# Amerigroup New Jersey

Supportive Housing Association

February 7, 2018


# We Know Medicaid

295,000 members covered under managed LTSS in 9 states

730,000 members who are ABD in 17 states

56,000 members in foster care and adoption assistance in 10 states

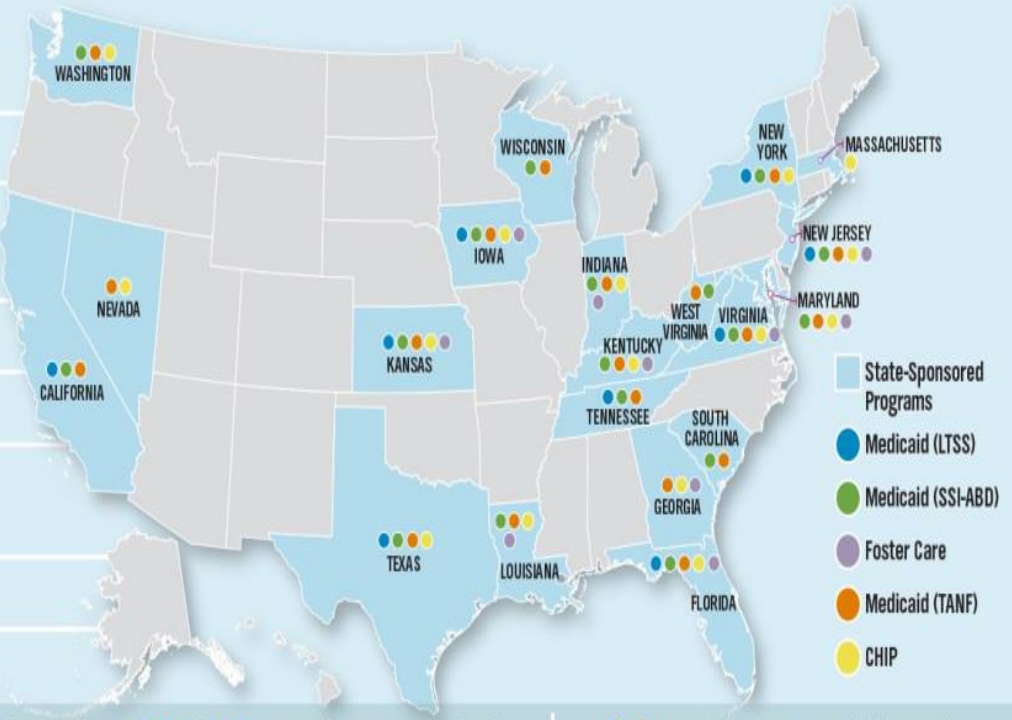
367,000 CHIP members in 15 states

60% of our national service area is in rural counties

5 new market implementations in 4 years with 374,000 members

Partner with 14 states for over 10 years

Hold 54 state-sponsored contracts




156,000 babies delivered in 2016

3.9 million members covered under age 19

More than 1 million members enrolled in Disease Management program

954 members transitioned from NF to community in 2016

**Over 26 years serving state Medicaid populations**
**6.5 million members in state programs across the nation**

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# Why is Medicaid Necessary?

- Access to healthcare in New Jersey is beyond the financial reach of many working families.
- The least expensive health insurance plan in New Jersey costs $12,193 for a family of four. ($6,000 deductible.)
- Median income in New Jersey is $72,000 per year.
- A family of four earning $33,948 is at 138% of the federal poverty limit. A family of four earning $49,200 is at 200% of the federal poverty limit.
- Current Medicaid enrollment is 1.7 million people, 19% of New Jersey residents. IHC market is 336,000 people.

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# Managed Care Yields Quality Outcomes.

- **Amerigroup serves all Medicaid managed care populations in New Jersey and is the only New Jersey MCO plan in 2017 to achieve Commendable status accreditation by the National Council on Quality Assurance (NCQA).**
- Value Based reimbursement strategies yield results:
  - 34% of medical expenditures in value-based arrangements
  - currently, **25** Physician Groups with **52,000** members participate in Amerigroup VBR programs;
  - Amerigroup N.J.'s rate of premature delivery is **8 percent**, compared with an average of **9.6 percent** among all N.J. residents; and
  - 24% increase in post-partum visits between 4/15 and 4/16.

