

HEALTH MANAGEMENT ASSOCIATES
HMA Weekly Roundup

Trends in State Health Policy

..... April 20, 2016



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THIS WEEK

- **IN FOCUS: MEDICAID MCO ENROLLMENT UPDATE – Q1 2016**
- CONNECTICUT GOVERNOR PROPOSES 10 PERCENT REDUCTION IN PEDIATRIC DENTAL RATES
- NEW MEXICO CONSIDERS PROVIDER PAYMENT CUTS OF UP TO 5 PERCENT
- NEW YORK AG FILES SUIT AGAINST MCO OVER ACCESS TO HEPATITIS C DRUGS
- PENNSYLVANIA TO EXPAND PACE OPTIONS
- ALASKA LEGISLATURE PASSES MEDICAID REFORM BILL
- UNITEDHEALTH TO EXIT MOST ACA INSURANCE EXCHANGES IN 2017
- MOLINA TO ACQUIRE TOTAL CARE MEDICAID PLAN IN UPSTATE NEW YORK
- HMA INFORMATION SERVICES LAUNCHES DAILY ROUNDUP

IN FOCUS

QUARTERLY MEDICAID MANAGED CARE ENROLLMENT UPDATE – Q1 2016

This week, our *In Focus* section reviews recent Medicaid enrollment trends in capitated risk-based managed care in 24 states.¹ Many state Medicaid agencies elect to post to their websites monthly enrollment figures by health plan for their Medicaid managed care population. This data allows for the timeliest analysis of enrollment trends across states and managed care organizations. Most of the 24 states have released monthly Medicaid managed care enrollment data through the first quarter (Q1) of 2016. This report reflects the most recent data posted.

¹ Arizona, California, Florida, Georgia, Hawaii, Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, New Mexico, New York, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Washington, West Virginia, Wisconsin.

Fifteen of the states in Table 1 below – Arizona, California, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, New Mexico, New York, Ohio, Pennsylvania, Washington, and West Virginia – expanded Medicaid and have seen increased Medicaid managed care enrollment throughout 2014, 2015, and into the first part of 2016.

- The 24 states in this report account for an estimated 45.6 million Medicaid managed care enrollees as of the end of Q1 2016. Based on HMA estimates of MCO enrollment in states not covered in this report, we believe that nationwide Medicaid MCO enrollment is nearing 52 million at the beginning of 2016.
- Across the 24 states tracked in this report, Medicaid managed care enrollment is up 8.5 percent year-over-year, adding a net 5.6 million enrollees from Q1 2015 to Q1 2016, with more than 150,000 new enrollees in Q1 2016. The impact of the Medicaid expansion on managed care enrollment continues to slow, with year-over-year growth down from 33 percent in Q1 2015.
- The fifteen expansion states listed above have seen Medicaid managed care enrollment increase by nearly 9 percent in the past year, up to 32 million at the end of Q1 2016 from 29.4 million as of Q1 2015.
- The nine states that have not expanded Medicaid at this time have seen Medicaid managed care enrollment increase by roughly 8 percent, up to 13.6 million at the end of Q1 2016 from 12.6 million as of Q1 2015.

Table 1 - Monthly MCO Enrollment by State - October 2015 through March 2016

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Arizona	1,530,640	1,543,765	1,560,644	1,559,806	1,549,822	1,561,095
+/- m/m	11,879	13,125	16,879	(838)	(9,984)	11,273
% y/y	9.8%	11.5%	12.3%	12.4%	12.8%	12.4%
California	10,173,533	10,248,560	10,323,343	10,330,763	10,431,298	10,414,704
+/- m/m	189,913	75,027	74,783	7,420	100,535	(16,594)
% y/y	17.6%	16.4%	15.5%	13.3%	13.4%	11.2%
Florida	3,232,029	3,248,760	3,252,942	3,244,618	3,311,960	3,324,586
+/- m/m	(15,619)	16,731	4,182	(8,324)	67,342	12,626
% y/y	9.6%	9.9%	8.8%	6.8%	7.4%	6.4%
Georgia	1,301,208	1,302,835	1,307,161	1,309,916		
+/- m/m	(10,656)	1,627	4,326	2,755	N/A	N/A
% y/y	-0.2%	0.3%	0.4%	1.2%		
Hawaii	338,010	329,463	343,285	345,837	338,111	328,484
+/- m/m	(467)	(8,547)	13,822	2,552	(7,726)	(9,627)
% y/y	8.0%	2.7%	4.5%	5.1%	0.9%	-1.9%
Illinois	2,109,973	2,091,457	2,078,379	2,066,564	2,065,328	2,056,198
+/- m/m	(4,066)	(18,516)	(13,078)	(11,815)	(1,236)	(9,130)
% y/y	226.7%	138.5%	78.1%	35.3%	19.3%	9.1%
Indiana	1,033,205	1,041,665	1,058,012	1,062,908	1,070,340	
+/- m/m	12,443	8,460	16,347	4,896	7,432	N/A
% y/y	34.5%	36.5%	37.3%	38.5%	29.7%	
Kentucky	1,227,121	1,234,332	1,230,745	1,210,546	1,190,940	1,198,425
+/- m/m	2,153	7,211	(3,587)	(20,199)	(19,606)	7,485
% y/y	19.6%	17.5%	15.6%	11.4%	5.8%	5.0%

