

**BUILDING AN EFFECTIVE,
AFFORDABLE, AND
ACCOUNTABLE HEALTH
CARE SYSTEM FOR THE
COMMONWEALTH**

**THE VALUE OF
MEDICAID MANAGED
CARE IN KENTUCKY**

Quality Care

+

Taxpayer Savings

**OUTDATED ALTERNATIVE:
FEE-FOR-SERVICE**

- One-size-fits-all government healthcare
- Lacks accountability to ensure individuals are receiving appropriate care
- No incentive for innovation
- Disjointed care resulting in duplication or missed care.
- Limits prevention and early treatment of chronic conditions
- Providers are paid by volume, not value of services
- Kentucky's budget responsibility is unpredictable

Over the past decade, Kentucky transformed an outdated Medicaid system that offered fragmented fee-for-service payments into a modern, patient-centered health coverage program serving more than 1.5 million Kentuckians.



Fragmented Fee-for-Service Payments

Health Insurance Coverage

KEY BENEFITS OF MANAGED CARE

KENTUCKY'S MEDICAID DOLLAR AT WORK

More than **90%** of every Medicaid managed care dollar is directly invested in health care services for Medicaid members – one of the best ratios in the nation.

DRIVING EXCELLENCE

- Medicaid is a state and federal program that provides health care for low-income residents including children, families, pregnant women, the aged and the disabled
- Plans accept the financial risk of care
- Medical needs of members are guaranteed by plans, incentivizing prevention and improving health to avoid costly care



ENSURING ACCESS

Managed care plans coordinate health care services for nearly **9 in 10** of all **Kentuckians enrolled in Medicaid**

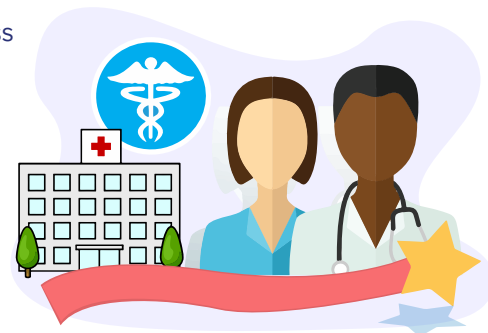
More than **1.5 million Kentuckians** have access to robust networks of providers to meet their diverse needs



PROVIDING SAVINGS

MANAGED CARE IS AN EFFECTIVE AND EFFICIENT USE OF PUBLIC RESOURCES:

- Promoting wellness to prevent serious illness
- Focusing on prevention and coordination to avoid costly medical expenses
- Encouraging relationships with primary care physicians in lieu of ER visits
- As a result, Managed care is estimated to have saved Kentucky taxpayers \$184M in '16 and \$194M in '17¹



FOOTNOTES:

1. Potential Savings of Medicaid Capitated Care: National and State-by-State Estimates, July 2017

MANAGED CARE ORGANIZATIONS DRIVING INNOVATION

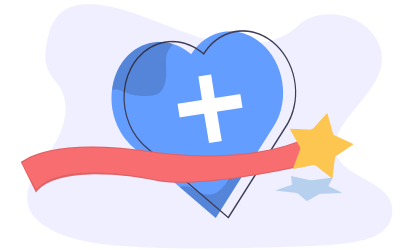
GROWING TELEHEALTH:

With the COVID-19 Pandemic, telehealth services are more important than ever! Managed care organizations are continually expanding partnerships and infrastructure to deploy telepsychiatry, remote monitoring, virtual urgent care, and mobile applications statewide.



ADDRESSING SOCIAL DETERMINANTS OF HEALTH:

Medicaid managed care plans work to reduce the social barriers of health by addressing issues like food insecurity, housing insecurity, employment training, and social isolation.



IMPROVING OUTCOMES THROUGH CARE COORDINATION:

Decreasing leg circulation is a serious complication of advanced diabetes. After implementing Medicaid managed care, Kentucky saw a 17% decrease in amputations due to untreated diabetes. Plans are utilizing information technology and real-time data analysis to facilitate care with the goal of developing a comprehensive picture of the member.



