

# Leveraging Medicaid to Address the Social Determinants of Health

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The  
Reforming  
States  
Group

Leaders in Health Reform from the States

The information in this presentation is drawn from ***Medicaid Coverage of Social Interventions: A Road Map for States***, authored by Manatt Health and funded by Milbank and NYS Health Foundation.



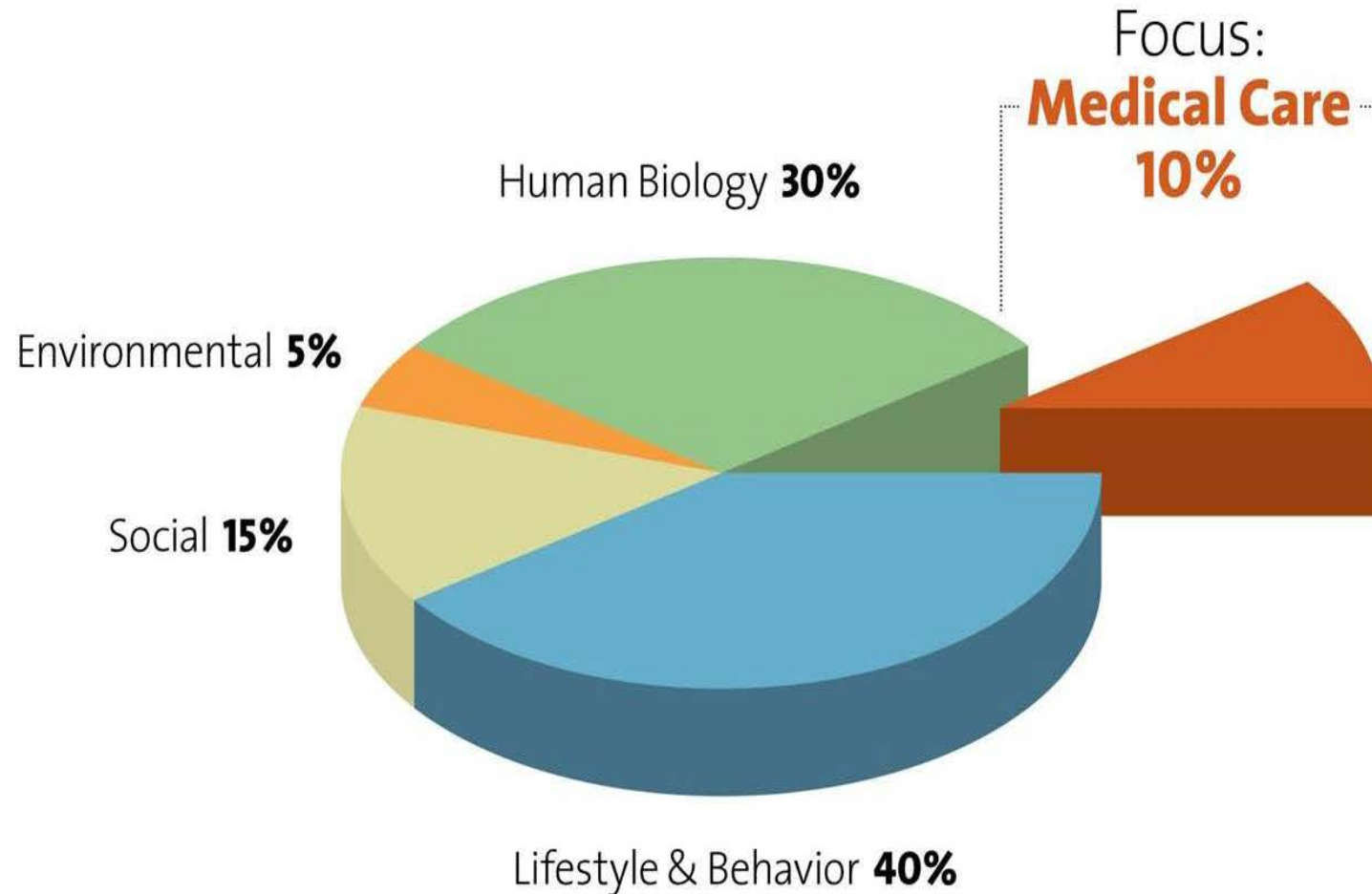
- **Emerging Trends and Opportunities**
- **Legal Authority for Medicaid Coverage of Social Supports**
- **State Examples: Coverage of Social Services**
  - Housing Services
  - Linkage to Social Supports
  - Peer Support Services
- **Discussion**