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Louisiana	978,195	978,022	1,092,468	1,087,308	1,088,918	1,086,071
+/- m/m	2,906	(173)	114,446	(5,160)	1,610	(2,847)
% y/y	6.3%	5.9%	18.2%	18.3%	16.4%	14.9%
Maryland	1,009,600	998,960	998,786	1,013,963	1,016,129	1,026,852
+/- m/m	23,958	(10,640)	(174)	15,177	2,166	10,723
% y/y	-1.1%	-3.9%	-5.8%	-7.1%	-7.4%	-7.1%
Michigan	1,638,084	1,648,811	1,661,510	1,685,121	1,687,233	1,715,485
+/- m/m	(15,006)	10,727	12,699	23,611	2,112	28,252
% y/y	12.6%	7.7%	11.1%	10.3%	6.4%	6.8%
Minnesota	910,872	921,144	897,547	823,633	830,176	860,428
+/- m/m	6,947	10,272	(23,597)	(73,914)	6,543	30,252
% y/y	14.6%	15.9%	12.9%	3.6%	4.4%	8.2%
Mississippi	496,137	496,156	498,302	503,347	506,798	507,404
+/- m/m	(1,971)	19	2,146	5,045	3,451	606
% y/y	211.7%	210.1%	168.9%	167.6%	166.3%	146.1%
Missouri	466,606	471,121	476,831	481,975	486,076	488,717
+/- m/m	3,701	4,515	5,710	5,144	4,101	2,641
% y/y	16.6%	13.6%	13.4%	14.4%	12.8%	11.1%
New Mexico	647,275	649,599	649,606	655,365	661,772	666,204
+/- m/m	1,630	2,324	7	5,759	6,407	4,432
% y/y	11.3%	10.8%	9.1%	8.8%	8.3%	8.0%
New York	4,824,112	4,840,709	4,843,234	4,691,216	4,668,344	4,648,901
+/- m/m	13,993	16,597	2,525	(152,018)	(22,872)	(19,443)
% y/y	7.4%	7.2%	5.9%	1.9%	0.6%	-0.5%
Ohio	2,425,949	2,420,422	2,378,208	2,394,775	2,429,987	2,445,720
+/- m/m	(4,940)	(5,527)	(42,214)	16,567	35,212	15,733
% y/y	5.9%	3.4%	-0.4%	-1.1%	-0.7%	0.7%
Pennsylvania	2,093,384	2,108,626	2,127,718	2,151,262	2,170,713	
+/- m/m	17,023	15,242	19,092	23,544	19,451	N/A
% y/y	24.8%	25.6%	26.7%	30.7%	31.0%	
South Carolina	682,421	690,945	703,404	705,144	715,515	719,127
+/- m/m	(22,592)	8,524	12,459	1,740	10,371	3,612
% y/y	-9.6%	-9.4%	-8.4%	-5.3%	-1.6%	-0.6%
Tennessee	1,469,556	1,480,974	1,489,279	1,499,545	1,514,993	1,525,548
+/- m/m	9,462	11,418	8,305	10,266	15,448	10,555
% y/y	11.8%	11.8%	12.8%	14.1%	10.2%	9.9%
Texas	3,886,242	3,891,057	3,871,502	3,853,491		
+/- m/m	81,890	4,815	(19,555)	(18,011)	N/A	N/A
% y/y	1.7%	1.9%	3.5%	2.1%		
Washington	1,445,769	1,452,366	1,474,911	1,463,649	1,478,633	
+/- m/m	3,977	6,597	22,545	(11,262)	14,984	N/A
% y/y	12.9%	12.2%	11.2%	9.4%	8.3%	
West Virginia	366,684	370,381	367,658			
+/- m/m	2,203	3,697	(2,723)	N/A	N/A	N/A
% y/y	83.2%	83.5%	86.7%			
Wisconsin	797,169	795,530	795,567	789,783	795,742	806,534
+/- m/m	8,982	(1,639)	37	(5,784)	5,959	10,792
% y/y	12.3%	9.8%	8.6%	7.3%	5.8%	5.5%

Note: In Table 1 above and the state tables below, "+/- m/m" refers to the enrollment change from the previous month. "% y/y" refers to the percentage change in enrollment from the same month in the previous year.

In the state-specific analysis below, we describe recent enrollment trends in the states where we track data.

It is important to note the limitations of the data presented. First, not all states report the data at the same time during the month. Some of these figures reflect

beginning-of-the-month totals, while others reflect an end-of-the-month snapshot. Second, in some cases the data is comprehensive in that it covers all of the state-sponsored health programs for which the state offers managed care; in other cases, the data reflects only a subset of the broader managed Medicaid population. This is the key limiting factor in drawing direct ties between the data described below and figures reported by publicly traded Medicaid MCOs. Consequently, the data we review in Table 1 and throughout the *In Focus* section should be viewed as a sampling of the enrollment trends across these states rather than a comprehensive comparison, which cannot be developed based on publicly available monthly enrollment data.

State-Specific Analysis

Arizona

Medicaid Expansion Status: Expanded January 1, 2014

Enrollment in Arizona's ALTCS (Arizona's Managed Long Term Care) program has continued to grow through the end of 2015 and into 2016, primarily in the state's Acute Care managed care program. Through Q1 of 2016, Arizona's MCO enrollment stands at around 1.56 million, which represents an addition of more than 40,000 members in the past six months. Overall, March 2016 enrollment is up more than 12 percent year-over-year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Acute Care	1,473,082	1,486,073	1,502,960	1,502,031	1,492,112	1,503,359
ALTCS	57,558	57,692	57,684	57,775	57,710	57,736
Total Arizona	1,530,640	1,543,765	1,560,644	1,559,806	1,549,822	1,561,095
+/- m/m	11,879	13,125	16,879	(838)	(9,984)	11,273
% y/y	9.8%	11.5%	12.3%	12.4%	12.8%	12.4%

California

Medicaid Expansion Status: Expanded January 1, 2014

Medi-Cal managed care enrollment data through March 2016 shows continued enrollment growth, with membership up more than 430,000 over the last six months. As of March 2016, enrollment in managed care topped 10.4 million, an 11.2 percent increase over the previous year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Two-Plan Counties	6,446,794	6,492,354	6,540,360	6,562,628	6,661,840	6,674,880
Imperial/San Benito	79,384	79,682	79,913	79,986	80,297	80,299
Regional Model	291,366	292,667	294,341	295,635	297,799	297,790
GMC Counties	1,076,145	1,091,255	1,102,804	1,096,382	1,097,114	1,095,932
COHS Counties	2,162,665	2,176,064	2,190,182	2,170,875	2,169,956	2,139,703
Duals Demonstration	117,179	116,538	115,743	125,257	124,292	126,100
Total California	10,173,533	10,248,560	10,323,343	10,330,763	10,431,298	10,414,704
+/- m/m	189,913	75,027	74,783	7,420	100,535	(16,594)
% y/y	17.6%	16.4%	15.5%	13.3%	13.4%	11.2%

Florida

Medicaid Expansion Status: Not Expanded

Although not electing to expand Medicaid, Florida's statewide Medicaid managed care program continues to grow. As of March 2016, enrollment has surpassed 3.3 million, up more than 6 percent from a year ago. (Note that the managed LTC enrollment figures listed below are a subset of the Managed Medical Assistance (MMA) enrollments and are included in the MMA number and are not separately added to the total to avoid double counting).

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
MMA	2,934,211	2,953,982	2,958,416	2,956,843	3,008,367	3,015,186
LTC (Subset of MMA)	89,829	90,877	90,964	90,841	90,920	90,656
SMMC Specialty Plan	138,350	138,062	139,284	135,844	151,190	152,397
FL Healthy Kids	159,468	156,716	155,242	151,931	152,403	157,003
Total Florida	3,232,029	3,248,760	3,252,942	3,244,618	3,311,960	3,324,586
+/- m/m	(15,619)	16,731	4,182	(8,324)	67,342	12,626
% y/y	9.6%	9.9%	8.8%	6.8%	7.4%	6.4%

Georgia

Medicaid Expansion Status: Not Expanded

As of January 2016, Georgia Medicaid managed care enrollment stands at more than 1.3 million, roughly flat from a year prior. Georgia has not reported enrollment figures for Q1 2016 beyond January.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Georgia	1,301,208	1,302,835	1,307,161	1,309,916		
+/- m/m	(10,656)	1,627	4,326	2,755		
% y/y	-0.2%	0.3%	0.4%	1.2%		

Hawaii

Medicaid Expansion Status: Expanded in 2014

On January 1, 2015, Hawaii implemented its integrated Medicaid managed care program, combining QUEST managed Medicaid and QUEST Expanded Access (QExA), which provides managed Medicaid to the aged, blind, and disabled (ABD) populations. Through March 2016, enrollment in the new program stands at 328,500, down 1.9 percent from the prior November.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Hawaii	338,010	329,463	343,285	345,837	338,111	328,484
+/- m/m	(467)	(8,547)	13,822	2,552	(7,726)	(9,627)
% y/y	8.0%	2.7%	4.5%	5.1%	0.9%	-1.9%

