

MassHealth: The Basics

FACTS AND TRENDS

PREPARED BY
COMMONWEALTH MEDICINE
UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL

WEBINAR — OCTOBER 28, 2020



WEBINAR HOUSEKEEPING

Select "Q&A" to submit questions

Attendee View

The screenshot shows a webinar interface. At the top left, a blue banner reads "Attendee View". The main content area displays a slide with the following text:

INTRODUCTION | **ELIGIBILITY AND ENROLLMENT** | **SPENDING AND COST DRIVERS** | **REFORMS** | **CONCLUSION**

MASSEALTH PROVIDES COVERAGE SIMILAR TO COMMERCIAL INSURANCE, PLUS SOME ADDITIONAL BENEFITS

Typical Commercial Insurance Coverage	+	Additional Benefits	=	MassHealth
<ul style="list-style-type: none">• Hospital services• Physician services• Well child visits• Ancillary services (lab tests, radiology, etc.)• Prescription drugs• Mental health/substance use disorder treatment• Vision, hearing, medical equipment		<ul style="list-style-type: none">• Long-term services and supports (community- and facility-based)¹• Diversionary behavioral health services (to avert hospitalization)• Enhanced mental health/substance use disorder treatment²• Dental services• Transportation to medical appointments¹		

¹ LTSS and transportation to medical appointments are available to most but not all MassHealth members.
² See Massachusetts Division of Insurance, The Catalogue of Carrier Coverage of Inpatient, Outpatient and Community Behavioral Health Services (November 10, 2017), Excel sheet available at <https://www.mass.gov/info-details/health-care-access-bureau>.

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At the bottom left, there are icons for audio, chat, and closed captions. At the bottom right, there are icons for screen sharing, a Q&A button (circled in yellow), and a settings gear.

WEBINAR OVERVIEW

- Introduction
- Eligibility and Enrollment
- Spending and Cost Drivers
- MassHealth Reforms

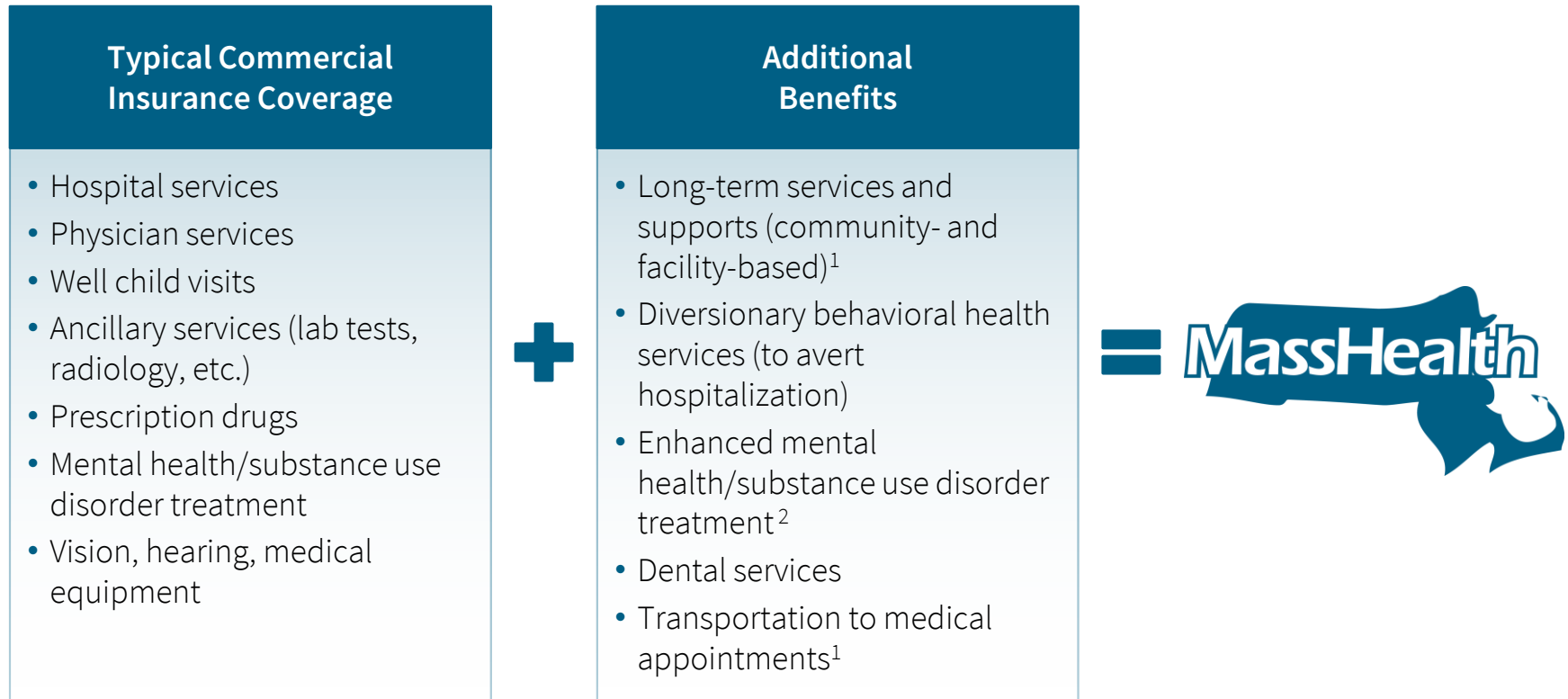
PRESENTERS

- Massachusetts Medicaid Policy Institute,
Blue Cross Blue Shield of Massachusetts Foundation
 - Katherine Howitt
 - Jessie Gottsegen
- Commonwealth Medicine,
University of Massachusetts Medical School
 - Rachel Gershon
 - Lissette Victoriano

Additional content available at:

