

Medicaid Fact Sheet FY 2007



Government of the
District of Columbia
Adrian M. Fenty, Mayor

D.C. DEPARTMENT OF HEALTH
MEDICAL ASSISTANCE ADMINISTRATION

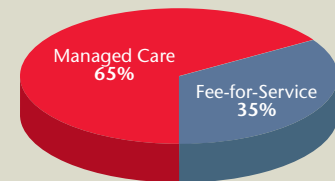
ESSENTIAL HEALTH CARE FOR D.C. RESIDENTS

Medicaid covered 24% of D.C. residents in the fiscal year ending Sept. 30, 2007. A related program, the D.C. Healthcare Alliance, covered an additional 8% of the population. While the federal government pays 70% of the cost of Medicaid, the Alliance is funded entirely by the District. Medicaid is the second-largest source of coverage in D.C., ahead of Medicare and behind employment-based coverage. Almost everyone with Medicaid or Alliance coverage cannot obtain employment-based coverage. Common reasons include: no one in the family is employed; the employer does not offer coverage; the coverage is unaffordable; or coverage may be limited by pre-existing condition clauses. Medicaid is also the largest payer in D.C. for long-term care, which includes nursing facility care and home and community-based services for the elderly and people with disabilities. For low-income Medicare beneficiaries, Medicaid also fills in the gaps in Medicare coverage.

D.C. MEDICAID ENROLLMENT IN FY 2007

- Monthly enrollment averaged 142,046 people, virtually unchanged from FY 2006.
- About half (68,673) of Medicaid beneficiaries were children under age 18. Medicaid covers 60% of D.C. children.
- About 13,000 beneficiaries were dually eligible for Medicaid and Medicare.
- D.C. has four Medicaid managed care plans, including one care coordination plan for children with special needs. Managed care enrollment averaged 92,785 people per month. Enrollment in fee-for-service Medicaid averaged 49,261 people per month.

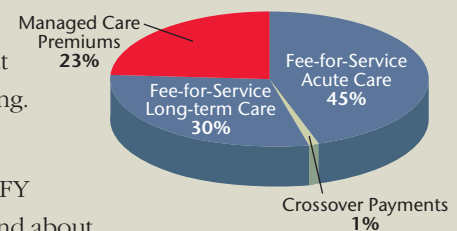
Medicaid Enrollment FY 2007
142,046 Monthly Average



D.C. MEDICAID SPENDING

- Spending on care totaled \$1.4 billion in FY 2007 (preliminary data). Spending per beneficiary per month was \$809, a 6.2% increase from FY 2006.
- Except for about 3,200 children with special needs, the 65% of enrollees in managed care plans are typically children and working-age adults without disabilities. Managed care premiums accounted for 23% of FY 2007 spending.
- The 35% of enrollees in fee-for-service Medicaid are typically seniors and people with disabilities, who often have significant health care needs. In FY 2007, about 45% of Medicaid spending went to acute care for this group and about 29% for long-term care. "Acute care" includes hospital stays, physician care, prescription drugs and similar categories.
- About 1% of spending went to payment of Medicare coinsurance and deductibles on "crossover" claims for dually eligible beneficiaries. Medicaid spending on services that Medicare doesn't cover (e.g., most nursing facility care) is included in fee-for-service spending totals.

Medicaid Spending FY 2007
\$1.4 Billion (Preliminary)



ECONOMIC IMPACT OF MEDICAID

- Providing health care to one-quarter of the D.C. population (one-third including the Alliance) is essential to maintaining a healthy, productive D.C. workforce.
- 92% of Medicaid spending on care was paid to D.C. providers. Of the remainder, 6% went to Maryland providers, 1% to Virginia providers and 0.5% to other states.
- Medicaid was the single largest source of federal funding to the D.C. government in FY 2007, bringing in about \$900 million. Medicaid is cost-shared 30/70 between the two levels of government, so every D.C. Medicaid dollar is matched by \$2.33 from the federal government.

