



California Health Care Foundation

HEALTH CARE THAT WORKS FOR ALL CALIFORNIANS

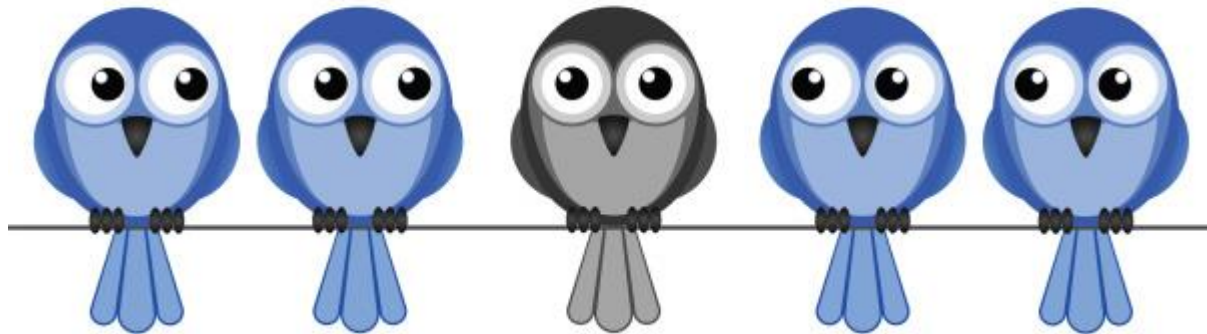
Investing in  
Health Care  
That Works for  
All Californians

Melissa Buckley  
September 27, 2016

**CHCF**  
HEALTH  
INNOVATION  
FUND

# Venturing into New Territory

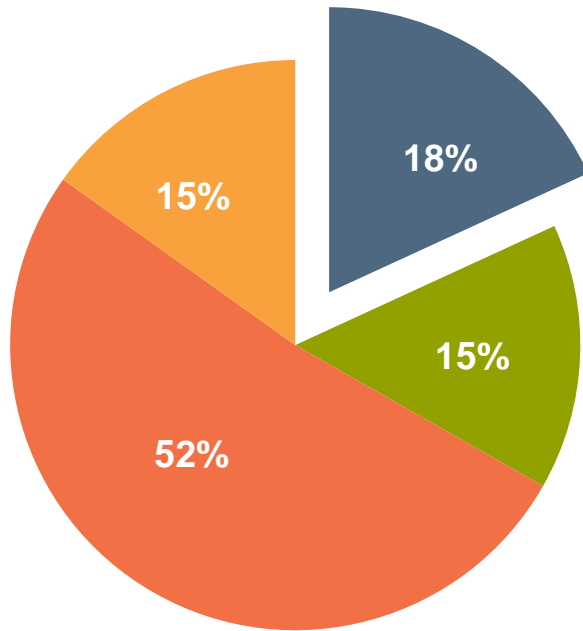
**Health care delivery system + technology + investments  
+ foundation grantmaking + Medicaid...**



