South Carolina Medicaid:

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Health Initiatives

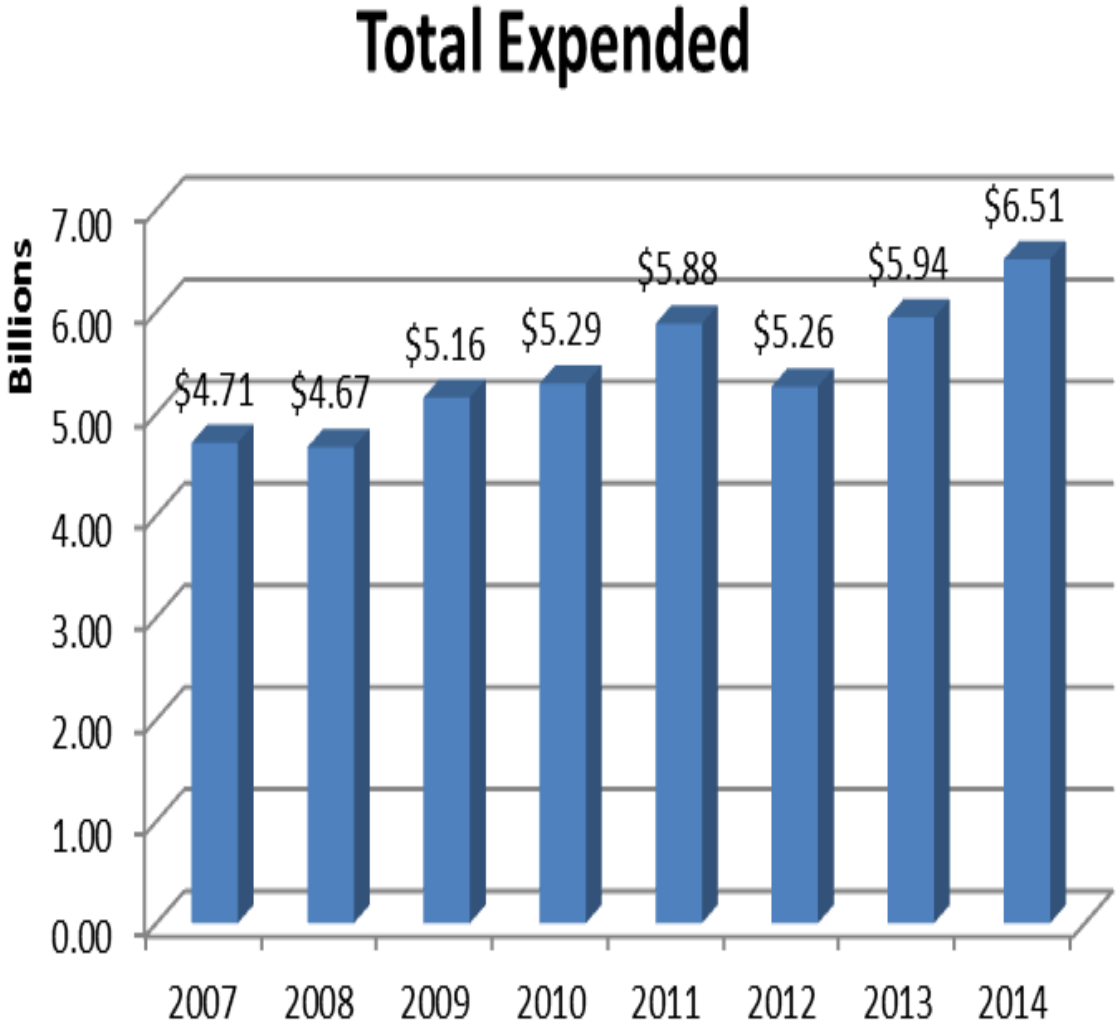
South Carolina
Health & Human Services

Hybrid Clinic Agenda

- Welcome
- Medicaid Overview & HeART Initiative
- SCFCA Overview
- The Hybrid Model: Free Clinics in ACA
- The Rosa Clark Free Medical Clinic
- Breakout workgroups
- Q&A
- Adjourn