Illinois

Medicaid Expansion Status: Expanded January 1, 2014

Illinois enrollment across the state's three managed care programs sits at more than 2 million as of March 2016, up 9.1 percent from March 2015. The significant growth due to managed care expansion has leveled off, with enrollment actually declining in each of the last six months.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Family Health Program	1,940,633	1,917,955	1,904,762	1,900,568	1,896,329	1,887,993
Integrated Care Program	120,561	118,982	118,847	118,656	119,761	120,317
Duals Demonstration	48,779	54,520	54,770	47,340	49,238	47,888
Total Illinois	2,109,973	2,091,457	2,078,379	2,066,564	2,065,328	2,056,198
+/- m/m	(4,066)	(18,516)	(13,078)	(11,815)	(1,236)	(9,130)
% y/y	226.7%	138.5%	78.1%	35.3%	19.3%	9.1%

Indiana

Medicaid Expansion Status: Expanded in 2015 through HIP 2.0

As of February 2016, enrollment in Indiana's managed care programs (Hoosier Healthwise, Hoosier Care Connect, Care Select, and Healthy Indiana Program (HIP)) is approaching 1.1 million, up 29.7 percent from the prior year. In the first half 2015, Indiana launched the Hoosier Care Connect program for ABD Medicaid recipients and also began Medicaid expansion enrollment into the HIP 2.0 waiver program.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Hoosier Healthwise	605,046	602,986	599,366	593,180	602,158	
Hoosier Care Connect	97,673	97,755	97,733	97,510	97,840	
Care Select	NA	NA	NA	NA	NA	
HIP	330,486	340,924	360,913	372,218	370,342	
Indiana Total	1,033,205	1,041,665	1,058,012	1,062,908	1,070,340	
+/- m/m	12,443	8,460	16,347	4,896	7,432	
% y/y	34.5%	36.5%	37.3%	38.5%	29.7%	

Kentucky

Medicaid Expansion Status: Expanded January 1, 2014

As of March 2016, Kentucky enrolled nearly 1.2 million beneficiaries in risk-based managed care. Total enrollment is up 5 percent from a year prior.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Kentucky	1,227,121	1,234,332	1,230,745	1,210,546	1,190,940	1,198,425
+/- m/m	2,153	7,211	(3,587)	(20,199)	(19,606)	7,485
% y/y	19.6%	17.5%	15.6%	11.4%	5.8%	5.0%

Louisiana

Medicaid Expansion Status: Expansion Authorized by Governor

Medicaid managed care enrollment in the state's Bayou Health program increased in 2015 and into 2016, adding more than 110,000 enrollees in the last six months. March 2016 data shows total managed care enrollment at nearly 1.1 million, up 14.9 percent from the previous year. Louisiana's newly-elected Governor has authorized the expansion of Medicaid in 2016.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Louisiana	978,195	978,022	1,092,468	1,087,308	1,088,918	1,086,071
+/- m/m	2,906	(173)	114,446	(5,160)	1,610	(2,847)
% y/y	6.3%	5.9%	18.2%	18.3%	16.4%	14.9%

Maryland

Medicaid Expansion Status: Expanded January 1, 2014

Medicaid managed care enrollment declined in 2015, although enrollment has been up over the past six months. As of March 2016, enrollment stands at just over 1 million, down 7.1 percent from the prior year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Maryland	1,009,600	998,960	998,786	1,013,963	1,016,129	1,026,852
+/- m/m	23,958	(10,640)	(174)	15,177	2,166	10,723
% y/y	-1.1%	-3.9%	-5.8%	-7.1%	-7.4%	-7.1%

Michigan

Medicaid Expansion Status: Expanded April 1, 2014

Michigan Medicaid managed care enrollment has increased by more than 62,000 over the past six months, continuing growth trends in 2015 due to the continued Medicaid expansion impact and the launch of the state's dual eligible financial alignment demonstration. As of March 2016, managed care enrollment has surpassed 1.7 million, up 6.8 percent from the previous year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Medicaid	1,601,012	1,612,476	1,626,652	1,650,824	1,654,498	1,683,445
Total MI Health Link	37,072	36,335	34,858	34,297	32,735	32,040
Total Michigan	1,638,084	1,648,811	1,661,510	1,685,121	1,687,233	1,715,485
+/- m/m	(15,006)	10,727	12,699	23,611	2,112	28,252
% y/y	12.6%	7.7%	11.1%	10.3%	6.4%	6.8%

Minnesota

Medicaid Expansion Status: Expanded January 1, 2014

As of March 2016, enrollment across Minnesota's multiple managed Medicaid programs sits at just over 860,000, up 8.2 percent from the prior year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Parents/Kids	530,725	535,551	517,696	497,495	497,879	511,381
Expansion Adults	167,316	167,028	159,406	149,613	145,712	150,686
Senior Care Plus	13,050	13,854	13,609	13,677	13,555	13,473
Senior Health Options	35,068	35,361	35,251	35,291	35,324	35,221
Special Needs BasicCare	50,565	50,926	50,119	50,542	50,455	50,501
PIN Program	411	411	398	402	402	402
Minnesota Care	113,737	118,013	121,068	76,613	86,849	98,764
Total Minnesota	910,872	921,144	897,547	823,633	830,176	860,428
+/- m/m	6,947	10,272	(23,597)	(73,914)	6,543	30,252
% y/y	14.6%	15.9%	12.9%	3.6%	4.4%	8.2%

Mississippi

Medicaid Expansion Status: Not Expanded

MississippiCAN, the state's Medicaid managed care program grew significantly in 2015. An expansion of the program began in May 2015, adding more than 300,000 enrollees to the program. Despite a leveling off of enrollment growth, Medicaid managed care membership stands at more than 507,000 as of March 2016, up nearly 150 percent from last year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Mississippi	496,137	496,156	498,302	503,347	506,798	507,404
+/- m/m	(1,971)	19	2,146	5,045	3,451	606
% y/y	211.7%	210.1%	168.9%	167.6%	166.3%	146.1%

Missouri

Medicaid Expansion Status: Not Expanded

Missouri managed care enrollment in the Medicaid and CHIP programs combined sits at nearly 489,000 as of March 2016. Although not expanding Medicaid at this time, Missouri has seen steady growth in managed care membership, with March 2016 up 11 percent from the previous year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Medicaid	449,355	454,003	460,017	465,455	469,382	472,086
Total CHIP	17,251	17,118	16,814	16,520	16,694	16,631
Total Missouri	466,606	471,121	476,831	481,975	486,076	488,717
+/- m/m	3,701	4,515	5,710	5,144	4,101	2,641
% y/y	16.6%	13.6%	13.4%	14.4%	12.8%	11.1%

New Mexico

Medicaid Expansion Status: Expanded January 1, 2014

As of March 2016, the state's Centennial Care program enrolled more than 666,000 members, with steady enrollment growth throughout 2015 and into 2016, an 8 percent increase over the prior year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total New Mexico	647,275	649,599	649,606	655,365	661,772	666,204
+/- m/m	1,630	2,324	7	5,759	6,407	4,432
% y/y	11.3%	10.8%	9.1%	8.8%	8.3%	8.0%

