

Health Financial Management Association



# Medicaid in Alaska: Challenge and Opportunity

- Commissioner Bill Streur



# Alaska Medicaid today and tomorrow

- Update on Alaska Medicaid



# Alaska Dept. of Health & Social Services: Mission

*“To promote and protect  
the health and well-being of Alaskans”*



# Alaska Dept. of Health & Social Services: Philosophy

*“Deliver the right care to the right person  
at the right time  
at the right price.”*



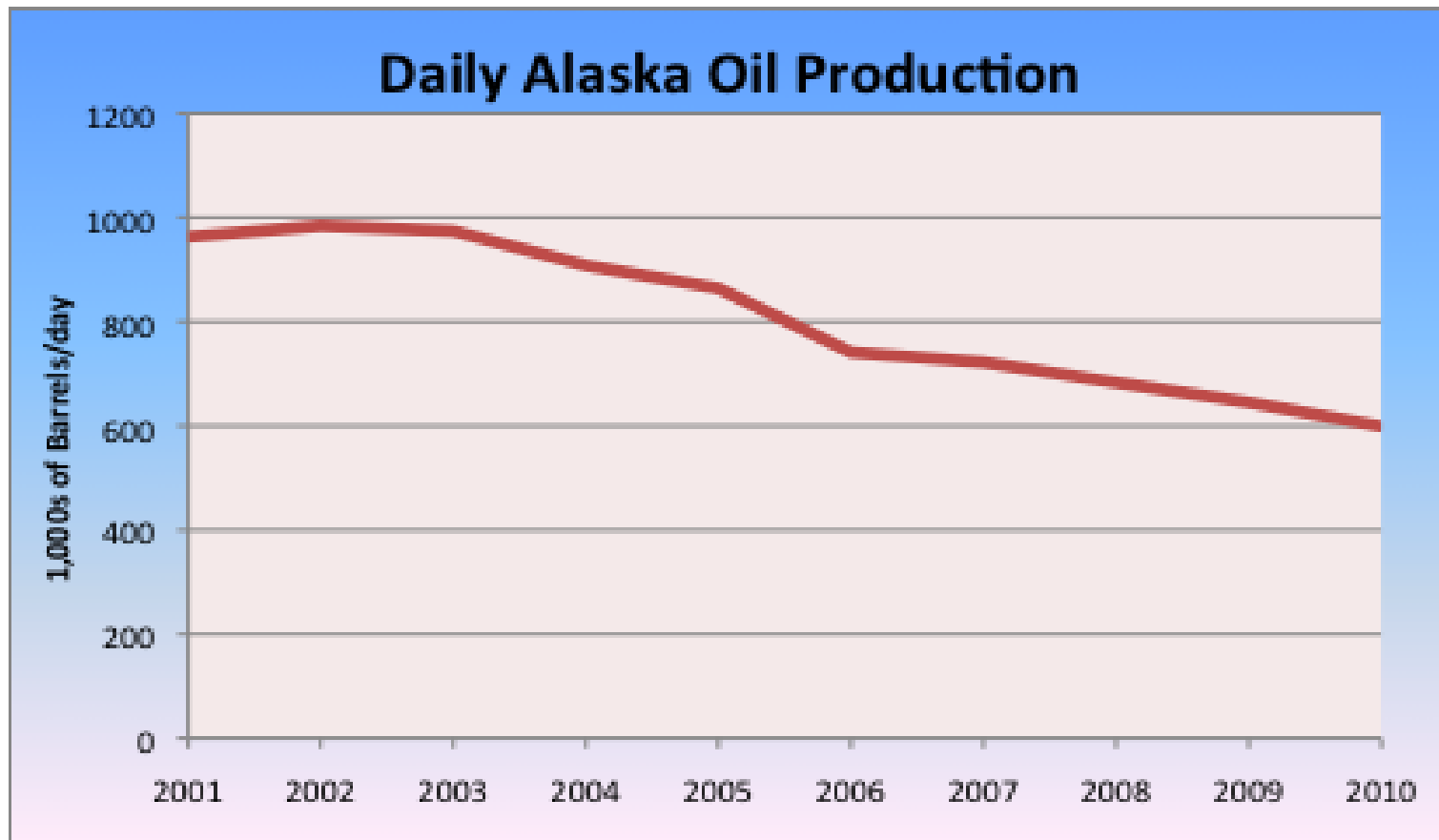
# Alaska Dept. of Health & Social Services: Priorities