**Top Things to Know About Medicaid  
and the Safety Net Delivery System**

# The medicaid “market” is large and growing

## Health Insurance Coverage by Type (2015)

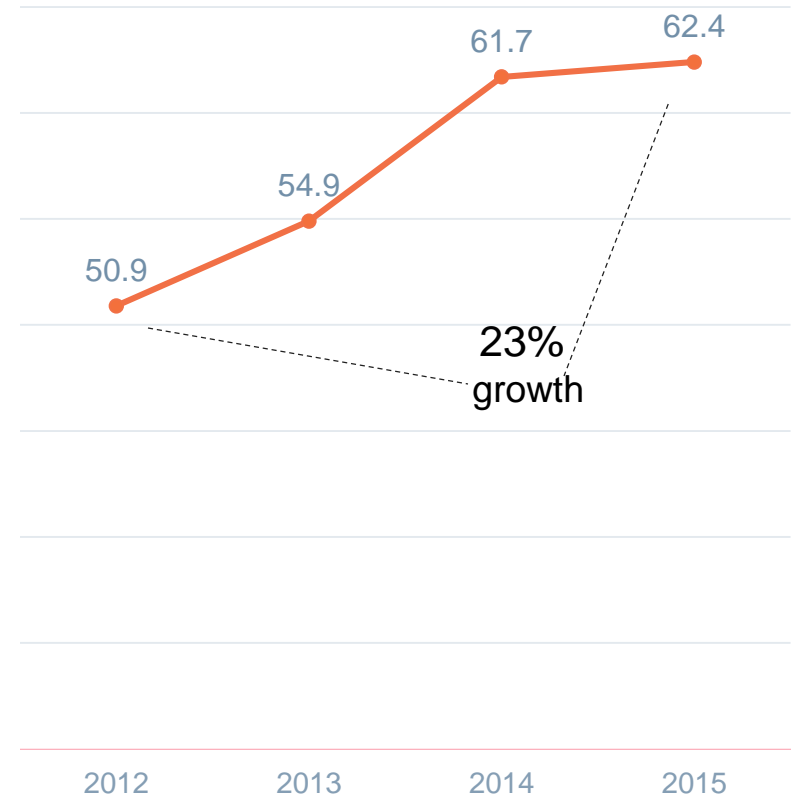


■ Medicaid ■ Medicare ■ Employer based ■ Direct purchase

Source: US Census, *Health Insurance Coverage in the United States: 2015*

California Health Care Foundation | [www.chcf.org](http://www.chcf.org)