New York

Medicaid Expansion Status: Expanded January 1, 2014

New York's Medicaid managed care programs collectively enrolled more than 4.64 million beneficiaries as of March 2016, down slightly over the previous year. After positive enrollment growth throughout 2015, the first quarter of 2016 has seen three consecutive months of declining enrollment.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Mainstream MCOs	4,653,437	4,657,187	4,640,405	4,487,098	4,463,963	4,442,285
Managed LTC	136,383	140,328	143,196	146,276	148,682	151,492
Medicaid Advantage	9,568	9,564	9,477	9,626	8,294	8,313
Medicaid Advantage Plus	6,210	6,231	6,240	5,625	5,573	5,661
HARP	8,572	19,394	37,105	36,349	35,803	35,349
FIDA (Duals Demo)	9,942	8,005	6,811	6,242	6,029	5,801
Total New York	4,824,112	4,840,709	4,843,234	4,691,216	4,668,344	4,648,901
+/- m/m	13,993	16,597	2,525	(152,018)	(22,872)	(19,443)
% y/y	7.4%	7.2%	5.9%	1.9%	0.6%	-0.5%

Ohio

Medicaid Expansion Status: Expanded January 1, 2014

Ohio's Medicaid managed care enrollment has seen significant growth in the past two years, due to Medicaid expansion (Group 8 enrollees) and the launch of MyCare Ohio, the state's dual eligible financial alignment demonstration. After a full quarter of declining enrollment at the end of 2015, Q1 2016 has produced three consecutive months of growth, with total enrollment passing 2.4 million, up just under a percent from the prior year.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
CFC Program	1,606,648	1,599,261	1,572,312	1,583,314	1,612,658	1,620,431
ABD Program	140,629	139,604	131,744	130,206	126,567	124,197
Group 8 (Expansion)	585,948	589,216	583,962	590,166	599,446	608,597
MyCare Ohio (Duals)	92,724	92,341	90,190	91,089	91,316	92,495
Total Ohio	2,425,949	2,420,422	2,378,208	2,394,775	2,429,987	2,445,720
+/- m/m	(4,940)	(5,527)	(42,214)	16,567	35,212	15,733
% y/y	5.9%	3.4%	-0.4%	-1.1%	-0.7%	0.7%

Pennsylvania

Medicaid Expansion Status: Expanded as of 2015

As of Q1 2016, Pennsylvania's Medicaid managed care enrollment sits at nearly 2.7 million, with nearly 100,000 new members over the past five months (Pennsylvania has not reported data through March 2016 at this time).

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Pennsylvania	2,093,384	2,108,626	2,127,718	2,151,262	2,170,713	
+/- m/m	17,023	15,242	19,092	23,544	19,451	
% y/y	24.8%	25.6%	26.7%	30.7%	31.0%	

South Carolina

Medicaid Expansion Status: Not Expanded

South Carolina's Medicaid managed care program saw consecutive months of declining enrollment in Q3 2015 before ending with two positive months of growth to close out the year. March 2016 enrollment stands at nearly 720,000, down just slightly from last year. South Carolina has so far seen only limited enrollment in the state's duals demonstration program.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Medicaid	681,066	689,586	702,073	703,455	714,151	717,303
Total Duals Demo	1,355	1,359	1,331	1,689	1,364	1,824
Total South Carolina	682,421	690,945	703,404	705,144	715,515	719,127
+/- m/m	(22,592)	8,524	12,459	1,740	10,371	3,612
% y/y	-9.6%	-9.4%	-8.4%	-5.3%	-1.6%	-0.6%

Tennessee

Medicaid Expansion Status: Not Expanded

As of March 2016, TennCare managed care enrollment totaled more than 1.52 million, up 9.9 percent from the prior year. TennCare enrollment has grown consistently, adding more than 65,000 members in the past six months.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Tennessee	1,469,556	1,480,974	1,489,279	1,499,545	1,514,993	1,525,548
+/- m/m	9,462	11,418	8,305	10,266	15,448	10,555
% y/y	11.8%	11.8%	12.8%	14.1%	10.2%	9.9%

Texas

Medicaid Expansion Status: Not Expanded

As of January 2016, Texas managed care enrollment stands at more than 3.8 million across the state's five managed care programs, up roughly 2 percent from last year. Enrollment reporting in Texas continues to be intermittent and delayed.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
STAR	2,887,411	2,892,410	2,878,620	2,858,917		
STAR+PLUS	531,461	534,461	529,758	534,611		
STAR HEALTH	31,030	30,812	30,528	30,619		
CHIP	379,603	381,142	54,438	51,200		
Duals Demo	56,737	52,232	378,158	378,144		
Total Texas	3,886,242	3,891,057	3,871,502	3,853,491		
+/- m/m	81,890	4,815	(19,555)	(18,011)		
% y/y	1.7%	1.9%	3.5%	2.1%		

Washington

Medicaid Expansion Status: Expanded January 1, 2014

Washington’s Medicaid managed care enrollment has mostly continued to increase on a month-to-month basis, with February 2016 enrollment totaling nearly 1.48 million, up 8.3 percent from the prior year. Washington has yet to report March data at this time.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total Washington	1,445,769	1,452,366	1,474,911	1,463,649	1,478,633	
+/- m/m	3,977	6,597	22,545	(11,262)	14,984	
% y/y	12.9%	12.2%	11.2%	9.4%	8.3%	

West Virginia

Medicaid Expansion Status: Expanded January 1, 2014

As of December 2015, West Virginia’s managed care program enrolled more than 367,000 members, an increase of more than 86 percent over the prior year, adding nearly 150,000 members in Q3 2015. This enrollment spike was expected after a court ruling early this year allowed the state to proceed with plans to expand managed care enrollment without competitively rebidding contracts. West Virginia has yet to report data for the first quarter of 2016, and the availability of future data is unclear at this time.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Total West Virginia	366,684	370,381	367,658			
+/- m/m	2,203	3,697	(2,723)			
% y/y	83.2%	83.5%	86.7%			

Wisconsin

Medicaid Expansion Status: Not Expanded

Across the state’s three managed care programs, March 2016 enrollment totals more than 806,000, up 5.5 percent from the year before.

	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
BadgerCare+	715,191	713,336	713,067	707,429	713,328	723,770
SSI	36,098	36,132	36,145	36,045	36,029	36,227
LTC	45,880	46,062	46,355	46,309	46,385	46,537
Total Wisconsin	797,169	795,530	795,567	789,783	795,742	806,534
+/- m/m	8,982	(1,639)	37	(5,784)	5,959	10,792
% y/y	12.3%	9.8%	8.6%	7.3%	5.8%	5.5%

More Information Available from HMA Information Services

More detailed information on the Medicaid managed care landscape is available from HMA Information Services (HMAIS), which pulls together Medicaid enrollment data, health plan financials, and the latest on expansions, waivers, duals, aged, blind, and disabled (ABD) populations, long-term care, accountable care organizations, and patient-centered medical homes. There is also a public documents library with copies of Medicaid RFPs, responses, model contracts, and scoring sheets. HMA enhances the publicly available information with an overview of the structure of Medicaid in each state, as well as a proprietary HMA Medicaid Managed Care Opportunity Assessment.

For additional information on how to subscribe to HMA Information Services, contact Carl Mercurio at 212-575-5929 or cmercurio@healthmangaement.com.



