

**Health and Economic
Livelihood Partnership
Oversight Committee**

July 31, 2017

The call will begin shortly.

HELP Oversight Call Agenda

7/31/17

3 pm WebEx

- **Welcome from the Chair & Introductions of new members** – John Goodnow, Chair (5 min)
- **General Overview** – Sheila Hogan, DPHHS (5 min)
Introduction of Marie Matthews, new Medicaid Director; Erica Johnston, new Operations Branch Manager
- **Quantitative Data Reports**
 - a. **DPHHS Data report (10 min)**
 - Enrollment and demographic info** – DPHHS (5 min)
 - Financial Data** – Erica Johnston, DPHHS (5 min)
Premium payments report
 - b. **Dept. of Labor Data report** – Scott Eychner (5 min)
HELP-Link and workforce update
 - c. **Wellness activities report** – Peg Hasner, BCBS (5 min)
- **Federal initiatives that may impact Montana Medicaid, CHIP, or HELP Act** – Jess Rhoades, Governor’s Office; John Goodnow (8 min)
- **Discuss what, how, when committee needs to publicize to the public and the Legislature the positive impacts of the HELP Act** – John Goodnow (5 min)
- **SB 261 Update** – Laura Smith, DPHHS Deputy Director (5 min)
- **Questions from the Committee** (10 min)
- **Public Comment** (5 min)

General Overview

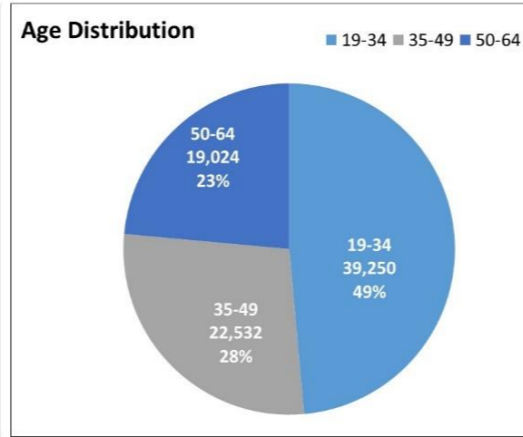
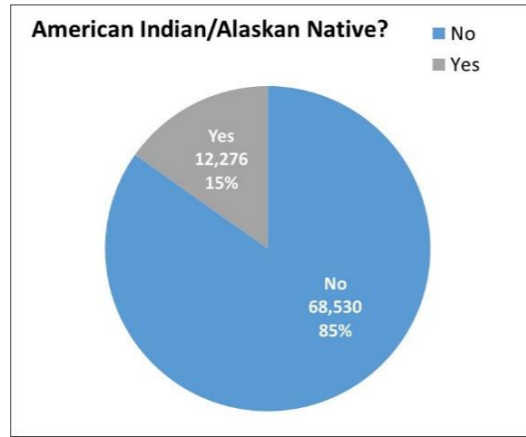
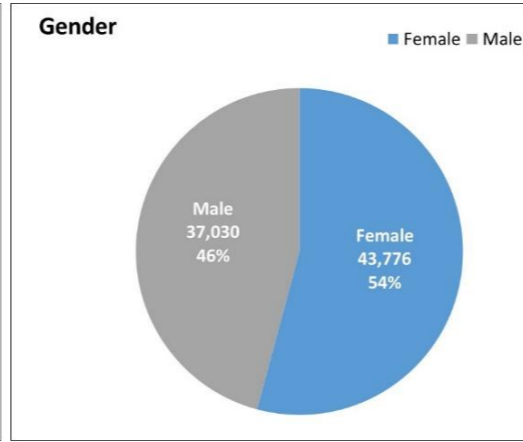
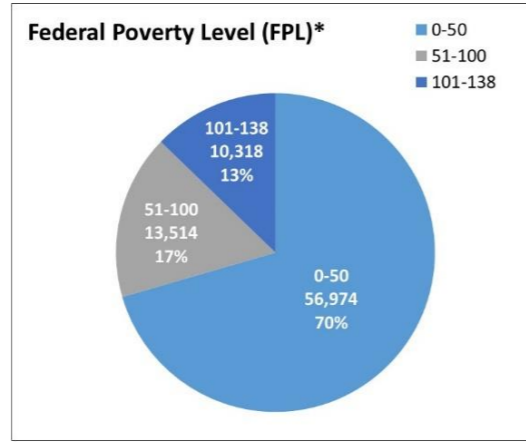
DPHHS Director

