

Alabama Medicaid Overview / Eligibility

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COMMISSIONER
ALABAMA MEDICAID AGENCY



AGENDA

- Eligibles
- Expenditures
- Funding
- Eligibility Requirements



Who Does Alabama Medicaid Serve?



Who Does Alabama Medicaid Serve?

FY2015 by Date of Service

Aged

Age 65 & Over

Adults who are in poverty. Almost all are also covered by Medicare.

Disabled & Blind

Any Age

Determined by the Social Security Administration and have automatic Medicaid eligibility.

Children

Age 0-18

Children in families below 146% of the Federal Poverty Rate.

Other Categories

Age 19-64

Other adults including pregnant women, parent caretakers, and family planning services.

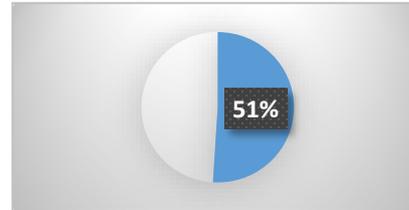
% of Members



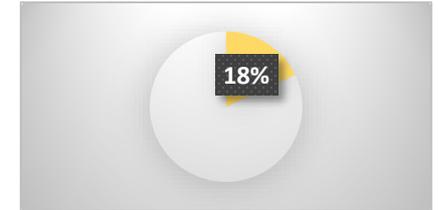
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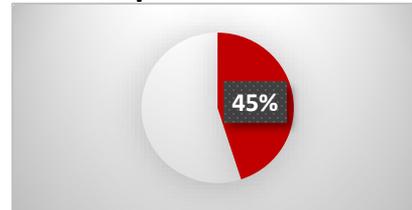
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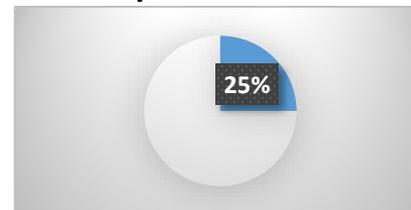
% of Expenditures