## Medicaid Enrollment (millions)



2012

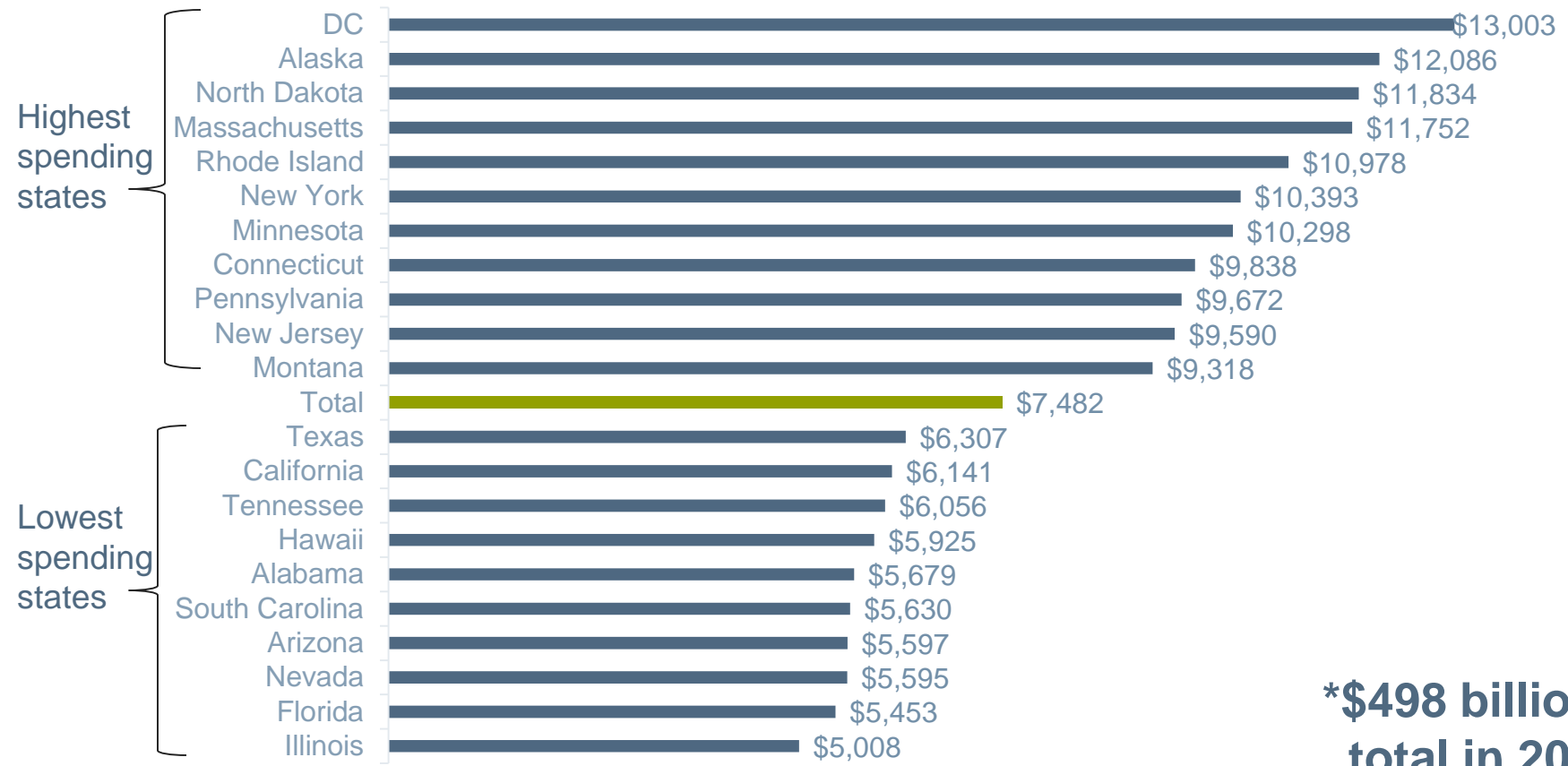
2013

2014

2015

# Variability is the rule and dynamics are local

## Medicaid Spending Per FYE Full-Benefit Enrollee, FY 2012



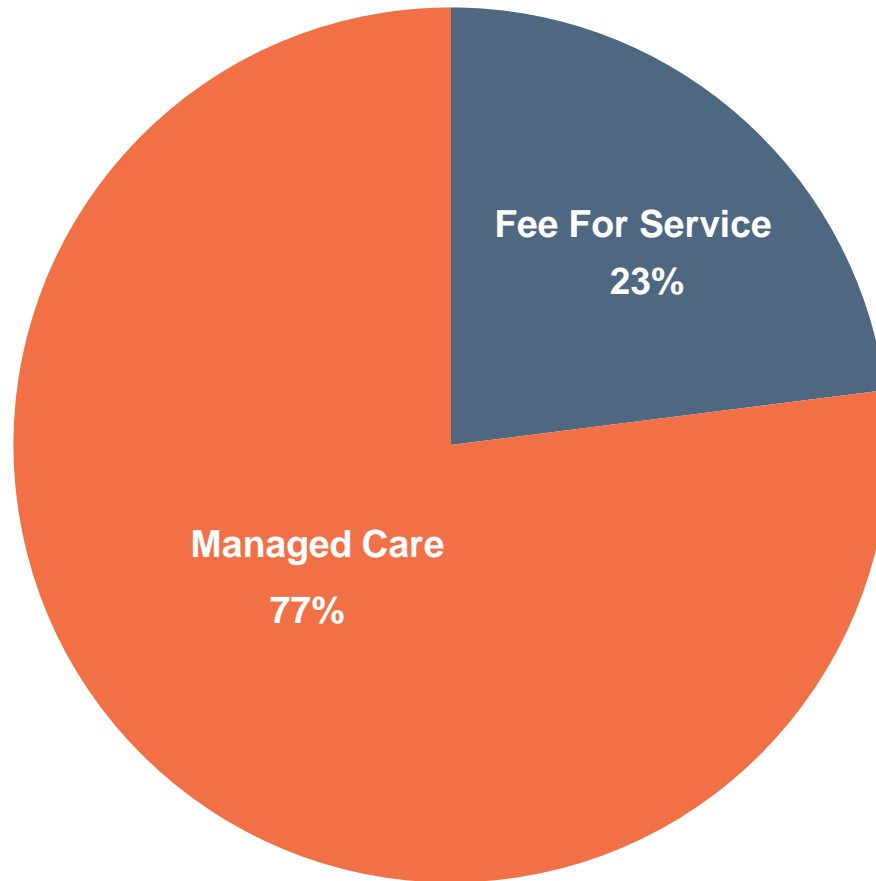
**\*\$498 billion  
total in 2014**

Source: *Medi-Cal Landscape Assessment*, Manatt Health, June 2016

\* MACStats: *Medicaid and CHIP Data Book*, December 2015