Overview of Medicaid

SC Medicaid Total Expenditures

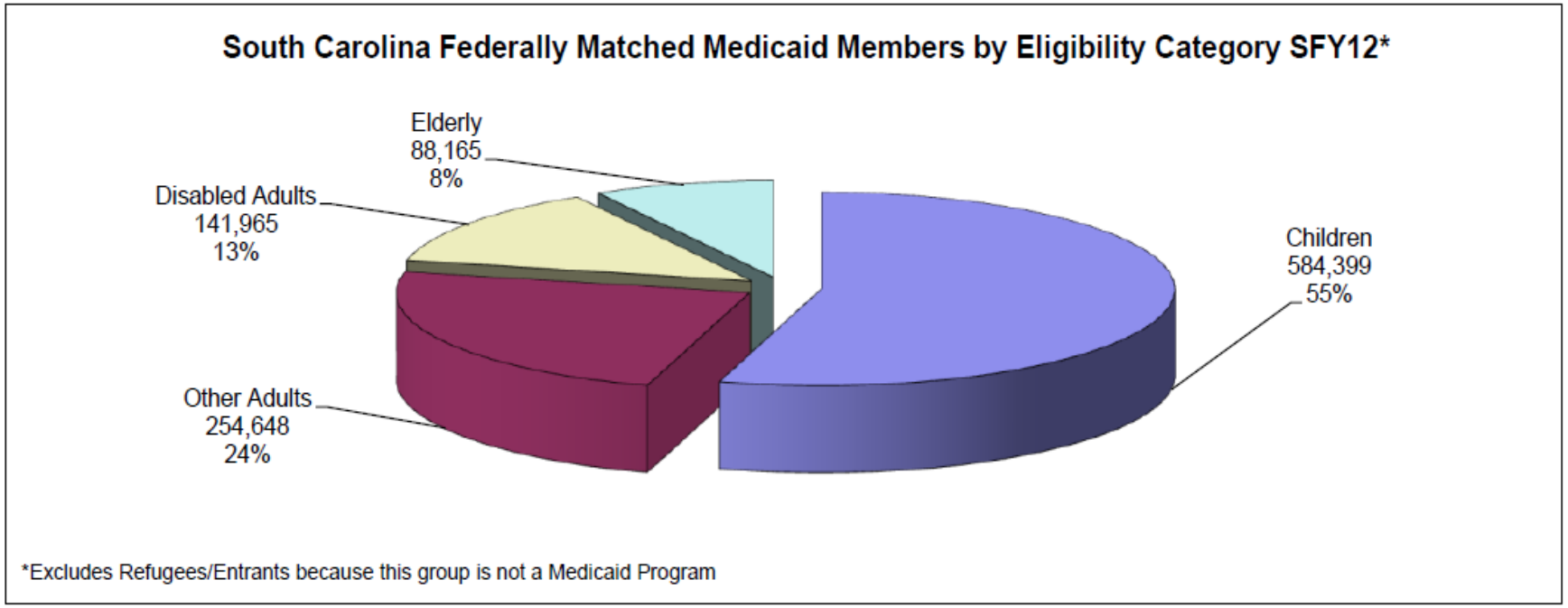


South Carolina Medicaid expenditures have grown 38.21% from FY2007 to FY2014. This is a 4.8% annual growth.

SFY 2014 spending would be $1.2 billion (64%) higher without agency actions to control costs and improve outcomes since 2011. This would have been a 7.3% annual growth.

2007-2012 are actual expenditures, 2013 and 2014 are projected expenditures.