% of Expenditures



% of Expenditures



% of Expenditures



\$10,297

Per Member Per Year

\$10,278

Per Member Per Year

\$2,483

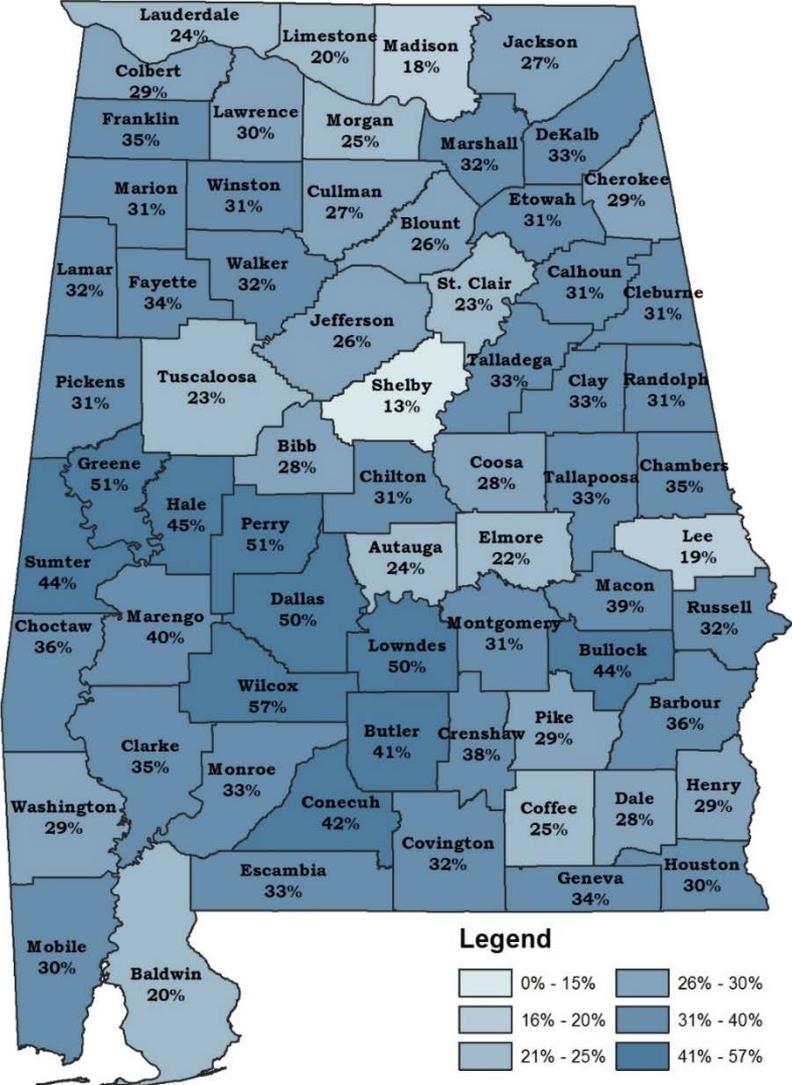
Per Member Per Year

\$3,350

Per Member Per Year



FY 2015 Percent of Population Annually Eligible for Medicaid by County



Highest Percentage

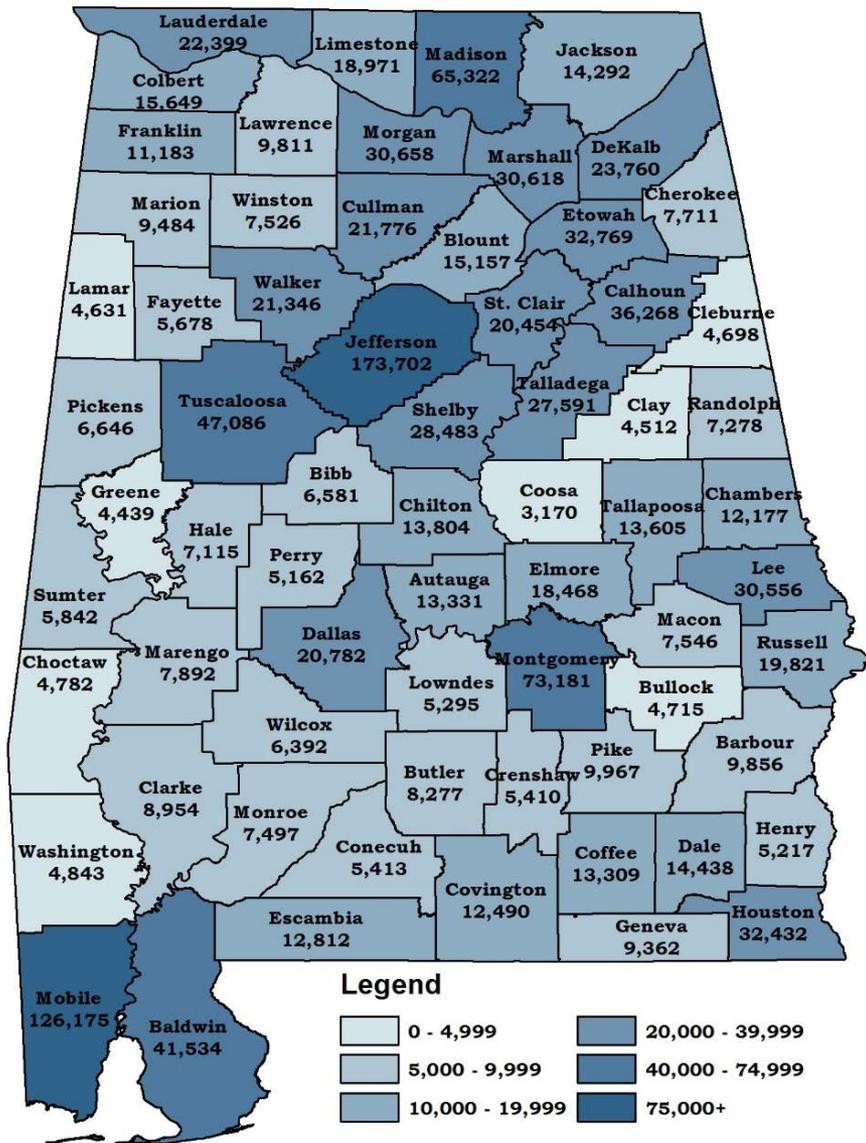
- Wilcox 57%
- Greene 51%
- Perry 51%
- Lowndes 50%
- Dallas 50%

Lowest Percentage

- Shelby 13%
- Madison 18%
- Lee 19%
- Limestone 20%
- Baldwin 20%



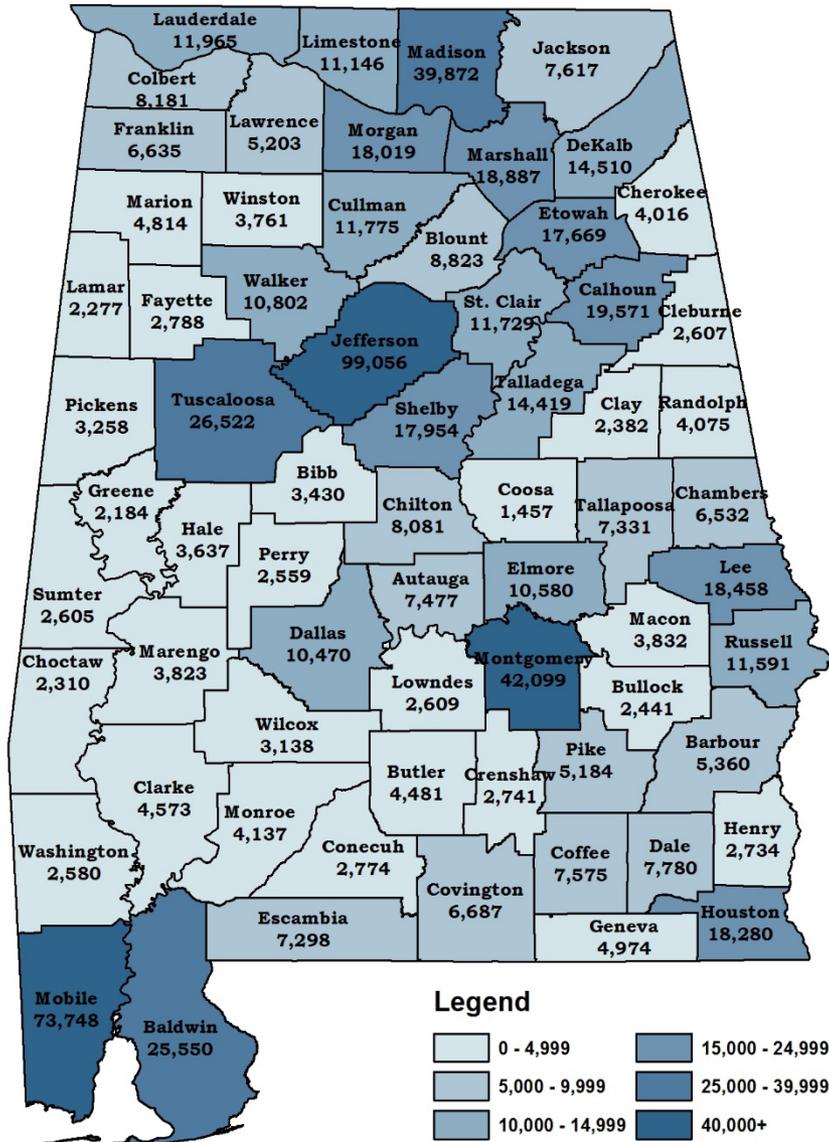
FY 2015 Population Annually Eligible for Medicaid by County



Based on an unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled for at least one month of the fiscal year.