ACCREDITED NCQA HEALTH PLAN COMMENDABLE

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# Meeting the Triple Aim Plus One

## Improve provider satisfaction

- Advanced practice support/actionable data tools through Member 360°$_{sm}$
- Best-in-class value-based purchasing programs
- Personalized provider services with local staff and practice consultants
- Incentive programs link to uniform coding and HEDIS scorecard.

## Lower health care costs

- MCO takes on risk.
- Aligned financial incentives.
- Deflect medical trend better than SHBP.
  - 2014-2016 Medicaid Trend = 6.9%
  - 2014-2016 SHBP Trend = 20.3%

## Improved quality and patient experience

- NCQA—third party review process.
- Member satisfaction surveyed every year. (CAHPS)
- Third party audits (EQRO) by Department.

## Better health

- Incentive programs and extra services drive higher quality
- Programs designed to improve health literacy
- Integrated discovery and mitigation of social determinant needs

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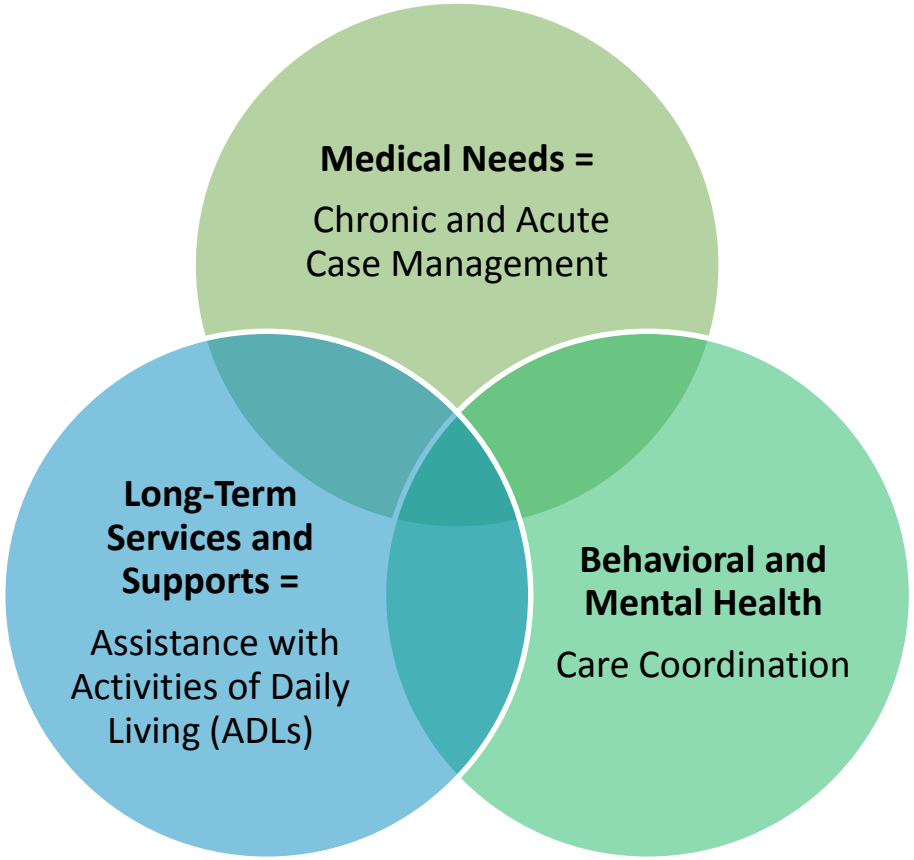
# Why Managed Care Works in New Jersey

| MCOs | Fee-for-Service Delivery System |
| --- | --- |
| ▪ Coordinated care – right care in the right setting, encourages prevention, close gaps in care.<br><br>▪ Negotiate Price—reduces the rate base as State accrues savings.<br><br>▪ More robust provider networks – accountable to ensure quality and access to needed services.<br><br>▪Medical Loss Ratio—Insurer administrative costs and profits are limited. For every dollar spent by the State $.85 is spend on medical costs.<br><br>▪ Assumed financial risk – the State pays a fixed monthly rate per enrollee for covered services, provides the State budget stability. | ▪ Care is not managed or coordinated.<br><br>▪ No networks. Members have no identified primary care provider and may have various, disconnected providers.<br><br>▪ No incentive to improve quality or cost-effectiveness. Providers are simply paid for each service rendered.<br><br>▪ Program cost is higher and less predictable. For example, hospital readmission rates increase without discharge planning and follow up care. |

# Managed Long-Term Services & Supports Launched July 1, 2014




An integrated service and care management model for seniors and people with disabilities who need help with Activities of Daily Living.