<https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>

MASSHEALTH PROVIDES COVERAGE SIMILAR TO COMMERCIAL INSURANCE, PLUS SOME ADDITIONAL BENEFITS

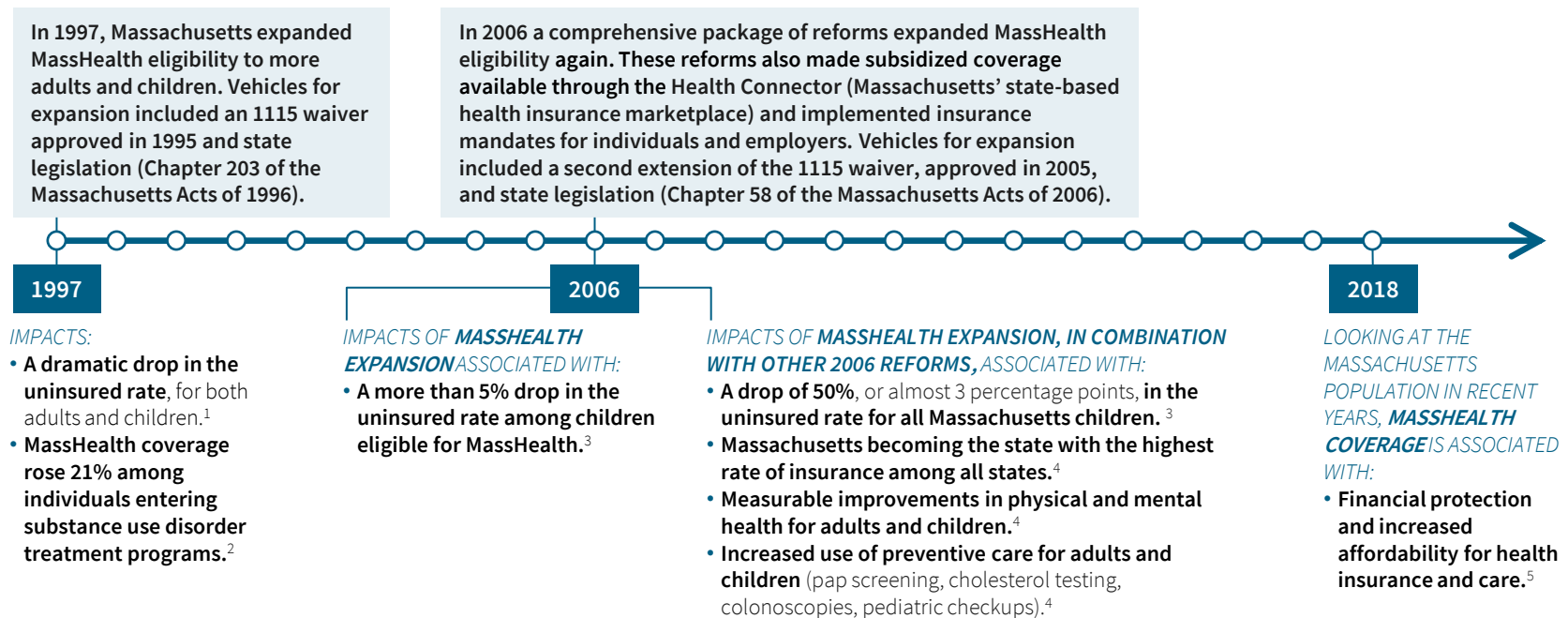


¹ LTSS and transportation to medical appointments are available to most but not all MassHealth members.

² See Massachusetts Division of Insurance, The Catalogue of Carrier Coverage of Inpatient, Outpatient and Community Behavioral Health Services (November 10, 2017), Excel sheet available at <https://www.mass.gov/info-details/health-care-access-bureau>.

MASSHEALTH IMPROVES ACCESS TO CARE AND HEALTH OUTCOMES

Massachusetts expanded MassHealth over the course of decades. These expansions have given researchers opportunities to study the effects of MassHealth on access to care and health outcomes.



¹ Zuckerman, S., Kenney, G.M., Dubay, L., Haley, J., & Holahan, J. (2001). Shifting Health Insurance Coverage, 1997–1999. *Health Affairs*, 20 (1).

² Zur, J. & Moitabai, R. (2013). Medicaid Expansion Initiative in Massachusetts: Enrollment Among Substance-Abusing Homeless Adults. *AJPH*, 103 (11).

³ Kenney, G. M., Long, S. K., & Luque, A. (2010). Health reform in Massachusetts cut the uninsurance rate among children in half. *Health Affairs*, 29 (6), 1242–1247.

⁴ Love, K.A. & Seifert, R.W. (2016). 10 Years of Impact: a Literature Review of Chapter 58 of the Acts of 2006. *Blue Cross Blue Shield Foundation of Massachusetts*; Miller, S. (2012). The Impact of the Massachusetts Health Care Reform on Health Care Use among Children. *American Economic Review*, 102 (3).

⁵ Long, S.K., Aarons, J. (2018). Massachusetts Health Reform Survey. *Blue Cross Blue Shield Foundation of Massachusetts*.

MASSHEALTH ELIGIBILITY (ROUGH GUIDE)

POPULATION	FAMILY INCOME LIMIT (annual), 2020			
	% FPL ¹	Single	Two-person	Family of three
Children through age 18	300%	N/A	\$51,720	\$65,160
People with disabilities (age 0–64)	No income limit; those with higher incomes pay sliding-scale premium			
Former foster care children up to age 26	No income limit			
Individuals with breast or cervical cancer	250%	\$31,900	\$43,100	\$54,300
HCBS waiver group (includes elders) ²	~229%	\$27,756		
Pregnant persons and persons with HIV	200%	\$25,520	\$34,480	\$43,440
Adults ages 19–20 without one of the above conditions	150%	\$19,140	\$25,860	\$32,580
Adults ages 21–64 who do not fit into one of the categories above	133%	\$16,971	\$22,929	\$28,888
Elders 65+ residing in the community	100%	\$12,760 (individual); Plus asset test \leq \$2,000 (individual) ²		
Elders 65+ residing in nursing facilities	Incomes can be higher, but must pay most income towards nursing facility cost; community spouse can keep some assets ³			

NOTE: There are eligibility nuances not included in this chart. MassHealth staff can help determine eligibility.

¹ FPL = Federal Poverty Level.

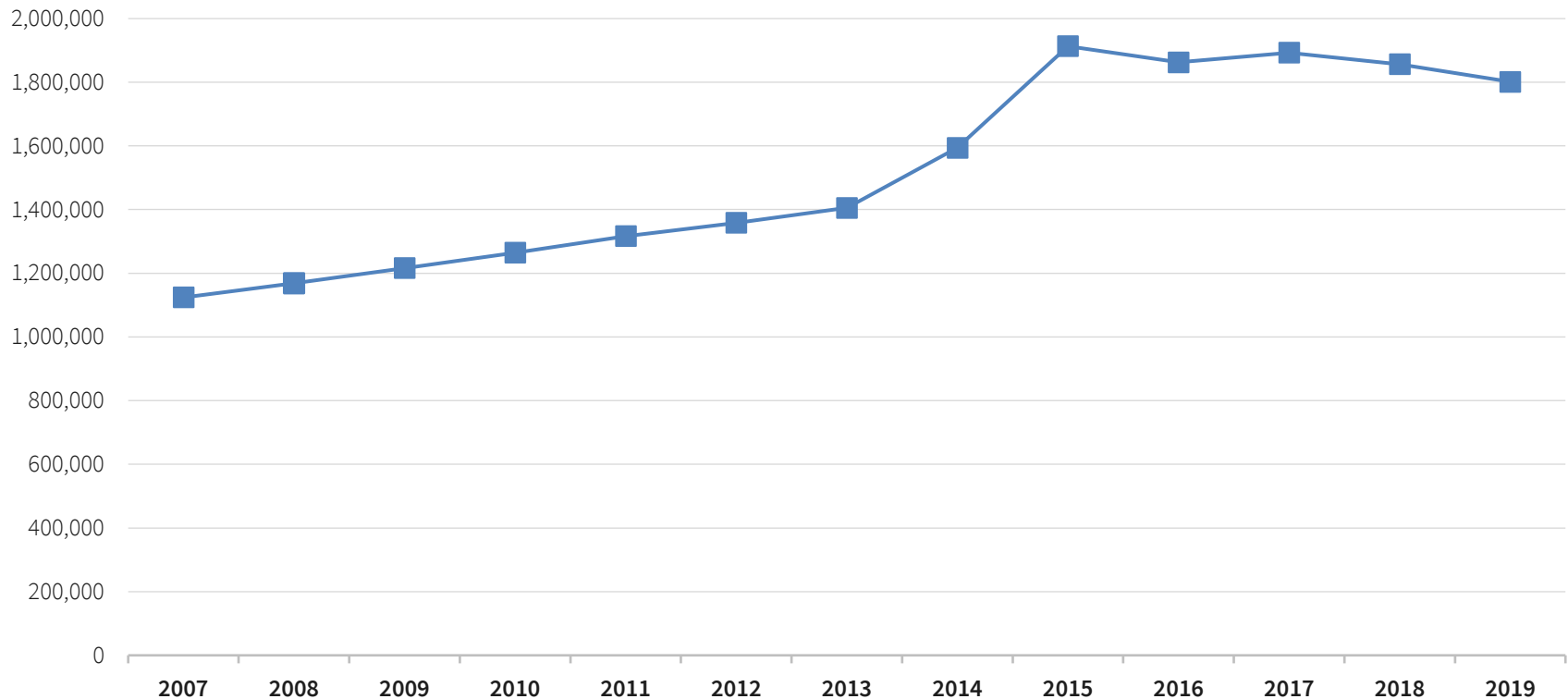
² Income may be counted for the individual only. Asset rules may apply. Income standard does not apply to autism waiver.