# Emerging Trends and Opportunities

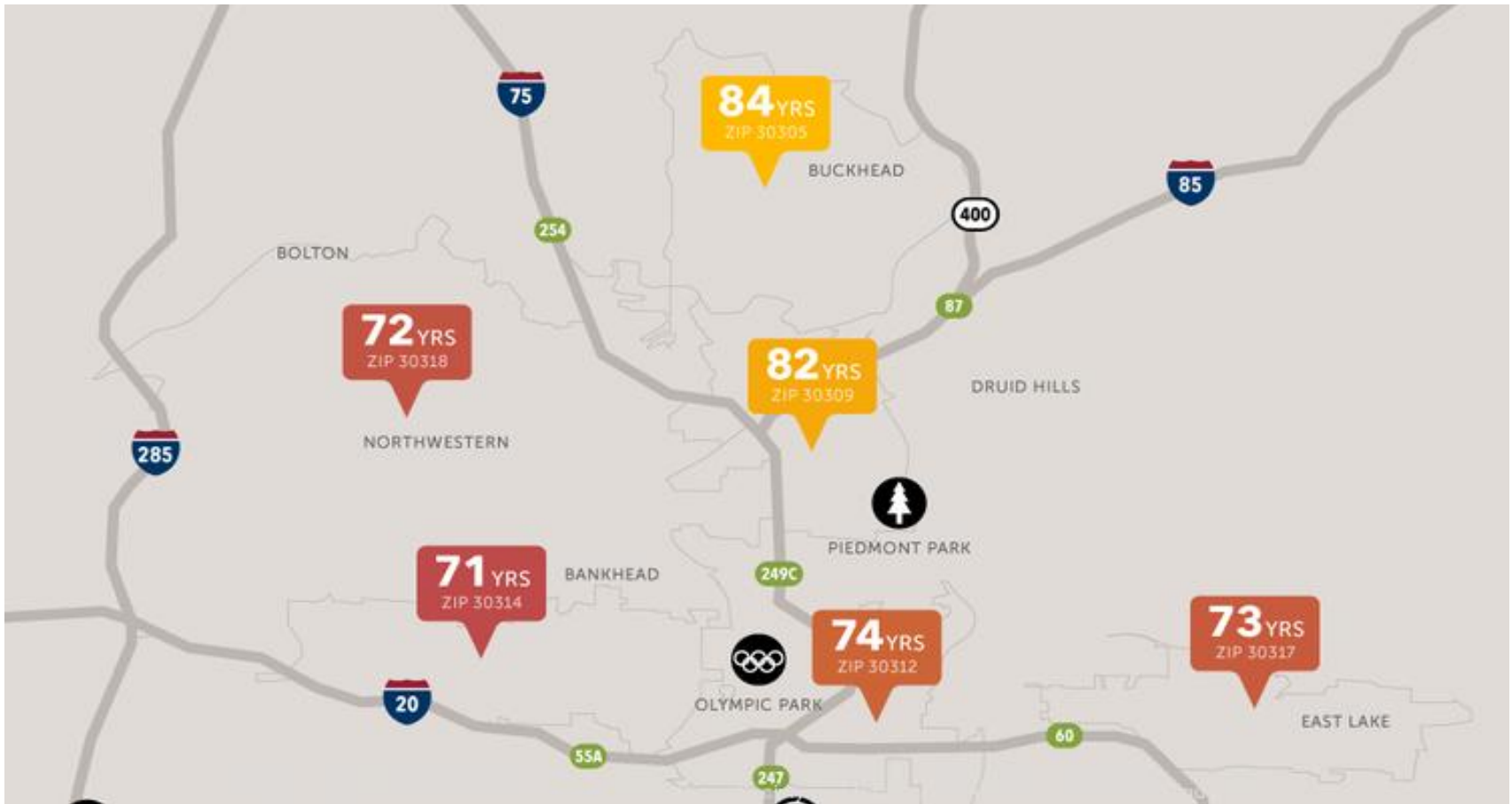
# National context

- Health care costs growing faster than other economic indicators
- Outcomes are varied and inconsistent
- National health reform efforts – SIM, Medicare, PCMH, CPC
- State health reform efforts – Medicaid, commercial market reforms
- Growing evidence of importance of social investments, care coordination, primary care

