

# New Provider 101

May 2015



# Medicaid 101 National Scope

- Enacted in 1965 as amendment to Social Security
- Administered by CMS

## Definition:

*Health and long-term care coverage program that is jointly financed by states and the federal government.*

Each state establishes and administers its own Medicaid program and determines the type, amount, duration, and scope of services covered within broad federal guidelines.

CFR – Code of Federal Regulations

MCA – Montana Code Annotated

ARM – Administrative Rules of Montana

# Federal/State Partnership

## Federal Government

- Centers for Medicare and Medicaid Services (CMS)
- Provides guidelines
- Code of Federal Regulation (CFR)
- 73% federal financial participation

## State Government

- DPHHS
- MMIS
- Manages Medicaid programs based on Administrative Rules of Montana and legislative authority
- 27% state financial participation

For every \$100 of Medicaid claims, approximately \$73 is from the federal government.

# Medicaid by the Numbers

## Medicaid Spending

\$490 billion in 2014

16% of national health spending

\$739 billion in 2020 – a 51% jump

Top challenge in every state budget

## Medicaid Members

68 million (2014)

9.7 million since October 2013

21% of population — and up

# Medicaid's Role in the Healthcare System

Primary public insurer for maternal and child health

Pays for 40%–50% of obstetric, newborn and pediatric stays

Primary insurer for long-term care

Leading the movement toward home and community-based care

Fill-in for special populations

Medicare dual eligible, emergency Medicaid, breast cancer

# Eligibility and Coverage

Federal law requires states to cover certain groups, including:

- Qualified parents
- Children
- Pregnant women with low income
- Older adults
- People with disabilities with low income.

Three types of critical health protection for people with low incomes:

1. Health insurance for families with children and for people with disabilities
2. Long-term care, such as nursing facility care, for older people and people with disabilities
3. Supplemental coverage for Medicare enrollees, including assistance paying Medicare premiums and obtaining services for which Medicare coverage is limited (e.g., prescription drugs)

# Medicaid in Montana

## Population

Medicaid serves about 81,600 Montanans per month, or about 8% of Montana's population.

In Montana:

- 55% of all Medicaid clients are under age 21
- almost 25% have disabilities
- 8% are elderly
- 14% are adults who are neither elderly nor disabled.

## Coverage

Meet income and resource limits and fit into:

- Families with dependent children
- Pregnant women
- Children and youth 18 and under
- Women with breast or cervical cancer or pre-cancer
- People 65 and over
- People who are disabled (based on Social Security standards)
- Former foster care children age 18 up to 26

## Programs

- Medicaid: Full or Basic
- Managed Care (Passport to Health)
- Presumptive Eligibility
- HMK and HMK *Plus*
- MHSP
- Dental
- DME
- HCBS

# Xerox Government Healthcare

Some states choose to parse out responsibilities to a Fiscal Agent, a company contracted to handle the processing of Medicaid claims.

The state of Montana contracts with the Government Healthcare Solutions branch of Xerox Services to perform a variety of Medicaid-related services as the Fiscal Agent for Montana Healthcare Programs.



# Xerox Services: Fiscal Agent to Montana

| FAS Department               | Resources   |
|------------------------------|---|
| Claims Processing            | Transaction processing, adjustments, research, and resolution                           |
| Provider Relations           | Provider training, provider notices, Provider Helpline, and provider manuals            |
| Enrollment Broker            | Montana Medicaid Member Helpline  |
| Pharmacy Benefits Management | Processes all point-of-sale pharmacy claims for Montana Medicaid, HMK, and MHSP members |
| Third Party Liability        | Insurance verification, pay-and-chase, and trauma questionnaires                        |

# Fiscal Agent Operations

## Montana Medicaid vs. Other Payers

### Montana Compares Favorably

|                        | Aetna         | Anthem        | Cigna         | HCSC          | Humana        | Regence       | UHC           | Medicare      | Montana                           |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------------------------|
| <b>0-15 days</b>       | <b>66.29%</b> | <b>92.98%</b> | <b>96.72%</b> | <b>89.95%</b> | <b>92.49%</b> | <b>89.58%</b> | <b>80.68%</b> | <b>95.80%</b> | <b>93.69%</b><br><b>0-10 days</b> |
| <b>16-30 days</b>      | <b>32.76%</b> | <b>5.09%</b>  | <b>2.55%</b>  | <b>7.37%</b>  | <b>6.28%</b>  | <b>7.79%</b>  | <b>18.02%</b> | <b>3.23%</b>  | <b>6.12%</b><br><b>11-30 days</b> |
| <b>31 to 45 days</b>   | <b>0.58%</b>  | <b>1.45%</b>  | <b>0.38%</b>  | <b>2.00%</b>  | <b>0.93%</b>  | <b>1.97%</b>  | <b>0.84%</b>  | <b>0.52%</b>  | <b>0.19%</b>                      |
| <b>Greater than 45</b> | <b>0.37%</b>  | <b>0.48%</b>  | <b>0.35%</b>  | <b>0.67%</b>  | <b>0.55%</b>  | <b>0.65%</b>  | <b>0.46%</b>  | <b>0.45%</b>  | <b>0</b>                          |

Source of data on other payers: 2013 "National Health Insurer Report Card"  
 Montana statistics based on 6.4 million claims paid from Jan. 1 to Oct. 31, 2014



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