

Evidence Roadmap: Medicaid Managed Care



AcademyHealth's Evidence Roadmaps present selected, key research studies, systematic reviews, and other rigorous evidence to help policy analysts and others explore the current state of knowledge about a topic relevant to health policy or the delivery of health services.

This Evidence Roadmap¹ explores the impact of Medicaid managed care on health care costs, quality, utilization, and access to care for Medicaid enrollees. In AcademyHealth's 2015 Listening Project report,² "**Improving the Evidence Base for Medicaid Policymaking,**" policymakers and other experts identified this topic as needing additional attention from researchers. Interviewees also noted a particular desire to monitor the impact of Medicaid managed care on vulnerable populations new to managed care, including the elderly and disabled population receiving long-term services and supports. While primarily focused on the past five years, this document includes older resources when they represent the most recent available evidence in a particular area or a seminal contribution to the evidence base.

Systematic Reviews

Medicaid Managed Care: Costs, Access, Quality of Care.

Sparer M. The Synthesis Project, The Robert Wood Johnson Foundation. September 2012.

This report examined the existing evidence on the impact of Medicaid managed care on health care costs, access to care, and quality of care for Medicaid enrollees in managed care settings when compared to enrollees in traditional fee-for-service environments.

Systematic Review of the Impact of Managed Care on Children with Special Health Care Needs: A Special Focus on Medicaid.

Wise P, Huffman L, Brat G. Prepared for the Agency for Healthcare Research and Quality (AHRQ) by Stanford University-UC-SF Evidence-based Practice Center, Stanford, CA. June 2007. Chapter 4 in the Technical Review, No. 14, "A Critical Analysis of Care Coordination Strategies for Children With Special Health Care Needs," AHRQ Publication No. 07-0054.

This review built upon a prior systematic review by Jeffrey and Newacheck (2006) on the impact of different insurance models on children with special health care needs. The review evaluated the existing evidence on the quality of care and overall experience for children with special health care needs enrolled in Medicaid.

Books

Managed Care in Medicaid: Lessons for Policy and Program Design.

Hurley RE, Freund DA, Paul JE. Ann Arbor, MI: Health Administration Press; 1993.

This book described a decade of Medicaid reform initiatives, specifically those relating to primary care case management. The authors also evaluated three sets of managed care programs.

Individual Studies

The following section organizes studies in two different categories: (1) cost, and (2) multiple outcomes including cost, quality, access, utilization and/or health status. The studies within these categories also vary in terms of focus. Some studies focus only on one state's experiences, while others merge data at the national level from multiple states or compare outcomes across states. Depending on the methods of each study, these differences may impact the generalizability of the findings.

Cost:

Has the Shift to Managed Care Reduced Medicaid Expenditures? Evidence from State and Local-level Mandates.

Duggan M, Hayford T. *J Policy Anal Manage.* 2013; 32(3):505-35.

This paper examined the effect of the shift of Medicaid enrollees from fee-for-service into managed care settings on expenditures using data from state- and local-level Medicaid managed care mandates and from the Centers for Medicare and Medicaid Services (CMS) from 1991-2009. Authors found that the shift did not on average reduce Medicaid spending, though the effects varied greatly across states according to factors such as the baseline provider reimbursement rate.

National and State Trends in Enrollment and Spending for Dual Eligibles Under Age 65 in Medicaid Managed Care.

Libersky J, Hedley Dodd A, Verghese S. *Disabil Health J.* 2013 Apr; 6(2):87-94.

This study evaluated changes in enrollment in managed care programs for dual eligibles under age 65 between 2005-2008 and compared enrollment and spending between dual eligibles and Medicaid-only beneficiaries. Authors found that the proportion of adult duals in managed care increased from 2005 to 2008 and that average Medicaid expenditures per enrollee differed significantly across states depending on the managed care arrangement.

Changes in Per Member Per Month Expenditures after Implementation of Florida's Medicaid Reform Demonstration.

Harman J, Lemak C, Al-Amin M, Hall A, Duncan R. *Health Serv Res.* 2011 Jun; 46(3): 787-804.

This study analyzed the impact of Florida's Medicaid Reform Demonstration (Section 1115 Waiver) on per member per month (PMPM) Medicaid expenditures. Authors found that the managed care reform model had little impact on PMPM expenditures, particularly among Medicaid enrollees with eligibility based on Supplemental Social Security Income (SSI).