- Promote health and wellness across the lifespan.
- Health care access – delivery and value.
- Encouraging safe and responsible individuals, families and communities throughout Alaska.



## Context for Medicaid discussion

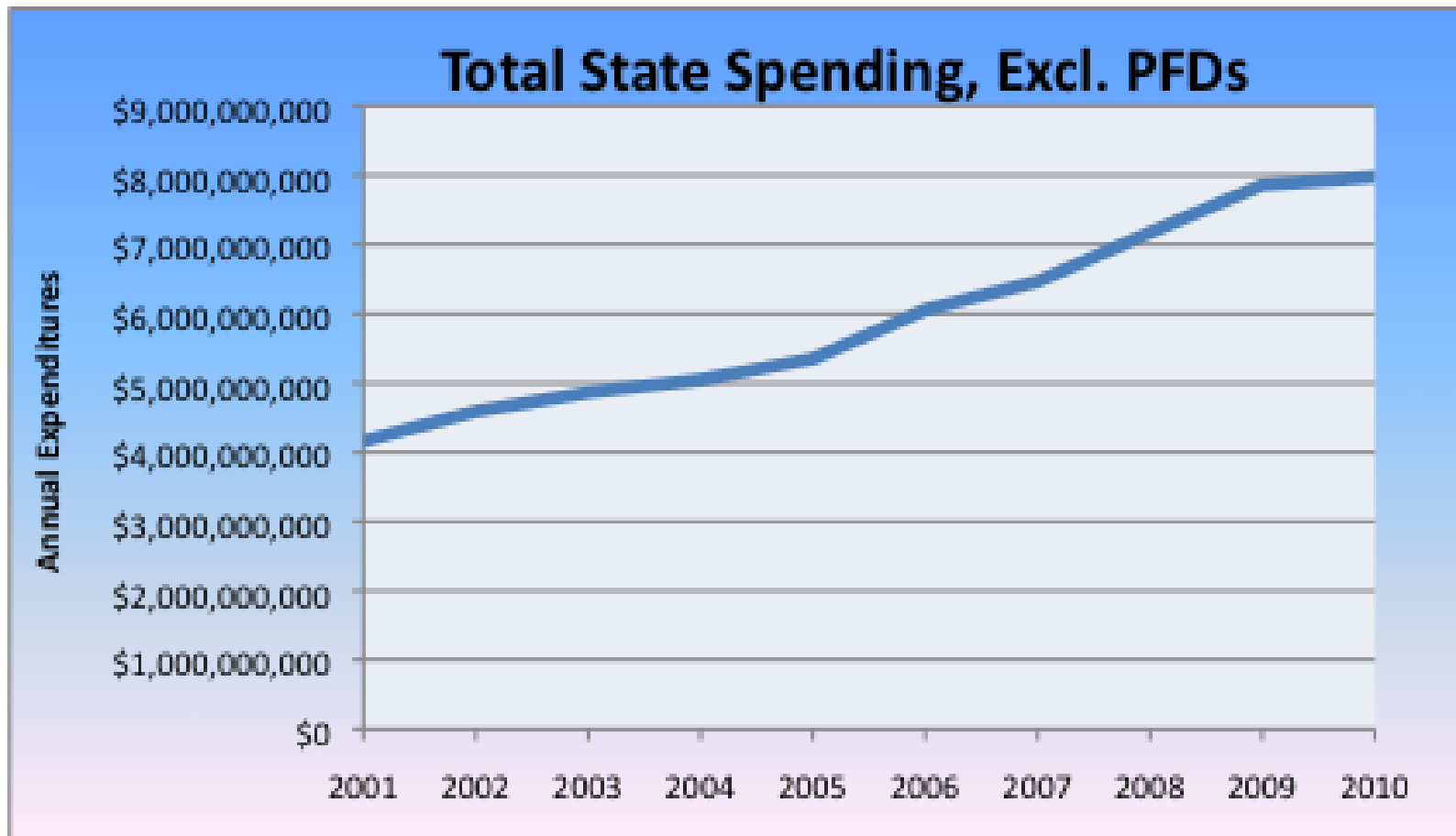
- Steadily declining oil production





## Context for Medicaid discussion

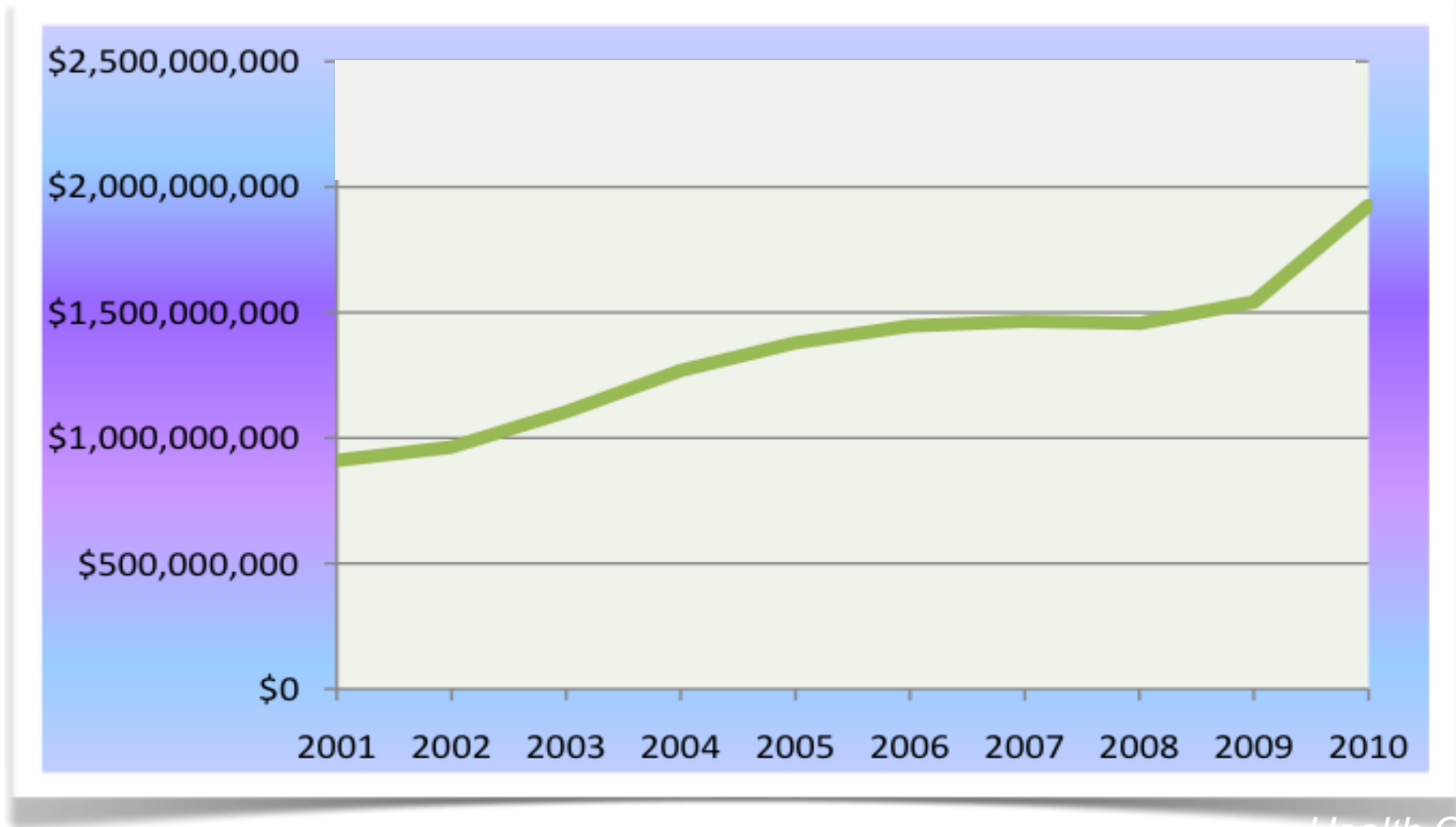