Sheila Hogan



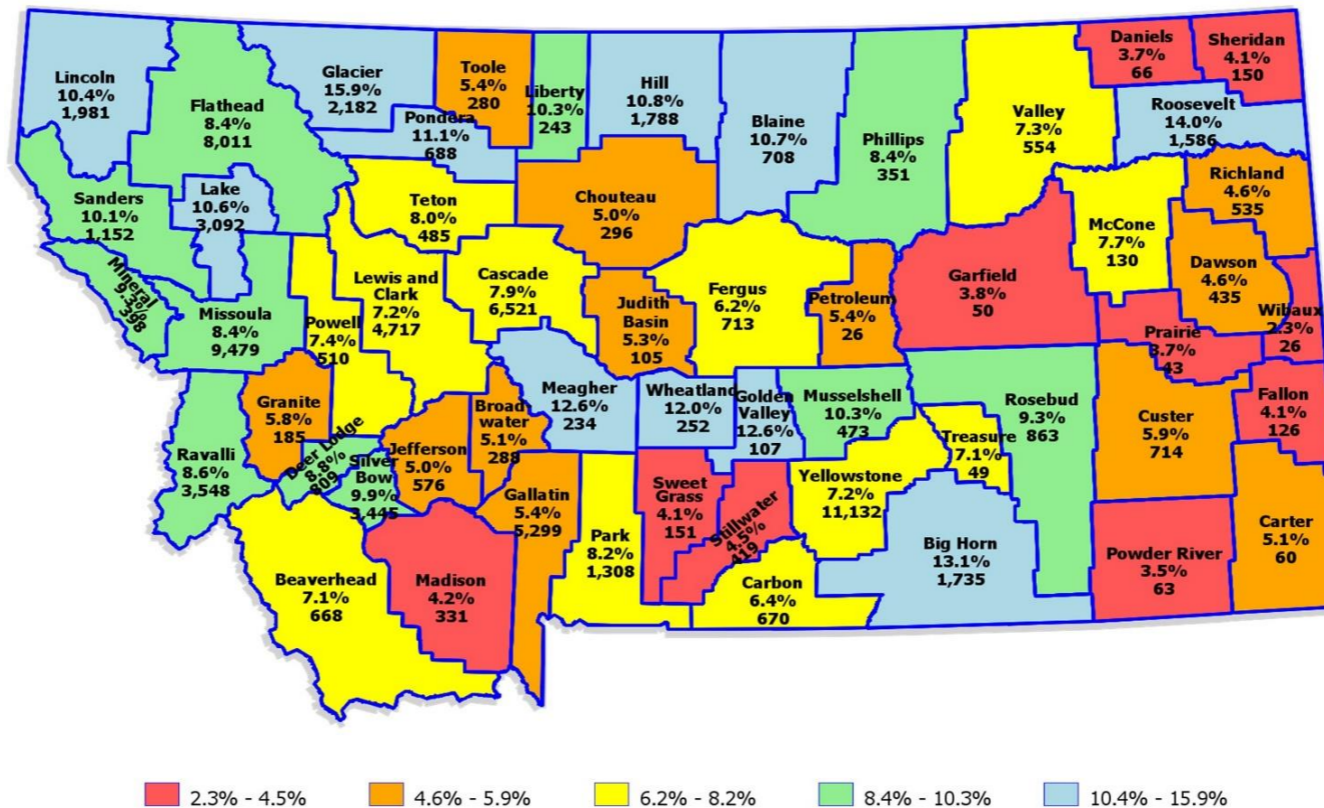
Medicaid Expansion Member Profile

As of 7/15/17



- ### Medicaid Expansion Quick Facts
- **80,806** members
 - **\$30.4 million** dollars in Medicaid benefits saved
 - **\$550 million** dollars in health care services to Montanans
 - **\$4.6 million** dollars in premiums collected