³ Certain assets—home (in most cases), vehicle, life insurance, and burial expenses up to \$1,500—are excluded.

In certain circumstances, income and asset spend-down is available. Income and asset limits are higher for a couple.

MASSHEALTH ENROLLMENT HAS DECREASED OVER THE PAST FOUR YEARS

TRENDS IN MASSHEALTH ENROLLMENT, STATE FISCAL YEARS (SFY) 2007–2019



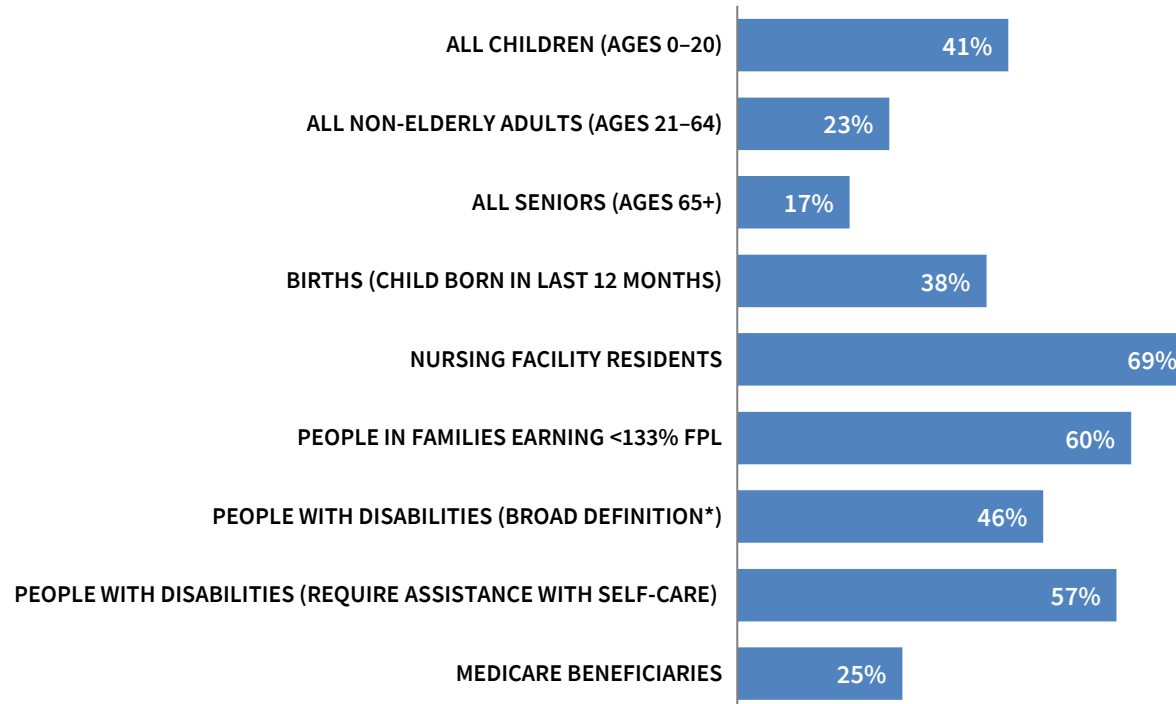
* MassHealth enrollment grew at this time both because of the ACA's eligibility expansion and also because of a technological issue with the state's eligibility system, which resulted in some people being enrolled in a temporary Medicaid program.

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

SOURCES: MassHealth Budget Office.