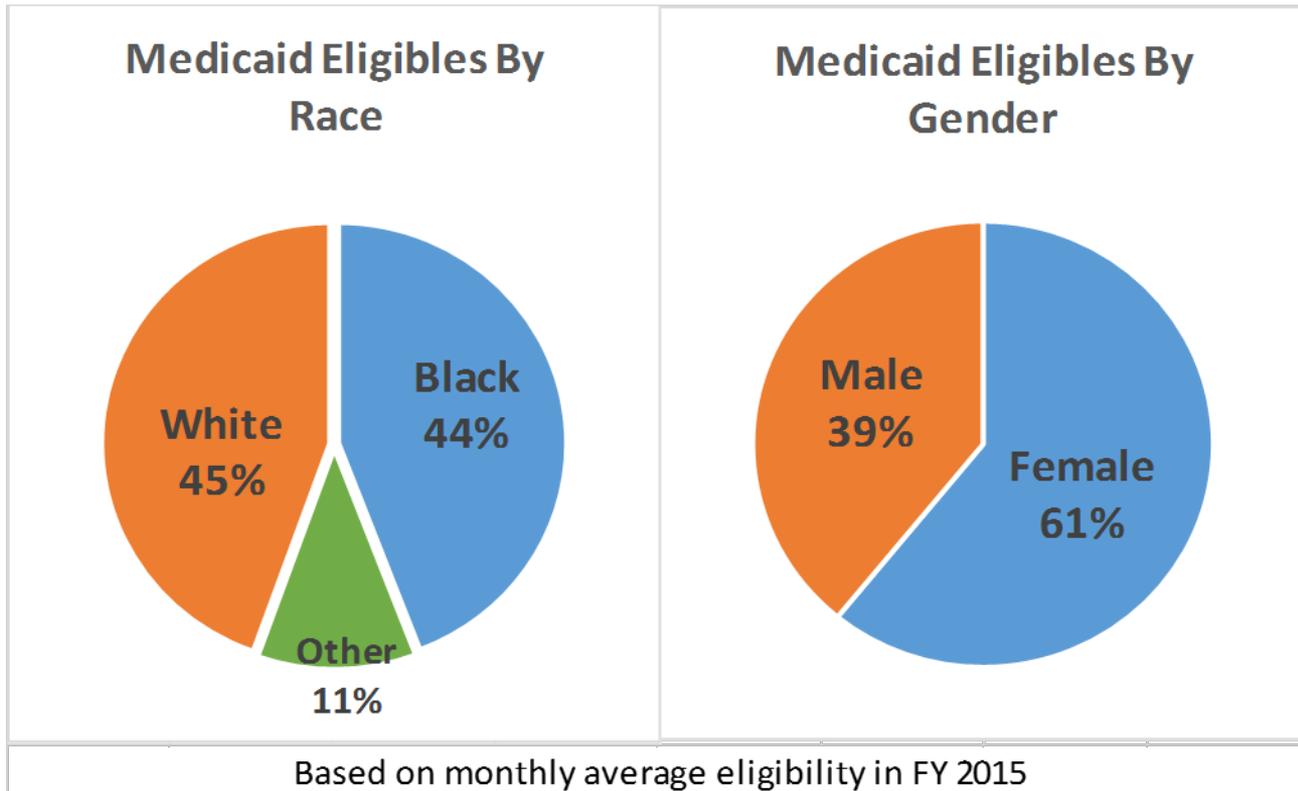
FY 2015 Population Under Age 19 Annually Eligible for Medicaid by County



Based on an unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled for at least one month of the fiscal year.



