2012 Maternal and Child Health Update: The Changing Environment of Medicaid/ CHIP Coverage for Children and Improving Birth Outcomes

The 2012 Maternal and Child Health (MCH) update presents data gathered by the National Governors Association (NGA) Center for Best Practices through a survey of states. While the 2011 survey update focused on implementation of the Affordable Care Act (ACA), this year's survey reflects the changing environment for Medicaid and the Children's Health Insurance Program (CHIP) coverage for children, as well as an increased emphasis on collecting data and measuring the value of MCH programs. Also, there is a focus on the challenge states face in improving birth outcomes.

Medicaid and CHIP are major sources of insurance coverage for millions of Americans. As of 2012, Medicaid and CHIP combined cover more than half of low-income children and more than one-third of all children.[1] These programs have helped to provide access to much needed preventive and primary care services and have reduced the number of uninsured children. The ACA includes provisions to assist in further expanding and strengthening Medicaid and CHIP coverage such as implementing new models of care delivery and payment as well as placing a greater emphasis on improving quality and reducing costs.[2] As almost half of all births nationwide are covered by Medicaid, many states have focused their efforts on improving birth outcomes by coordinating Medicaid and CHIP programs with MCH initiatives.[3] This trend was demonstrated in the 2012 survey results, which showed that on average, 46 percent of births were paid for by Medicaid.

The 2012 MCH update was designed to focus on the changing MCH environment facing states. In order to have the survey focus more on states' efforts in reducing infant mortality and improving birth outcomes, some questions were dropped from the previous survey. These questions were not as relevant and in some cases, responses could be found online. NGA received responses from 26 states.

Key findings of the 2012 survey include:

- **States that implemented a medical home program for their Medicaid and/or CHIP enrollees paid for these services through a variety of mechanisms, and most used a combination of the payment approaches.** Eight states pay on a fee-for-service basis; six states include a bonus payment for case management along with fee-for-service; six states use capitation; and eight states use an alternative mechanism such as shared savings approaches (See Figure 1).

- **A majority of states have Medicaid/CHIP populations participate in a managed care**

[1] Kaiser Family Foundation, *Health Coverage of Children: The Role of Medicaid and CHIP*, July 2012, http://kaiserfamilyfoundation.files.wordpress.com/2013/01/7698-06.pdf

[2] Kaiser Family Foundation, *Health Coverage of Children: The Role of Medicaid and CHIP*, July 2012, http://kaiserfamilyfoundation.files.wordpress.com/2013/01/7698-06.pdf

[3] Medicaid.gov, *Pregnant Women*, http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Population/Pregnant-Women/Pregnant-Women.html

arrangement. Thirteen states have all of their Medicaid/CHIP populations enrolled in managed care, while six enroll "select groups, including all children" (See Figure 2). Sixteen states make it mandatory for their particular populations to enroll in managed care. With regard to prescription drugs, oral health care, or behavioral health services, states can determine whether they include these services in their Medicaid managed care contract (carve-in), or they purchase these services for their Medicaid clients through separate mechanisms (carve-out). Examples of separate mechanisms include separate fee-for-service payments or a capitation contract with a pharmacy benefit manager. In the past year, 11 states altered their carve-in or carve-out policies or are planning to do so for some of these Medicaid services. Also, 11 states are analyzing claims data in coordination with other payers through multi- or all-payer claims databases or are planning to do so.

- **States are prioritizing their goals by participating in several national MCH initiatives.** Twenty-three states noted that they were involved with at least one national initiative focusing on reducing infant mortality and improving birth outcomes. Many of these states are involved in multiple initiatives (See Figure 3).

- **Most of the states have their own efforts on improving birth outcomes and reducing infant mortality.** Nineteen states have created a task force or working group around infant mortality or improving birth outcomes. Fourteen states have taken legislative, regulatory, or executive actions to address infant mortality or improve birth outcomes, and 16 states have launched public awareness campaigns or education efforts to inform people about infant mortality or improving birth outcomes.

- **Similar to the 2011 survey, a majority of states believe they have sufficient provider capacity to handle new programs such as the expansion of home visitation, established as part of the ACA.** Twenty-three states coordinated home visitation services for families and young children, including early intervention, Head Start/Early Start, child care, or MCH services. Twenty states indicated that they are working or contracting with outside entities such as universities, foundations, and consultants to evaluate their home visitation programs.

The results of the 2012 survey indicate that many states are focusing their work on improving birth outcomes and implementing medical home programs for their Medicaid and CHIP populations. Funded by the Health Resources and Services Administration and the Association of State and Territorial Health Officials, NGA's 2013 Learning Network on Improving Birth Outcomes is focused on helping states develop, implement, and align key policies and initiatives related to the improvement of birth outcomes. NGA's in-state workshops facilitate this process, and the learning network conferences give participating states opportunities to engage in cross-learning and collaboration. NGA is currently in the second of three rounds of the learning network. **Connecticut**, **Kentucky**, **Louisiana**, and **Michigan** participated in the first round, while **Hawaii**, **Indiana**, **New Mexico**, and **West Virginia** are currently participating in the second round. The third round of the learning network is expected to launch in September 2013.