MASSHEALTH IS IMPORTANT TO MANY POPULATION GROUPS

PERCENT OF SELECT MASSACHUSETTS POPULATIONS COVERED BY MASSHEALTH



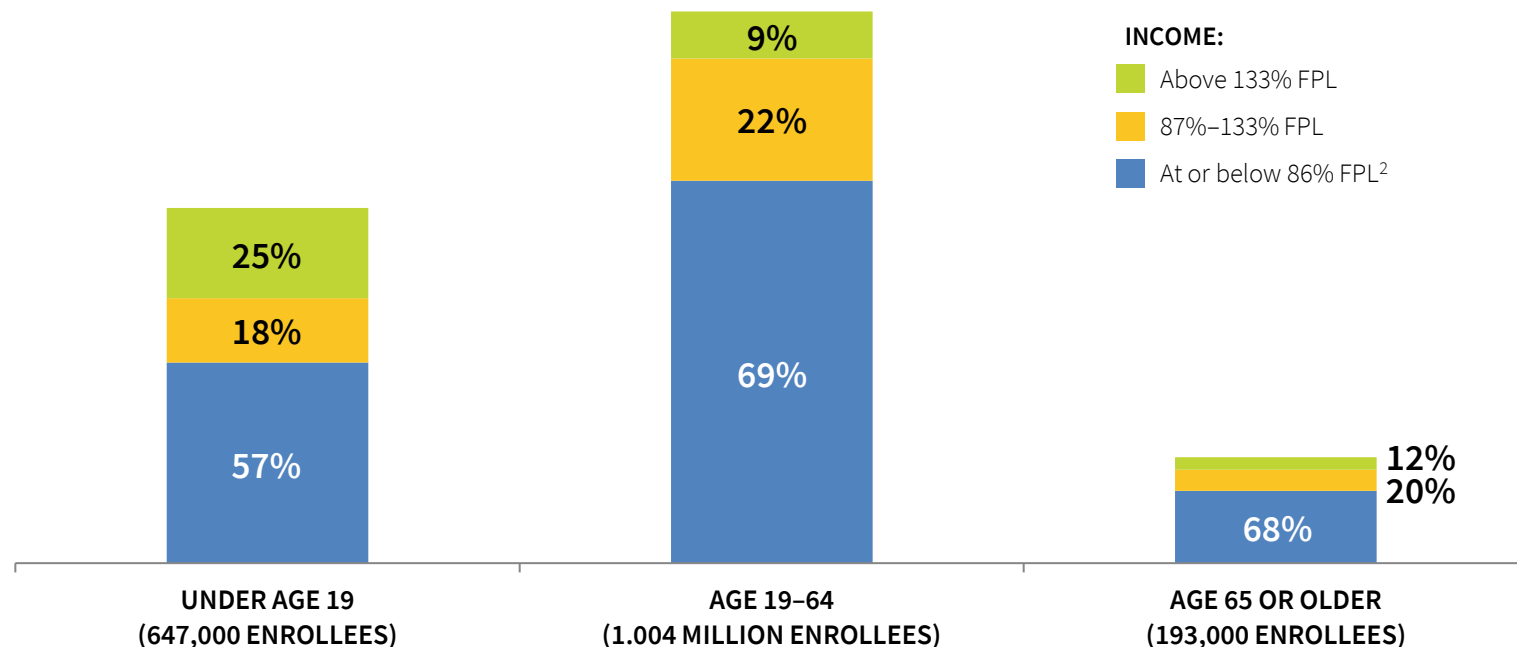
* Deaf or serious difficulty hearing; blind or serious difficulty seeing; cognitive, ambulatory, self-care, or independent living difficulty.

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

SOURCES: Authors' calculations using the 2014-2018 American Community Survey (ACS) 5-Year Estimates. Nursing facility data (2017) from Massachusetts Center for Health Information and Analysis. Baseline Report: Trends in the Massachusetts Nursing Facility Industry 2013-2017 November 2019), accessed at <http://www.chiamass.gov/chia-publishes-first-report-on-the-massachusetts-nursing-facility-industry>. Data for "all children," "all non-elderly adults," and "all seniors" calculated from ACS population data and data from MassHealth Budget Office.

ADULTS ENROLLED IN MASSHEALTH HAVE PARTICULARLY LOW INCOMES — MOST BELOW 86% FPL (\$10,973 FOR AN INDIVIDUAL)

INCOME AS PERCENT OF FEDERAL POVERTY LEVEL (FPL) BY AGE GROUP FOR MASSHEALTH ENROLLEES¹



¹ Reflects individuals enrolled in MassHealth as of June 30, 2018. For consistency throughout the slide deck, example incomes are given for FY 2020.

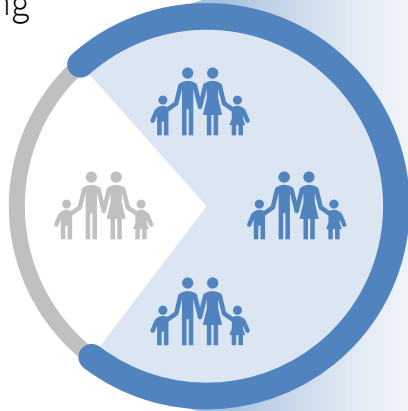
² 86% FPL reflects an income eligibility limit that applied to certain MassHealth eligibility categories prior to expansions that have occurred over time. Most enrollees continue to have incomes below this level.

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

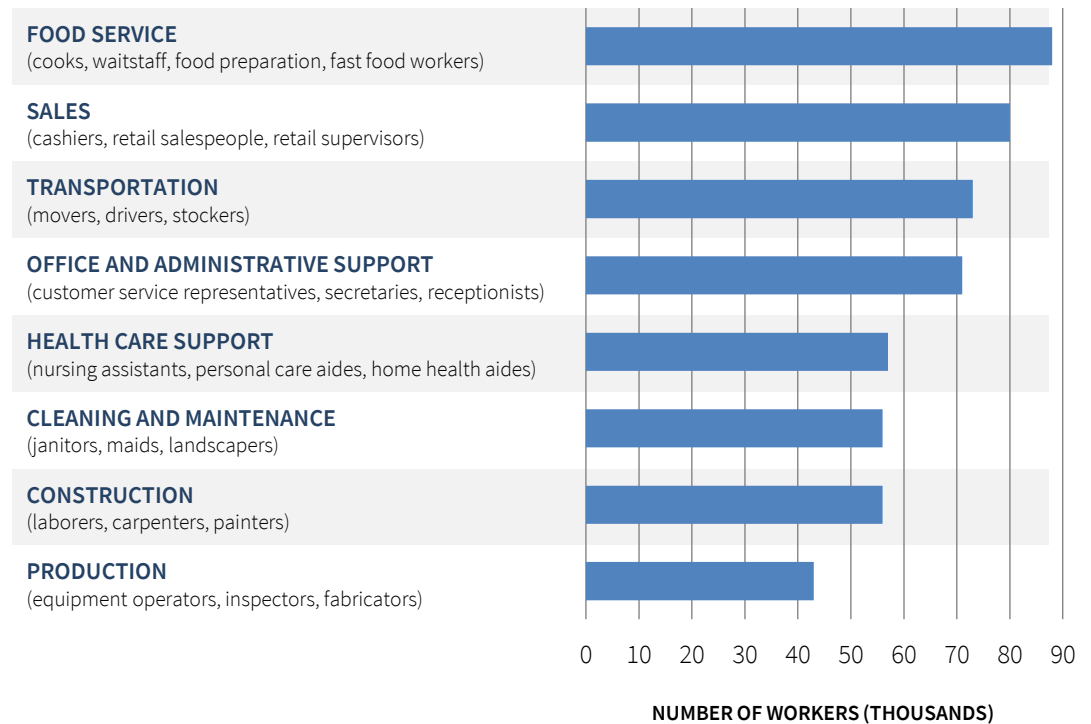
SOURCE: Manatt Health Strategies, LLC (2019). Faces of MassHealth: Portrait of a Diverse Population. *Blue Cross Blue Shield of Massachusetts Foundation*.

MASSHEALTH PLAYS A KEY ROLE IN SUPPORTING THE LOW-INCOME WORKFORCE

Almost **three quarters** of non-elderly MassHealth members live in working families.