FY 2015 Medicaid Eligibility by Race and Gender

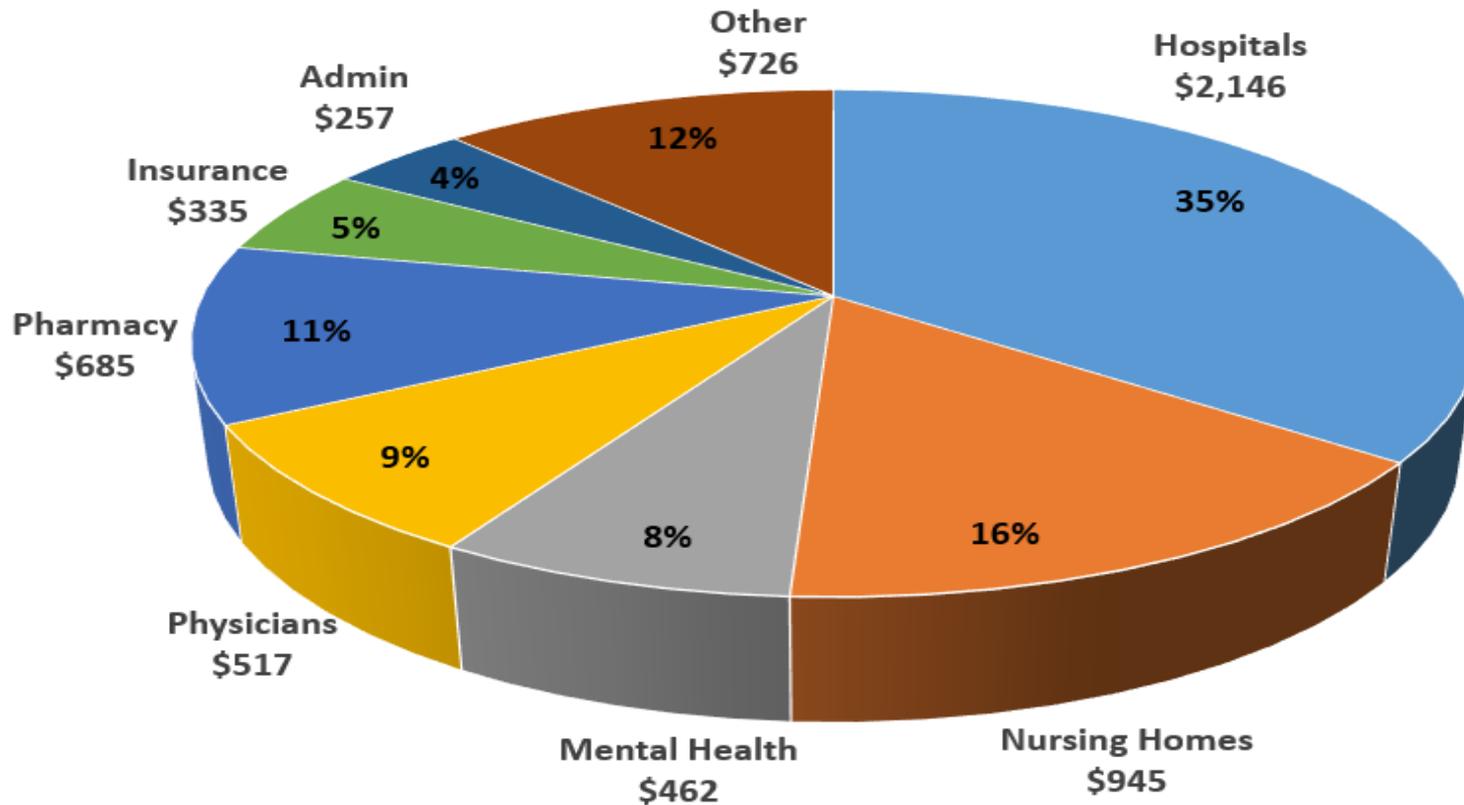


Medicaid Expenditures



FY 2015 Medicaid Funding Analysis

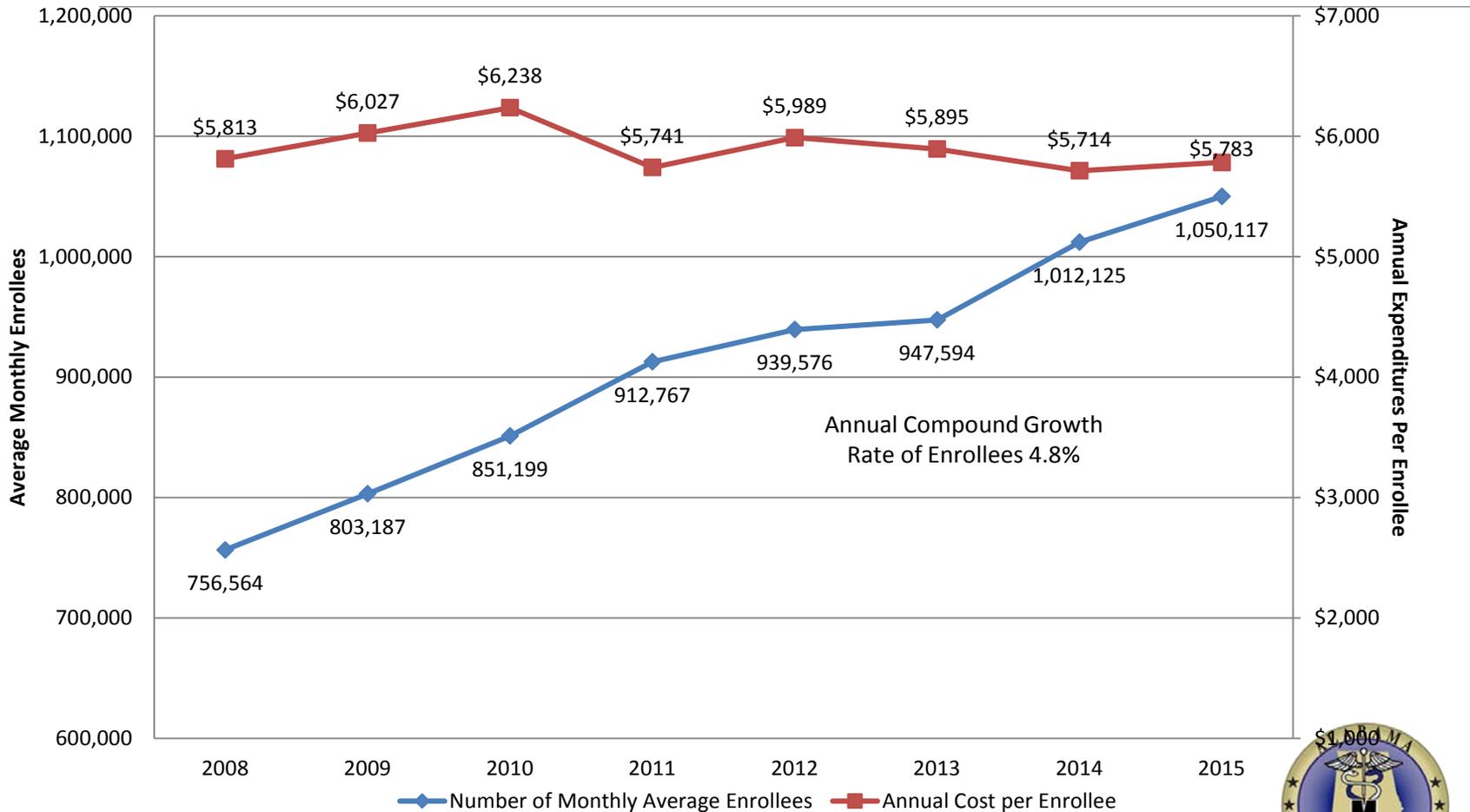
Benefit Payments and Administrative Costs (in millions)