By Percent of County Population



Medicaid Expansion Health Care Services Profile

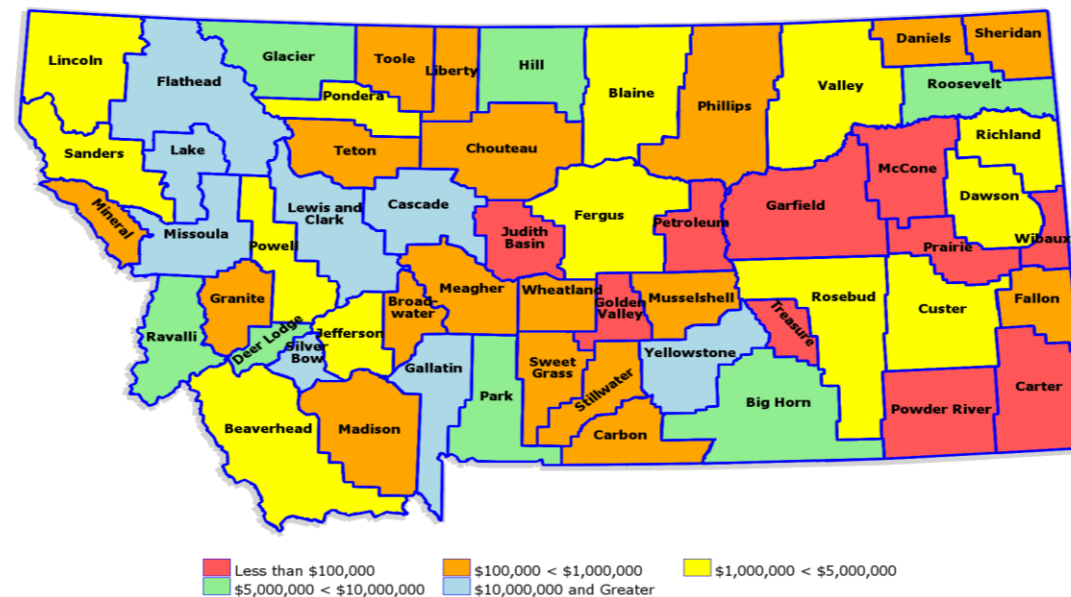
\$550 Million Dollars in Health Care Services

As of 7/15/17

Health Care by Provider Type

Service Type	Total
Pharmacy	108,356,363
Inpatient Hospital	92,691,245
Outpatient Hospital	64,596,412
Physician & Psychiatrists	58,315,305
Critical Access Hospital	55,118,409
Adult Mental Health and Chem Dep	48,883,693
Other Hospital and Clinical Services	33,760,259
Dental & Denturists	23,183,253
Indian Health Services - 100% Fed funds	20,322,616
Other Practitioners	16,532,110
Other Acute Services	6,895,689
Nursing Homes & Swing Beds	6,344,872
Durable Medical Equipment	6,167,862
Other Managed Care Services	4,989,245
Other SLTC Home Based Services	1,581,702
MDC & ICF Facilities - 100% Fed funds	1,438,527
Personal Care	1,052,509
School Based Services - 100% Fed funds	7,598
	550,237,669

Health Care by County*



*services by treating provider county

Number of Participants

HELP-Link enrollment continues to grow:

- Over **10,000** people completed HELP-Link surveys;
- Over **12,300** people enrolled through the Montana HELP Plan have received employment services through the Department of Labor & Industry;
- Since the launch of HELP-Link, over **1,900** people have received intensive, one-on-one employment training services through the program.

Employment Outcomes

HELP-Link is putting Montanans to work with higher wages for participants:

- **78%** of HELP-Link participants have found employment after receiving employment services;
- HELP-Link participants are making higher wages with roughly **72%** of trainees seeing wage increases in the second quarter of 2016. The average wage increase was **\$1,680**.