# Most payments are value-based

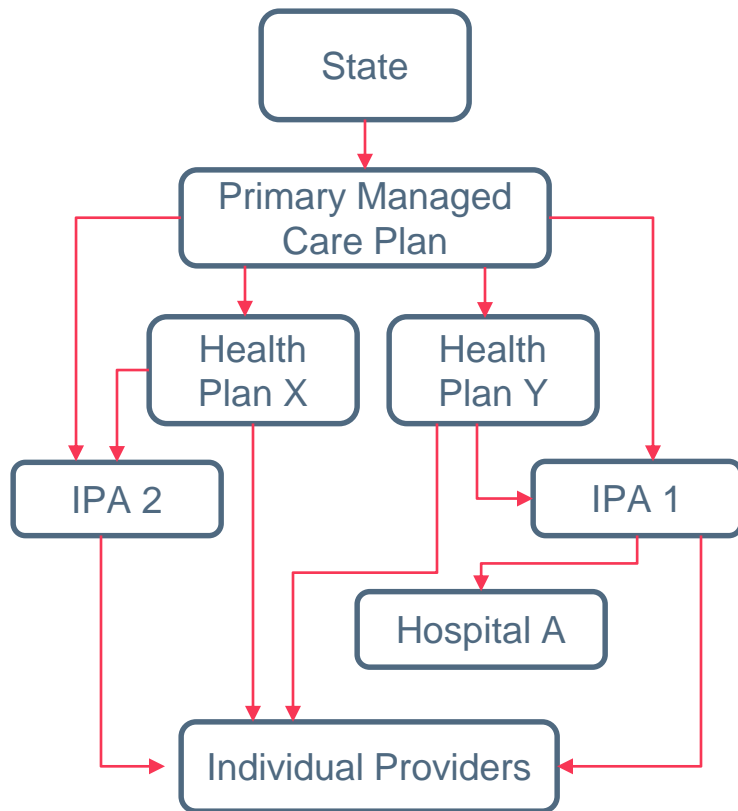
## Enrollment in Medicaid Managed Care vs. FFS (2014)



Source: *Medicaid Managed Care: An ACAP Analysis*, Association for Community Affiliated Plans

# Finding the “true” customer can take work

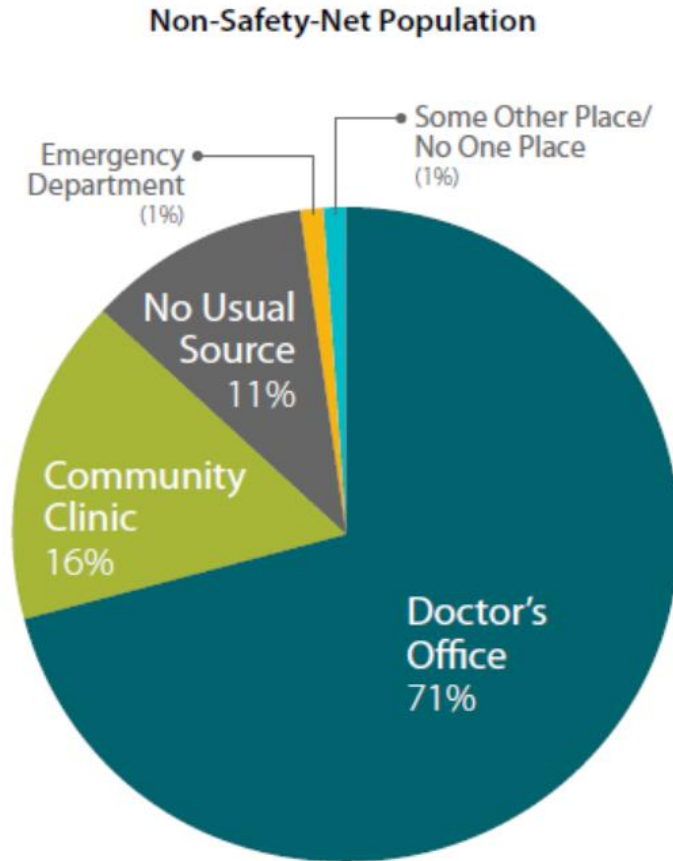
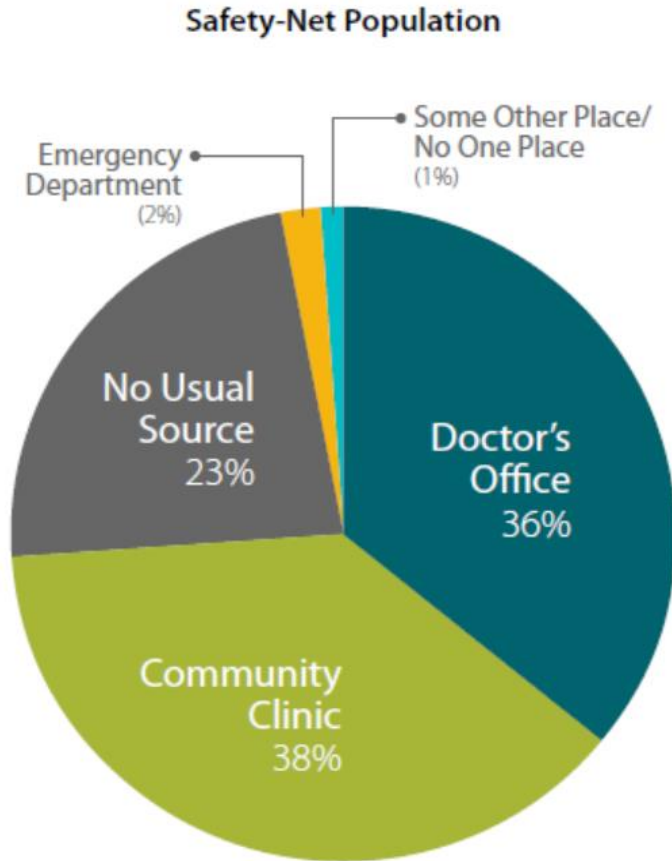
## Delegation: *Who holds the risk?*



