



Washington State
Health Care Authority

**2014 Medicaid Expansion and Key
Related Activities**

Joint Legislative Select Committee on
Health Reform Implementation
September 28, 2011

Doug Porter, Director



Today's Discussion Includes:

- High-level overview of key related efforts
- Status of Health Innovations for WA proposal
- Focus on 2014 Medicaid expansion
 - Current low-income coverage options (2011)
 - Potential low-income coverage options (2014)
 - Sample 2014 Medicaid expansion questions
- Implementation planning overview

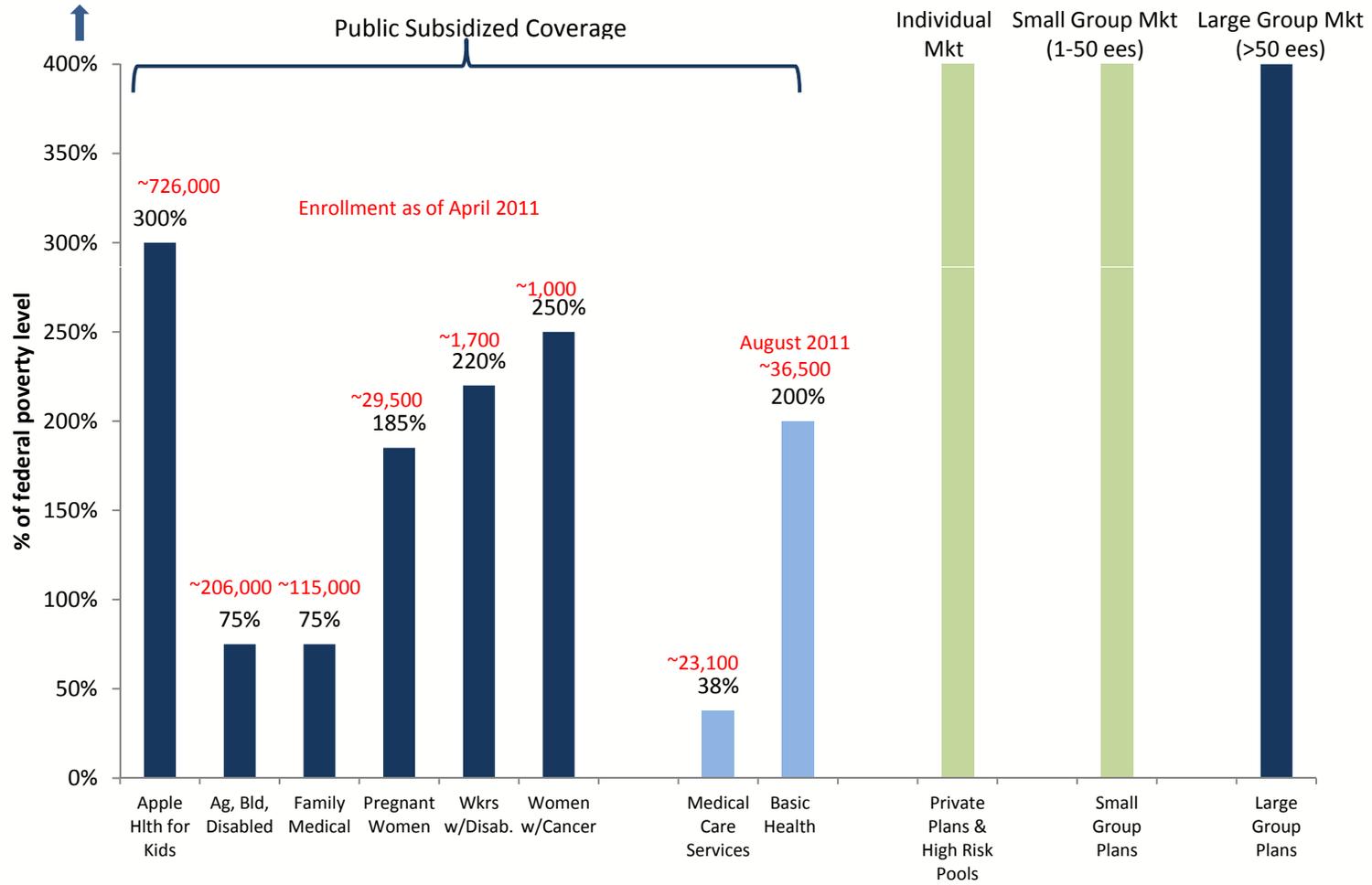
Overview of Key Related Medicaid Efforts