HIGHLIGHTS OF FY 2007

- **Expanded benefits bring dental coverage to 60,000 beneficiaries.** In April 2007, D.C. became one of the few Medicaid programs to provide comprehensive dental coverage for adults, including two routine visits a year and periodontal, surgical and denture care as needed. The cost is estimated at \$13 million a year.
- **Improved coverage for children.** In June 2007, D.C. started covering 1,600 previously uninsured children under age 19. For this group, the income ceiling for Medicaid eligibility was raised from 200% to 300% of the federal poverty line.
- **Innovative centralized child health registry.** As part of the Early and Periodic Screening, Diagnosis and Treatment program, D.C. Medicaid developed the web-based EPSDT/HealthCheck Tracking System. So far, records on 40,000 District children have been collected on seven new standard medical record forms. When the system goes live early in 2008, providers with appropriate security permissions will have real-time access to child immunization records and other information needed for effective, efficient coordination of care.
- **Value purchasing for prescription drugs.** In FY 2007, Medicaid joined a multi-state purchasing pool for prescription drugs and launched a Pharmacy and Therapeutics Committee that recommends cost-effective drugs for a new Preferred Drug List. Together, these initiatives will save Medicaid at least \$5 million a year while maintaining beneficiary access to medications.

MANAGED CARE QUALITY AND MEMBER SATISFACTION

- **NCQA accreditation of managed care organizations.** In FY 2007, three Medicaid managed care organizations were accredited by the National Committee for Quality Assurance. NCQA accreditation is based on a plan's performance compared with rigorous national standards in the areas of clinical performance, member satisfaction and plan processes. Although the care coordination plan for children with special needs wasn't eligible for full accreditation, it received NCQA accreditation in utilization management and credentialing.
- **More emphasis on reporting quality measures.** Medicaid reported the quality of services provided by its managed care plans using 41 nationally accepted HEDIS measures. In addition, stringent new criteria for quality reporting and pay for performance were included in the request for proposals for 2008 managed care contracts.
- **Beneficiary Satisfaction Survey.** D.C. Medicaid contracted with a nationally recognized research firm to measure beneficiary satisfaction. One result, for example, was that D.C. Medicaid beneficiaries, in both the managed care and fee-for-service sectors, had fewer problems seeing a specialist than Medicaid beneficiaries nationwide.

D.C. MEDICAID SPENDING FY 2006 TO FY 2007

Responsibility Center	Actual FY 2006	Preliminary FY 2007
Disproportionate Share Hospitals (supplementary payments)	\$40,741,719	\$68,342,856
Day Treatment	\$25,737,746	\$17,133,449
Inpatient Hospital	\$272,000,292	\$283,558,521
Outpatient Hospital	\$29,424,103	\$27,505,845
Insurance Premiums	\$329,875,665	\$316,797,900
Intermediate Care Facilities for the Mentally Retarded	\$76,113,435	\$84,704,487
Physician Services	\$20,922,164	\$22,190,916
Residential Treatment	\$13,603,718	\$10,028,574
Nursing Facilities	\$174,054,515	\$171,891,906
Vendor Payments	\$162,288,114	\$180,036,821
Cost Settlement (retroactive adjustments to certain providers)	\$10,616,090	\$36,625,231
D.C. Mental Health and St. Elizabeth's Hospital	\$469,605	\$28,197,766
D.C. Fire and EMS	\$3,661,416	\$3,399,246
Addiction, Prevention and Recovery Administration	\$1,375	\$8,176
D.C. Public Schools	\$18,942,952	\$17,349,760
D.C. Child and Family Services	\$70,601,246	\$32,257,168
Waivers (innovative programs under federal waivers)	\$53,764,516	\$78,803,152
Subtotal Spending for Care	\$1,302,818,671	\$1,378,831,774
MAA Administration	\$31,737,275	\$34,056,283
Total	\$1,334,555,946	\$1,412,888,057
Average Enrollee per Month	142,539	142,046
Average Spending per Enrollee per Month	\$762	\$809

Notes: 1. The fiscal year runs from October 1 through September 30. Expenses are tallied on an accrual basis. 2. FY 2007 numbers are preliminary data as of November 2007. 3. Prescription drug spending includes the net effect of rebates (credit) and "clawback" payments to the federal government (debit). 4. "MAA administration" excludes other costs of administering Medicaid borne by other agencies, such as the cost of eligibility determination borne by the Income Maintenance Administration.

FOR FURTHER INFORMATION

The D.C. Medicaid FY 2007 Annual Report has much more detail than this fact sheet. Go to www.doh.dc.gov, then choose "Medicaid" and "Reports." You may also call 202-442-5988 to request a copy.