Training Outcomes

HELP-Link continues to expand Montana's labor force with trained workers:

- The most common occupations pursued by HELP-Link participants are:
 - Heavy and Tractor-Trailer Truck Drivers (**49**)
 - Nursing Assistants (**41**)
 - Registered Nurses (**36**)
 - Bookkeepers (**16**)
 - Medical Assistants (**15**)
- Registered nurses earn a median wage of roughly **\$60,000** in Montana, which would likely be enough to lift a family of five out of poverty and above the Medicaid expansion eligibility threshold.
- The remaining occupations listed have median wages between **\$32,000** per year and **\$42,000** per year, which would be enough to lift families out of poverty, and would place individuals and small families of two people above the Medicaid expansion eligibility threshold

*Number of HELP-Link survey completers reported as of 6/30/17. Number of participants reported as of 6/2/17. Employment and training outcome data reflects 2016 HELP-Link participant data. This memo **does not** include data for Montana HELP plan participants who have been trained through DPHHS programs.*

Wellness Activities Report

Blue Cross Blue Shield
Montana

Peg Hasner, BCBS-MT

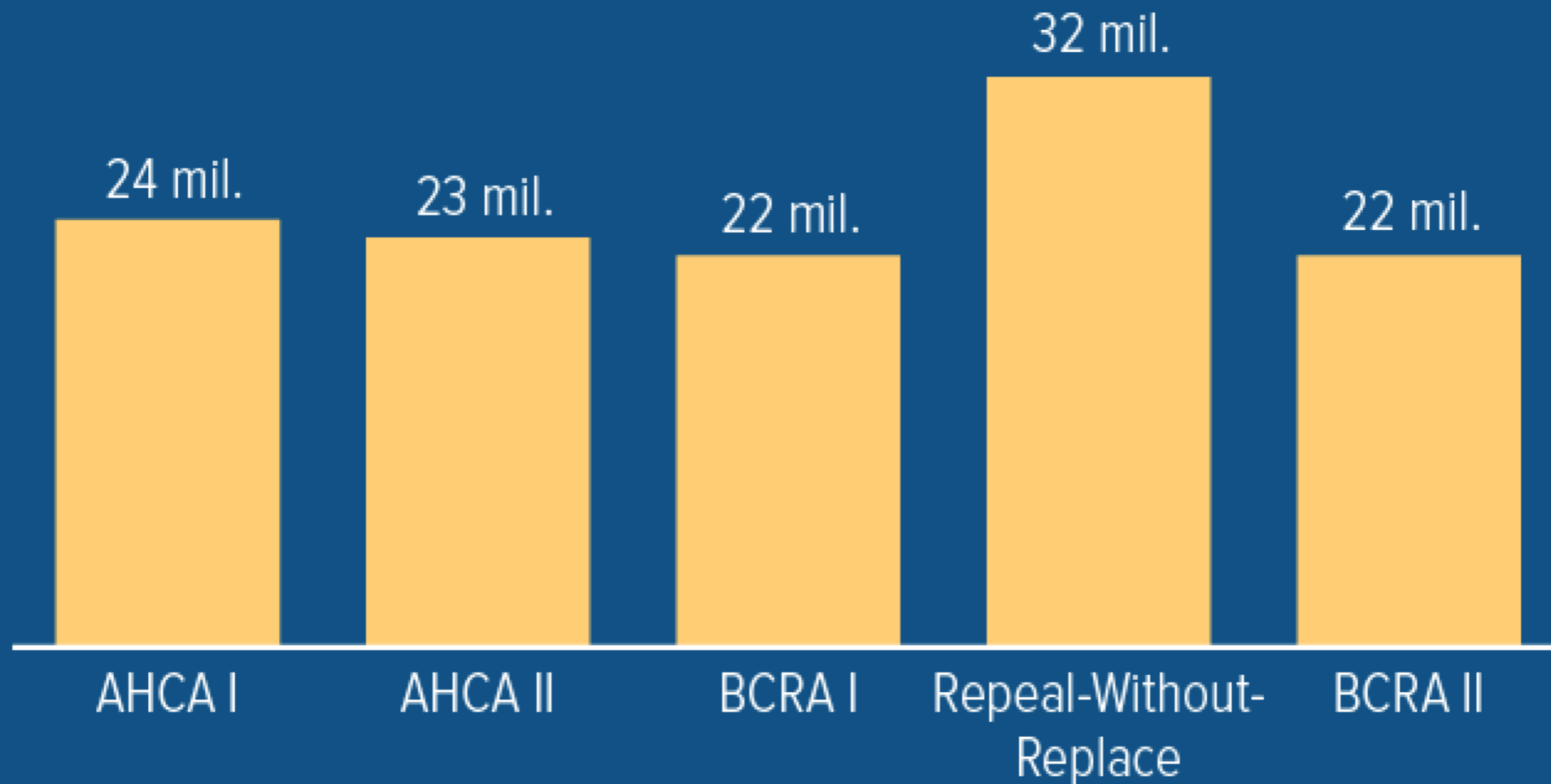
Federal initiative impacts to Montana Medicaid / HELP Act