Figure 1. Method of Payment for Medical Home Services, 2012

How do you pay for these (medical home) services? (Check all that apply)

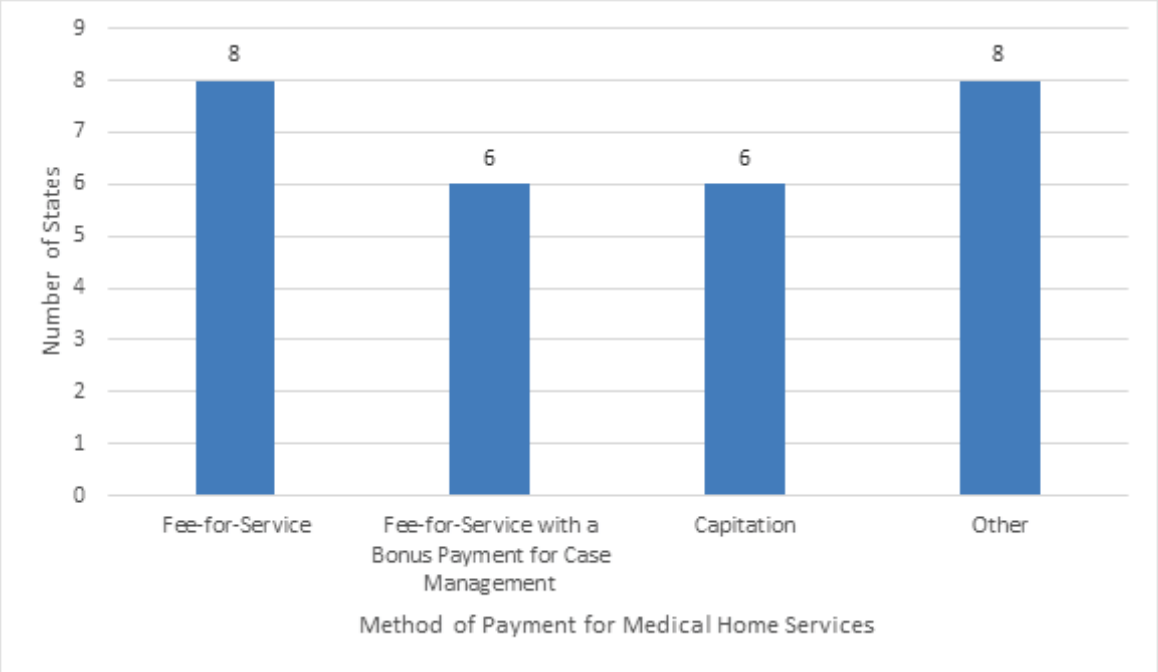


Figure 2. Medicaid/CHIP Populations Enrolled in Managed Care (Number of States)

Which Medicaid/CHIP populations are included in managed care in your state?