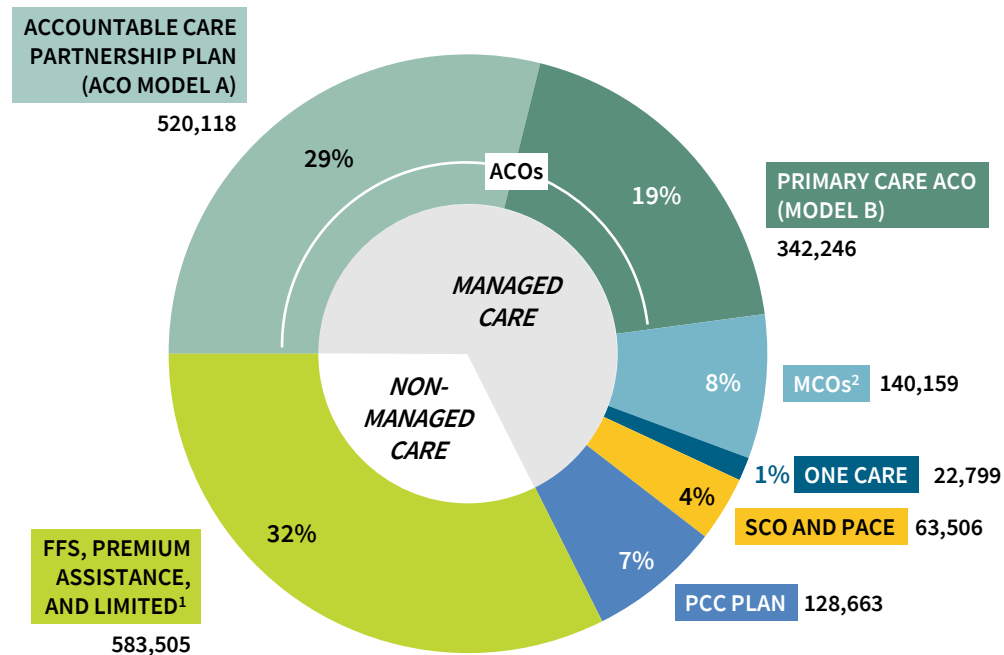
MassHealth provides health insurance coverage to low-income workers across a **wide range of industries**:



SOURCES: Authors' calculations using the American Community Survey (ACS) 2018 1-Year Public Use Microdata Samples. Kaiser Family Foundation. Distribution of the Nonelderly with Medicaid by Family Work Status. Accessed at [www.kff.org/medicaid/state-indicator/distribution-by-employment-status-4/?currentTimeframe=0&selectedRows={\"states\":\[\"massachusetts\"\]}&sortModel={\"colId\":\"Location\",\"sort\":\"asc\"}](http://www.kff.org/medicaid/state-indicator/distribution-by-employment-status-4/?currentTimeframe=0&selectedRows={\).

AMONG MASSHEALTH MEMBERS, 70% ARE ENROLLED IN MANAGED CARE, WITH HALF OF MEMBERS IN ACOs

MASSHEALTH ENROLLMENT BY PAYER TYPE, SFY 2019



¹ Premium assistance recipients include members who receive premium subsidies from MassHealth for employer-sponsored health insurance. MassHealth Limited provides coverage for emergency medical services for 152,473 noncitizens.

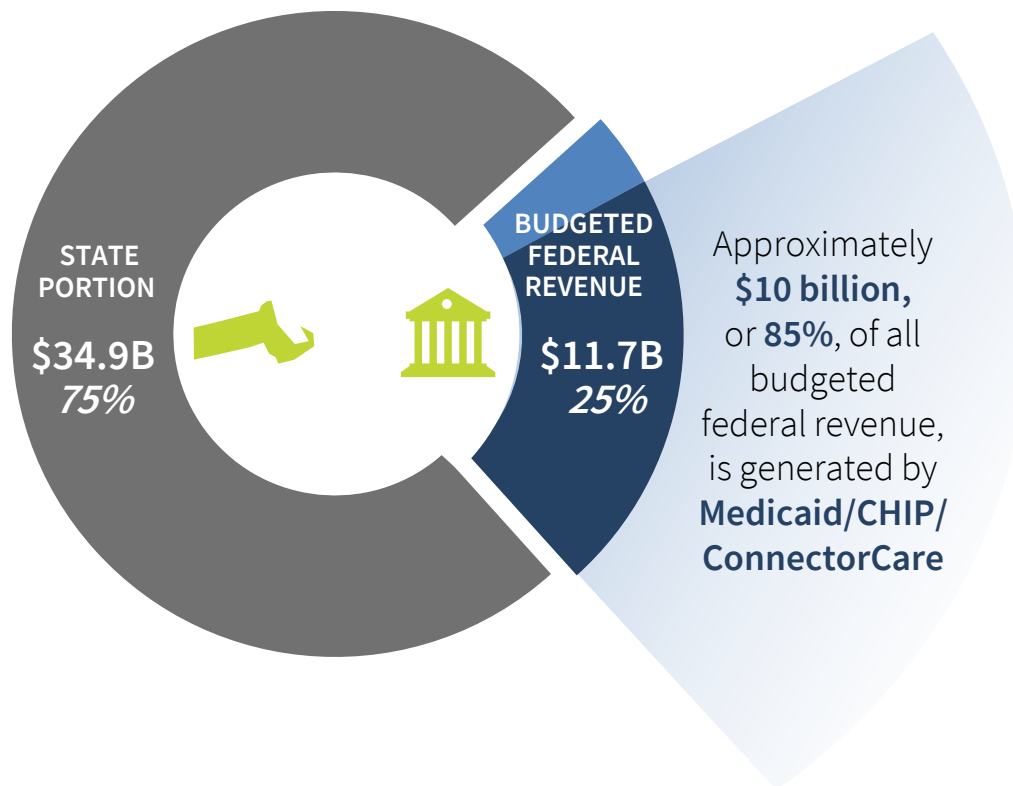
² The MCO population includes members who are also enrolled in an MCO-administered ACO (Model C) (about 10,000 members).

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

SOURCE: MassHealth Budget Office.

THE MAIN SOURCE OF FEDERAL REVENUES TO MASSACHUSETTS IS MASSHEALTH

SFY 2019 MASSACHUSETTS STATE BUDGET (\$46.6 BILLION)