Medicaid Managed Care and Cost Containment in the Adult Disabled Population.

Burns M. *Med Care.* 2009; 47(10): 1069-1076.

This study evaluated the impact of Medicaid managed care on health care expenditures for adults with disabilities. The author found that on average, total monthly Medicaid expenditures per enrollee were not different between counties with fee-for-service versus those with MCOs, though there were differences in spending on specific service areas.

Multiple Outcomes: Cost, Quality, Access, Utilization and/or Health Status:

The Expanding Role of Managed Care in the Medicaid Program: Implications for Health Care Access, Use, and Expenditures for Nonelderly Adults.

Caswell KJ, Long SK. *Inquiry.* 2015; 16(52).

This study evaluated county-level Medicaid managed care penetration and health care outcomes among nonelderly disabled and nondisabled enrollees between 2006-2009. Authors found that for nondisabled adults, increased penetration is associated with increased probability of an emergency department visit, difficulty seeing a specialist, and unmet needs for prescription drugs. For disabled adults, no association between managed care penetration and health outcomes was found.

Oregon's Experiment in Health Care Delivery and Payment Reform: Coordinated Care Organizations Replacing Managed Care.

Howard SW, Bernell SL, Yoon J, Luck J, Rancit CM. *J Health Polit Policy Law.* 2015 Feb; 40(1): 245-55.

This article outlined the Oregon Health Authority's coordinated care organizations (CCOs) and described differences between CCOs and traditional Medicaid managed care models. It also detailed changes to financing, accountability, and community engagement as well as implementation challenges.

Medicaid Managed Care: Issues for Beneficiaries with Disabilities.

Hall JP, Kurth NK, Chapman SL, Shireman TI. *Disabil Health J.* 2015 Jan; 8(1):130-5.

This qualitative study evaluated the experiences of Kansas Medicaid enrollees with disabilities using long-term services and supports during Kansas' transition of the disabled population to a managed care system. The study outlined key challenges identified by survey respondents that can inform transition efforts in other states.

A tale of two cities? The heterogeneous impact of Medicaid Managed Care.

Marton J, Yelowitz A, Talbert J. *Journal of Health Economics.* 2014 July; 36:47-68

This article examined how variation in reimbursement incentives and administration among two Medicaid managed care plans impacted utilization and spending in two regions of Kentucky. Authors found large differences in the relative success of each plan in reducing utilization and spending that may be driven by differences in plan design.

Fee-for-Service and Managed Care for Seniors and People with Disabilities on Medicaid: Implications for the Managed Care Mandate in California.

Graham C, Kurtovich E, Ivey S, Neuhauser L. *J Health Care Poor Underserved.* 2011 November; 22(4): 1413-1423.

This study assessed differences in perceived quality of care between fee-for-service and managed care by seniors and persons with disabilities in California. Authors found that enrollees in Medicaid managed care were more likely to be "very satisfied" with their benefits than those in fee-for-service. There was no significant difference in access to care.

Disabling Health Care? Medicaid Managed Care and People with Disabilities in America.

Hiranandani VS. *Poverty and Public Policy*. 2011; 3(2).

This qualitative study examined the implications of Medicaid managed care interviews with 30 respondents with physical disabilities enrolled in a mandatory managed care program in the eastern United States to understand their experiences in accessing health care services and the impact of managed care on their overall patient experience. The study found that enrollees encountered certain barriers when accessing preventive, treatment, and acute care services.

Using HMOs to Serve the Medicaid Population: What Are the Effects on Utilization and Does the Type of HMO Matter?

Herring B, Adams EK. *Health Econ*. 2010; 20(4): 446-60.

This study examined the effect of changes in the Medicaid managed care market between 1996-2002 on total health care expenses, utilization, and access to care for the nonelderly Medicaid enrollees in the Community Tracking Study's Household Survey. Authors found some evidence that utilization and access are related to the market penetration rates of commercial and Medicaid-only managed care organizations, but noted that the pattern observed does not seem to be consistent with welfare improvements.

The impact of Medicaid Managed Care on Hospitalizations for Ambulatory Care Sensitive Conditions.

Bindman AB, Chattopadhyay A, Osmond DH, et al. *Health Serv Res*. 2005 Feb; 40(1):19-38.