Care Managers make home visits to develop a plan of care focused on individual needs and independence.

Awareness of benefits is low, a CMS survey found 79% of seniors are unaware of benefits they may qualify for.

The number of members served in their home has increased from 27% in 2014 to 45% of total membership in 2017.

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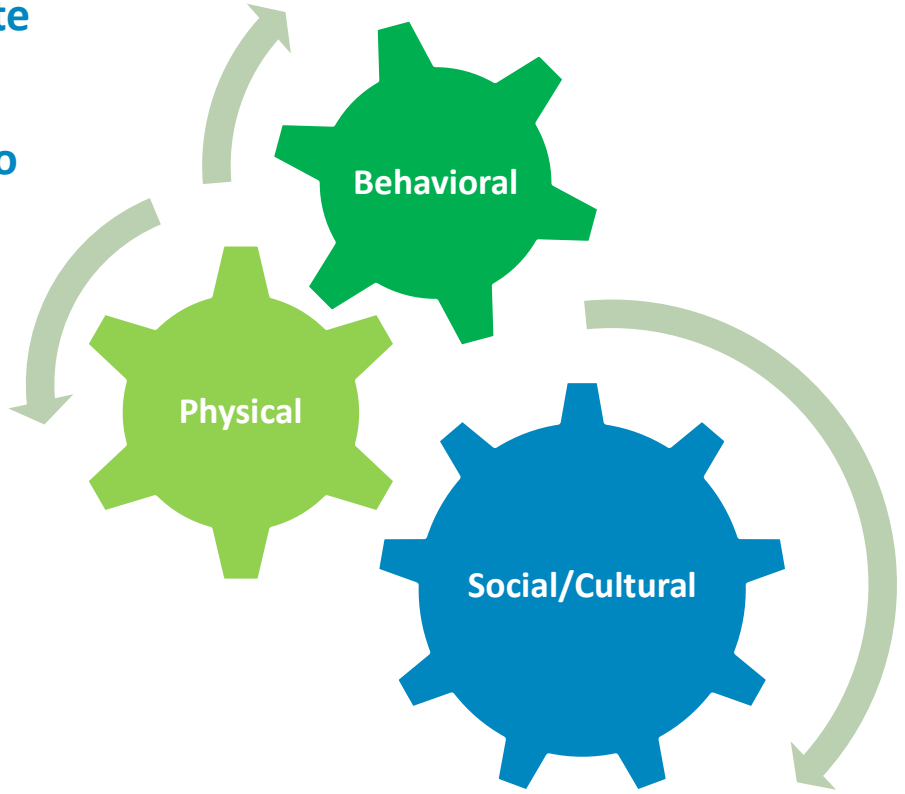
# Why is Integrated Care Essential?

- Complex interplay and comorbidities are common. One problem may cause/aggravate another, and vice versa.
- People with mental illness are more likely to have chronic health conditions such as high blood pressure, asthma, diabetes, heart disease, and to be at risk for stroke.
- These individuals are more likely to use costly hospitalization and emergency room treatment.
- Similarly, people with physical health conditions such as asthma and diabetes report higher rates of substance use disorders and serious psychological distress.



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# How Integrated Care Works in MLTSS

- **Meet "Dee":** Dee came to Amerigroup with no known BH diagnosis or provider, yet had severe delusions and frequently wound up in the ER. She struggled with activities of daily living, was homebound and had no connection to family or friends.

- **Dee's mental illness interfered with daily living.** She was unable to retain a personal care attendant due to her psychosis, and numerous agencies refused to serve her, putting her at physical risk.

- **Dee initially refused referrals to a behavioral health provider.** She continued to visit the ER and had two psychiatric admissions.