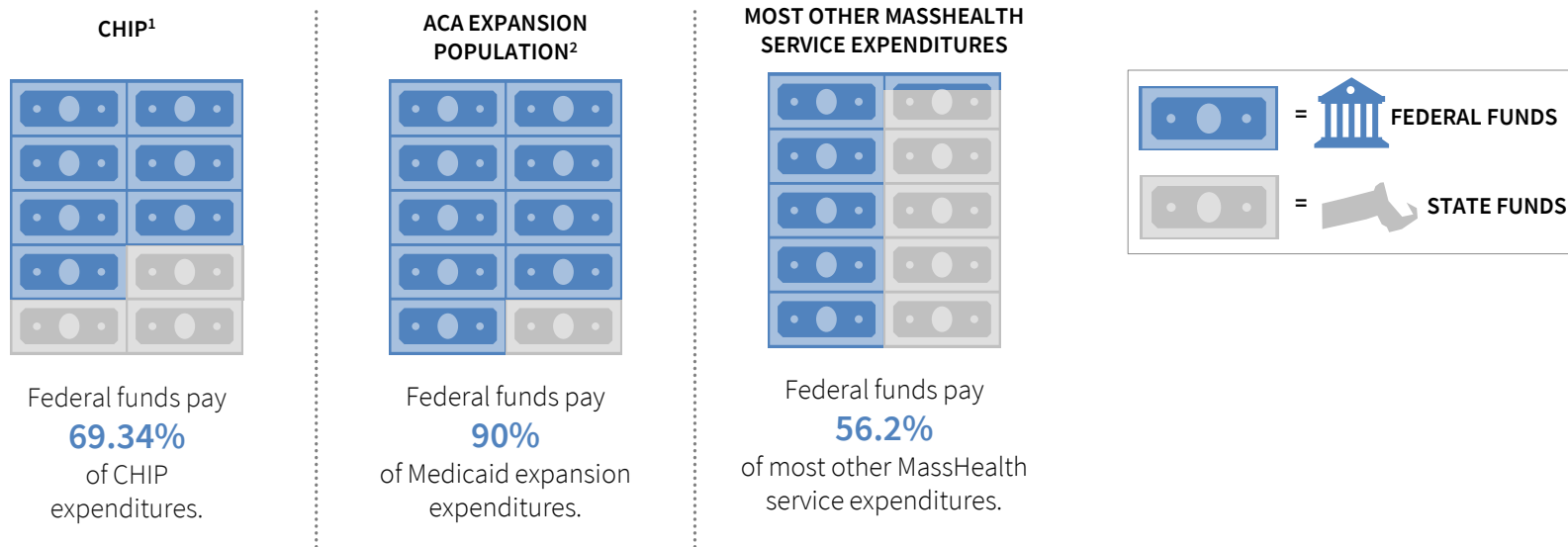
NOTES: Medicaid in this context includes MassHealth, Commonwealth Care (prior to 2014), and ConnectorCare premium and cost-sharing subsidies (post-2014); additional MassHealth 1115 waiver spending; and spending on some programs and facilities that serve people eligible for MassHealth and are administered by the Departments of Developmental Services, Mental Health, and Public Health, and the Massachusetts Rehabilitation Commission.

A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

SOURCE: Massachusetts Budget and Policy Center.

EVERY DOLLAR IN MASSHEALTH SPENDING IS REIMBURSED BY AT LEAST 50 CENTS IN FEDERAL REVENUE TO THE STATE

FEDERAL AND STATE SHARES OF MASSHEALTH EXPENDITURES, OCTOBER 2020



¹ The CHIP federal matching assistance percentage is currently 69.34%. When the federally-declared public health emergency ends, the matching assistance will decrease.

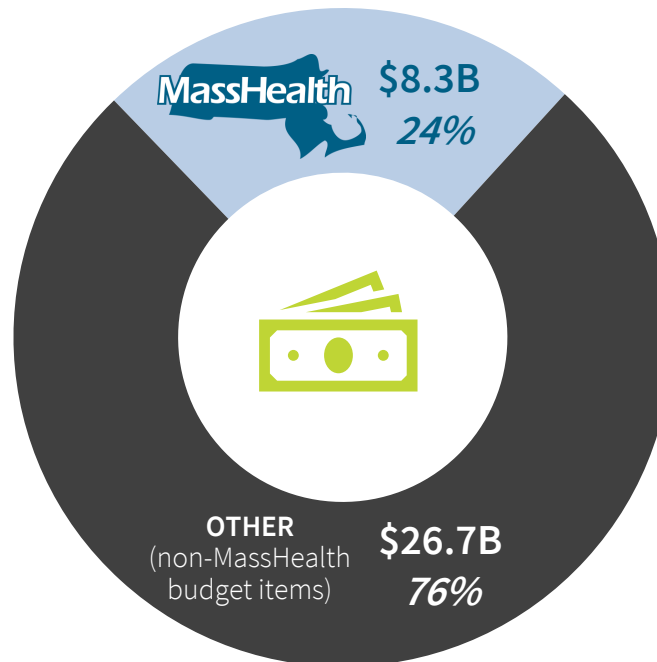
² Federal Medical Assistance Percentages (FMAP) for the ACA expansion population decreased from 93% to 90% in CY 2020. FMAP for the ACA expansion population is not affected by the temporary FMAP bump in the Families First Coronavirus Response Act.

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

SOURCES: U.S. Department of Health and Human Services. Federal Financial Participation in State Assistance Expenditures; Federal Matching Shares for Medicaid, the Children's Health Insurance Program, and Aid to Needy Aged, Blind, or Disabled Persons for October 1, 2020 Through September 30, 2021 (Notice). 84 Fed. Reg. 66204 (December 3, 2019). Kaiser Family Foundation. State Health Facts, Enhanced Federal Medical Assistance Percentage (FMAP) for CHIP. Kaiser Family Foundation. State Health Facts, Federal Medical Assistance Percentage (FMAP) for Medicaid and Multiplier. Mitchell, A., Congressional Research Service (2018). Medicaid's Federal Medical Assistance Percentage (FMAP). CMS. Families First Coronavirus Response Act — Increased FMAP FAQs <https://www.medicaid.gov/state-resource-center/downloads/covid-19-section-6008-faqs.pdf>.

TO UNDERSTAND THE TRUE COST OF MASSHEALTH TO THE STATE, IT IS INSTRUCTIVE TO LOOK AT THE STATE SPENDING NET OF FEDERAL REVENUES

SFY 2019 MASSACHUSETTS TOTAL STATE SPENDING NET OF FEDERAL REVENUES (\$35 BILLION)



*Information based on data provided by Massachusetts Budget and Policy Center staff.