This study used hospital discharge information from California TANF Medicaid enrollees from 1994-1999 to explore whether Medicaid managed care is associated with lower hospitalization rates for ambulatory care sensitive conditions than Medicaid fee-for-service. Authors found a large reduction in hospital utilization under managed care, with a greater effect for minority populations when compared with white enrollees.

Grey Literature

Access to Care: Provider Availability in Medicaid Managed Care.

Department of Health and Human Services, Office of Inspector General. December 2014. OEI-02-13-00670.

This report determined the extent to which providers are able to offer appointments to Medicaid enrollees and the timeliness of those appointments. Using a stratified random sample of 1,800 primary care providers and specialists, authors found that more than half of primary care providers were not able to offer appointments to enrollees. Specialists were more likely to offer appointments, though they tended to have longer wait times.

Key Themes in Capitated Medicaid Managed Long-Term Services and Supports Waivers.

Musumeci M. Kaiser Family Foundation. November 2014.

This issue brief examined key themes in 19 capitated Medicaid managed long-term services and supports waivers (MLTSS) approved to date by the Centers for Medicare and Medicaid Services, including § 1115 demonstrations in 12 states and § 1915(b)/(c) waivers in six states. Topics discussed include populations covered, waiver provisions, quality measurement & oversight, and discussion of the future for MLTSS programs.

State Standards for Access to Care in Medicaid Managed Care.

Department of Health and Human Services. Office of Inspector General. September 2014. OEI-02-11-00320.

A companion report to the 2014 Office of Inspector General report listed above, this report described the standards that States establish for access to care in their Medicaid managed care programs and how States determine compliance with these standards. Authors found that State standards for access to care vary, and that they are often not specific to certain provider types or to areas of the State.

Report on the Value of Minnesota Health Care Programs (MHCP) Managed Care, as Compared to Fee-For-Service.

Public Consulting Group for the Minnesota Department of Human Services. September 2013.

This report evaluated the value of managed care for Minnesota Health Care Programs (MHCP) in comparison with the fee-for-service delivery system. It provided an overview of Minnesota's managed care organizations as well as presented available data on costs, utilization, access to care, satisfaction with care, and other measures of quality.

Medicaid Managed Care for People with Disabilities: Policy and Implementation Considerations for State and Federal Policymakers.

National Council on Disability. March 2013.

This report addressed the implications of managed health care and long-term services and supports for all subpopulations of Medicaid-eligible individuals with disabilities, including those with physical, developmental, behavioral, and sensory disabilities. It outlined the history, growth, and current status of managed care and made recommendations for the design and implementation of programs for these populations.

Medicaid and CHIP Risk-Based Managed Care in 20 States: Experiences Over the Past Decade and Lessons for the Future.

Howell EM, Palmer A, Adam F. July 2012. Final Report to the Office of the Assistant Secretary for Planning and Evaluation U.S. Department of Health and Human Services

This report examined risk-based managed care models in Medicaid and CHIP nonelderly adults and children across 20 states. Findings are based on interviews with state Medicaid and CHIP officials, as well as representatives from 40 Managed Care Organizations (MCOs) serving Medicaid and CHIP beneficiaries, and 40 health care providers or provider organizations. In addition, the report contains published data from various sources, including measures of access to care, quality of care, and satisfaction with care over the study period (2001–2010).

Medicaid Managed Care: Key Data, Trends, and Issues.

Kaiser Family Foundation. February 2012.

This brief provided an overview of managed care in state Medicaid programs including the populations covered, various models employed by states, and existing evidence of cost-savings.

Examining Medicaid Managed Long-Term Service and Support Programs: Key Issues To Consider.

Summer L.¹ Prepared for the Kaiser Family Foundation. October 2011.

¹Georgetown University Health Policy Institute

This issue brief examined key issues for states to consider if they are contemplating a shift to covering new populations and long-term services and supports benefits through managed care. It drew from existing literature and discussions conducted during the spring and summer of 2011 with a variety of respondents – federal and state officials, researchers, representatives from managed care organizations, service providers, and consumer advocates.

A Profile of Medicaid Managed Care Programs in 2010: Findings from a 50-State Survey.

Gifford K¹, Smith VK¹, Snipes D¹ Paradise J². Kaiser Commission on Medicaid and the Uninsured, Kaiser Family Foundation. September 2011.

¹Health Management Associates.² Kaiser Commission on Medicaid and the Uninsured.