Benefit Payments: \$5,816
96%



Enrollment and Annual Cost Per Enrollee 2008-2015



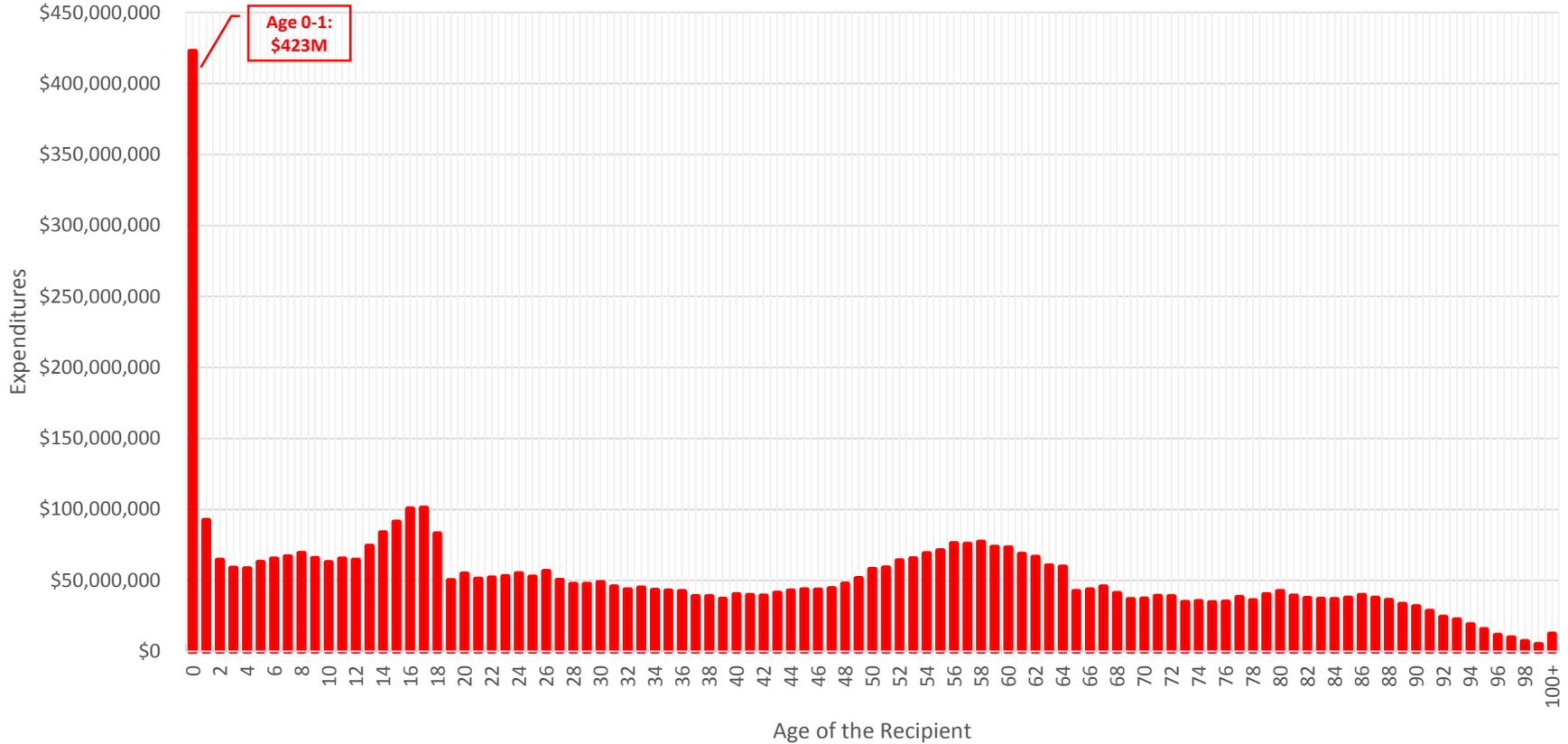
Caring for Some People Costs More...

- **In FY 2015:**
 - 1% of the recipient population accounted for 29% of the Agency's medical expenditures**
- **In FY 2015, 35 recipients had medical care costs of more than \$1 million each**
 - 27 newborns
 - 6 recipients with hemophilia
 - 1 transplant patient with multiple co-morbidities
 - 1 patient with severe congenital defects



FY 2015 Medicaid Expenses by Age Group

Alabama Medicaid Agency Expenditures for Medical and Support Services Fiscal Year 2015 By Age at the Date of Service



Caring for Some People Costs More...