Jess Rhoades,
Governor's Office
&

John Goodnow,
CEO Benefis
Health System

ALL 5 ACA REPEAL BILLS CAUSE MORE THAN 20 MILLION PEOPLE TO LOSE COVERAGE

Increase in uninsured compared to current law, 2026



Note: ACA = Affordable Care Act. AHCA = American Health Care Act.
BCRA = Better Care Reconciliation Act.

Source: Congressional Budget Office

Prepared by Manatt Health for:



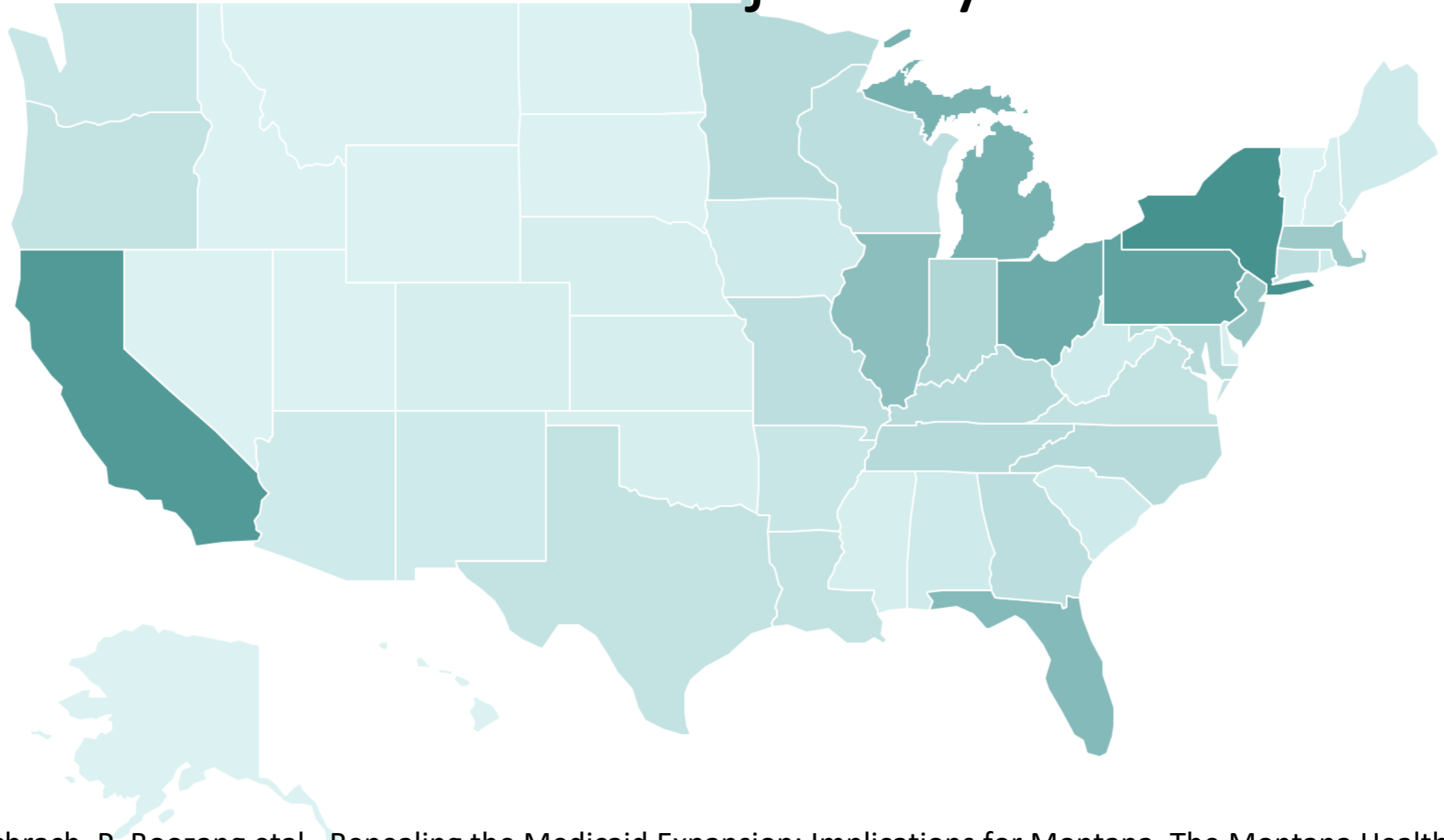
manatt

Under the BCRA, Montana is expected to lose **\$5.3 billion** in federal Medicaid funds between FY 2020 and 2026 due to changes to expansion financing and the per capita cap.