Main Book of Business	Medicaid Payment and Delivery Reforms	2014 Medicaid Expansion
<ul style="list-style-type: none"> • Joint Procurement (July 2012) • Legislative action/ budget provisos • Transitional bridge waiver (early Medicaid expansion) ...ETC... <p style="color: red; font-weight: bold; margin-top: 20px;">Focus for Sep 28 meeting on 2014 Medicaid expansion and preparation through HIW</p>	<ul style="list-style-type: none"> • Health Innovations for WA proposal /SB 5596 waiver (HIW) • Health homes planning grant • Dual eligibles integration planning grant • HCA role in purchasing behavioral health/long term services and supports (HB 1738) 	<p>Bound by federal constraints</p> <p>Federal regulations not yet final</p>

Status of Health Innovations for Washington

- Preparation for Medicaid expansion – requested federal flexibility, technical assistance, and resources
- Received grants to proceed with health homes and dual eligibles integration planning
- Federal guidance needed for benefit design options
- Opportunities for payment/delivery reforms limited
 - Flexibility for managed care payment reforms doubtful
 - No receptivity for prescription drug formulary or cost sharing (unless copays voluntary)
 - Improved methodology for paying FQHC/RHCs possible
 - Further centers of experience possible
- Formal federal government response coming soon

Washington's 2011 Low-income Coverage Options

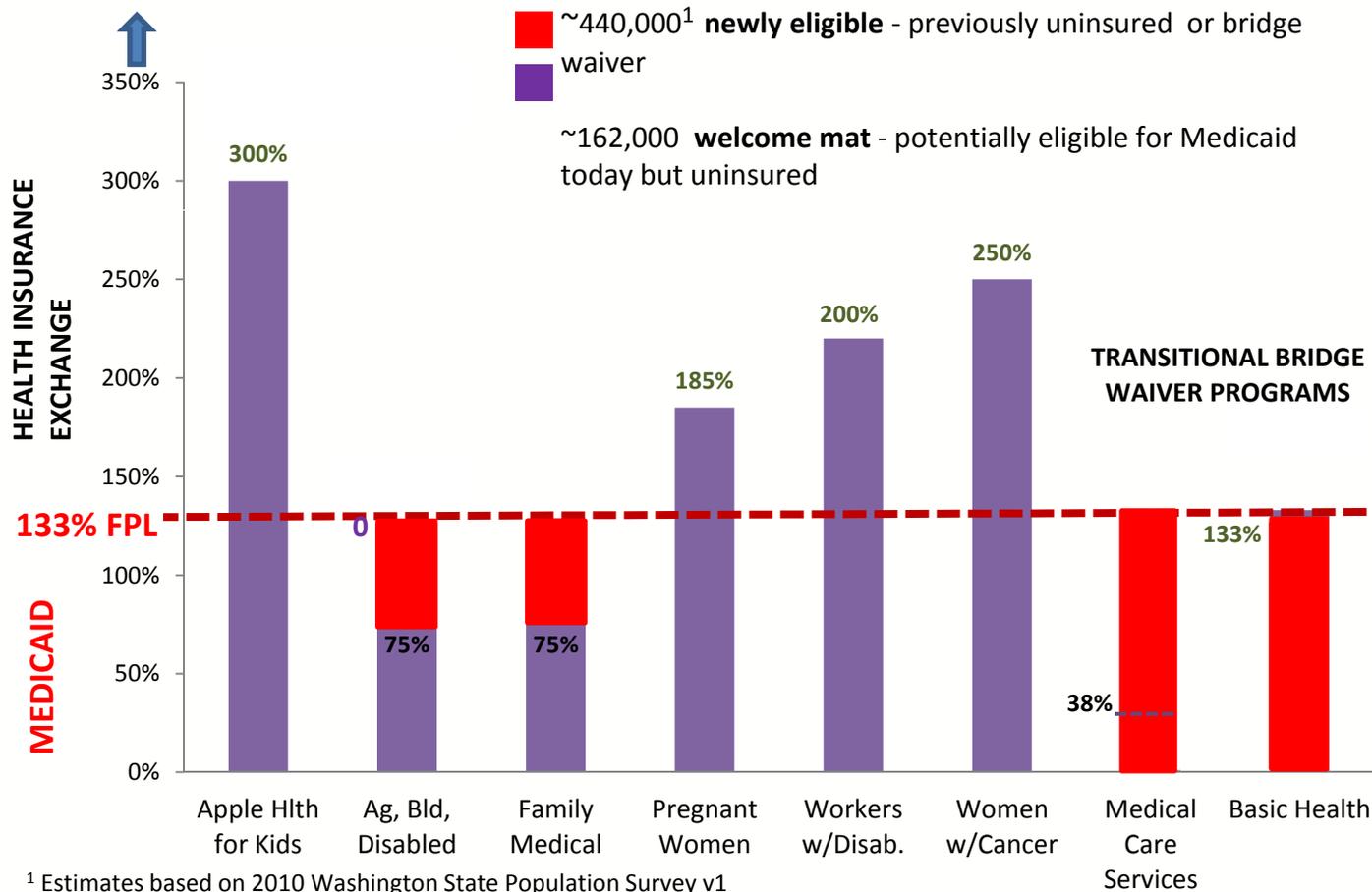


Possible 2014 Low-income Coverage Options

- Medicaid eligibility expands to 133%* FPL
 - Children, pregnant women and parent/caretaker relatives
 - Childless adults will be new eligibility group
 - Age 19-64
- Potential new options for documented individuals not eligible for Medicaid
 - Basic Health option 133-200% FPL
 - Health Insurance Exchange (subsidies from 200-400% FPL)

* In 2011, 133% of federal poverty for a family of four is \$29,726

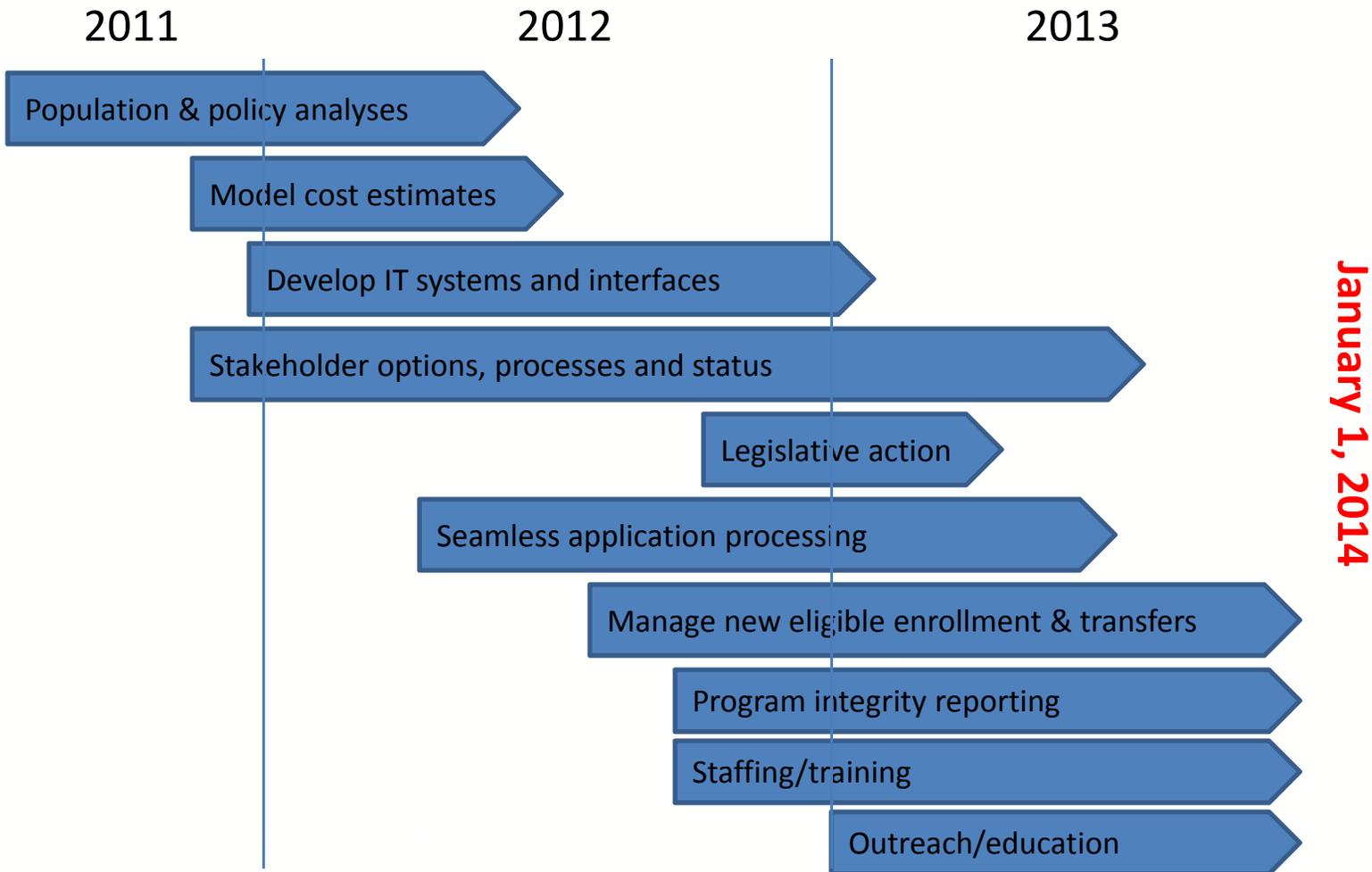
Coverage Estimates for Individuals Under Age 65, Based on 2010 Washington Population Survey