In FY 2015

- **Breast Cancer:**
 - 4,560 recipients
 - \$72 million or \$15,900 per recipient
- **Cervical Cancer:**
 - 686 recipients
 - \$14 million or \$21,000 per recipient
- **Severe and Persistent Mental Illness**
 - 70,930 recipients
 - \$1.1 billion or \$15,600 per recipient
- **RCOs will manage the medical care of these recipients**
 - Improve the quality of care
 - Lower the costs

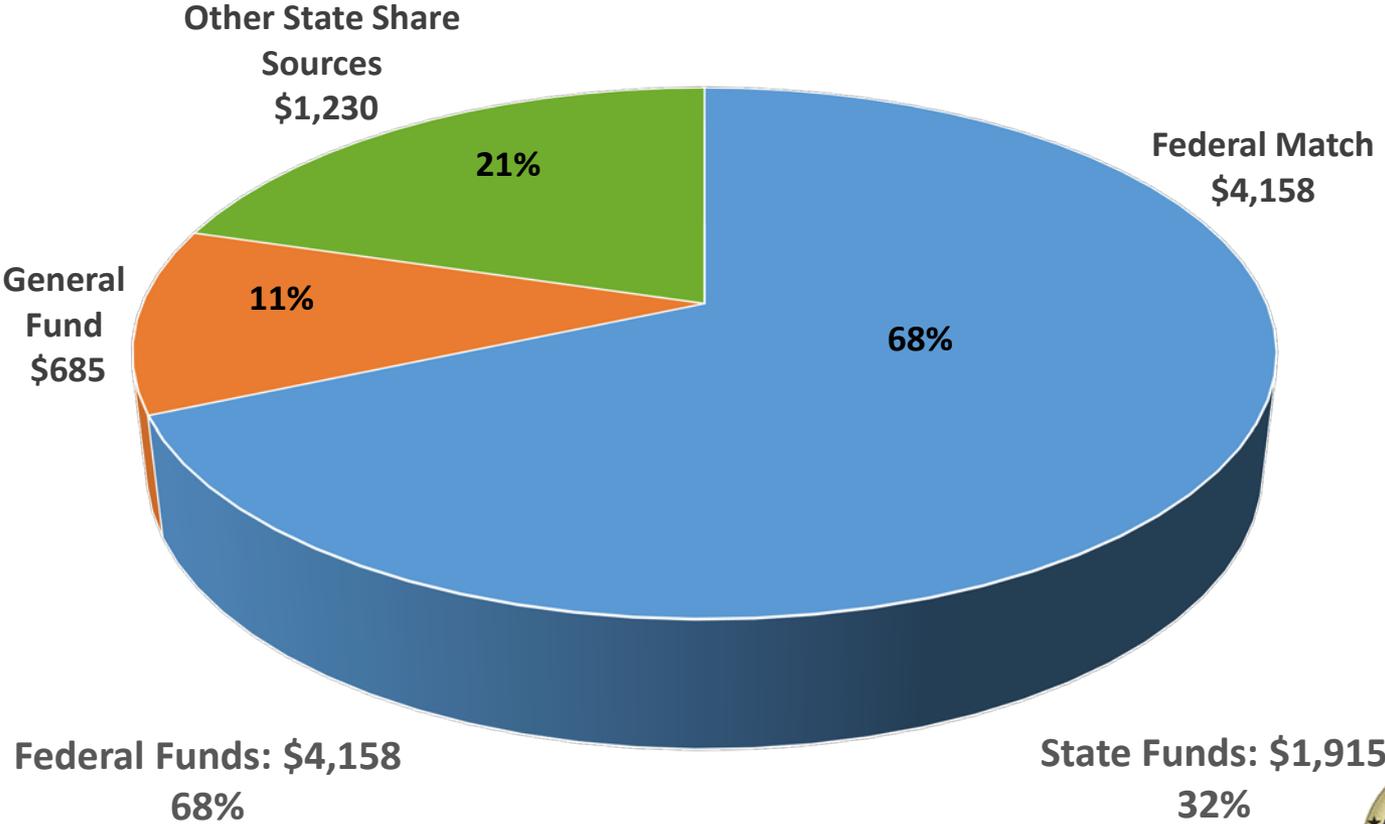


Medicaid Funding

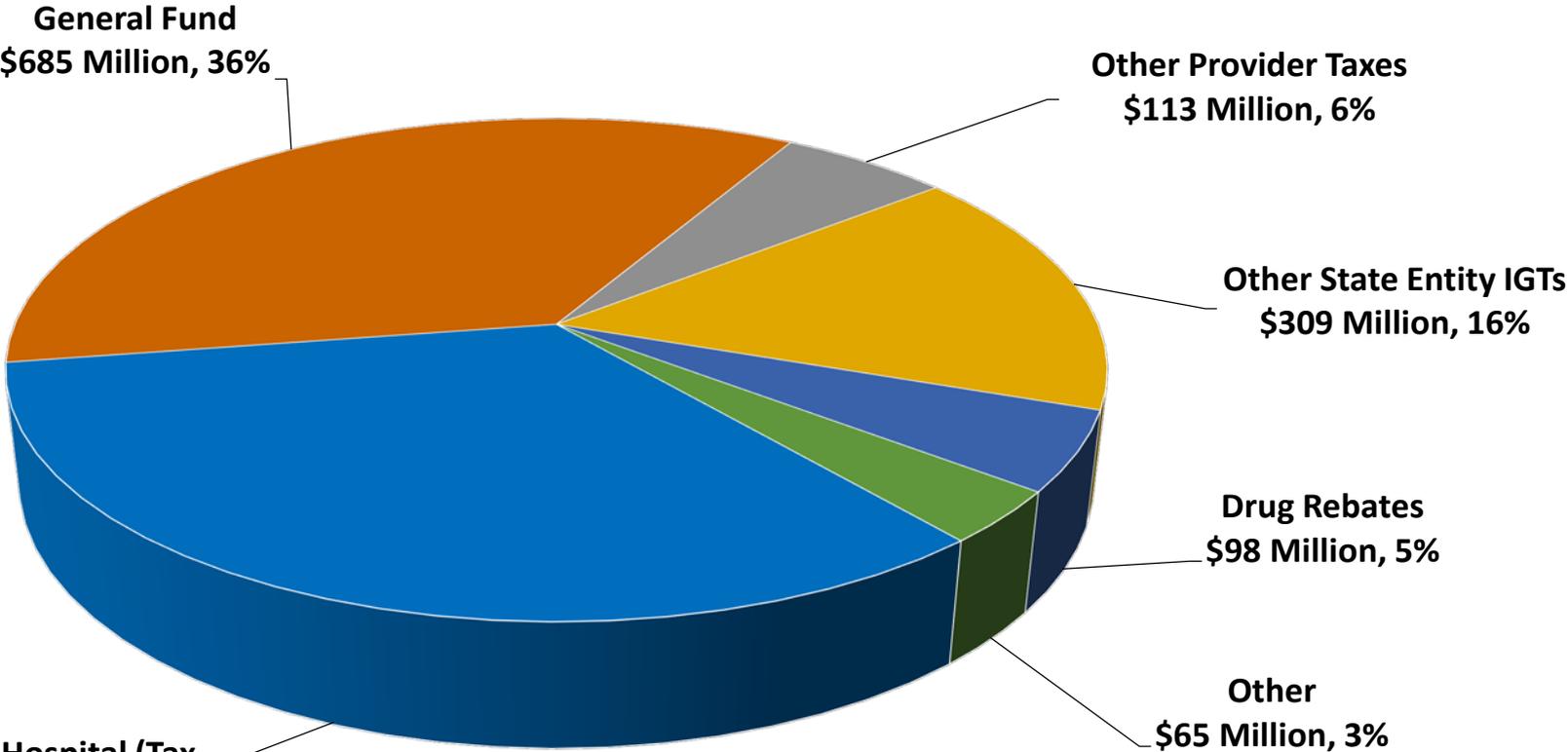


FY 2015 Medicaid Funding Analysis

State and Federal Funding (in millions)



FY 2015 State Share Sources

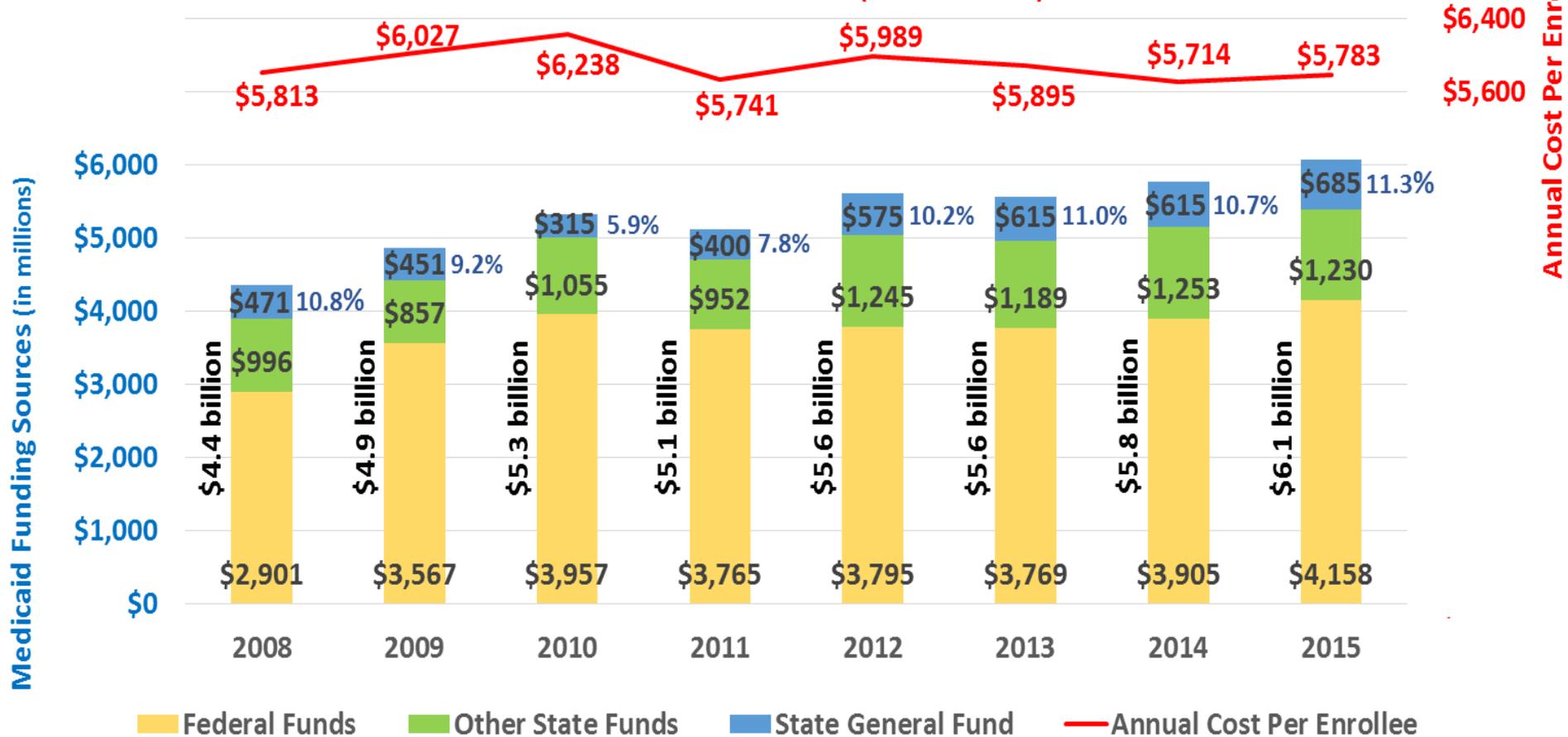


Total State Share Approximately \$1.915 Billion



Medicaid Funding Sources (in millions) and

Annual Cost Per Enrollee (whole dollars)