- Steadily rising spending





## Context for Medicaid discussion

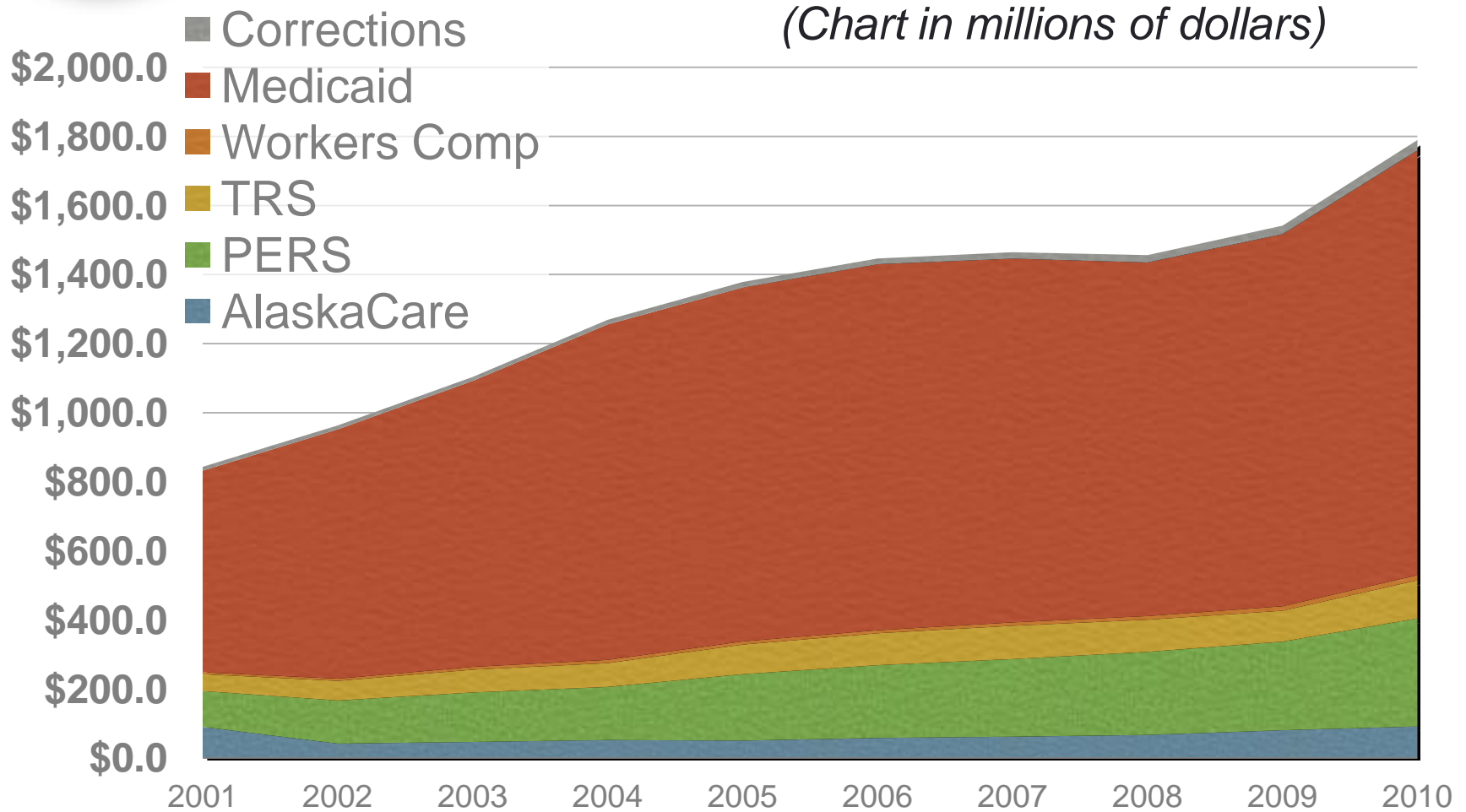
- Health care costs big part of that steady rise





