Medicaid: Funding Threats, Reform Opportunities & Foundation Engagement

Jonathan Westin
Senior Director For Health Initiatives, JFNA Strategic Health Resource Center
Part I: Threats to the Health Safety Net in 2018 & Beyond

Part II: The Current Health Landscape on Capitol Hill and in the Administration

Part III: Future Trends & Where Aging Foundations Can be Leaders
JFNA’s Strategic Health Resource Center

• JFNA represents 147 federations and 300 network communities
• 15 Leading academic medical centers
• 100 Jewish aging communities
• 125 Jewish family & children’s agencies
Core Policy Priorities

• Protecting and strengthening the health care safety net of Medicaid and Medicare
• Promoting health care system transformation and innovation
• Seeking long-term care financing solutions
• Advancing behavioral health care system improvements and prevention
• Easing strain on family caregivers
A Version of Cost Containment

“We don’t offer a health-care plan. Instead, we have Lou persuade you not to get sick.”
WHAT IS MEDICAID?

• 1965
• Entitlement (anyone who meets the criteria has the right to be covered)
• Health and long-term care insurance for low-income
• Federal-state partnership
  ▪ State governments administer
  ▪ Federal government oversees
• Has income requirements
MEDICAID AS A FUNDER OF JFNA’S PARTNER AGENCY NETWORK

$6 Billion Per Year
WHO FUNDS MEDICAID?

- Federal Share 57%
- Non-Federal Share 43%

Source: Henry J. Kaiser Family Foundation
WHO DOES MEDICAID SERVE?

Nearly 70 million people or one-fifth of U.S. population (CMS, 2016)

- Children 48%
- Adults 27%
- Disabled 15%
- Elderly 9%
HOW DOES MEDICAID HELP?

• Increases low-income patients’ access to services, allowing them to live healthier, more productive lives
• Reduces uncompensated care costs
• Drives health care economy, accounting for 16% of all U.S. health care spending and 17% of hospital spending, as well as state and local economies
2018 Medicaid Landscape

- Medicaid: Work Requirements, Caps, & other obstacles: Establishing a national resource center for states
- Medicaid: Block Grant or Per Capita Cap
- Mental Health Changes & the Opioid Crisis
- Immigration & The Public Charge
Medicaid Threats

BLOCK GRANT VS. PER CAPITA CAP

**Block Grant:** Fixed amount of federal funding regardless of the number of Medicaid beneficiaries or health care cost increases.

**Per Capita Cap:** Fixed amount of federal funding per beneficiary regardless of unexpected increases in health care costs (e.g., epidemic, difficult to treat condition, more expensive new treatments).
IMPACT OF A BLOCK GRANT OR PER CAPITA CAP?

• NO federal entitlement
• Cuts federal Medicaid funding by $1 trillion over 10 years = 30-35% cut Would affect vulnerable populations and providers most at risk (including poor children, poor elderly, individuals with disabilities, nursing home and community-based long-term care providers, safety net hospitals, and clinics)
IMPACT OF A BLOCK GRANT OR PER CAPITA CAP FOR STATES AND STATE ECONOMIES

• Shifts substantial costs to states, providers, and beneficiaries
• Provider payments could drop
• Health care job losses could rise
Administrative Action

• Waivers

• Executive Orders

• Regulations
Trends In 1115 Waivers

• Work requirements

• Premiums and Cost Sharing

• Waiving non-emergency medical transportation (NEMT)
The Public Charge

- Proposed Regulation Focusing on *Documented* Immigrants. Seeks to count use of health and human services against visa extensions and green card applications. These services include:

  - Medicaid (sans Emergency Department Use)
  - Medicare Part D. Low Income Subsidies
  - Supplemental Security Income
  - Long-Term Care Benefits in an Institution
“You’re fifty-seven years old. I’d like to get that down a bit.”
JFNA Medicaid Reforms

- Rebalance Medicaid to fund home and community based services without a waiver
- Promote telehealth and health information technology
- Increase care coordination and integration
- Promote prevention
- Expand the hospice benefit
Money Follows the Person (MFP)

- 2005; bipartisan (signed by President Bush)
- Gets older adults and people with disabilities back home (75,000+)
- Improved patient outcomes/quality of life/saved Medicaid $$ (Mathematica, 2017)
- 47 states
- Expired September 30, 2016
• Threats to Medicaid Defeated:
  1) American Health Care Act: passed the House, fails in Senate.
  2) Better Care Reconciliation Act: defeated in the Senate.
  3) Graham-Cassidy: pulled from a vote in the Senate.
• Permanently Repealed Medicare Therapy Caps
• Provided funding for the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) Program for 5 yrs.
• Delayed Medicaid Cuts to Safety Hospitals for two more years
Extended and Expanded the Medicare Independence at Home program

Expanded telehealth services in Medicare & ACO’s

Passage of the Recognize, Assist, Include, Support and Engage (RAISE) Family Caregivers Act
  - Creates Advisory Council on family caregiving
  - Incentives federal agencies to work together on family caregiving issues
• Remain vigilant about Medicaid & Medicare Funding Threats
• Serve as national resource on strategy for state-driven Medicaid waivers
• Advocate for Passage of Money Follows the Person
• Work for bipartisan /consensus driven solutions for long-term services & supports reform
Leveraging a Foundation’s Investment

• Educate your elected officials (federal, state and local)
• The “Preventative Medicine” of funding policy institutes, think tanks, and advocacy organizations
“There are those who look at things the way they are, and ask why... I dream of things that never were, and ask why not?”

Robert F. Kennedy, Former Attorney General and Former Senator
Contact Info

JONATHAN WESTIN
SENIOR DIRECTOR FOR HEALTH INITIATIVES
THE JEWISH FEDERATIONS OF NORTH AMERICA
jonathan.westin@jewishfederations.org