HMA MEDICAID ROUNDUP

Alabama

Pediatricians Threaten to Stop Taking New Medicaid Patients if Funds are Cut. *AL.com* reported on April 19, 2016, that a survey by the Alabama Chapter of the American Academy of Pediatrics suggested that nearly half of its members would stop taking new Medicaid patients if the state reduced payments. Approximately half of those who responded also said they would need to lay off staff. Governor Robert Bentley stated that the program needs \$785 million to maintain services, but lawmakers appropriated just \$700 million. The House and Senate general fund budget committee are beginning hearings on the Medicaid budget on April 20. [Read More](#)

Alaska

Legislature Passes Medicaid Reform Bill with PCCM Program. *Alaska Dispatch News* reported on April 17, 2016, that the Alaska legislature passed a Medicaid reform bill on the last day of the legislative session. The bill is aimed at containing Medicaid costs by targeting fraud and abuse and by creating a Primary Care Case Management program to increase the use of primary and preventive care. The Senator who proposed the bill said that the reforms are meant to provide lower-cost care, not inhibit access to services. [Read More](#)

Arkansas

Governor Focuses on Maneuver to Save Medicaid Expansion. *The Eagle* reported on April 15, 2016, that Governor Asa Hutchinson is focusing on a backup plan to reinstate Arkansas' hybrid Medicaid expansion. A Medicaid budget including expansion is currently stalled in the Senate. Hutchinson is suggesting a maneuver in which legislators would pass a budget including a provision defunding the hybrid expansion. Hutchinson would then veto the provision using a line-item veto. Many Democrats, who are wary to vote to defund the program, oppose the plan. [Read More](#)

Lawmakers Divided on Funding for Medicaid Expansion. The *SW Times* reported on April 14, 2016, that the state Senate rejected a bill to fund the Medicaid program, and the House rejected the General Appropriations Act, which is required to be passed before the House can vote on any other bills. Another bill to fund the Department of Human Services Medical Services Division also failed to receive the two-thirds majority vote it needed to pass. Lawmakers continue to be divided on funding for the state's Medicaid expansion program, Arkansas Works. The Governor has said that failing to fund the program would create a \$100 million hole in the state budget. [Read More](#)

California

HMA Roundup – Don Novo ([Email Don](#))

Bill Would Require Drug Makers to Justify Price Increases of 10 Percent or Higher. *California Healthline* reported on April 14, 2016, that a California Senate committee approved legislation that would require prescription drug manufacturers to provide notice and justification for significant price increases. The bill would require pharmaceutical companies to give 60 days' notice for price increases of 10 percent or more in a 12-month period to all purchasers, including Medi-Cal and private health plans. The manufacturers would then have to justify the price increase within the next 30 days. They would also have to give 30-days' notice before selling a prescription drug that costs \$10,000 or more per treatment. While proponents of the legislation says it allows for price negotiation, opponents say that it does not account for actual prices paid and the role of pharmacy benefit managers in setting those prices. [Read More](#)

Colorado

Colorado Visiting Nurse Association to Merge with Rehabilitation & Visiting Nurse Association. *Denver Business Journal* reported on April 13, 2016, that the Colorado Visiting Nurse Association will merge with the Rehabilitation & Visiting Nurse Association effective May 1. The merged organization will keep the name Colorado VNA. Both organizations offer home health care primarily to individuals with lower incomes. [Read More](#)

Connecticut

Governor Proposes 10 Percent Reduction in Pediatric Medicaid Dental Rates. *The Connecticut Mirror* reported on April 18, 2016, that Governor Dannel Malloy has proposed reducing children's Medicaid dental reimbursement rates by 10 percent. The Connecticut State Dental Association and other stakeholders oppose the cut, saying that reduced rates could negatively impact access to services. Representatives of Connecticut Department of Social Services note that the state's reimbursement rates are already higher than surrounding states. Between 2005 and 2013, the percentage of Medicaid children who visited a dentist in Connecticut more than doubled from 31.9 percent to 64.3 percent. [Read More](#)

Legislative Committees Vote to Outsource Case Management for Brain Injury Waiver Services. *The New Haven Register* reported on April 12, 2016, that two Connecticut legislative committees decided to allow the state Department of Social Services to outsource case management for 500 individuals with acquired brain injuries. Had the committee rejected the idea, the state said it would need to hire an additional 17 social workers despite a state hiring freeze. There are currently 41 individuals on waiting lists for these services and the state is also below federal standards for timely review of cases. Under the outsourcing arrangement, the Department plans to add one member to the program each month over the course of the next year. [Read More](#)

Florida

HMA Roundup – Elaine Peters ([Email Elaine](#))

Governor Signs Series of Health Care Bills. *Sayfie Review* reported on April 14, 2016, that Governor Rick Scott signed a series of health care bills this week. The bills will prevent balance billing of patients who receive emergency room care, require insurers to cover speech therapy and other similar services for individuals with Down syndrome, allow nurse practitioners and physician assistants to prescribe controlled substances, and create transparency around health care costs and quality. However, Governor Scott vetoed a bill that would have provided financial incentives to dentists serving underserved areas, arguing that there were no requirements for the number of underserved patients a dentist must see a year and, therefore, not enough reason to provide increased rates. [Read More](#)

MMA Physician Compensation Program. The Medical Care Advisory Committee met on April 19, 2016, and discussed the MMA Physician Compensation Program. Justin Senior, Deputy Secretary for Medicaid, provided an overview of the program parameters and a timeline for implementation. Beginning October 1, 2016, health plans are required to pay incentive program payments out of savings they achieve from efficiencies through care coordination. Identified Providers who have the opportunity to earn the enhanced rate are: (1) Board Certified Pediatricians; and (2) Board Certified OB/GYNs. Qualified Providers must meet certain quality and access standards to receive enhanced payments. Payments to Qualified Providers must be at least equivalent to the Medicare Fee-for-Service (FFS) rate. [Read More](#)

Georgia

HMA Roundup – Kathy Ryland ([Email Kathy](#))

Medicaid, PeachCare Contracts Still Under Dispute. *Georgia Health News* reported on April 14, 2016, that the Georgia Medicaid and PeachCare contract awards are still under administrative appeal. The winning bidders were Amerigroup (Anthem), Peach State (Centene), WellCare, and CareSource, with contracts originally scheduled to start July 2016. However, the Department of Community Health stated that they will now begin January 2017 at the earliest. [Read More](#)

New Beginnings Nursing Homes Under Regulatory Scrutiny. *Georgia Health News* reported on April 14, 2016, that Georgia nursing homes run by Tennessee-based New Beginnings are currently under state and federal regulatory scrutiny. New Beginnings filed for Chapter 11 bankruptcy protection in January and has since closed four homes in Georgia. The company continues to operate five other homes in the state. [Read More](#)

Illinois

HMA Roundup – Andrew Fairgrieve ([Email Andrew](#))

Illinois House Passes “Covering All Kids Act” Extension. *Progress Illinois* reported on April 19, 2016, that the Illinois House passed a bill (HB 5736) extending the Covering All Kids Act through September 2019. The Covering All Kids Health Insurance Act was passed in 2005 and launched in 2006, providing health insurance to all low-income children in Illinois, regardless of immigration status. The Act covers around 41,000 children as a subset of the state’s CHIP program, All Kids. The Covering All Kids Act was set to expire on July 1. The bill must still be approved by the Senate. [Read More](#)