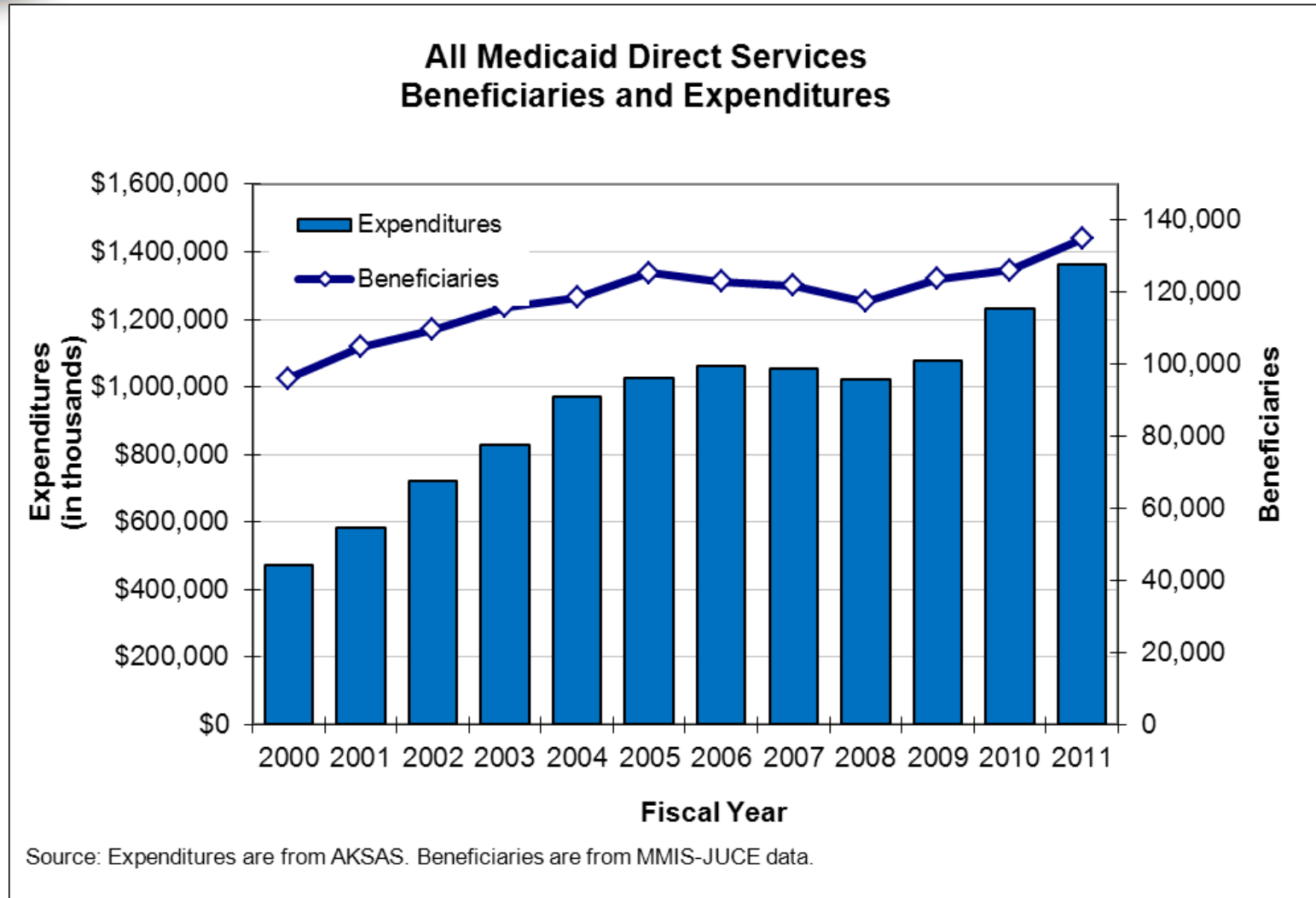


# Context for Medicaid discussion





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# Context for Medicaid discussion

High health spending -> High opportunity cost





## Alaska Medicaid today: Multiple pressures on system

- Enhanced funding ended
- Increasing enrollment, costs
- National debt



## Alaska Medicaid today: Increasing need for efficiency

- Need to increase effectiveness of system
  - Right care, right time, right place



# Alaska Medicaid today: Steps taken

- Regulation changes  
(demolish silos)
- Waiver changes
- Pharmacy cost control  
changes





## Alaska Medicaid today : Steps underway

- Medicaid Task Force:
  - Medical Home – primary, integrated care
- Complex Care Management
  - Focus on dual eligibles, highest risk patients
- Pharmacy initiatives
  - Several implemented, more possible



# Alaska Medicaid tomorrow: Implementing the ACA

- Implementing the Affordable Care Act

Health insurance exchange





# Alaska Medicaid tomorrow: Implementing the ACA

- Implementing the Affordable Care Act:

Medicaid expansion?



# Alaska Medicaid tomorrow: Implementing the ACA

- State not waiting to address issues



## Medicaid nationally: States choosing change

- States in the midst of fundamental redesigns





# MMIS: Update

- Testing now; live 2013
- Provider re-enrollment underway
- More functionality, easier:
  - more automated reports;
  - better fraud control



## Medicaid : RAC audits

- AK received extension
- Providers may have both RAC and AS 47.05.200 audit
- More info coming early 2013



## Medicaid: Update on Health Ins. Exchange

- Report by PCG on DHSS website