SC Medicaid: Population Breakdown

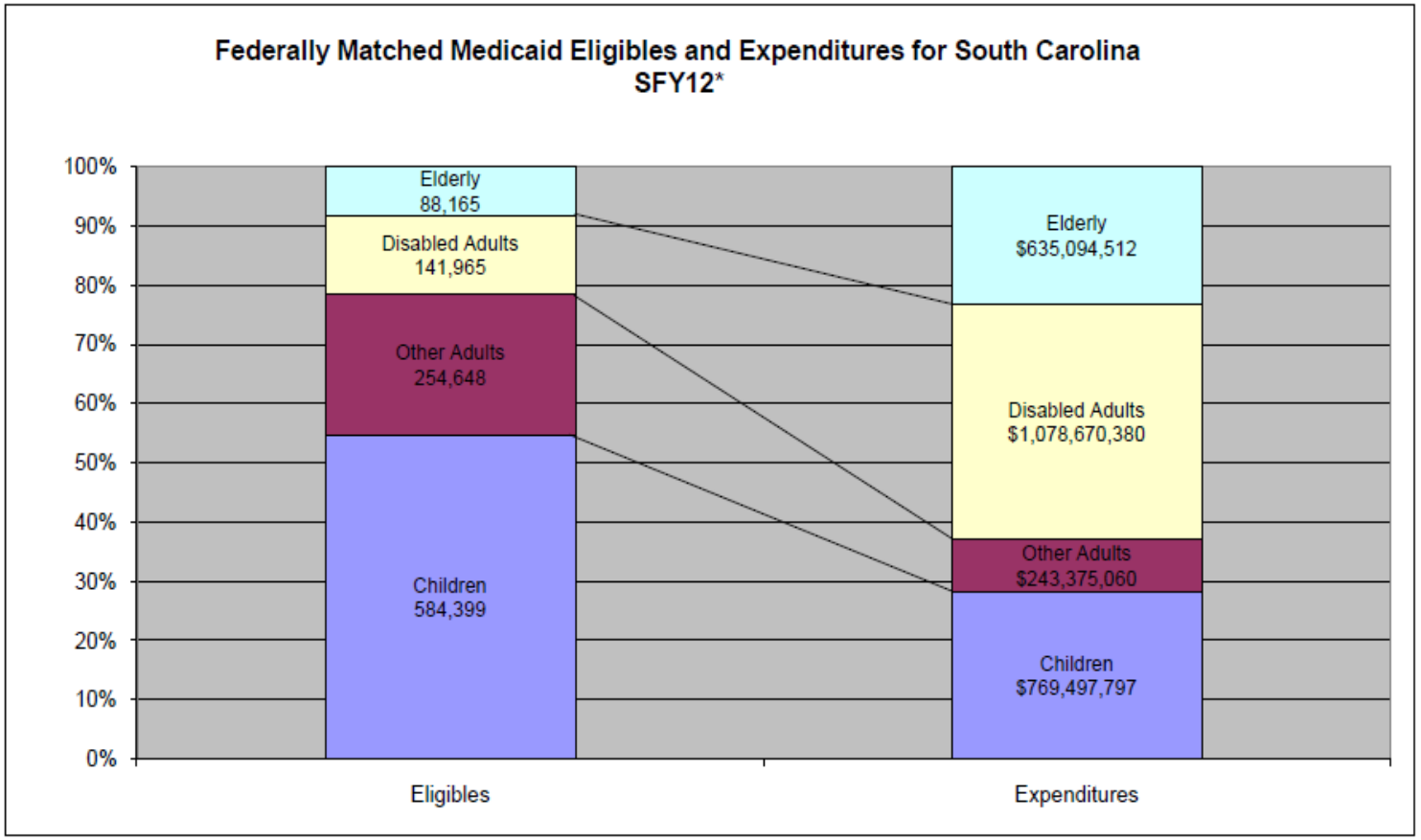


South Carolina Federally Matched Medicaid Members

Children = 55%
Non-Disabled Adults = 24%
Disabled Adults = 13%
Elderly = 8%

Source: SCDHHS 2012 Claims and enrollment data

SC Medicaid: Expenditures by Eligibility Category



Source: SCDHHS 2012 Claims and enrollment data

SCDHHS Fundamental Analysis

- **Social determinants** are 80-90 % of health
- IOM: Health Care spending is rising faster than GDP
  - Creating a health care bubble
  - Depressing economic growth
  - Driving state investment in education and infrastructure