Iowa

Medicaid Director Says Transition to Managed Care Is Going Well. *The Des Moines Register* reported on April 13, 2016, that Iowa Medicaid Director Mikki Stier told members of a state Senate committee that the first two weeks of Iowa’s Medicaid managed care program are going well after launching on April 1. Members of the Senate Human Resources Committee have expressed concerns throughout the implementation process that the transition would lead to member confusion and service cuts. Director Stier noted that a state call center has been helping beneficiaries transition and has fielded 18,000 calls since the launch. [Read More](#)

Louisiana

Governor Says Medicaid Expansion to Save State \$677 Million Over 5 Years. The *AP/Washington Times* reported on April 18, 2016, that according to Louisiana Governor John Bel Edwards’ administration, the state is expected to save \$677 million in the first five years of Medicaid expansion and \$1 billion over 10 years. Savings are based on the enhanced federal financing rates. Former Governor Bobby Jindal predicted expansion would cost \$1.7 billion over a decade. Enrollment for expansion is set to begin June 1, with coverage effective July 1. [Read More](#)

Massachusetts

HMA Roundup – Rob Buchanan ([Email Rob](#))

Massachusetts Hopes to Shift MassHealth Toward Accountable Care. *The Boston Globe* reported on April 15, 2016, that in an effort to address rising Medicaid costs, Massachusetts Governor Charlie Baker is planning an overhaul of the state’s MassHealth program, including the shift to a value-based payment model for providers and the opportunity for physicians and hospital systems to form accountable care organizations. Medicaid managed care plans would continue in a role similar to their current one. The redesign is scheduled to begin October 2017, pending federal approval of the state’s proposed five-year plan, which includes \$1.5 billion in additional federal funding. The state is expected to spend at least \$14.7 billion on MassHealth this fiscal year and over \$15 billion next fiscal year. The state and other advocates of the transition contend that shifting from fee-for-service to value-based provider reimbursement has been

shown to improve quality and reduce costs. The article quotes Lora M. Pellegrini, chief executive of the Massachusetts Association of Health Plans, as stating, "The primary concern for many stakeholders is how patient care will be impacted by the development of accountable care organizations." [Read More](#)

House Budget Proposes New Provider Tax on Hospitals. *The Boston Globe* reported on April 13, 2016, that a state budget proposed by the House includes a new \$250 million tax on hospitals to help fund the Medicaid program. The assessment would increase what hospitals pay the state under the existing tax structure to \$415 million a year, which would be used to obtain additional federal matching funds for the state's Medicaid program, Mass Health. Tax revenues would then be redistributed among hospitals based on Medicaid volume. The Massachusetts Hospital Association has agreed to support the tax increase with a planned phase out after five years, although the Association has expressed concerns that there will be winners and losers under the program. The tax would run from October 1, 2016, to July 1, 2022. [Read More](#)

Michigan

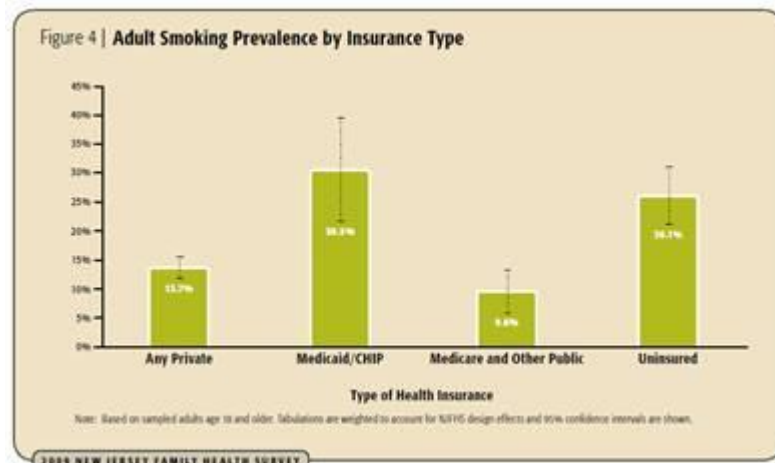
HMA Roundup - Eileen Ellis & Esther Reagan ([Email Eileen](#) / [Email Esther](#))

UnitedHealth to Withdraw From Michigan Health Insurance Exchange. *The Wall Street Journal* reported on April 15, 2016, that UnitedHealth Group will withdraw from the Michigan health insurance Exchange in 2017. United has previously announced it is pulling out from the Arkansas and Georgia Marketplaces as well. The company is expected to lose over \$500 million from its 2016 Exchange business. [Read More](#)

New Jersey

HMA Roundup - Karen Brodsky ([Email Karen](#))

Rutgers study finds that smoking rates higher in Medicaid and uninsured population. In March 2016, the Rutgers Center for State Health Policy released a Facts & Findings report on tobacco use in New Jersey. Data showed that 17 percent of adults in the state identify as current smokers, and of that, 68 percent smoke daily. The report shared variations in tobacco use by socio-demographic characteristics, region of the state, and health insurance coverage. The southern region of the state has much higher rates of tobacco use. Residents with lower household incomes and lower levels of education are also more likely to smoke. According to the key findings, "smoking rates are much higher among people covered by Medicaid and those who are uninsured compared to Medicare beneficiaries or people with private insurance." These findings are illustrated in the figure, below.



The report concludes that Medicaid enrollees are at greater risk for smoking-related health conditions. A complete copy of the study can be found [here](#).

New Jersey's Supportive Housing Association publishes comprehensive guide for consumers. On April 14, 2016 NJTV News interviewed the Supportive Housing Association's Executive Director, Gail Levinson about the lack of affordable housing in the state for individuals with developmental disabilities. The interview promoted the release of SHA's new guide to help more than 13,000 people on waiting lists to navigate affordable housing options. The guide, "[Journey to Community Housing with Supports](#)" was developed under a grant from the New Jersey Council on Developmental Disabilities in partnership with Autism New Jersey.

Children's System of Care lifts moratorium on enrolling new agencies. New Jersey's Children's System of Care (CSOC) is seeking new agencies, medical/mental health practices, or individuals seeking to become enrolled by Medicaid as providers of Intensive In-Community (IIC) Mental Health Rehabilitative Services for children, youth, and young adults. CSOC is seeking to strengthen its community based provider services with providers with particular specializations as well as out of home treatment providers. In particular, it seeks providers who have qualifications and capacity to support youth and families who have the following needs:

- Youth who are deaf or hard of hearing including those who use sign language
- Youth who have experienced trauma
- Youth with developmental or intellectual challenges
- Youth with substance use challenges
- Youth who identify as LGBTQI
- Youth and Families with a preference for a male service provider
- Youth and Families with diverse ethnic backgrounds
- Youth and Families with diverse religious or spiritual backgrounds
- Youth who have been adopted
- CSOC strongly encourages bilingual and/or multicultural providers to apply to support service delivery in a family's primary language and cultural identification.

Applications details can be found [here](#).

New Mexico

Panel Recommends Medicaid Provider Payment Cuts of Up to 5 Percent.