**In this model, both acute and behavioral health care managers visit members, assess care needs and develop person-centric care plans to optimize health outcomes.**

- **Dee Today: Stable for over a year.** Amerigroup care managers engaged with Dee which led to successful treatment and adherence to psychotropic medication. In 2016; she had only one ER visit, has regained independence and is in regular contact with her mother.

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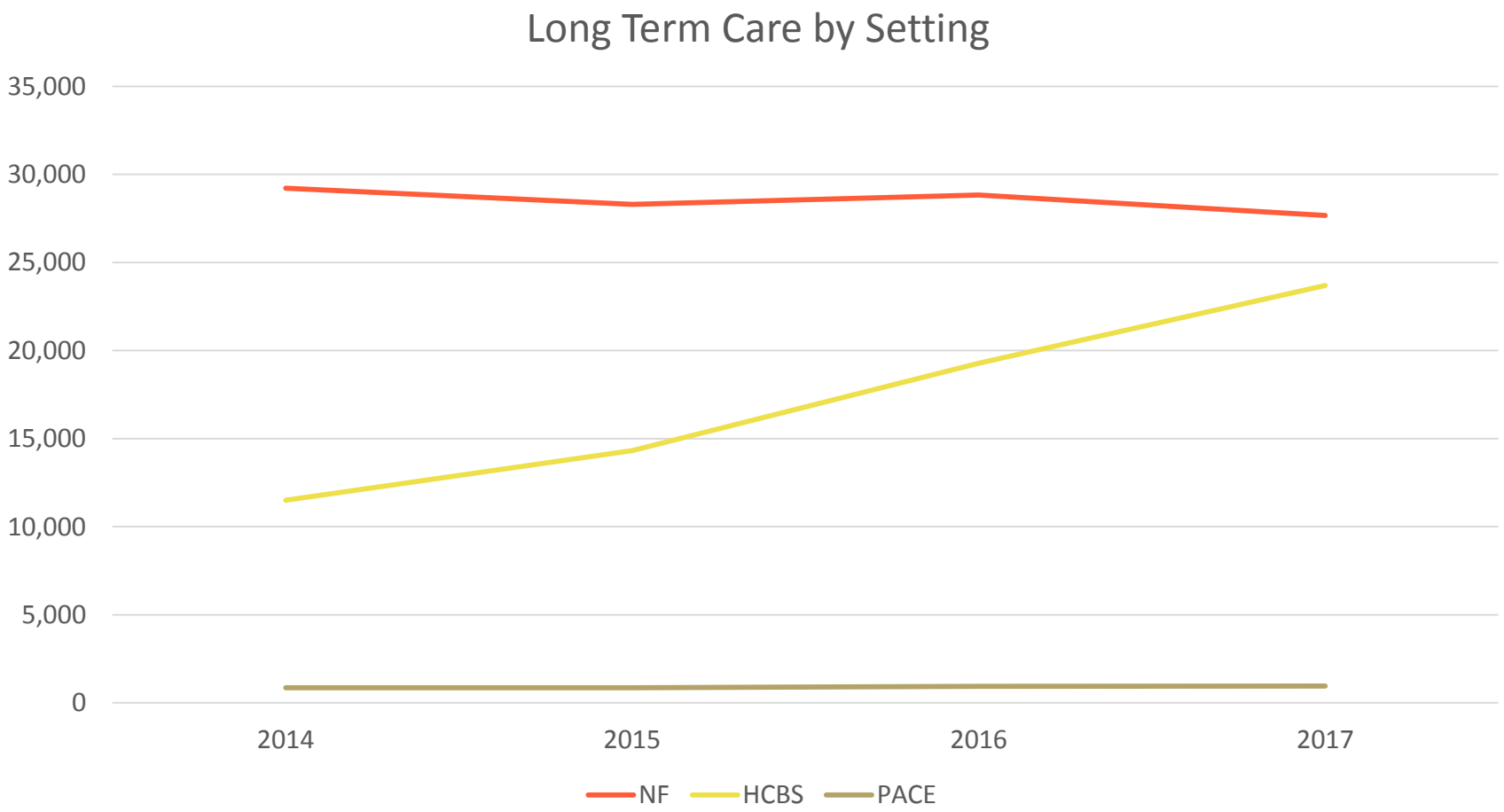
# MLTSS-Rebalancing