This represents **39.6%** of Montana's current law federal Medicaid funding - not just for expansion but also for children, seniors, people with disabilities. Under the BCRA, Montana's expansion adults would lose coverage **entirely**, likely starting in 2021.

<http://mthcf.org>

The repeal bills would lead to about 4,700-10,000 fewer Montana jobs by 2026.



Sources: D. Bachrach, P. Boozang et al., Repealing the Medicaid Expansion: Implications for Montana, The Montana Health Care Foundation March 2017, and L. Ku, E. Steinmetz, E. Brantley et al., The Better Care Reconciliation Act: Economic and Employment Consequences for States, The Commonwealth Fund, July 2017.

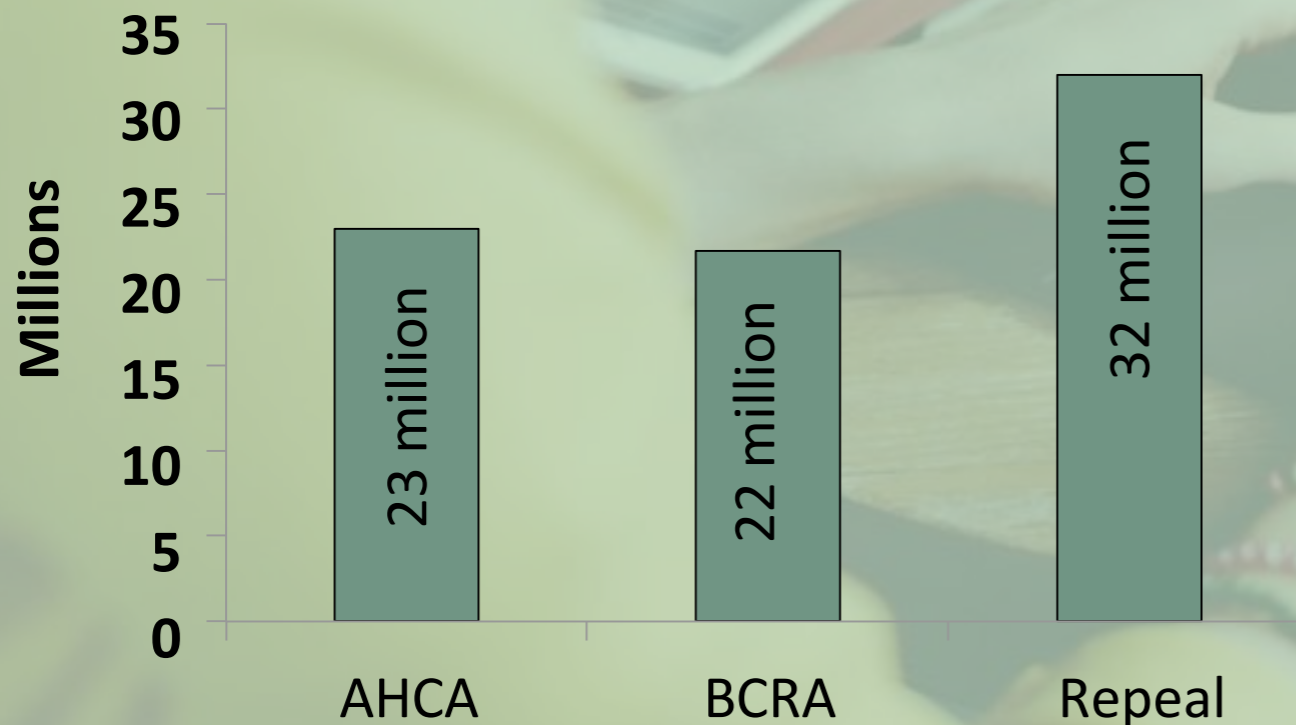
Protecting Medicaid Expansion and the Vulnerable in Montana