The *Albuquerque Journal* reported on April 14, 2016, that a New Mexico panel of 11 healthcare industry executives and practitioners has proposed Medicaid provider reimbursement cuts of 1 percent to 5 percent to shore up the state's \$417 million Medicaid shortfall over the next 15 months. The Human Services Department is currently reviewing the recommendations, which include:

- 5 percent cut for hospital inpatient treatment
- 3 percent cut for hospital outpatient services
- 3 percent cut for nursing facilities and intermediate care facilities for patients with intellectual disabilities
- 2 percent cut for dental providers
- 1 percent cut for behavioral health providers and agencies

Rate changes would take effect July 1. [Read More](#)

New Mexico Survey Reveals Medicaid Provider Access Issues.

The *AP/Albuquerque Journal* reported on April 14, 2016, that a "secret shopper" survey conducted by the state Legislative Finance Committee found that Medicaid patients in New Mexico wait as long as three to eight weeks to get a doctor's appointment, raising concerns about access to care. Medicaid enrollment has grown by two-thirds in metropolitan areas and nearly doubled in rural areas since the state expanded Medicaid in 2014, straining provider networks. Additional reports from the state Human Services Department found that emergency room visits are increasing amid provider gaps, with emergency room spending up 17 percent in 2015. [Read More](#)

New York

HMA Roundup - Denise Soffel ([Email Denise](#))

New York Attorney General Files Suit Against CDPHP Over Access to Hepatitis C Drugs. New York State Attorney General Eric Schneiderman announced a lawsuit against Capital District Physician's Health Plan (CDPHP) alleging that CDPHP unlawfully restricted coverage of treatment for chronic Hepatitis C infection. The lawsuit alleges that CDPHP denied coverage for several medications that can completely cure Hepatitis C unless the member demonstrated advanced disease - such as moderate to severe liver scarring. Members diagnosed with early-stage chronic Hepatitis C infection must monitor their disease and wait until they develop liver scarring or other advanced disease before their treatment will be covered by CDPHP. The Complaint further alleges that CDPHP may have restricted coverage of Hepatitis C treatment because of the potential expense to CDPHP, yet its plan documents never disclosed that it considered cost when deciding whether treatment for a disease would be covered by the plan. By failing to disclose that cost is a consideration in making determinations as to whether and when treatment is deemed "medically necessary," and by failing to cover treatment for Hepatitis C even when it meets the plans' definitions of "medically necessary," the lawsuit alleges that CDPHP is misleading its members about the scope of their coverage. CDPHP has approximately 450,000 members in New York State and provides

service to 24 counties throughout the Capital Region, North Country, Hudson Valley, Central New York, and the Southern Tier. [Read More](#)

Talks on How to Fund Minimum Wage Increase Continue. *Crain's HealthPulse* reported on further discussions between the Department of Health and the provider community on how it plans to cover the cost of the increase in the state's minimum wage on Medicaid providers in the behavioral health sector. The state shared its calculations on what they believe the cost increases will be, and how they intend to cover those costs. The state intends to cover half the increase, with federal matching dollars covering the rest. Division of the Budget calculations estimate that 20,000 individuals working for not-for-profit agencies providing services to the state's Medicaid program (Office for People with Developmental Disabilities, Office of Mental Health and Office for Alcohol and Substance Abuse Services). They estimate that \$230 million will be required to cover minimum wage increases for behavioral health providers.

New York Releases Invitation to Participate in Marketplace. New York State has released its "Invitation and Requirements for Insurer Certification and Recertification for Participation in 2017." The invitation, available on the website of New York State of Health, the official health plan marketplace, applies to qualified health plans, stand-alone dental plans and Essential Plans, New York's Basic Health Program plans. Participation proposals are due to the state on May 20, 2016. An on-going issue in the state marketplace is whether plans must be required to offer a product through the exchange that allow out-of-network coverage. To date the state has not made this a requirement. This invitation indicates that applicants that offer an out-of-network product outside the Marketplace must offer the out-of-network product on the marketplace at the silver and platinum levels, and that applicants that do not offer an out-of-network product outside the marketplace are strongly encouraged to offer a QHP on the marketplace with an out-of-network benefit, so consumers have an option to purchase such a product should they chose to do so. [Read More](#)

Ohio

HMA Roundup - Jim Downie ([Email Jim](#))

Home Health Agency Accused of Overbilling Medicaid. *The Columbus Dispatch* reported on April 13, 2016, that Columbus home health agency Shifo Healthcare Services was audited and accused of overbilling the state's Medicaid program by \$2.2 million. The company was unable to provide documentation for hundreds of nursing, physical therapy, and other services provided between 2011 and June 2014. Additionally, many of the personal care aides investigated did not have proper certification and care plans were not signed by a physician before the services were submitted to Medicaid. The audit showed that Shifo was reimbursed for \$3 million in services to over 45,000 beneficiaries during the time period. [Read More](#)

Pennsylvania

HMA Roundup – Julie George ([Email Julie](#))

Governor Issues Executive Order Establishing “Employment First” Policy. Governor Tom Wolf issued Executive Order No. 2016-03 establishing the “Employment First” Policy and Increasing Competitive Integrated Employment for Pennsylvanians with a Disability. This policy will focus on increasing the hiring of Pennsylvanians with a disability. This population has an unemployment rate that is twice that of the general population, and through the Executive Order, the governor recognizes this largely untapped labor pool. [Read More](#)

PACE Expansion of LIFE Program in Four More Counties. Pennsylvania’s Living Independence for the Elderly (LIFE) Program is equivalent to the Federal Program of All-inclusive Care for the Elderly (PACE). The state Department of Human Services is expanding the LIFE Program to four additional Pennsylvania counties: Bedford, Somerset, Montgomery and Chester. This expansion is to satisfy participant needs and interest from providers and stakeholders. The Department will request information from organizations interested in opening a center and participating in the Program. [Read More](#)

Courtroom Battle Over Penn State Health – PinnacleHealth Merger Starts. Opening statements were heard on April 11 from attorneys for the Federal Trade Commission and Pennsylvania’s Attorney General’s office against a proposed merger between Penn State Health and PinnacleHealth. These attorneys argue that a merger would cause people to pay higher prices for care and that prices could increase as much as 25 percent when the deal between the two systems expires in 5 years. Penn State Health states that without the merger, they will have to take on significant construction costs for additional patient beds and those costs will be passed on to consumers. [Testimony on April 14](#) was centered on patient overcrowding. A decision regarding this merger will impact competition throughout the commonwealth and is expected in June. [Read More](#)

National

Study Shows Medicaid Expansion Increases Likelihood of Chronic Disease Diagnosis, Care Utilization. *Kaiser Health News* reported on April 18, 2016, that a new study conducted by the University of Michigan and UCLA finds that Medicaid beneficiaries in states that have expanded Medicaid are more likely to see a doctor, stay in a hospital overnight, and receive first-time diagnoses for chronic conditions. Twenty-six states and the District of Columbia expanded Medicaid in 2014, as well as five states since then, covering approximately 14 million additional Medicaid lives. The study indicates that enrolling people in Medicaid makes them more likely to access the health services available to them and therefore discover chronic conditions sooner. However, similar to other studies, the overall health of the population lags as individuals are still discovering their coverage and care options. HMA colleague Vern Smith commented that despite concerns around access, the study shows that the healthcare workforce is capable of handling increased demand and providing services to the newly insured. [Read More](#)



