Connecticut HUSKY Health Overview

Presentation to the Human Services and Appropriations Committees

February 6, 2016

Context

HUSKY Health at a Glance

Critical source of economic security and well-being to over 750,000 individuals (21% of the population of Connecticut).

- Serves adults, working families, their children, their parents and their loved ones with disabilities.
- Covers an extensive array of preventative services (primary care through Person-Centered Medical Homes, dental and behavioral health coverage) as well as care coordination.
- Successful in improving quality, satisfaction and independence through prevention and integration.

Data driven.

- Maintains a fully integrated set of claims data for all covered individuals and all covered services.
- Uses data analytics to direct policy-making, program development and operations.
- Employs predictive modeling to identify both those in present need of care coordination, and those who will need it in the future.

Already doing more with less.

- Administrative costs are 5.2%. Total staffing (131 individuals) has held relatively constant while the number of individuals served has dramatically increased.
- 59% of Connecticut Medicaid and 88% of CHIP (HUSKY B) expenditures are federally reimbursed.
- Health expenditures (70.7% of department budget) are increasing based on caseload growth, but trends in per person costs are stable and quality outcomes have improved.

HUSKY Health touches **everyone**.

Children. Working families and individuals.

Older adults. People with disabilities.

Your neighbor. Your cousin.

One in five CT citizens is served by HUSKY Health.

HUSKY Health . . .

- extends financial security from the catastrophic costs of a serious health condition
- enables people to stay well, through prevention, and to work
- promotes the health, well-being and school readiness of children
- supports independence in the community

HUSKY Health is **improving outcomes while controlling costs.**

Health outcomes and care experience are improving. We are **enabling independence and choice** for people who need long-term services and supports.

Provider participation has increased.

Enrollment is up, but **per member per month costs are stable**.

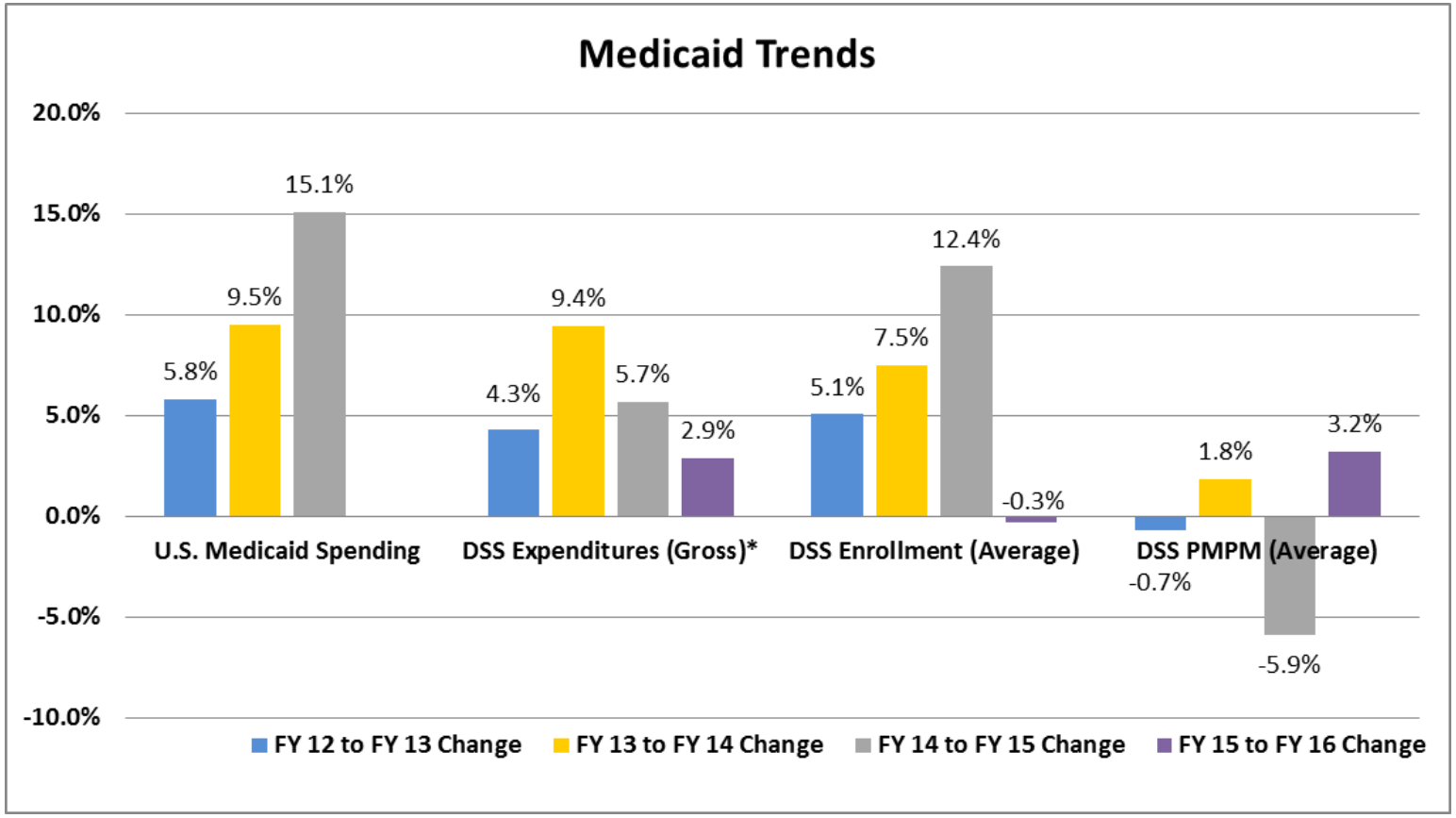
The **federal share** of HUSKY Health costs **has increased.**