PRIORITIZING AND PROTECTING THE VULNERABLE IN A PANDEMIC:

Through advanced data modeling and analytics, plans are able to make expeditious outreach to medically fragile individuals, ensuring lifesaving measures like early testing, continued routine care, extended refills, as well as critical access to the COVID-19 vaccine. Plans are going the extra mile to lift up underserved inner city and rural populations, playing an integral role in helping vaccinate the Medicaid population through efforts such as:



- Transportation coordination for plan members
- Pop-up clinics including the KAHP/Kentucky Sports Radio "Shots Across the Bluegrass" Live Show Tour
- Homebound vaccination visits
- Text and email campaigns
- Yard signs, mobile billboards, radio and digital ads, and door-to-door literature drops
- Outbound calls to plan members prioritized by risk tier
- Clinics staffing with bilingual personnel
- Personalized assistance with sign-ups and digital site navigation
- Following up on second dose appointments

KENTUCKY MEDICAID BY THE NUMBERS



1.5M

1.5 MILLION KENTUCKIANS COVERED BY MEDICAID¹



35%

COVERS 35% OF ALL KENTUCKIANS¹



40%

40% OF ALL KENTUCKY CHILDREN²



48%

MEDICAID COVERS 48% OF ALL KENTUCKY BIRTHS³



3 in 7

3 IN 7 INDIVIDUALS WITH DISABILITIES⁵



90%

90% COVERED UNDER MANAGED CARE¹



129K

129K PREGNANT MOMS AND CARETAKERS⁶



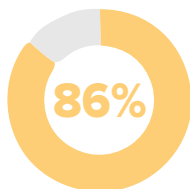
2 in 3

2 IN 3 OF KY NURSING HOME RESIDENTS COVERED BY MEDICAID³

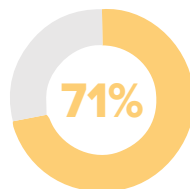


VALUE

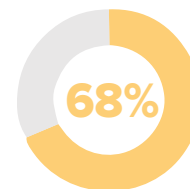
KENTUCKIANS VALUE MEDICAID⁴



86% of Kentucky residents say it's important to have a strong, sustainable Medicaid program in the US



71% of Kentucky residents have a favorable view of Medicaid



68% of Kentucky residents oppose cutting funding for Medicaid

FOOTNOTES:

1. Per CHFS, as of July 2021
2. Medicaid coverage of births United States | PeriStats | March Of Dimes
3. Medicaid's Role in Kentucky (kff.org)
4. Medicaid Matters for America (modernmedicaid.org)
5. Medicaid in Kentucky (kff.org)
6. KY market finance/actuary team

THE IMPACT OF KENTUCKY MEDICAID MANAGED CARE



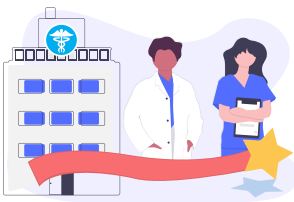
97%

97% OF CHILDREN 12-24 MONTHS RECEIVE AT LEAST ONE DOCTOR'S VISIT A YEAR¹



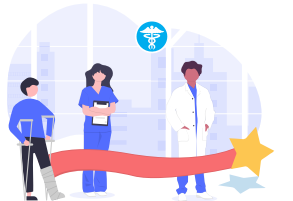
82%

82% OF EXPECTING MOMS RECEIVE TIMELINE PRENATAL CARE¹



40%

REDUCED HOSPITAL READMISSIONS BY MORE THAN 40%²



87%

87% GOT CARE AS SOON AS NEEDED WHEN CARE WAS NEEDED RIGHT AWAY¹



82%

82% RATED THEIR HEALTH PLAN AN 8, 9, OR 10 ON A 10-POINT SCALE¹



49%

REDUCED HOSPITALIZATIONS OF NONELDERLY ADULTS BY 49%²

FOOTNOTES:

- <https://chfs.ky.gov/agencies/dms/DMSMCOReports/2020TechReport.pdf>
- https://www.healthky.org/res/images/resources/Final_Report_for_Foundation_2_12_2016-SH-1-.pdf
 - “the probability of having at least one 7-day or less annual readmission to a hospital fell 41 percent among children and 54 percent among nonelderly adults in counties transitioned to MMC.”
 - “among nonelderly adults in counties transitioned to MMC there was a 49 percent reduction in the probability of having any annual avoidable hospitalizations”
- <http://www.communityplans.net/wp-content/uploads/2017/07/ACAP-Menges-MMC-Savings-Report-FINAL-071117.pdf>