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

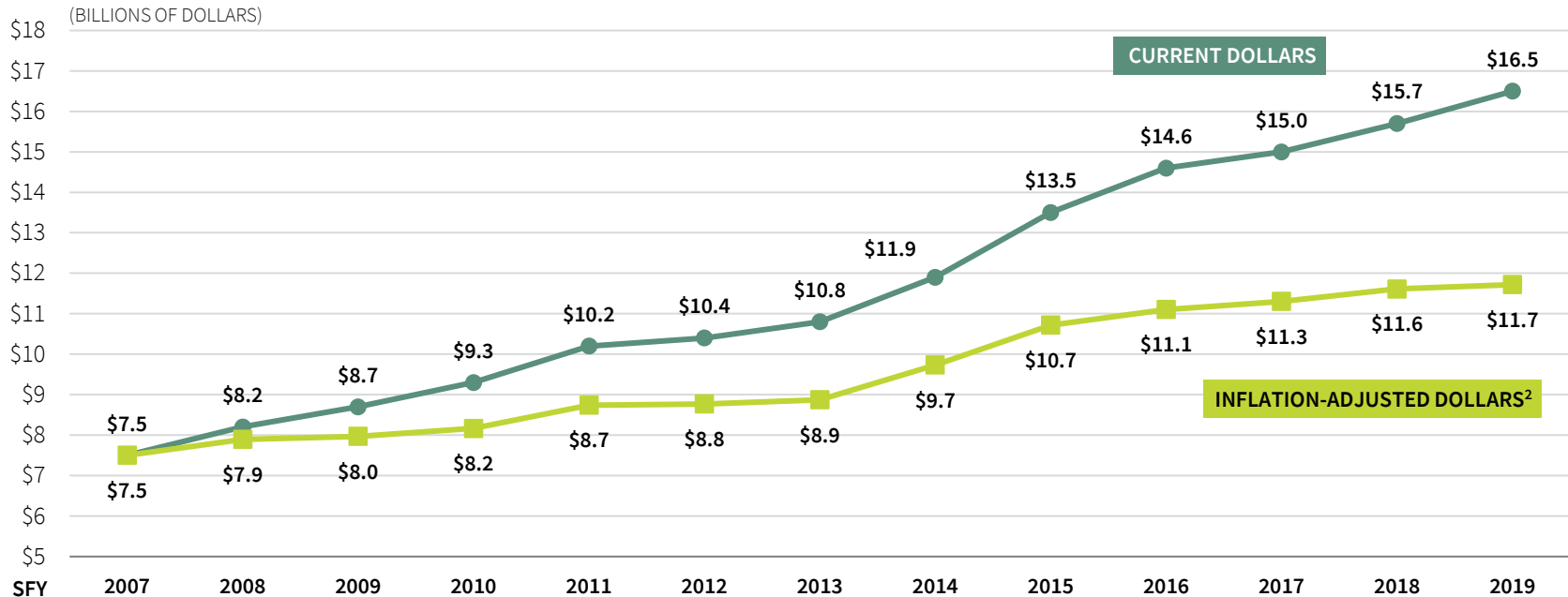
SOURCES: Massachusetts Budget and Policy Center (2019). What is the Actual State Cost of MassHealth in 2019? *Blue Cross Blue Shield of Massachusetts Foundation*. Accessed at <https://www.bluecrossmafoundation.org/publication/what-actual-state-cost-masshealth-2019>.

See also Massachusetts Budget and Policy Center (2017). What is the Actual Cost of MassHealth in 2018?

Accessed at http://massbudget.org/report_window.php?loc=What-Is-the-Actual-State-Cost-of-MassHealth-in-2018.html.

WHEN ADJUSTED FOR MEDICAL COST INFLATION, MASSHEALTH SPENDING HAS MODERATED IN RECENT YEARS

MASSHEALTH TOTAL PROGRAMMATIC SPENDING, SFY 2007–2019¹



¹ Please note that this slide contains actual programmatic spending data while the previous slide contains projected budget/revenue data.

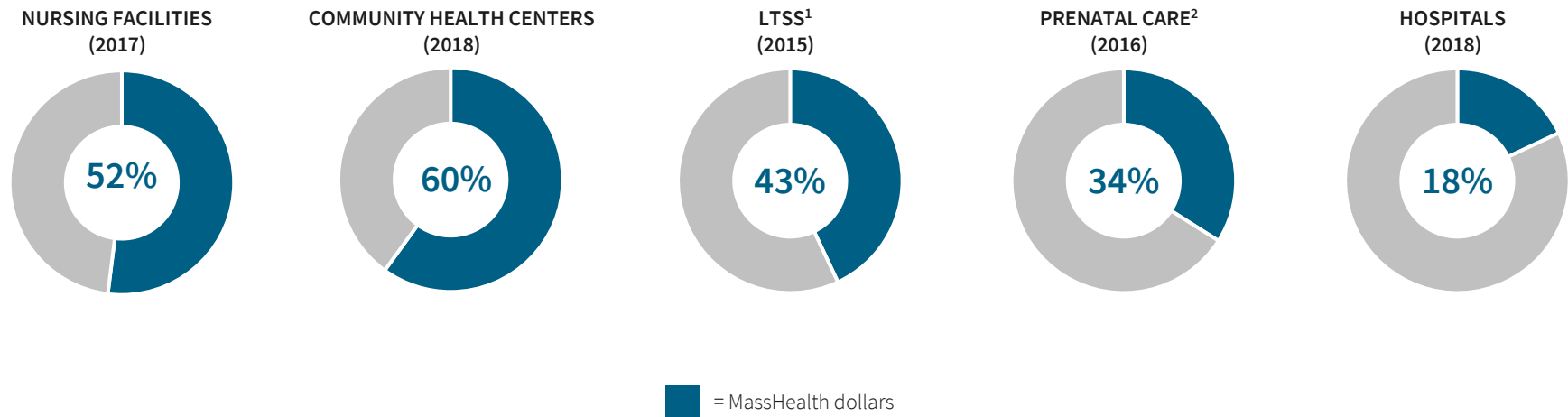
² Inflation adjustment uses the Medical Consumer Price Index for the Boston area, from the U.S. Bureau of Labor Statistics. This analysis reflects gross spending amounts, including both state and federal revenues. The spending amounts include claim and capitation payments for medical benefits provided by MassHealth, and do not include the cost of Medicare or commercial premiums, Medicaid-reimbursable services from other state agencies, administrative spending, or risk corridor payments to managed care plans, or supplemental payments to providers.

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

SOURCES: MassHealth Budget Office.

MASSHEALTH SPENDING IS IMPORTANT TO MANY TYPES OF PROVIDERS

MASSHEALTH REVENUE AS A PERCENTAGE OF PROVIDERS' TOTAL PATIENT REVENUES



¹ Includes spending for home health care, durable medical supplies, Medicaid HCBS waivers, and care provided in residential care facilities. The source data also bundles in ambulance services, school health, and worksite health care, which make up a very small piece of these services.