HUSKY Health has **maximized benefits under the Affordable Care Act.**

- 100% federal coverage for expansion of Medicaid eligibility (HUSKY D)
- coverage of new preventative services including smoking cessation and family planning
- new resources for behavioral health integration
- $77 million in funding under the State Balancing Incentive Program for home and community-based long-term services and supports (LTSS)

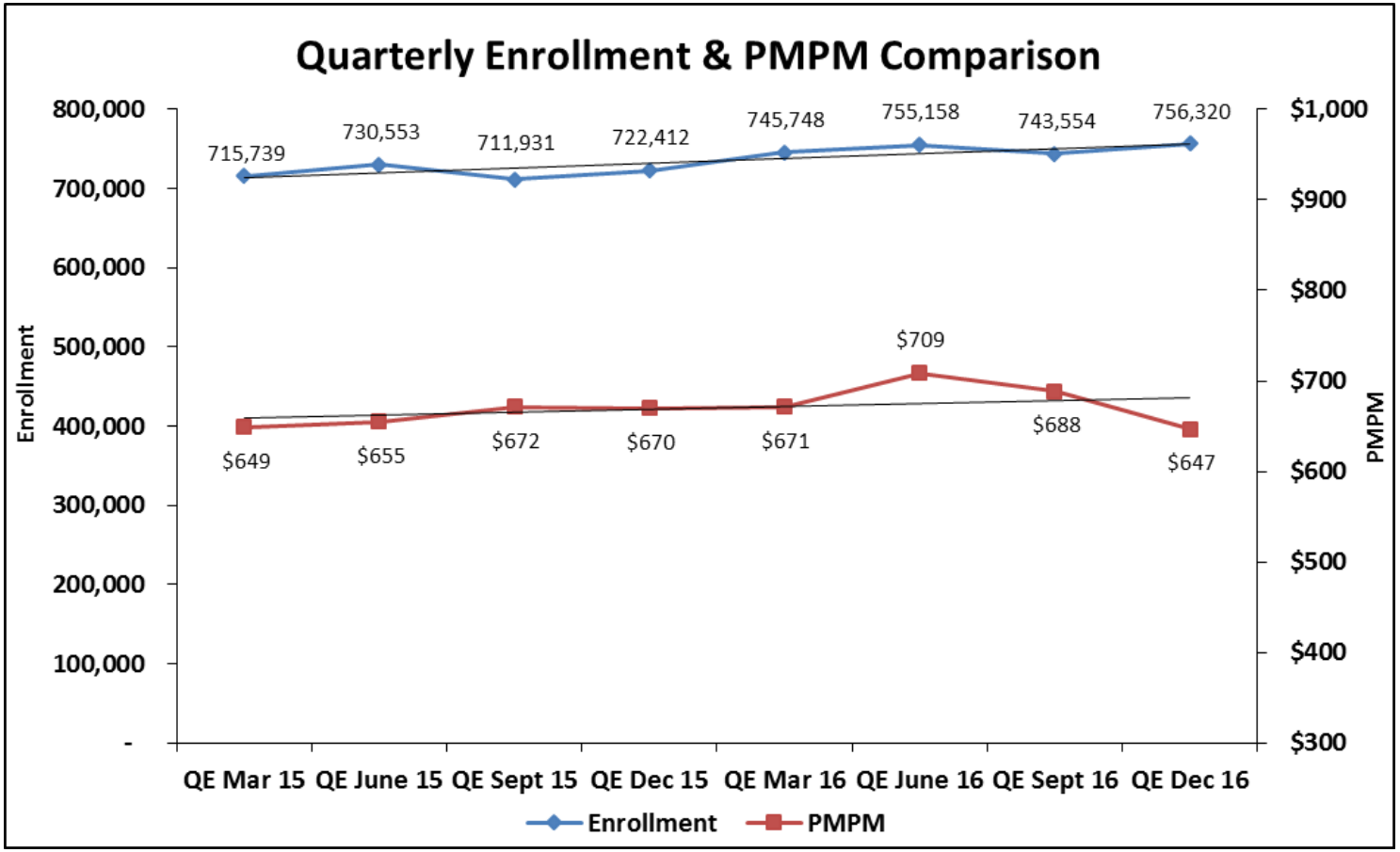
HUSKY Health Financial Trends

Comparison with National Trends



** Expenditures are net of drug rebates and include DMHAS' behavioral health costs claimable under Medicaid. This depiction **includes** all hospital supplemental and retro payments.*

Enrollment and PMPM



Expenditures have increased proportionate to the increase in enrollment, but per member per month costs have remained remarkably steady.