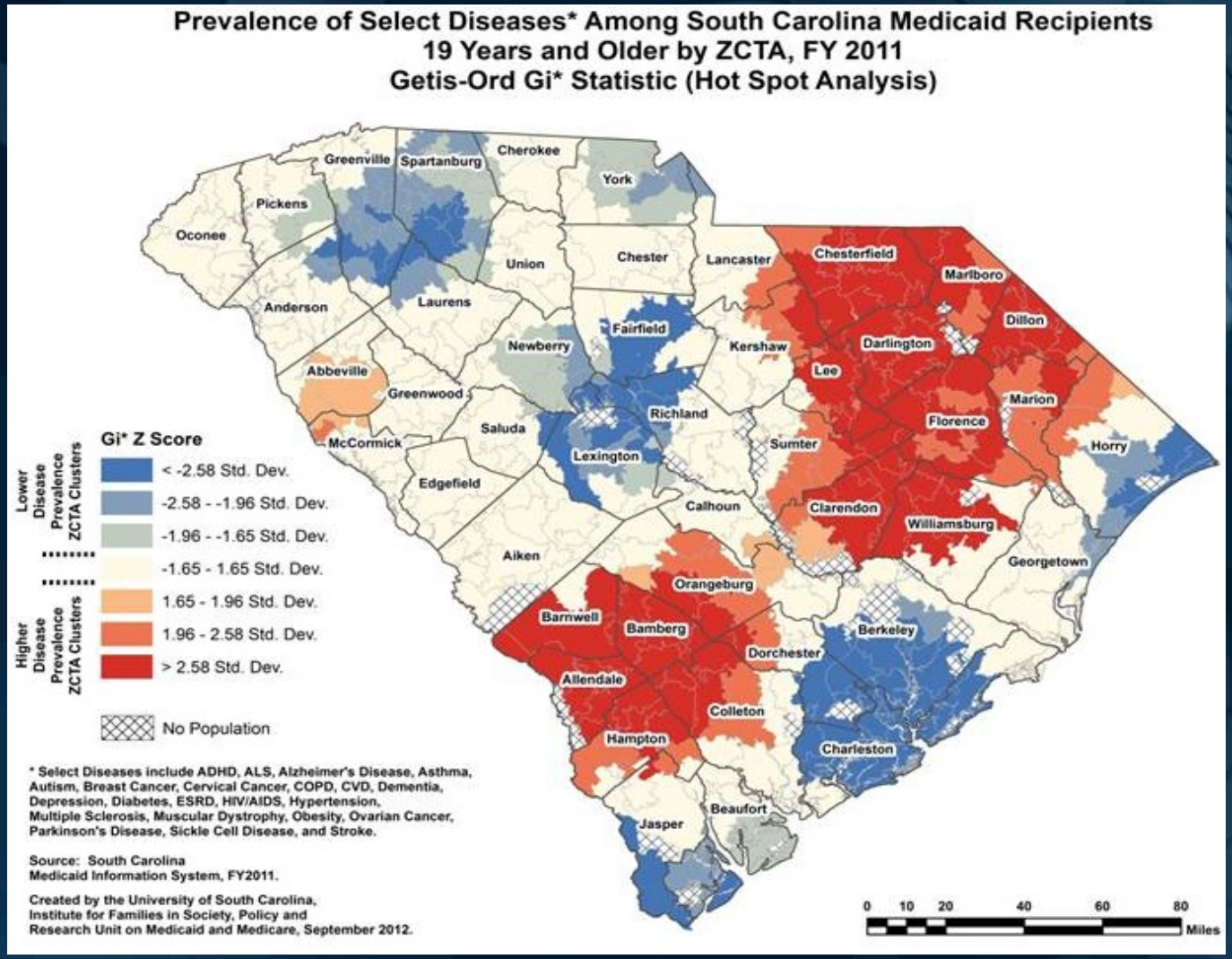
Excess Spending:

- Unnecessary services
- Administrative waste
- Inefficient services
- High prices
- Fraud and abuse
- Missed prevention opportunities

1/3 of all health care spending is wasteful. ($750 billion nationally in 2009 and $1.8 billion in SC Medicaid next year)