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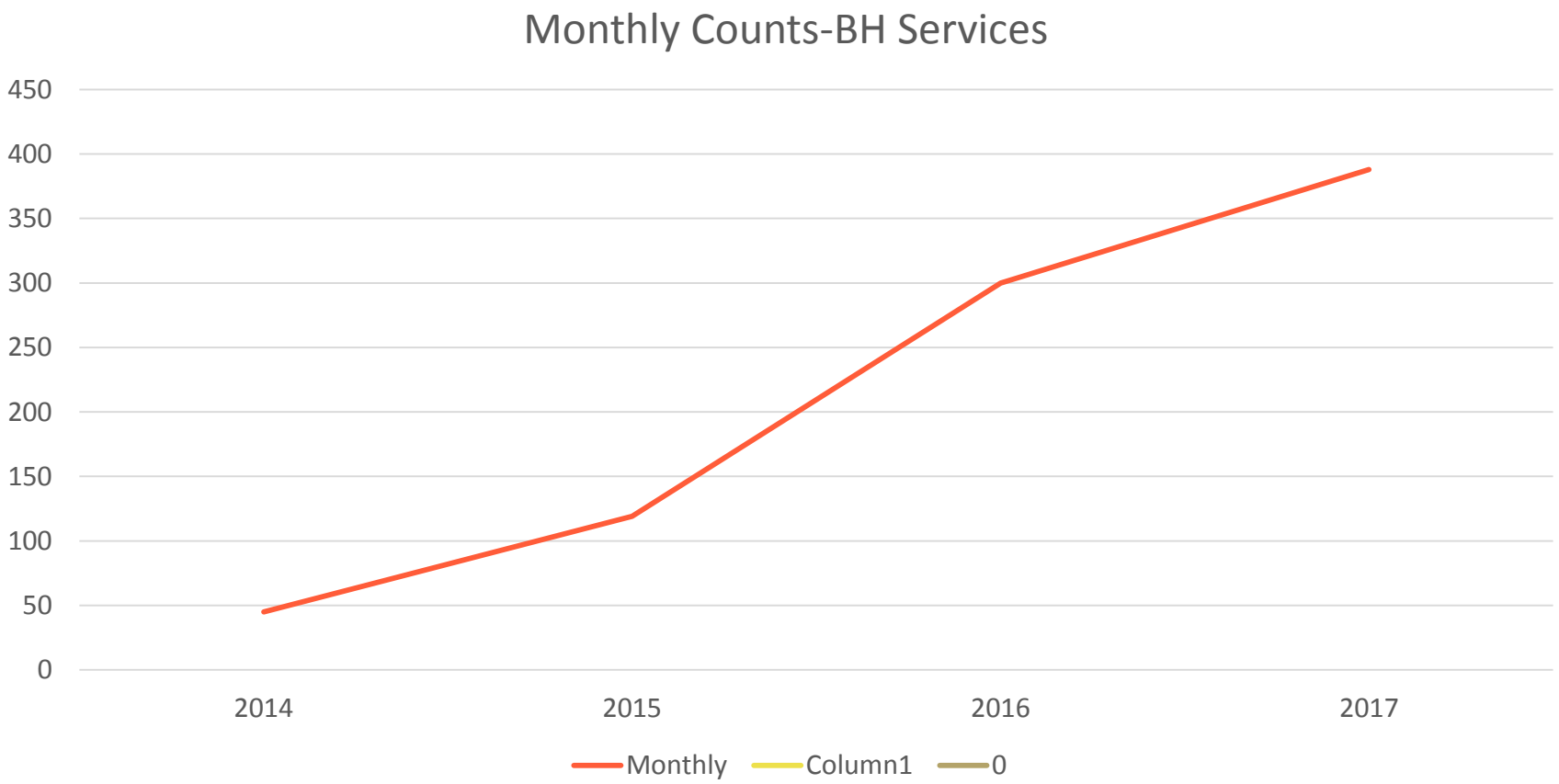
# MLTSS-Behavioral Health Integration