## Carve Outs: *Who is responsible for services?*

- Specialty mental health
- Alcohol/substance use disorder treatment
- Long-term care
- In-home Supportive Services
- Non-medical Dental

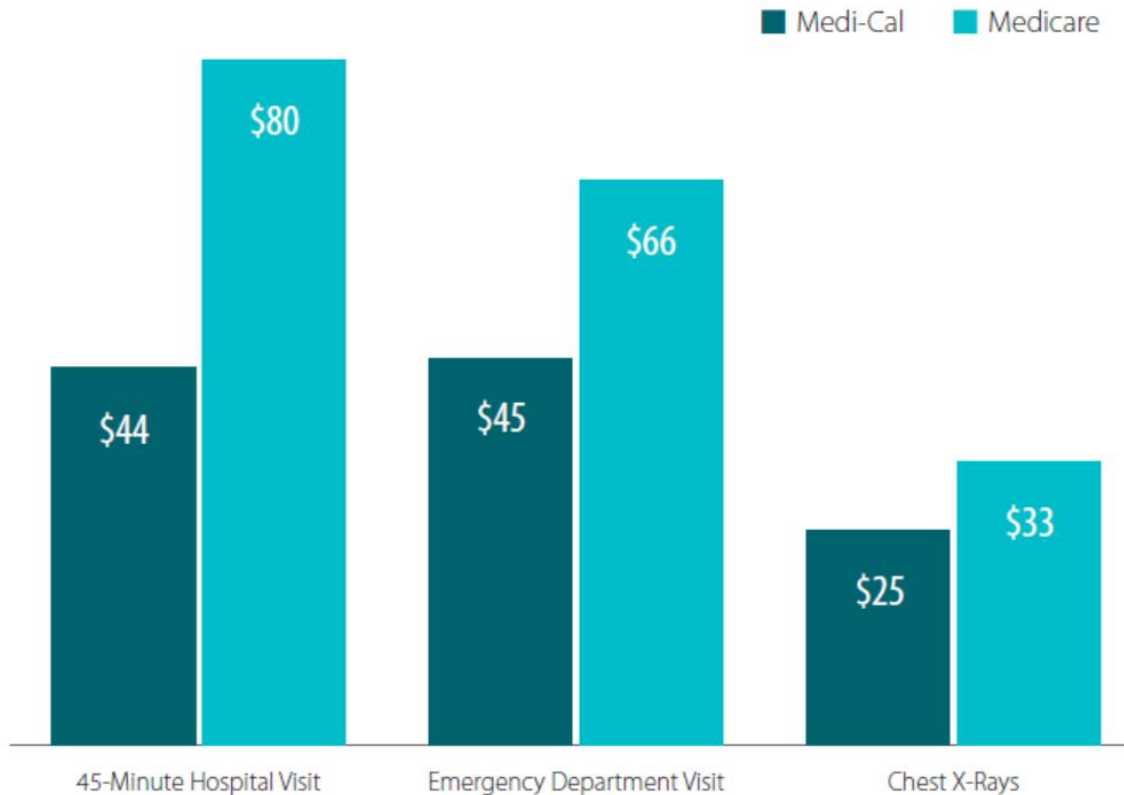
# More care is delivered in community clinics



Source: *California's Health Care Safety Net: A sector in Transition*, January 2016, California Health Care Foundation