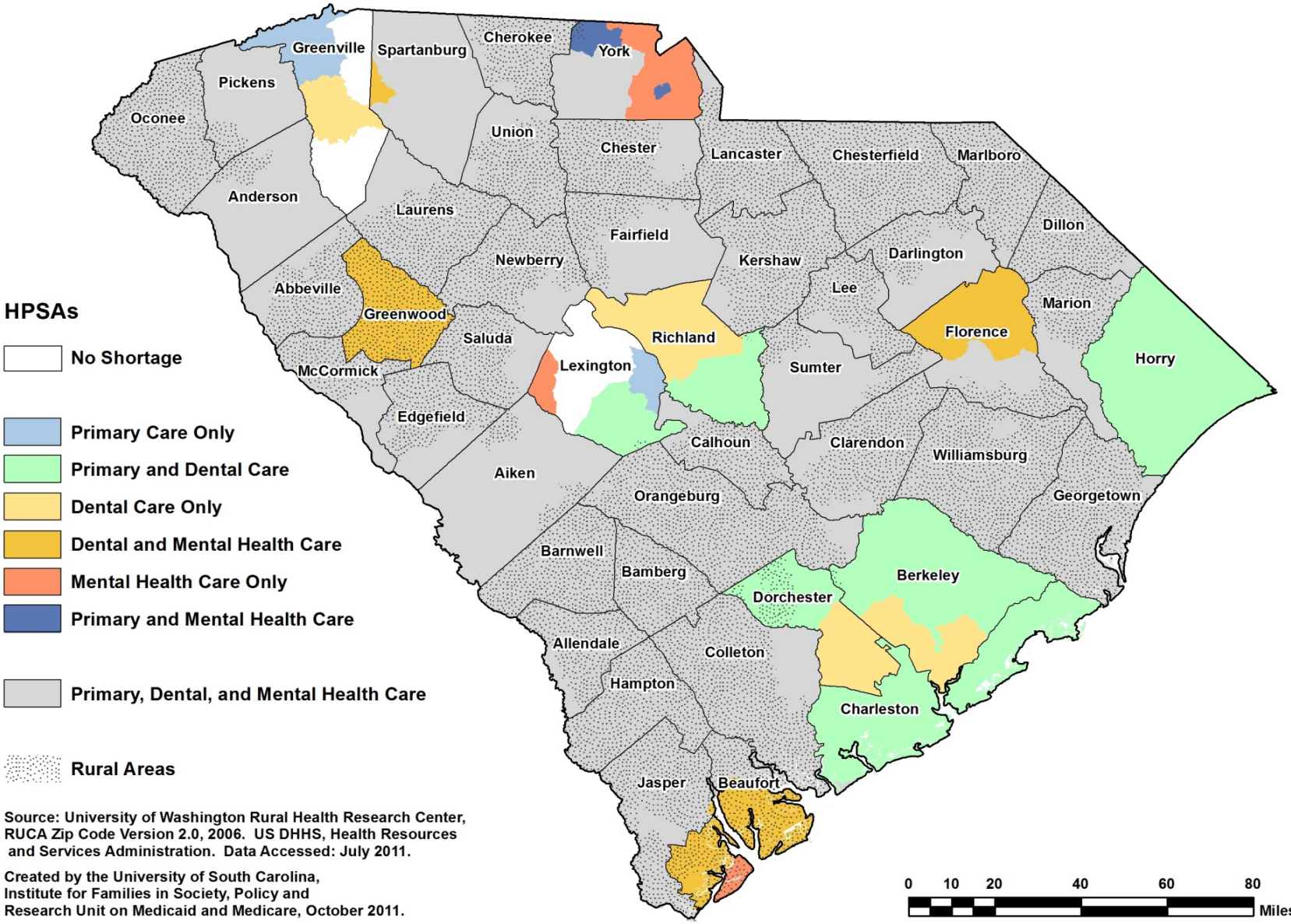
Source: Estimates projections as of March 2013

South Carolina's Challenge and Strategy



- *Among those insured by Medicaid, there are great disparities in health status.*
- *Socio-economic factors are among the determinants that primarily influence health status.*
- *Targeting health investments sends more money into counties that need it, that are relatively unhealthy.*

Health Professional Shortage Areas in South Carolina



Source: University of Washington Rural Health Research Center, RUCA Zip Code Version 2.0, 2006. US DHHS, Health Resources and Services Administration. Data Accessed: July 2011.

Created by the University of South Carolina, Institute for Families in Society, Policy and Research Unit on Medicaid and Medicare, October 2011.

