

## OPPAGA: DON'T EXPAND MEDICAID REFORM UNTIL MORE DATA SHOW IT WORKS

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THE CAPITAL, TALLAHASSEE, June 19, 2009.....There's no solid evidence that the state's effort to overhaul the Medicaid program has improved quality of care to the extent intended and a costly expansion of the experiment to a wider part of Florida shouldn't go forward until there is, legislative auditors have concluded.

A new report from the Legislature's Office of Program Policy Analysis and Government Accountability says that "based on the lack of sufficient information to assess progress toward meeting quality of care and access goals, concerns raised by stakeholders and researchers, and symptoms of plan instability, we conclude that the Medicaid Reform pilot is not ready to expand to other areas of Florida."

The auditors noted that expanding the pilot – which would cost an estimated \$7.1 million according to the Agency for Health Care Administration – should also wait because of that. With the state experiencing revenue short falls, now wouldn't be the time to take on the extra expense, the OPPAGA audit said.

The review, the latest of several done by the auditing agency and several other groups that have tried to evaluate the success of the Medicaid reform that was the health care hallmark of the Jeb Bush administration, is only the latest to urge that expansion of the test either not happen or go slowly. There have also been some complaints from beneficiaries who have said that in some cases it has been difficult to get access to needed health professionals in certain areas.

The reform effort was meant to empower Medicaid recipients to take a more active role in their own health care, and have their care managed more holistically, to try to reduce costs by treating the person in a medical home setting, rather than having them constantly show up in the emergency room for care. There would be more preventive medicine under the plan.

The plan offers beneficiaries a choice among managed care options, some guidance in selecting a health plan that meets their needs and financial incentives to increase healthy behaviors.

OPPAGA said that through the end of last year, the state had spent \$37.8 million to revamp the Medicaid system, with 94 percent of that cost paid to vendors to administer and operate the choice counseling, opt-out, and enhanced benefits parts of the plan, and fill other administrative functions.

"To date, little data is available to demonstrate that Medicaid Reform has improved access to and quality of care," the OPPAGA report, released Thursday, said. "While AHCA has developed a system to track services provided to beneficiaries, this system will not have complete plan service data available until January 2010. In addition, little data is yet available on whether Medicaid Reform has produced cost savings or is more cost-effective than traditional Medicaid. We recommend that the Legislature not expand Medicaid Reform until more information is available to evaluate success."

The Medicaid reform plan, ushered through the Legislature by Bush and then-AHCA Secretary Alan Levine in 2005, began providing services to Medicaid patients on a pilot basis in Broward and Duval Counties in September of 2006. AHCA expanded the pilot to Baker, Clay and Nassau counties in Northeast Florida in 2007. The agency would need legislative approval to expand the reform beyond the five counties.

The feeling in the Legislature about expanding the program has been mixed.

The current AHCA secretary, Holly Benson, has generally been in favor of trying to expand the project,. She responded to the audit in a letter to OPPAGA that didn't directly reject the report's findings, but called into question a few points in the report.

The letter also generally defended the program, and cited a recent study by the University of Florida that found that in 2008, "Medicaid enrollees' satisfaction with their health care experiences were generally high," and that "in general, Medicaid Reform beneficiaries tended to rate their health care experiences positively and to have a generally high level of satisfaction with their health care."

"It is also important to acknowledge that some negative shift in satisfaction is to be expected during any transition from an unmanaged care environment to a managed care situation, such as we have with moving fee-for-service populations into reform," Benson wrote further. "Finding such few significant differences in beneficiaries' satisfaction after being enrolled in reform may actually indicate a more positive satisfaction than would have been anticipated."

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