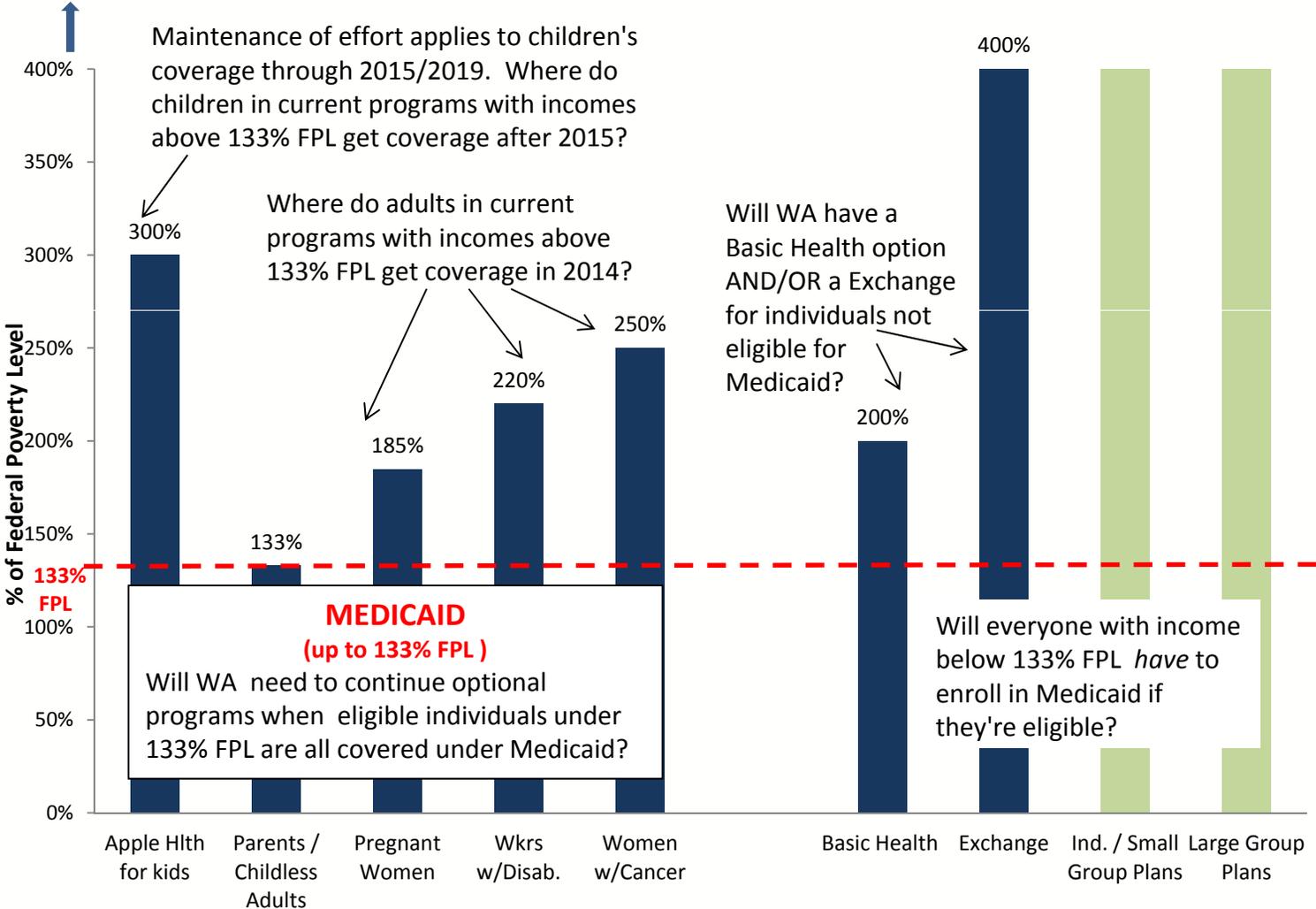
Key Implementation Steps Before 2014

- 2011-2012
 - Identify policy questions/possible legislative action
 - Stakeholder options
 - Assess current systems and technology infrastructure capacity
 - Model implementation costs
- 2012-2013
 - Complete Legislative action (if needed)
 - Build seamless application processing (link to Exchange)
 - Transfer eligibles from Bridge/other human services programs
 - Develop program integrity reporting (links to federal systems)
 - Train staff on new systems/procedures
 - Conduct outreach and education

High-level Implementation Timeline



Key Low-income Coverage Questions



Other Questions that still need to be Answered

- Characteristics of what is the newly eligible population
- Cost to the state – in the short and long term
- Benefits design for new Medicaid eligibles (awaiting federal guidelines for essential health benefits)
- Delivery system changes
- Operational responsibilities for different agencies and WAC changes

Keep in Mind That...

- All Medicaid programs will be impacted
- Stakeholder engagement will be an increasingly major (unfunded) requirement
- Federal regulations being evaluated (eligibility and enrollment), but more are yet to come
