

## National

**GAO Report Finds Medicaid Pays Less for Drugs Than Other Federal Programs.** On July 7, 2014, *Modern Healthcare*/Crain's *Detroit Business* reported on a report from the Government Accountability Office (GAO) which shows that Medicaid pays significantly less for prescription drugs than Medicare and the Department of Defense, two other major government programs. Of the 45 brand-name and 33 generic drugs investigated in the study, Medicaid paid the lowest prices for 25 brand-name and three generic drugs. GAO explained that Medicaid receives more substantial rebates from drug manufacturers than other government healthcare programs, thus resulting in the program's lower payment for drugs. [Read more](#)

**White House Releases Report on Consequences of States Not Expanding Medicaid.** On July 2, 2014, the White House Council of Economic Advisers released a report entitled Missed Opportunities: The Consequences of State Decisions Not to Expand Medicaid, which details the effects of state decisions regarding Medicaid expansion on access to care, financial security, overall health and well-being of residents, and state economies. [Read more](#)

**DHHS Announces \$100 Million in Funding for New Health Center Sites.** On July 8, 2014, the U.S. Department of Health and Human Services announced the availability of \$100 million from the ACA to support an estimated 150 new health center sites across the country in 2015. The goal of the funding is to increase access to primary care services in underserved areas. The new sites will

add to the more than 550 health center sites that have opened in the last three years as a result of the ACA. [Read more](#)

**States Make Moves to Increase Access to Long-Term Care for Seniors.** On July 3, 2014, *Stateline* reported on state-based efforts to increase access to community-based, long-term care services for seniors while simultaneously keeping costs down for these states and seniors. AARP estimates that nearly one-third of all seniors will exhaust their resources during their lifetimes and will have to turn to Medicaid for long-term care. While the long-term care component of the ACA has been nixed, several states have devised ways for seniors to gain Medicaid eligibility for these services without having to liquidate their assets. [Read more](#)



## INDUSTRY News

**Columbia Memorial Hospital and Albany Medical Center Announce Plans for Strategic Affiliation.** On July 8, 2014, Albany Medical Center announced it has begun the process of forming a strategic affiliation with Columbia Memorial Hospital in order to improving operational efficiency and coordination of care for residents of Columbia and Greene counties. Under the affiliation, the governing boards, medical staffs, employees and fundraising arms from both institutions would remain separate. [Read more](#)

**Saint Mary's Hospital Announces Plans to Join the Tenet Hospital Network.** On July 8, 2014, Saint Mary's Hospital of Waterbury, Connecticut announced it will be acquired by a subsidiary of Tenet Healthcare Corporation. Proceeds from the transaction will be used to fully fund the Saint Mary's pension and eliminate hospital debt. Tenet has also agreed to invest in Greater Waterbury to support advancement in technology, clinical care, physician alignment and facilities. A Local Advisory Board will be established to provide oversight of hospital operations. Tenet currently operates 79 hospitals, 193 outpatient centers and a business process solutions provider. [Read more](#)

## RFP CALENDAR

Date	State	Event	Beneficiaries
TBD	Delaware	Contract awards	200,000
TBD	Indiana ABD	RFP Release	50,000
TBD	Washington Foster Care	RFP Release	23,000
July 14, 2014	Texas STAR Health (Foster Care)	Proposals Due	32,000
July 16, 2014	Texas NorthSTAR (Behavioral)	Contract Awards	840,000
Mid-July 2014	Texas STAR Kids	RFP Released	200,000
August 1, 2014	Florida acute care (Regions 1,7,9)	Implementation	750,200
August 11, 2014	Puerto Rico	Proposals Due	1,600,000
September 1, 2014	Texas Rural STAR+PLUS	Implementation	110,000
Late October 2014	Texas STAR Kids	Proposals Due	200,000
January 1, 2015	Michigan Duals	Implementation	70,000
January 1, 2015	Maryland (Behavioral)	Implementation	250,000
January 1, 2015	Delaware	Implementation	200,000
January 1, 2015	Hawaii	Implementation	292,000
January 1, 2015	Tennessee	Implementation	1,200,000
January 1, 2015	New York Behavioral (NYC)	Implementation	NA
January 1, 2015	Texas Duals	Implementation	168,000
January 1, 2015	New York Duals	Implementation	178,000
February 1, 2015	Washington Duals	Implementation	48,500
April 1, 2015	Rhode Island (Duals)	Implementation	28,000
September 1, 2015	Texas NorthSTAR (Behavioral)	Implementation	840,000
September 1, 2015	Texas STAR Health (Foster Care)	Implementation	32,000
September 1, 2016	Texas STAR Kids	Implementation	200,000

## DUAL ELIGIBLE FINANCIAL ALIGNMENT DEMONSTRATION CALENDAR

Below is a summary table of the progression of states toward implementing dual eligible financial alignment demonstrations in 2014 and 2015.