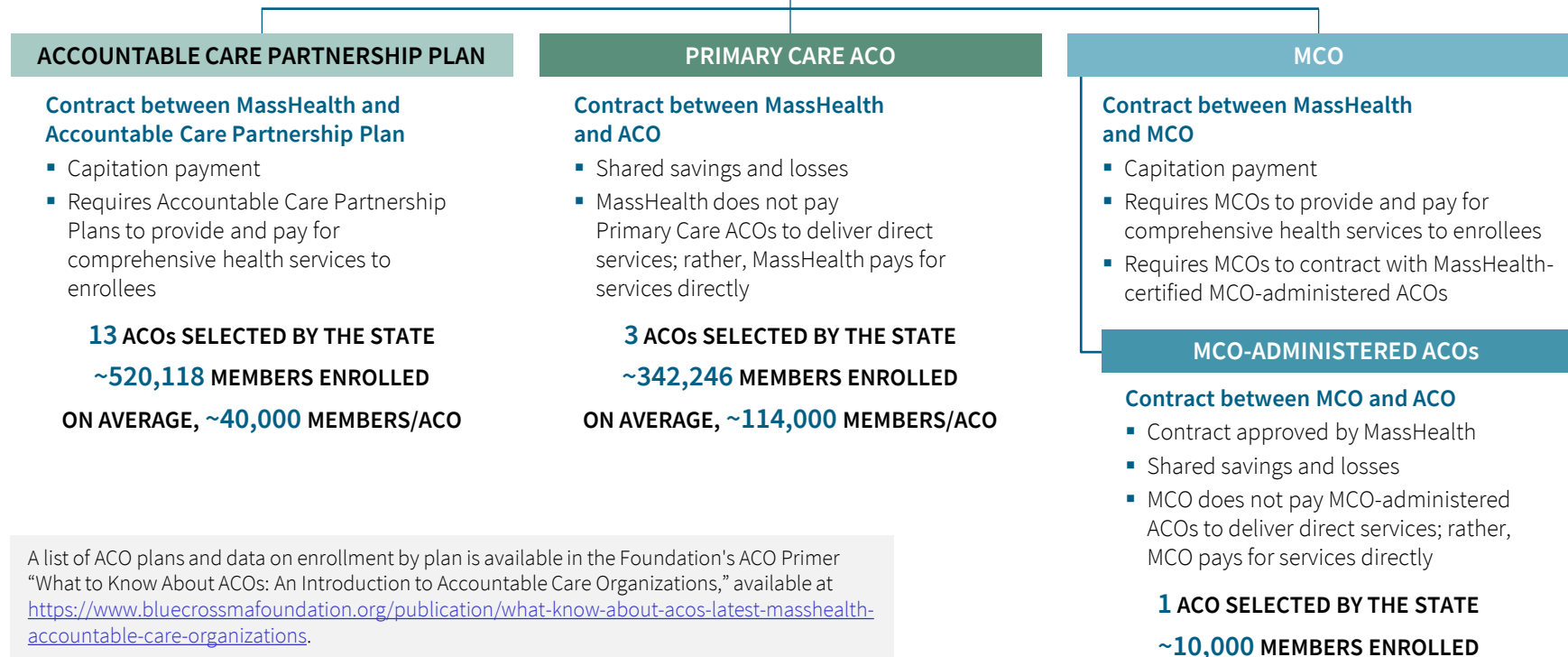
² Percentage of births whose prenatal care was paid for by MassHealth.

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

SOURCES: Center for Health Information and Analysis (CHIA) (2019), Massachusetts Hospital Profiles (SFY 2018 data); CHIA HCF-1 Cost Reports (Nursing Facilities — CY 2017); Health Resources and Services Administration, Bureau of Primary Health Care, Uniform Data System Report (CHCs — federal FY 2018 data) (limited to HRSA-funded CHCs); CMS National and State Health Expenditure Accounts (estimate using MA total and Medicaid spending 2009 and MA total spending 2014); MA DPH; Massachusetts Births 2016.

ACCOUNTABLE CARE ORGANIZATIONS: PROVIDER ENTITIES HELD FINANCIALLY ACCOUNTABLE FOR THE COST AND QUALITY OF CARE FOR THEIR MEMBER POPULATIONS

THREE VARIETIES OF MASSHEALTH ACOs



A list of ACO plans and data on enrollment by plan is available in the Foundation's ACO Primer "What to Know About ACOs: An Introduction to Accountable Care Organizations," available at <https://www.bluecrossmafoundation.org/publication/what-know-about-acos-latest-masshealth-accountable-care-organizations>.

SOURCES: Gershon, et al. (2017). *The MassHealth Waiver 2016–2022: Delivering Reform*. Blue Cross Blue Shield Foundation; MassHealth. MassHealth Budget Office. Delivery System Reform Implementation Advisory Council (Meeting #18) (February 2020), referencing data from 12/31/2019.

COMMUNITY PARTNERS PROVIDE CARE COORDINATION AND NAVIGATION SUPPORTS FOR CERTAIN MEMBERS

- MassHealth has selected **nine entities** to participate as LTSS Community Partners (CPs) and **18** as Behavioral Health CPs.
- As of October 2019, over **11,000 members** were enrolled in LTSS CPs and over **36,000 members** were enrolled in BH CPs.
- CPs work with the **most complex members** and promote integration of care, improved member experience, and continuity and quality of care for members with complex needs.
- ACOs are required to partner with multiple CPs, which make available the capabilities and **cultural/linguistic expertise** of existing community-based organizations.
- CPs perform **outreach and engagement**, participate in care teams, engage in person-centered treatment planning, coordinate services, support care transitions, provide health and wellness coaching, and **facilitate access** to social and community services.
- Members may be eligible to participate in CPs if they are enrolled in an ACO, in an MCO, or in the Department of Mental Health's Adult Community Clinical Services.

SOURCES: MassHealth. MassHealth Community Partners (CP) Program: Information for Providers. Accessed at www.mass.gov/guides/masshealth-community-partners-cp-program-information-for-providers#list-of-masshealth-community-partners. Delivery System Reform Implementation Advisory Council (Meeting #18) (February 2020), referencing data from 10/11/2019.

NEW FLEXIBLE SERVICES PROGRAM TO ADDRESS TENANCY AND NUTRITION NEEDS

AS OF JULY 2020:

45 Flexible Services Programs approved, involving
30 community service agencies and
14 of **17** ACOs

Tenancy Service Examples



- Housing application assistance
- First/last months' rent, household setup costs
- Help in communicating with landlord

Nutrition Service Examples



- SNAP and WIC application assistance
- Home-delivered meals

SOURCES: MassHealth. Delivery System Reform Implementation Advisory Council (Meeting #18) (February 2020); MassHealth Care Organization Flexible Services (October 2019). Accessed at <https://www.mass.gov/files/documents/2019/10/24/flexible-services-summary.pdf>. Flexible Services Program Public List (July 2020). Accessed at <https://www.mass.gov/doc/flexible-services-program-public-list/download>.

MASSHEALTH EMERGENCY RESPONSE TO COVID-19



Coverage and Eligibility



Telehealth Services



Home Health Aide Services



Pharmacy

NOTE: A more detailed version of this slide is available at: <https://bluecrossmafoundation.org/publication/masshealth-basics-facts-and-trends-october-2020>.

MassHealth: The Basics

KEY FINDINGS

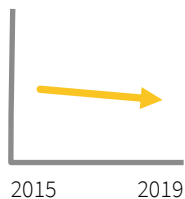
ENROLLMENT



More than **1.8 million** members



41% of Massachusetts children are MassHealth members



Decreased enrollment for past 4 years (SFY 2015–2019). Enrollment may tick up as MassHealth steps in to cover people who lose their jobs and health insurance in the current economic downturn.

SPENDING



MassHealth spending is **shared by the state and federal governments**



Spending grew from 2016 to 2019 by 1.8% per year (adjusted for medical cost inflation)



Prescription drugs and home- and community-based LTSS are key cost drivers

INNOVATIONS



Half of MassHealth members are in **ACOs***



Efforts to improve **integration** of behavioral health, LTSS, and social services



Newly covered **substance use disorder services**

* Among managed care eligible members, over 75% are enrolled in ACOs.

CONTACT INFORMATION

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Download the complete *MassHealth: The Basics* chart pack at:

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