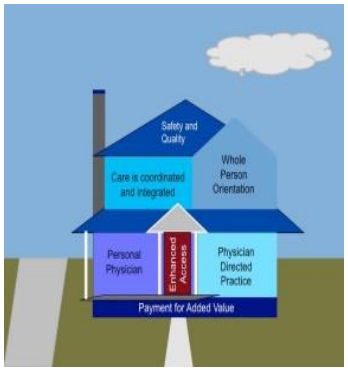
Past, Present and Future

Past, Present and Future

	Past	Present	Future
Administrative/ financial model	A mix of risk-based managed care contracts and central oversight	Self-insured, managed fee-for service model; contracts with four Administrative Services Organizations (ASOs)	Self-insured, managed fee-for-service model that incorporates health neighborhoods and Value-Based Payment (VBP) approaches
Financial trends	Double digit year-over-year increases were typical	Overall expenditures are increasing proportionate to enrollment; per member per month spending is trending down	Quality-premised VBP strategies will enable further progress on trends
Data	Limited encounter data from managed care organizations	Fully integrated set of claims data; program employs data analytics to risk stratify and to make policy decisions	Data match across human services and corrections data sets will enable more intelligent policy making

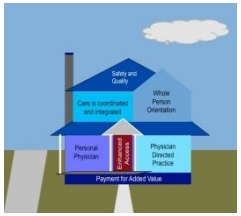
	Past	Present	Future
Member experience	Members had different experiences depending on which MCO oversaw their services; MCOs relied upon traditional chronic disease management strategies	ASOs provide streamlined, statewide access points and Intensive Care Management; PCMH practices enable coordination of primary and specialty care; health homes enable integration of medical, behavioral health and social services	Health neighborhoods will address both health needs and social determinants of health (e.g. housing stability)
Provider experience	Provider experience varied across MCOs; payment was often slow or incomplete	ASOs provide uniform, statewide utilization management and ICM; providers can bill on a bi-weekly basis	Consideration of migration to health neighborhood self-management of provider relationships

HUSKY Health 2017 and ongoing



Health neighborhoods composed of PCMH practices, specialties, CHWs and non-medical services and supports

Development of additional value-based payment strategies



PCMH enhanced fees and performance payments

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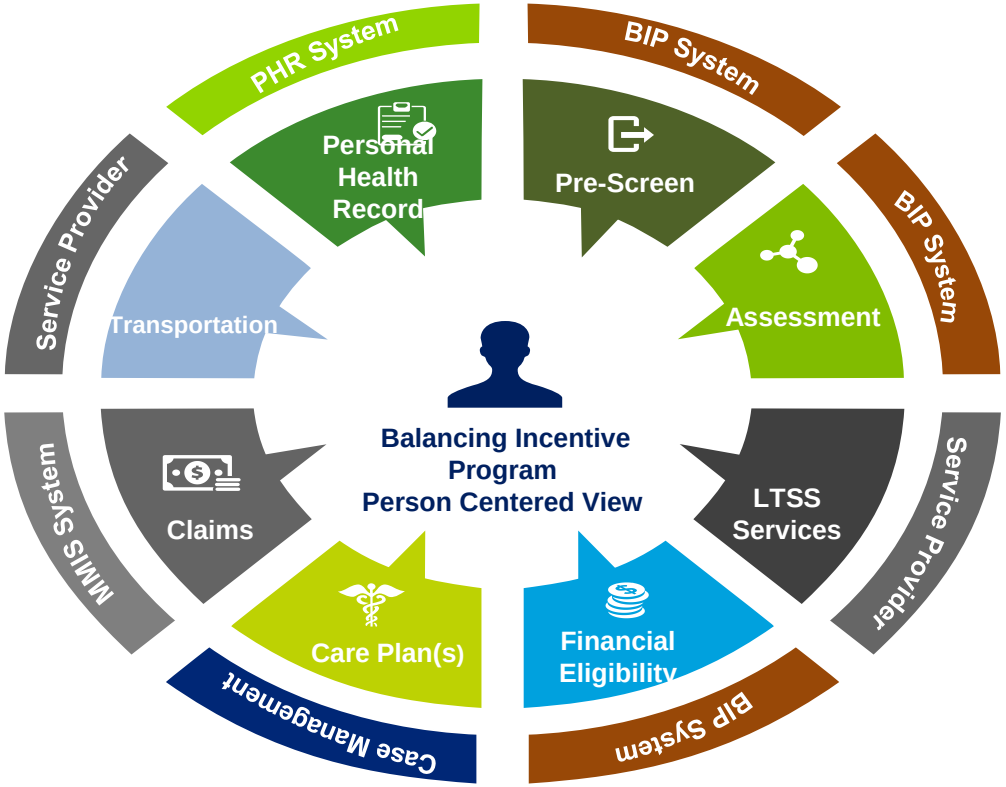
PCMH+

Shared savings arrangements

Episodes of care



Achievement of a person-centered, integrative, rebalanced system of long-term services and supports

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