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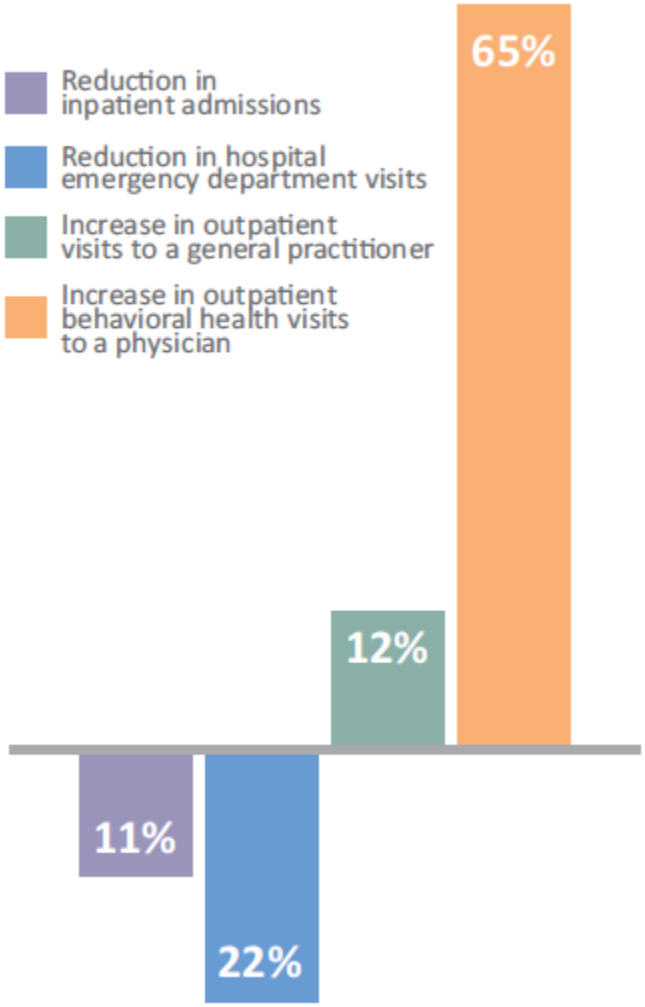
# MCOs Improving Outcomes

Analysis of member outcomes pre and post-integration of physical and behavioral health care in Tennessee




Anthem's affiliate health plan in Tennessee served the TennCare population throughout the transition to integrated services.

These results summarize the comparison of service utilization for enrollees with both SMI and diabetes under the nonintegrated model and the strongly-integrated model.

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Anthem

# What is a social determinant of health?

- World Health Organization:
- *"The complex, integrated, and overlapping social structures and economic systems that are responsible for most health inequities. These social structures and economic systems include the social environment, physical environment, health services, and structural and societal factors. Social determinants of health are shaped by the distribution of money, power, and resources throughout local communities, nations, and the world."*

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# What is a social determinant of health?

- Most common examples:
- *Housing*
- *Employment*
- *Food Insecurity*
- *Incarceration*

# New Jersey Housing Policy

- Tortured History--Exclusionary Zoning.
- Supreme Court cases, Mount Laurel I & II.
- Council on Affordable Housing—substantive certification process.
- State Planning Commission—density.
- Limited available land.
- High costs.

# New Jersey Medicaid Policy

- 1115 Waiver.
- Housing Specialists.
  - Connect members with local, community based housing services.
  - Develop and train health plan staff on housing issues.
  - Provide ongoing support to health plan.
  - Develop relationships with local community partners.
  - Direct current and future investments in local initiatives.
- Future program funding challenges.
- Federal Medical Assistance Percentages (FMAP).

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# Amerigroup Investments in Housing

- Amerigroup affiliates have invested in $380 million in Low Income Housing Tax Credits over the past decade.
- Participating in New Jersey Neighborhood Revitalization Tax Credit Program.
- Amerigroup Foundation sponsorship of American Lung Association—Freedom From Smoking Public Housing Campaign.
- National and local group sponsorships.

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# More to do on Social Determinants of Health

- Significant trend in Medicaid, across the country.
- Amerigroup and its affiliates are working to improver our current capabilities via a pro-active approach.
- Develop Localized Housing Initiatives tailored to meet market needs and resources.
  - Pilot program—Indiana Blue Triangle Pilot.
  - High Intensity Pilot serving the most challenged members.
  - Preliminary results are encouraging.
- Leverage current technology like the Homeless Management Information System to integrate services, improve communication with community partners and improve outcomes.

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# Questions?


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