SCDHHS Strategic Pillars

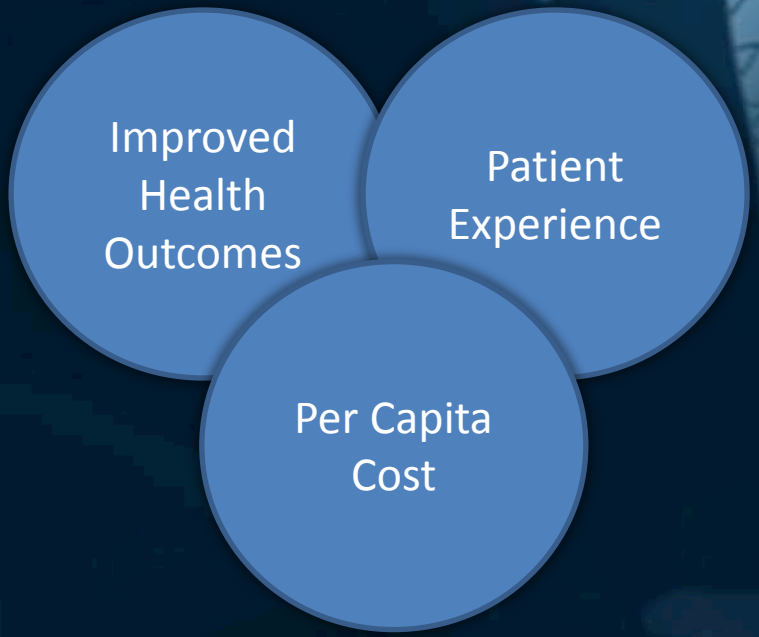
1. **Payment Reform**
2. **Clinical Integration**
3. **Hotspots & Disparities**

Improve value by lowering costs and improving outcomes:

- *Increased investment in education, infrastructure and economic growth*
- *Shift of health care spending to more productive health and health care services*
- *Increased coverage/treatment of vulnerable populations*

The Triple Aim

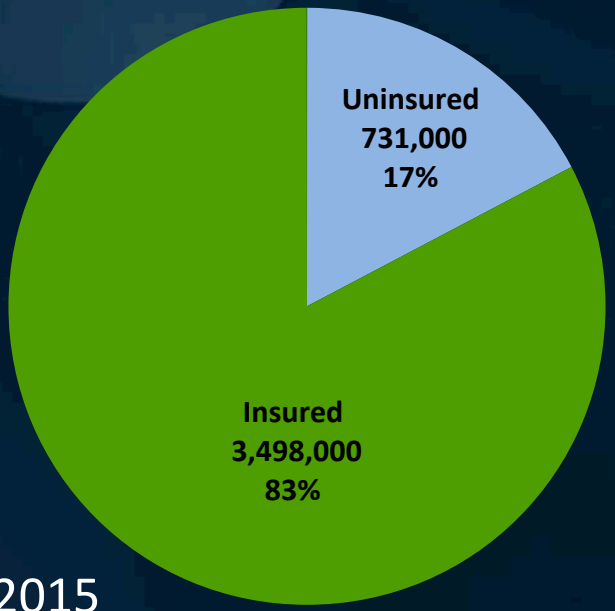
- Improving the patient experience of care (including quality and satisfaction);
- Improving the health of populations; and
- Reducing the per capita cost of health care



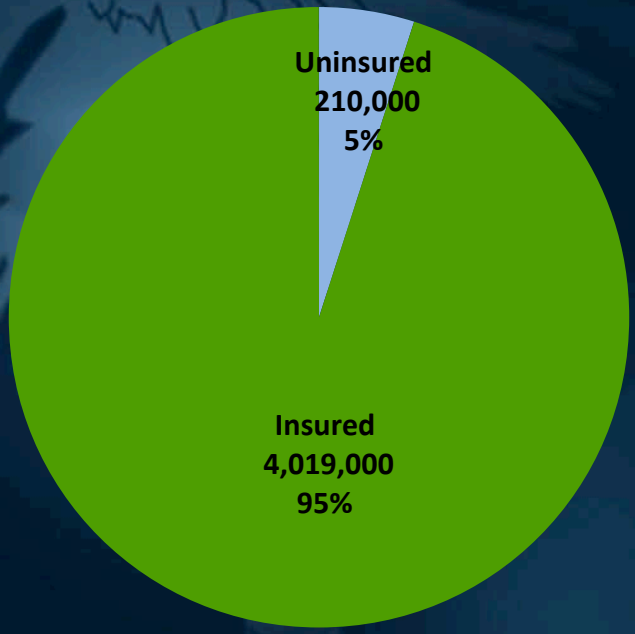
SC's strategic pillars fit in with the nationally acclaimed "Triple Aim" concept.

Even Without Medicaid Expansion, SC's Uninsured is Reduced 71%

Pre-ACA: 2013 Uninsured



Post-ACA: 2015 Without Access to Affordable Health Insurance



<u>By 2015</u>

Over half a million people will gain access to affordable health insurance coverage as defined under the new health care law, even without Medicaid expansion

The system will have a difficult time absorbing this growth – it may require between 250-300 full-time physician equivalents

Source : March 7, 2013 SCDHHs Senate Medicaid Affairs Subcommittee Presentation

Health Access at the Right Time (HeART) Initiative

HeART Initiative

- A collaborative effort to identify alternative methods and providers of health care delivery to Medicaid recipients in all geographic areas of South Carolina.

