System Navigation for Children with Special Needs in the Era of Health Care Reform

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Disclosure Statement

➤ Nothing to disclose
Objectives

- Describe the impact of Health Care Reform on access to health insurance for children with special needs
- Describe the impact of Health Care Reform on coverage of specific services needed by children with special needs
- Describe the impact of Health Care Reform on reimbursement to professionals caring for children with special needs
What is Health Care Reform?

Federal Legislation
  – Affordable Care Act (ObamaCare)
    • Direct effects
    • Indirect effects

State Legislation
  – ACA Implementation Decisions
  – Changes to Medicaid, Children’s Health Insurance Program, Waivers
Access to Insurance

- Market Reforms
- Insurance Exchanges
- Changes in Medicaid and the Children’s Health Insurance Program (CHIP)
Market Reforms

- Pre-existing conditions cannot be considered when obtaining coverage
- No lifetime caps or maximums
- Annual caps or maximums on essential health benefits phased out by 2014
- No cancellation of policies (rescission)
- Family plans must cover dependent children until age 26
Insurance Marketplaces

- Individuals and families may purchase a policy on the exchange
- Child-only policies will be available
- Subsidies for families 133-400% the federal poverty line who cannot afford the full cost of policies
- Wide range of policies, from basic to comprehensive
“Family Penalty”

- For parents who could obtain insurance for children from their employer(s) but cannot afford it (employers not required to subsidize), their children are not eligible for federal subsidies for Marketplace policies.

- Employers are only required to subsidize employee policies.
Medicaid and CHIP

- States must maintain child Medicaid eligibility levels until 2020. Illinois AllKids covers children <300% Federal Poverty Level. CHIP funded until 2015.
- Medicaid Expansion for adults <138% of the Federal Poverty Level → implications for transition of care
- Expiring Medicaid Waivers may be discontinued or modified
  - Medically Fragile Technology Dependent Waiver changes
  - Illinois plans to consolidate all Medicaid waivers and services into a Section 1115 Demonstration Waiver
Access to Services

- Medicaid
- Private Insurance
Medicaid

- In Illinois all children eligible for state medical assistance get benefits from Medicaid’s Early Periodic Screening, Diagnosis and Treatment program (EPSDT)
  - All standard and “optional” categories of coverage must be covered for children if medically necessary
  - Utilization controls (medication limits, private duty nursing hours)
  - Does not apply to Medicaid expansion for adults
    → implications for transition of care
Private Insurance

All individual plans, small group plans and policies purchased on exchanges must cover 10 categories of essential health benefits (EHB).

Large employer plans and self-insured plans not governed by essential health benefits.
Private Insurance: EHB

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services including dental and vision
Determining Essential Health Benefits

- Each state may use its own benchmark plan to determine EHBs.
- The amount of services covered per category will vary by state.
- Not as comprehensive as Medicaid’s EPSDT guarantee.
EHB: Pediatric Services

- Dental and vision care primarily
- Uses benchmarks to determine what should be covered
- In many states, will be based on Medicaid coverage
- Advocates favored equivalence to EPSDT, but federal government deferring to states and insurers
EHB: Therapies

- Covers Rehabilitative and Habilitative Services and Devices
- Because Habilitative Services are not uniformly defined, states will have great latitude in determining what is covered
- Limitations on quantities of services
- Coverage is likely to be less comprehensive than Medicaid, but reimbursed at higher rates
Provider Reimbursement

- Rate Changes
- Fee Structures
- Health Homes and Care Coordination Entities
Physician Rate Changes

- Primary care pediatricians will see an increase in Medicaid rates to Medicare rates in 2013 and 2014
- Pediatric subspecialists included
- No change in which codes are reimbursed
Fee Structures

- Current model is Fee for Service
- Movement toward managed care and Accountable Care Organizations in both Medicaid and private market
- Changing incentives
  - Quality
  - Volume
Health Homes

- Optional program for states to support primary care to people with two or more chronic conditions
- Federal government will pay 90% of costs for two years
- Illinois pursuing Health Home funding through care coordination entities (CCE) for:
  - Seniors and Persons with Disabilities
  - Children with Complex Medical Needs
By January 1, 2015, 50% of Illinois Medicaid clients are to be enrolled in some form of care coordination or a managed care system with risk-based payments.

Within a 3-year period of time, all fee for service and all models of care will be converted to full capitation.
In addition to existing Managed Care Organizations (MCOs), new models are being developed:

- Care Coordination Entities (CCEs) for seniors and persons with disabilities
- CCEs for children with complex medical needs
- Managed Care Community Networks (MCCN)
- MCOs for seniors and persons with disabilities
- Accountable Care Entities for non-complex children + family members + “newly eligible” adults under ACA
What is a CCE?

➔ A Care Coordination Entity (CCE) is a model of care that is responsible for the provision and coordination of all aspects of health care for individuals.

➔ Fee for service with care coordination fee and/or shared savings.

➔ Will use ACA Health Home funding.
Who is eligible to enroll in a CCE?

Based upon the state’s criteria, CCE eligible children must be enrolled in a Medicaid program and have a chronic or complex condition (3M Clinical Risk Groups 6-9)

- CRG 1, 2 = Acute Illnesses Only
- CRG 3, 4, 5a = Episodic Chronic Conditions
- CRG 5b = Lifelong Chronic Conditions in a single body system
- CRG 6, 7, 9 = Lifelong Chronic Conditions in 2+ body systems
- CRG 8 = Malignancy

Screening instrument to be developed for children with insufficient Medicaid claims data

In Chicago and collar counties, 45,232 children were identified by state as being eligible for CCE
Who is **not** eligible to enroll in a CCE?

- Children in the Medically Fragile Technology Dependent waiver
- Children receiving private duty nursing
- Children with high third party liability coverage
- Clients residing in institutions, including pediatric skilled nursing facilities
- Clients enrolled in the DSCC Core Program
- DCFS foster children
When?

Initial awards made to 3 Care Coordination Entities 9/2013
- Lurie Children’s Health Partners Care Coordination Entity
- La Rabida Coordinated Care Network for Children with Complex Medical Needs
- OSF Healthcare System Children’s CCE

Details currently under negotiation with state and will likely start in 2014
References

- US Government Healthcare Website: http://www.healthcare.gov
- Kaiser Family Foundation: http://www.kff.org
- Georgetown Center for Children and Families: http://ccf.georgetown.edu
References