Impacts of Repeal

In addition to having devastating coverage implications, Affordable Care Act Repeal and Replace (or straight Repeal) would have a huge financial impact on States, particularly those States that expanded Medicaid. However, it appears that these options are extremely unlikely to pass on a straight party line vote at this time.

Americans Who Would Lose Healthcare Coverage Under Each Legislative Proposal



Ten Ways to Reduce Cost and Improve Affordability

Idea #1

Payment reform in regard to patients with multiple chronic conditions.

12 percent of the U.S. population accounts for

41 percent

of national healthcare spending.

Ten Ways to Reduce Cost and Improve Affordability

Idea #2

Payment reform (particularly what is covered by taxpayers and how payment is made to providers) in regard to the small portion of Medicare beneficiaries who account for the majority of Medicare spending.

10 percent of Medicare beneficiaries account for

70 percent

of Medicare spending.

A high-angle photograph of a business meeting around a wooden conference table. Several people in business attire are leaning over the table, looking at documents and laptops. The scene is dimly lit, with the primary light source coming from above, creating a professional and focused atmosphere.

Idea #3

Support research, development, adoption, and funding of cost-effective technologies to help manage chronic diseases and costs.

Idea #4

Allow Medicare to negotiate drug costs.

Each year, Medicare spends

**\$100
billion**

on prescription drugs.

Idea #5

Reform the Medical Malpractice Laws at the national level.

Idea #6

End of Life Care (specifically, what care and heroic measures taxpayers will and will not fund at the end of life.)

40%

of Medicare dollars are spent to cover care for people in the last month of life.

Idea #7

Reduce the payment variation per Medicare Enrollee between high and low-cost states.

Montana

is the lowest-cost State in the nation based on cost per Medicare enrollee.

Ten Ways to Reduce Cost and Improve Affordability

Idea #8

Modify the Airline Deregulation Act of 1978 as it relates to air ambulance services.

Idea #9

Eliminate Federal programs that are ineffective.

Idea #10

Reduce overregulation at the national level.

Obviously, many of these ten ideas apply to Medicaid as well, whether at the Federal or the State level.

HELP Act Benefit to Montana Hospitals



	2015	2016
Uninsured	7.2%	3.3%
Bad Debt	4.3%	1.4%
Operating Margin	No Negative Impact	

Unintended Consequences of the BCRA

- The percentage of uninsured and the bad debt experience at America's Not-For-Profit Hospitals would increase, putting many small rural Critical Access Hospitals at risk of financial failure/closure.
- As more uninsured are seen, Hospitals will have to increase cost shifting to those with commercial insurance. While such cost shifting already occurs, the BCRA would make it worse. Commercial insurance rates would increase even more, and more employers would stop providing employer-sponsored health insurance. (Note: Across employers of all sizes, only approximately half of employers offered employer-provided health insurance in 2015.) Meanwhile, fewer individuals would continue to purchase their own insurance.
- Many healthcare jobs (which currently represent 18% of the United States economy) would be lost.

Closing America's small rural hospitals (with devastating impact on their communities); increasing cost shifting to those with commercial insurance; and reducing healthcare jobs are likely, unintended consequences of the AHCA, the BCRA, or ACA Repeal.

Discuss what, how, when
Committee needs to
publicize positive impacts
of the HELP Act.

SB 261 Update

Laura Smith

DPHHS Deputy Director



Questions from the Committee

Public Comment