INDUSTRY NEWS

UnitedHealth to Exit Most ACA Insurance Exchanges in 2017. *The Washington Post* reported on April 19, 2016, that UnitedHealth Group announced it will exit most of its 34 state health insurance Exchanges in 2017. The company is expecting a loss of \$1 billion in the Exchanges from 2015 and 2016, which company CEO Stephen J. Hemsley attributed to small market sizes and high medical costs. Going forward, United will only participate in a “handful of states,” he said. United previously announced it will exit Exchanges in Arkansas, Michigan, and Georgia. According to a report by the Kaiser Family Foundation, United’s withdrawal could leave 1.1 million people with a choice of one insurer in the Marketplace, particularly in rural areas. However, most counties will still offer three or more insurers. [Read More](#)

Molina to Acquire Total Care Medicaid Plan in Upstate New York. Molina Healthcare, Inc. announced on April 18, 2016, they will acquire Universal American’s Total Care Medicaid plan in upstate New York for \$41.3 million. Total Care has approximately 39,000 Medicaid and Child Health Plus enrollees in the three upstate New York counties of Cortland, Onondaga, and Tompkins. Total Care, founded by the Syracuse Community Health Center, was acquired by Universal American in 2013. [Read More](#)

RFP CALENDAR

Date	State/Program	Event	Beneficiaries
April 22, 2016	Minnesota SNBC	Contract Awards	45,600
April 29, 2016	Missouri (Statewide)	RFP Released	700,000
April, 2016	Virginia MLTSS	RFP Released	130,000
May, 2016	Massachusetts MassHealth ACO - Pilot	Applications Open	TBD
May 2, 2016	Pennsylvania MLTSS/Duals	Proposals Due	420,000
May 11, 2016	Indiana	Cost Proposals Due	900,000
May, 2016	Oklahoma ABD	DRAFT RFP Released	177,000
June, 2016	Indiana	Contract Awards	900,000
July 1, 2016	Missouri (Statewide)	Proposals Due	700,000
July 1, 2016	West Virginia	Implementation	450,000
July 1, 2016	Minnesota SNBC	Implementation (Northern Counties)	45,600
July, 2016	Georgia	Implementation	1,300,000
August, 2016	Oklahoma ABD	RFP Released	177,000
July-August, 2016	Massachusetts MassHealth ACO - Full	Applications Open	TBD
September 1, 2016	Texas STAR Kids	Implementation	200,000
September, 2016	Massachusetts MassHealth ACO - Pilot	Selection	TBD
October 1, 2016	Missouri (Statewide)	Contract Awards	700,000
October, 2016	Oklahoma ABD	Proposals Due	177,000
November 1, 2016	Arizona ALTCS (E/PD)	RFP Released	30,000
December, 2016	Massachusetts MassHealth ACO - Pilot	Implementation	TBD
December, 2016	Massachusetts MassHealth ACO - Full	Selection	TBD
January 1, 2017	Pennsylvania HealthChoices	Implementation	1,700,000
January 1, 2017	Nebraska	Implementation	239,000
January 1, 2017	Pennsylvania MLTSS/Duals	Implementation (SW Region)	100,000
January 1, 2017	Minnesota SNBC	Implementation (Remaining Counties)	45,600
January 18, 2017	Arizona ALTCS (E/PD)	Proposals Due	30,000
March 1, 2017	Virginia MLTSS	Implementation	130,000
March 7, 2017	Arizona ALTCS (E/PD)	Contract Awards	30,000
May 1, 2017	Missouri (Statewide)	Implementation	700,000
October 1, 2017	Arizona ALTCS (E/PD)	Implementation	30,000
October, 2017	Massachusetts MassHealth ACO - Full	Implementation	TBD
TBD 2017/2018	Oklahoma ABD	Implementation	177,000
January 1, 2018	Pennsylvania MLTSS/Duals	Implementation (SE Region)	145,000
January 1, 2019	Pennsylvania MLTSS/Duals	Implementation (Remaining Regions)	175,000

DUAL ELIGIBLE FINANCIAL ALIGNMENT DEMONSTRATION IMPLEMENTATION STATUS

Below is a summary table of the progression of states toward implementing a dual eligible financial alignment demonstration.

State	Model	Opt-in Enrollment Date	Passive Enrollment Date	Duals Eligible For Demo	Demo Enrollment (April 2016)	Percent of Eligible Enrolled	Health Plans
California	Capitated	4/1/2014	5/1/2014 7/1/2014 1/1/2015	431,000	123,981	28.8%	CalOptima; Care 1st Partner Plan, LLC; Community Health Group Partner; Health Net; Health Plan of San Mateo; Inland Empire Health Plan; LA Care; Molina; Santa Clara Family Health Plan; Anthem (CareMore)
Illinois	Capitated	4/1/2014	6/1/2014	148,000	48,272	32.6%	Aetna; Centene; Blue Cross Blue Shield of IL; Cigna-Health Spring; Humana; Meridian Health Plan; Molina
Massachusetts	Capitated	10/1/2013	1/1/2014	94,000	12,307	13.1%	Commonwealth Care Alliance; Network Health
Michigan	Capitated	3/1/2015	5/1/2015	105,000	31,766	30.3%	AmeriHealth Michigan; Coventry (Aetna); Fidelis SecureCare; Meridian Health Plan; HAP Midwest Health Plan; Molina Healthcare; Upper Peninsula Health Plan
New York	Capitated	1/1/2015 (Phase 2 Delayed)	4/1/2015 (Phase 2 Delayed)	124,000	5,617	4.5%	There are 17 FIDA plans selected to serve the demonstration. A full list is available on the MRT FIDA website.
Ohio	Capitated	5/1/2014	1/1/2015	95,000	61,535	64.8%	Aetna; CareSource; Centene; Molina; UnitedHealth
Rhode Island	Capitated	12/1/2015	2/1/2016	30,000			Neighborhood INTEGRITY
South Carolina	Capitated	2/1/2015	4/1/2016	53,600	5,954	11.1%	Absolute Total Care (Centene); Advicare; Molina Healthcare of South Carolina; Select Health of South Carolina (AmeriHealth)
Texas	Capitated	3/1/2015	4/1/2015	168,000	45,219	26.9%	Anthem (Amerigroup), Cigna-HealthSpring, Molina, Superior (Centene), United
Virginia	Capitated	3/1/2014	5/1/2014	70,500	27,116	38.5%	Humana; Anthem (HealthKeepers); VA Premier Health
Total Capitated	10 States			1,319,100	361,767	27.4%	

Note: Enrollment figures in the above chart are based on state enrollment reporting, where available, and on CMS monthly reporting otherwise.

HMA NEWS

HMA Information Services Launches Daily Roundup

HMA Information Services is pleased to announce the launch of the *Daily Roundup*, which includes breaking industry news and state-by-state updates from HMA consultants in the field. The *Daily Roundup* will be available only to HMAIS subscribers and will include advance content from *the HMA Weekly Roundup*, which will otherwise remain unchanged and continue to be distributed to readers every Wednesday evening. For more information about the *Daily Roundup* please contact Carl Mercurio at cmercurio@healthmanagement.com or 212-575-5929.

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