State	Model	Duals eligible for demo	RFP Released	RFP Response Due Date	Contract Award Date	Signed MOU with CMS	Opt-in Enrollment Date	Passive Enrollment Date	Health Plans
Arizona		98,235		Not pursuing Financial Alignment Model					
California	Capitated	350,000	X	3/1/2012	4/4/2012	3/27/2013	4/1/2014	5/1/2014 7/1/2014 1/1/2015	Alameda Alliance; CalOptima; Care 1st Partner Plan, LLC; Community Health Group Partner; Health Net; Health Plan of San Mateo; Inland Empire Health Plan; LA Care; Molina; Santa Clara Family Health Plan; WellPoint/Amerigroup (CareMore)
Colorado	MFFS	62,982				2/28/2014		7/1/2014	
Connecticut	MFFS	57,569						TBD	
Hawaii		24,189		Not pursuing Financial Alignment Model					
Illinois	Capitated	136,000	X	6/18/2012	11/9/2012	2/22/2013	4/1/2014	6/1/2014	Aetna; Centene; Health Alliance; Blue Cross Blue Shield of IL; Health Spring; Humana; Meridian Health Plan; Molina
Iowa		62,714		Not pursuing Financial Alignment Model					
Idaho		22,548		Not pursuing Financial Alignment Model					
Massachusetts	Capitated	90,000	X	8/20/2012	11/5/2012	8/22/2013	10/1/2013	1/1/2014	Commonwealth Care Alliance; Fallon Total Care; Network Health
Michigan	Capitated	105,000	X	9/10/2013	11/6/2013	4/3/2014	1/1/2015	4/1/2015	AmeriHealth Michigan; Coventry; Fidelis SecureCare; Meridian Health Plan; Midwest Health Plan; Molina Healthcare; UnitedHealthcare; Upper Peninsula Health Plan
Missouri		6,380		Not pursuing Financial Alignment Model					
Minnesota		93,165		Not pursuing Financial Alignment Model					
New Mexico		40,000		Not pursuing Financial Alignment Model					
New York	Capitated	178,000				8/26/2013	1/1/2015 4/1/2015	4/1/2015 7/1/2015	
North Carolina	MFFS	222,151						TBD	
Ohio	Capitated	114,000	X	5/25/2012	6/28/2012	12/11/2012	5/1/2014	1/1/2015	Aetna; CareSource; Centene; Molina; UnitedHealth
Oklahoma	MFFS	104,258						TBD	
Oregon		68,000		Not pursuing Financial Alignment Model					
Rhode Island	Capitated	28,000	X	5/12/2014	9/1/2014		4/1/2015		
South Carolina	Capitated	53,600	X			10/25/2013	7/1/2014	1/1/2015	Absolute Total Care (Centene); Advicare; Molina Healthcare of South Carolina; Select Health of South Carolina (AmeriHealth); WellCare Health Plans
Tennessee		136,000		Not pursuing Financial Alignment Model					
Texas	Capitated	168,000				5/23/2014	3/1/2015	4/1/2015	Amerigroup, Health Spring, Molina, Superior, United
Virginia	Capitated	78,596	X	5/15/2013	TBD	5/21/2013	3/1/2014	5/1/2014	Humana; Health Keepers; VA Premier Health
Vermont		22,000		Not pursuing Financial Alignment Model					
Washington	Capitated	48,500	X	5/15/2013	6/6/2013	11/25/2013	2/1/2015	4/1/2015	Regence BCBS/AmeriHealth; UnitedHealth
	MFFS	66,500	X			10/24/2012		7/1/2013; 10/1/2013	
Wisconsin	Capitated	5,500-6,000	X	Not pursuing Financial Alignment Model					
<b>Totals</b>	<b>11 Capitated 6 MFFS</b>	<b>1.35M Capitated 513K FFS</b>	<b>12</b>			<b>11</b>			

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

† Capitated duals integration model for health homes population.

---

## HMA NEWS

---

### ***HMA Webinar Replay: "The Value Proposition of Medicare ACOs"***

#### **Link to Webinar Replay**

On June 18, 2014 HMA's Accountable Care institute (ACI) presented "Medicare Accountable Care Organizations: The Value Proposition," the third in a three-part webinar series. HMA Principal Dr. Art Jones, MD, a pioneer in the accountable care movement, explored the financial considerations for establishing a Medicare ACO.

The first two webinars in this series can be accessed at the following links:

*"Becoming a Medicare Accountable Care Organization."*

*"The Medicare ACO: Effective Care Management and its Anticipated Implications."*

*Health Management Associates (HMA) is an independent health care research and consulting firm, specializing in the fields of health system restructuring, health care program development, health economics and finance, program evaluation, and data analysis. HMA is widely regarded as a leader in providing technical and analytical services to health care purchasers, payers, and providers, with a special concentration on those who address the needs of the medically indigent and underserved. Founded in 1985, Health Management Associates has offices in Atlanta, Georgia; Austin, Texas; Boston, Massachusetts; Chicago, Illinois; Denver, Colorado; Harrisburg, Pennsylvania; Indianapolis, Indiana; Lansing, Michigan; New York, New York; Olympia, Washington; Sacramento, San Francisco, and Southern California; Tallahassee, Florida; and Washington, DC. <http://healthmanagement.com/about-us/>*

*Among other services, HMA provides generalized information, analysis, and business consultation services to investment professionals; however, HMA is not a registered broker-dealer or investment adviser firm. HMA does not provide advice as to the value of securities or the advisability of investing in, purchasing, or selling particular securities. Research and analysis prepared by HMA on behalf of any particular client is independent of and not influenced by the interests of other clients.*