- Decisions requiring legislative action likely in 2013 (e.g., conforming statute)
- This is major workload for HCA and DSHS in addition to:
 - Main Medicaid business
 - Critical payment/delivery reforms
 - Managing impact from current fiscal uncertainty

For Follow-up Information

Send questions to:

Medicaid Expansion:

Manning Pellanda manning.pellanda@hca.wa.gov

Health Innovations for Washington:

Heidi Robbins Brown heidi.robbsbrown@hca.wa.gov

Appendix: 2011 Federal Poverty Levels

2011 POVERTY GUIDELINES ALL STATES (EXCEPT ALASKA AND HAWAII)							
ANNUAL GUIDELINES							
FAMILY SIZE	PERCENT OF POVERTY						
	75%	100%	133%	185%	200%	250%	300%
1	\$8,168	\$10,890	\$14,484	\$20,147	\$21,780	\$27,225	\$32,670
2	\$11,033	\$14,710	\$19,564	\$27,214	\$29,420	\$36,775	\$44,130
3	\$13,898	\$18,530	\$24,645	\$34,281	\$37,060	\$46,325	\$55,590
4	\$16,763	\$22,350	\$29,726	\$41,348	\$44,700	\$55,875	\$67,050
5	\$19,628	\$26,170	\$34,806	\$48,415	\$52,340	\$65,425	\$78,510
6	\$22,493	\$29,990	\$39,887	\$55,482	\$59,980	\$74,975	\$89,970
7	\$25,358	\$33,810	\$44,967	\$62,549	\$67,620	\$84,525	\$101,430
8	\$28,223	\$37,630	\$50,048	\$69,616	\$75,260	\$94,075	\$112,890
+	3,820	for each additional member in family units of more than 8 members					