This report presented the findings of a 50 state survey in order to assess the state of Medicaid managed care and identified current challenges and opportunities regarding financing, structure, quality of care, and access to care.

Assessing the Financial Health of Medicaid Managed Care Plans and the Quality of Care They Provide.

McCue MJ, Bailit MH. The Commonwealth Fund. June 2011.

This report examined differences between publicly and non-publicly traded health plans delivering managed care services to Medicaid populations around administrative expenses, quality of care, and financial stability. The authors found that publicly traded plans focusing mostly on Medicaid enrollees had the lowest spending on medical services and the highest on administrative expenses. Authors also found that publicly traded plans received lower scores for quality of care, preventive care, treatment of chronic conditions, and access to care.

The Evolution of Managed Care in Medicaid.

Medicaid and CHIP Payment and Access Commission (MACPAC). Report to the Congress. June 2011.

This report examined managed care in Medicaid, focusing on the enrollees served, participating plans, spending, payment, access, data issues, and program accountability.

The Past, Present and Future of Managed Long-Term Care.

Saucier P, Burwell B, Gerst K, Thomson/MEDSTAT, for the U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation. April 2005.

This report assessed the state of the managed long-term care market and evaluated the cost and quality of managed long-term care programs relative to the fee-for-service system using a literature review, interviews with relevant stakeholders, and available descriptive information.

Ongoing Research

Evaluation of Medicaid Section 1115 Demonstration Waivers for Managed Long-term Services and Supports Programs Mathematica for the Centers for Medicare & Medicaid Services. 2014-2019.

Mathematica will conduct a national, cross-state evaluation of four different types of Medicaid section 1115 demonstration waivers. One evaluation will assess the impact and outcomes of managed care programs covering long-term services and supports for enrollees who are frail or disabled.

Search Strategy:

Using the National Library of Medicine MeSH browser, AcademyHealth staff first identified key words and associated MeSH (medical subject headings) terms. Staff used the key words to search various databases and journals for relevant articles and then examined the bibliographies of these articles to identify additional studies. Staff searched health care, health policy, trade group, government, and academic websites for grey literature and chose resources most relevant to Medicaid managed care in the context of the Listening Project Report. Because the purpose of this Roadmap is to inform current policy, searches focused on the period 2010 through 2015, with older resources included when appropriate. Three AcademyHealth members, chosen for their relevant expertise, reviewed the draft Roadmaps, and AcademyHealth staff then updated the document to incorporate the reviewers' comments and suggestions.

Databases: EBSCO Host—Academic Search Elite, Business Source Elite; PubMed/MEDLINE; HSRProj; McMaster Health Forum-Health Systems Evidence; Medical Care Research and Review; SAGE Publications; Google Scholar.

Websites: Robert Wood Johnson Foundation; Changes in Health Care Financing & Organization; Kaiser Family Foundation; The Commonwealth Foundation; Center for Health Care Strategies; Association for Community Affiliated Plans; America's Health Insurance Plans; National Association of States United for Aging and Disabilities (NASUAD); National Council on Disability.

Key words: The table below presents all of the keyword combinations included within the search strategy.

Medicaid AND Managed care programs AND: accountable care organizations quality access to health care health care costs health care utilization disabled persons long term services and supports managed long-term care	Medicaid AND (Health maintenance organizations OR primary care case management) AND: quality access to health care health care costs health care utilization disabled persons long term services and supports managed long-term care	Medicaid AND Managed long-term care AND: quality access to health care health care costs health care utilization disabled persons long-term services and supports
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Inclusion criteria: Studies/resources related to cost, quality, access to care, utilization, or other outcomes for Medicaid enrollees in Medicaid managed care plans.

Key to cited resources

- **Systematic reviews** provide insights from a body of research literature.
- **Books** often provide a useful overview of key issues and relevant research.
- **Individual studies** provide findings from key pieces of research.
- **Grey literature** provides relevant evidence that (1) has not been peer reviewed and/or (2) was published by organizations whose primary activity is not publishing.
- **Ongoing research** includes studies currently underway that address key questions.

Endnotes

- 1 AcademyHealth produced this Roadmap with support from the Robert Wood Johnson Foundation and the input of three reviewers with expertise on the topic of Medicaid managed care. Any errors are the responsibility of the author.
- 2 The **Listening Project** interviews policymakers, delivery system leaders, and other users of health services and policy research to identify the most pressing health services research needs looking three to five years into the future.