# Managed care plans compensate for low FFS rates through targeted enhanced reimbursements

## Physician Reimbursement Rates, Medi-Cal vs. Medicare Selected High Frequency Services, 2014

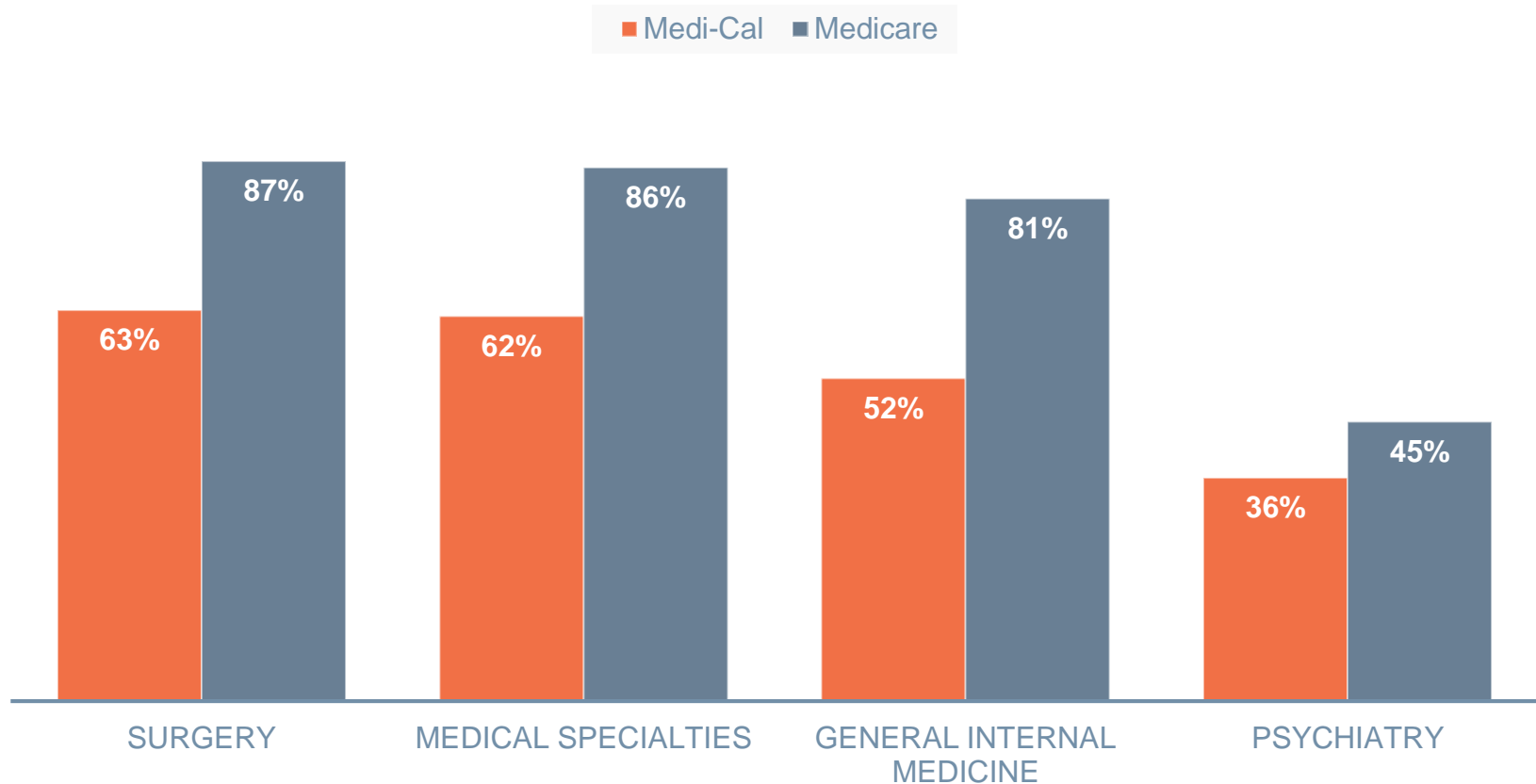


Source: *California's Health Care Safety Net: A sector in Transition*, January 2016, California Health Care Foundation