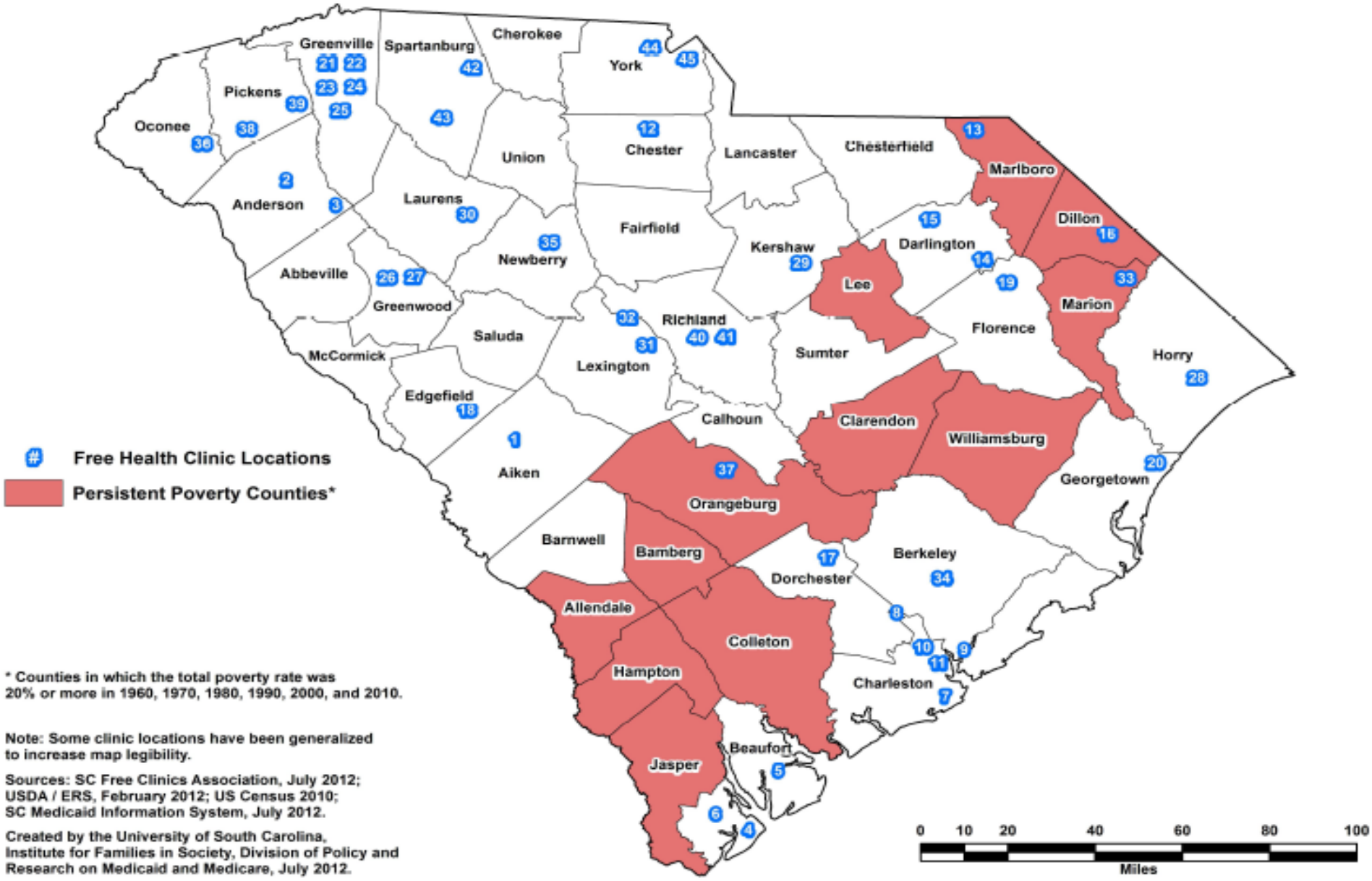
Components of HeArt include:

- Community Health Workers (CHW)
- Retail Clinics
- Hybrid Clinics
- Telemedicine
- Charleston Promise Neighborhood