- Estimate: int. enrollment = 77K AKans, \$6.7 mill/yr
- Many questions remain; guidance expected by end of summer



## Medicaid: Update on Expansion

- AK undecided
- Estimate: int. enrollment = 77K AKans, \$6.7 mill/yr
- Many questions remain; guidance expected by end of summer



# Medicaid: Upcoming changes

- Reimbursement & claims adjudication
- Provider re-enrollment
  - Need new data, like email and ETF
- Payment methodology for medical homes?





# Overhauling Medicaid: What can we change, & how?

## *Options to control costs are limited*

- Eligibility

- Covered Services

- Rates

- Utilization Controls

- Compliance/Anti-Fraud

- Innovations in Service Delivery

- Technology

- Maximize Revenue



## Overhauling Medicaid: Other innovations in service delivery/payment

- Tribal Health
- Pay for performance
- Utilization review and management (radiology, Rx)
- Community based long-term care
- Managed Care



## Private sector partners

- How do health care providers and payers and employers fit into this puzzle?



# Shared challenges

- Accessibility squeeze?
- End-of-life care
- Sustainability





# Shared opportunities

- Challenges = opportunities





# Care-improvement/cost-control strategies

## Example: State of Alaska

- Robust employee wellness program
- Develop a comprehensive health management strategy
- Leverage purchasing power
- Align contracting strategies around innovative care delivery models
- Expand travel benefits or Centers of Excellence for certain services?



# Alaska health care tomorrow

- Trend of patient engagement
- Opportunity for leadership



# Alaska Medicaid

Questions?



*Thank You!*