Budget Request Summary

		In millions
General Fund 2016		\$685
Additional funding to support 2016 expenditures		
Carryforward used in 2016	37	
One time funding used in 2016	36	73
TOTAL 2016 funding necessary to match expenditure level		\$758
Additional funding to support 2017 expenditures		
Inflation and utilization increases	22	
Increase in paybacks	12	
Other, Rounding	-2	32
TOTAL 2017 without RCOs		\$790
Incremental RCO costs 2017		
Increase in RCO capitated rates over current spend	37	
Funding of claim runoff	15	52
Total 2017 with RCOs		<u>\$842</u>



FY 2015 Medicaid Funding Analysis (in millions)

Service Activity	FY 2015 Expense	State Share Overall Amount	General Fund Amount
Nursing Homes*	\$945	\$293	\$179
Pharmacy	685	256	148
Physician	517	159	121
Health Insurance*	335	99	93
Administration	257	93	53
Alternative Care	364	113	53
Health Support	222	69	30
Hospital*	2,146	666	5
Family Planning	59	6	3
Mental Health	462	143	0
CHIP-All Services	81	18	0
<u>Grand Total</u>	<u>\$6,073</u>	<u>\$1,915</u>	<u>\$685</u>

*Controlled by State Statute or Federal Requirement



Eligibility Detail



Major Eligibility Groups Summary

Eligibility Group	Number	Income Limits
Nursing Home / Institutionalized Home and Community-Based Waivers	29,508	The 2016 income limit is \$2,199 / month Assets/Resources may not be more than \$2,000
Aged, Blind & Disabled Individuals	164,467	2016 SSI monthly income limits are \$753 / individual and \$1,120 / couple Assets/Resources may not be more than \$2,000 for an individual, \$3,000 for couple
Low Income Medicare Beneficiaries	126,835	Income from: \$0 - \$1,357 per month for an individual \$0 - \$1,823 per month for couple Resource limits do not apply
Pregnant Women	16,542	Covers pregnant women for duration of pregnancy; Family income may not exceed \$2,957 a month for a family of 4 Resource limits do not apply
Children <small>*does not include children classified as disabled</small>	535,803	Covers children age 0-18; Family income may not exceed \$2,957 a month for a family of 4 - Resource limits do not apply
Parents and Other Caretaker Relatives	61,905	Must be a parent or caretaker of a child under age 19; Family income must be \$365 per month or less for a family of 4 Resource limits do not apply
Plan First (Family Planning only)	100,313	Covers women age 19-55 for family planning services only and men age 21 or older for vasectomies; Resource limits do not apply

NOTE: Specific eligibility requirements and income standards vary between programs. Refer to www.medicaid.alabama.gov for program-specific information.



Medicaid Application Screening Process

Medicaid Application Process:

- Applicants must complete an application and sign under penalty of perjury
- Caseworkers review for accuracy and check for previous fraud or duplications
- Data is matched with trusted data sources
- Caseworker must follow up with applicant if discrepancy is noted or further information is needed
- Application is approved if eligible or denied if ineligible or verification not provided
- Individuals must verify annually and report changes such as a change in circumstances or new information relevant to eligibility
- Elderly/Disabled applications also screened for resources and transfer of assets



Eligibility Validations

ELIGIBILITY AND INCOME VALIDATIONS

- Income
 - SSA tax data and unearned income, IRS, real-time employer data through federal hub, Office of Child Support Enforcement, State data exchange, VA, DHR
- Citizenship/identity
 - Department of Homeland Security, US immigration, SSA
- SSN validation (SSA)
- Veteran's benefits (VA, Public Assistance Reporting and Information Systems)
- Medicare (SSA, Medicare database)
- Birth records (vital statistics)
- Death records (SSA, Vital statistics)
- Address validation (USPS)
- Third Party Insurance (Insurance database)
- Eligibility in other states (PARIS)
- Medical verification of disability

RESOURCE VALIDATIONS

- Bank Accounts (Review previous sixty months for hidden or transferred assets)
- Other financial accounts (IRA's 401K's mutual funds)
- CD's
- Automobiles, trailers, motorcycles, boats, or other motorized vehicles
- Stocks
- Bonds
- Promissory notes
- Property
- Mineral rights, timber rights
- Trusts, annuities
- Insurance policies (life, burial)
- Value of livestock, equipment
- Any resource that can be converted to cash...



Recipient Suspension Process

- Recipients who have committed fraud and/or abuse are referred to the Utilization Review Committee (URC) for recommendation of possible suspension under Code of Alabama, Section 22-6-8
- Suspensions are for at least one year and until full restitution of the misspent funds have been repaid to Medicaid
- Suspension codes are applied to the recipient's eligibility record to prevent them from being able to come back on the system
- The recipient is notified via letter of the suspension action
- Suspended recipients are afforded all hearing rights as per Alabama Medicaid Administrative Code, Chapter 3
- A person remains suspended until one year period has passed and all restitution has been made to the Agency



Summary

- Medicaid is a bare bones program
- Medicaid is controlling costs of delivering services
- Medicaid has limited ability to control enrollment
- Medicaid is vital to the health care system of Alabama

