

## **Medicaid Expansion: Position Approved by the CMS Board of Directors on January 18, 2013**

The Colorado Medical Society (CMS) supports the expansion of Medicaid under the terms of the 2010 Patient Protection and Affordable Care Act (ACA).

To facilitate successful expansion of access to health care under Medicaid and the ACA, we recommend that the following reforms be addressed urgently. We stand ready to work with the state and other stakeholders on these changes to enhance the value of the Medicaid program to patients and taxpayers.

### **Improving Medicaid**

CMS has championed the longstanding goal of achieving health care coverage for all Coloradans. We have argued that efforts to redesign Medicaid and the larger health care system have to be about more than just improving coverage. They have to be about providing cost-effective, quality and safe medical care. That is one of the reasons we strongly support the Accountable Care Collaborative and its focus on cost-effectively improving the health of Medicaid patients through the use of local, patient-centered systems of care. Improving upon the ACC by developing and following a clearly defined, transparent pathway addressing the following high priority areas will accelerate the already promising cost, quality and patient satisfaction trends within the program. CMS strongly encourages efforts to address these systemic issues:

- Access to care – Ensure appropriate access to care by enhancing reimbursement rates for all physicians to equitable levels that are at least at parity with Medicare.
  - Utilize the HB1281 pilots and other initiatives to test and accelerate the adoption of alternatives to fee-for-service payment, including bundled payments and other methodologies.
  - Support 12-month continuous eligibility for children in Medicaid, per existing law.
- Preserve and innovate liability protection – Maintain Colorado’s relatively stable medical liability climate and provide enhanced protections for the use of evidence-based approaches to care management, including, but not limited to, shared decision making models.
- Patient engagement – Maximize clear, shared accountability between patients and physicians across the spectrum of care.
  - Explore and promote other options to facilitate patient engagement, health literacy, healthy behaviors and reduce avoidable use of high cost services.
  - Provide incentives for patients and physicians to use patient decision aids and shared decision-making tools.
- Administrative simplification – Eliminate unnecessary administrative complexity, increase efficiency and standardization of Medicaid administrative processes.
  - Streamline provider enrollment procedures, standardize use of nationally recognized transaction codes (CAHQ/CORE), maximize efficiency of prior authorization using electronic procedures, improve eligibility determination timeliness and transition to Medicare 1500 electronic claims submission.
  - Develop and document a well-defined, fair administrative process for cases of suspected fraud and abuse that includes due process for providers.

### **Background:**

The 2012 HOD approved a “process” for developing CMS policy on the Medicaid expansion that resides with the board of directors. This “process” was followed throughout, including three joint meetings of COL and CPPE, a listening session with component and specialty presidents or their designees, two all-member surveys, two all-member communications asking CMS members to participate in the discussion, a front cover Colorado Medicine, and the creation and dissemination of a white paper on the expansion by and for physicians. At the request of American College of Pediatrics, Colorado Chapter, COL-CPPE

delayed a decision on the expansion at the November meeting. A special meeting of COL-CPPE was held on December 12, 2012. A motion at this meeting to temporarily delay support for the expansion and to let the lobbyists work with state officials on systemic reforms was withdrawn due to a lack of support. A subsequent motion for CMS support for the expansion was approved.

Governor John Hickenlooper announced his intent to opt Colorado into the expansion on January 3, 2013.

CMS Member Survey Results: The COL-CPPR policy statement was sent to all members with an email address provided to CMS to ask if the recommendations to the board are on the right or wrong track. The survey went into the field on December 17, 2012 and as of January 3, 2013 slightly over 75 percent of respondents stated that the policy is either “completely or somewhat on the right track”. Six hundred eighty physicians responded to the survey with the following results:

Completely on the right track	--	49.7%	(338)
Somewhat on the right track	--	29.1%	(198)
Unsure		7.7%	(52)
Somewhat on the wrong track	--	4.7%	(32)
Completely on the wrong track		8.8%	(60)

In comparison, the 2012 survey released immediately prior to the Annual Meeting showed:

- 60% say they support the expansion<sup>i</sup>, including 38% who “strongly support” and 22% who “somewhat support” it. One-third (31%) are opposed, including 21% who “strongly oppose” and 10% who “somewhat oppose” it.
- Fully three-quarters of CMS members (77%) support CMS taking a position on the Medicaid expansion so that “Colorado lawmakers and the Governor’s office” are clear as to the view of CMS on this issue. This includes 55% “strongly” and 22% “somewhat” support. One-in-ten (9%) say CMS should stay neutral, 7% are opposed (with 4% “strongly” and 3% “somewhat”), and 6% are not sure.
- When we include the option of CMS taking a “neutral” position on the issue, we see that 60% want to see CMS take the position of supporting the Medicaid expansion, and 28% want to see CMS take a position against the expansion, while just 11% believe CMS should be neutral.
- While a majority agree that all of the issues raised in the survey are important, overwhelming majorities (upwards of 85%) point to three specific issues for CMS to bring to the forefront with state officials as the Medicaid expansion is considered:
  - 91% want to see reimbursement rates improved to Medicare parity or better
  - 87% want to see an increased emphasis on patient responsibility
  - 87% want to see administrative processes simplified

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<sup>i</sup> Question text: “Colorado’s Medicaid program currently covers over 613,000 patients. Because of the recent ruling by the Supreme Court on the Affordable Care Act (ACA), states can now choose whether they will participate in the expansion up to 138% of the federal poverty level (\$15,415 for an individual or \$26,344 for a family of three in 2012). Projections suggest that there would be 245,730 new Medicaid enrollees by 2019 if the state chose to participate in the expansion. According to current law the federal government will cover 100% of costs for the expansion for the first three calendar years (2014–2016), and then at least 90% of costs thereafter. Which of the following best represents your view on whether the state of Colorado should participate in the Medicaid expansion?”