Hybrid Clinic Initiative:

- The objective of the initiative to provide an opportunity for a free clinic to become a Medicaid provider while maintaining its mission and service to the uninsured population
- This model will give free clinics opportunities to:
  - Maintain volunteer staff and utilize paid providers
  - Provide quality medical care to patients with low income (uninsured and Medicaid beneficiaries)
  - Charge fees on a sliding scale allowing free care to very low income patients

Free Health Clinic Locations and Persistent Poverty Counties in South Carolina



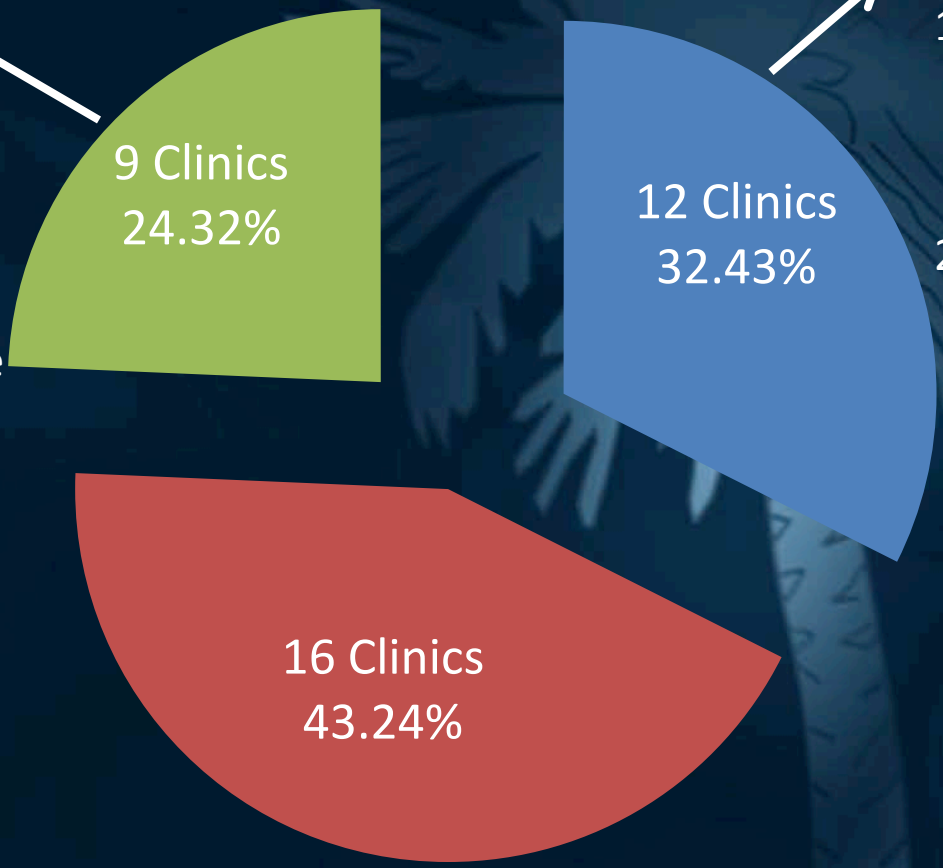
* Counties in which the total poverty rate was 20% or more in 1960, 1970, 1980, 1990, 2000, and 2010.

Note: Some clinic locations have been generalized to increase map legibility.

Sources: SC Free Clinics Association, July 2012; USDA / ERS, February 2012; US Census 2010; SC Medicaid Information System, July 2012.

Created by the University of South Carolina, Institute for Families in Society, Division of Policy and Research on Medicaid and Medicare, July 2012.

Future Plans: Interest in becoming a Medicaid Provider (N=37)



Why clinics said "Maybe" :

1. Need to ensure integration of care
2. Need to remain a free clinic
3. Unsure of what are the requirements and benefit of becoming a provider

Why clinics said "Yes" :

1. Large Medicaid eligible or beneficiaries in Service Area
2. Source of stable/reliable funding
   1. To hire staff
   2. Increase clinic patient capacity

Why clinics said "No" :

1. Want to continue to serve immigrant population
2. Complex navigating the Medicaid system
3. Lose existing funding/volunteers/providers because they will become a competitor
4. Faith based reasons

Source: 2012 SCDHHS Free Clinic Survey


Questions?

Thank you