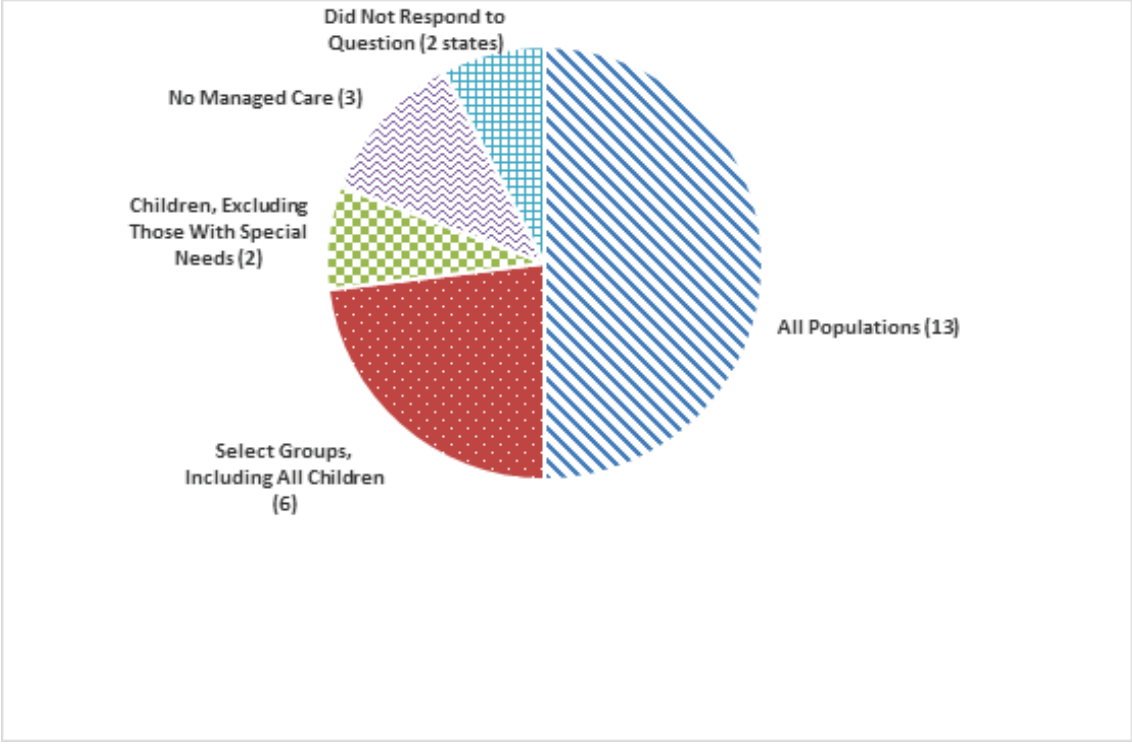
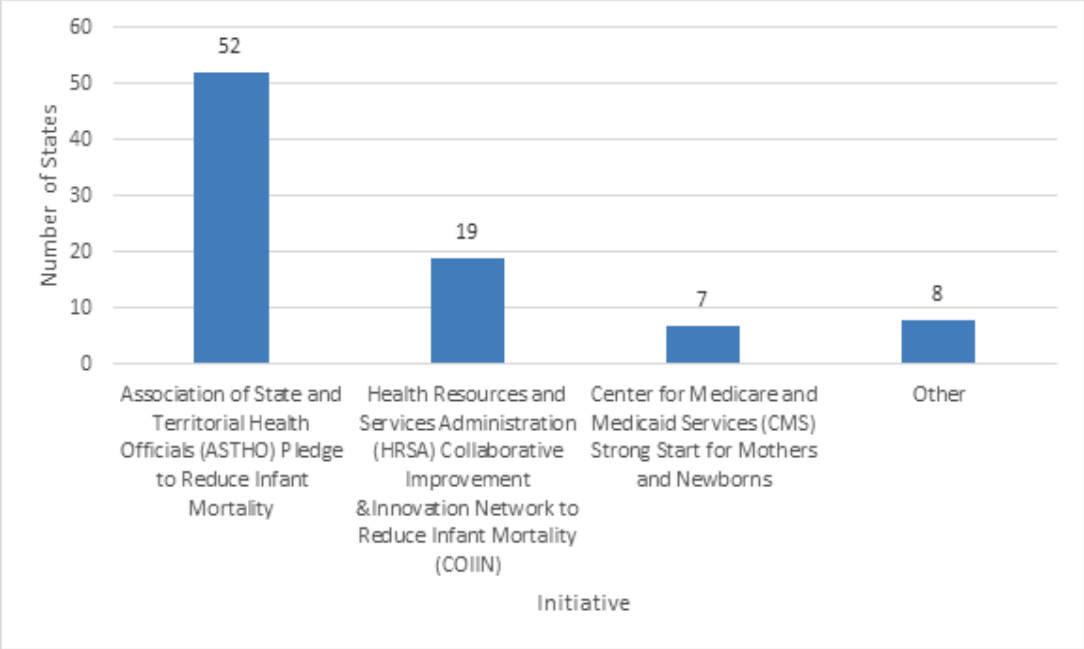


Figure 3. MCH Initiatives States and Territories Are Involved In*



*As of July 2013, all 50 states, the District of Columbia, and Puerto Rico have taken or have verbally agreed to take ASTHO's pledge. [4] As of March 2013, HRSA's COIIN initiative has expanded to Regions IV, V, and VI, leading to a total of 19 states.[5] Those states who completed the survey and checked off "CMS' Strong Start for Mothers and Newborns" and/or "Other" as initiatives their state is involved in are the only states accounted for in those respective categories.

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[4] Association of State and Territorial Health Officials, *States Accepting the Healthy Babies President's Challenge,* http://www.astho.org/Programs/Access/Maternal-and-Child-Health/ASTHO-March-of-Dimes-Partnership/

[5] Ghandour, R. Association of Maternal and Child Health Programs, *HRSA's Collaborative Improvement & Innovation Network (CoIIN): Using the Science of Quality Improvement and Collaborative Learning to Reduce Infant Mortality,* http://www.amchp.org/Calendar/Conferences/amchp-conference/Handouts2013/Sunday/D4 percent20Infant percent20Mortality percent20Part percent201 percent20- percent201.pdf