# Access to providers is challenging

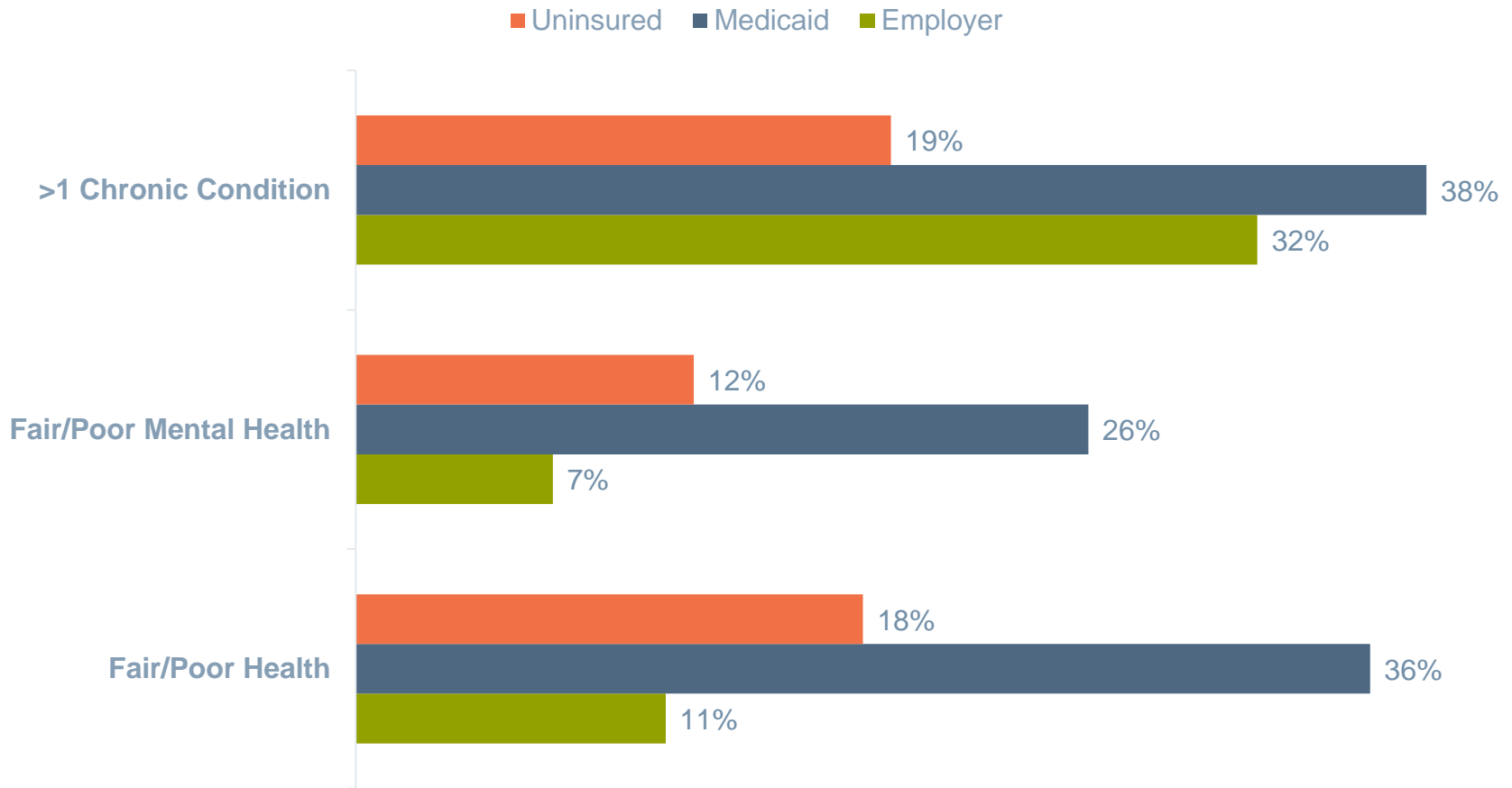
## Physicians Accepting New Patients by Coverage Type, 2013



Source: *Physician Participation in Medi-Cal: Ready for the Enrollment Boom?*, August 2014, California Health Care Foundation

# Greater prevalence of chronic conditions and poor mental health

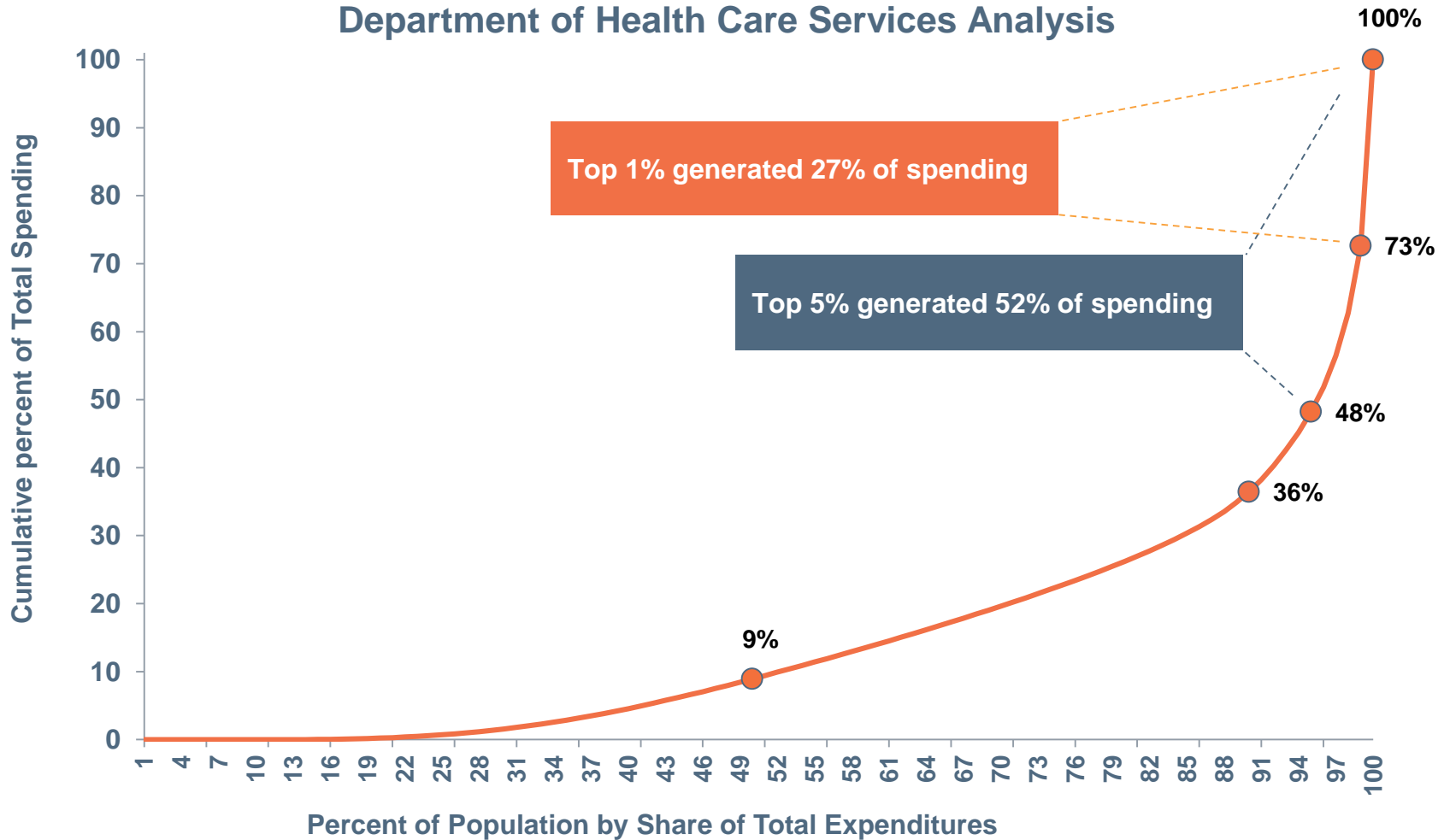
## Selected characteristics of adults <139% FPL



Source: *What Difference Does Medicaid Make: Assessing Cost Effectiveness, Access, and Financial Protection under Medicaid for Low-Income Adults*, May 2013, Kaiser Commission on Medicaid and the Uninsured.

# Costs are concentrated at the top

## Medi-Cal Spending Distribution Department of Health Care Services Analysis



Source: *Understanding Medi-Cal's High-Cost Populations*, March 2015, California Department of Health Care Services

# Opportunities look different

- Population health
  - Integrated behavioral health
  - Coordinated care management
  - Data analytics w/ social determinants
  - Ability to manage risk
- Leveraged workforce and remote access
  - Telehealth
  - One-to-many provider-patient platforms
  - Top of license practicing
- Scalable models



Created by Chris Homan  
from Noun Project

# CHCF is a partner in Medicaid navigation

We work to ensure that people have access to the care they need, when they need it, at a price they can afford, by:



Investing in new and emerging technologies in the safety net



Evaluating impact



Amplifying what works



Created by Chameleon Design  
from Noun Project