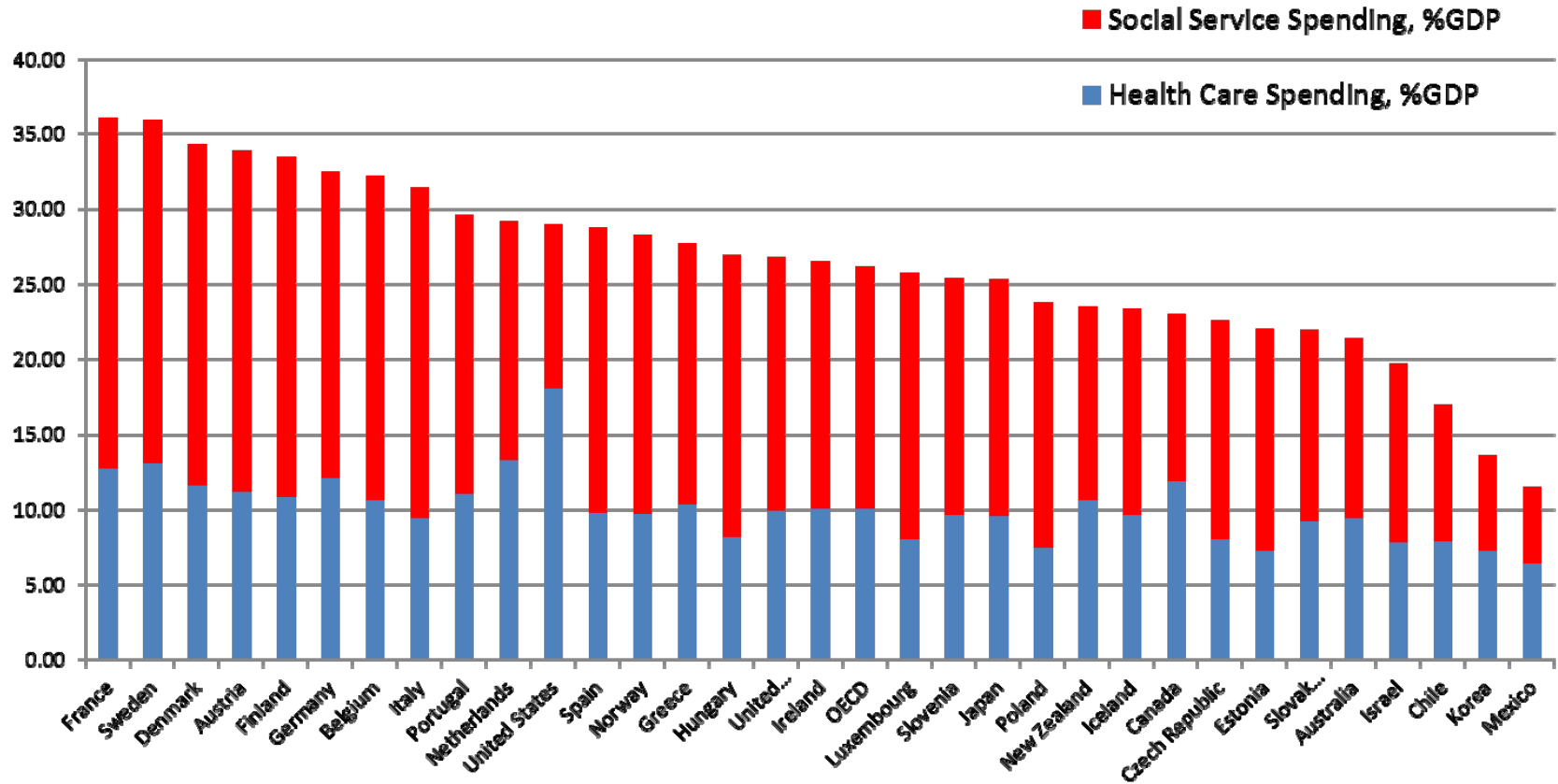
# What impacts health outcomes?



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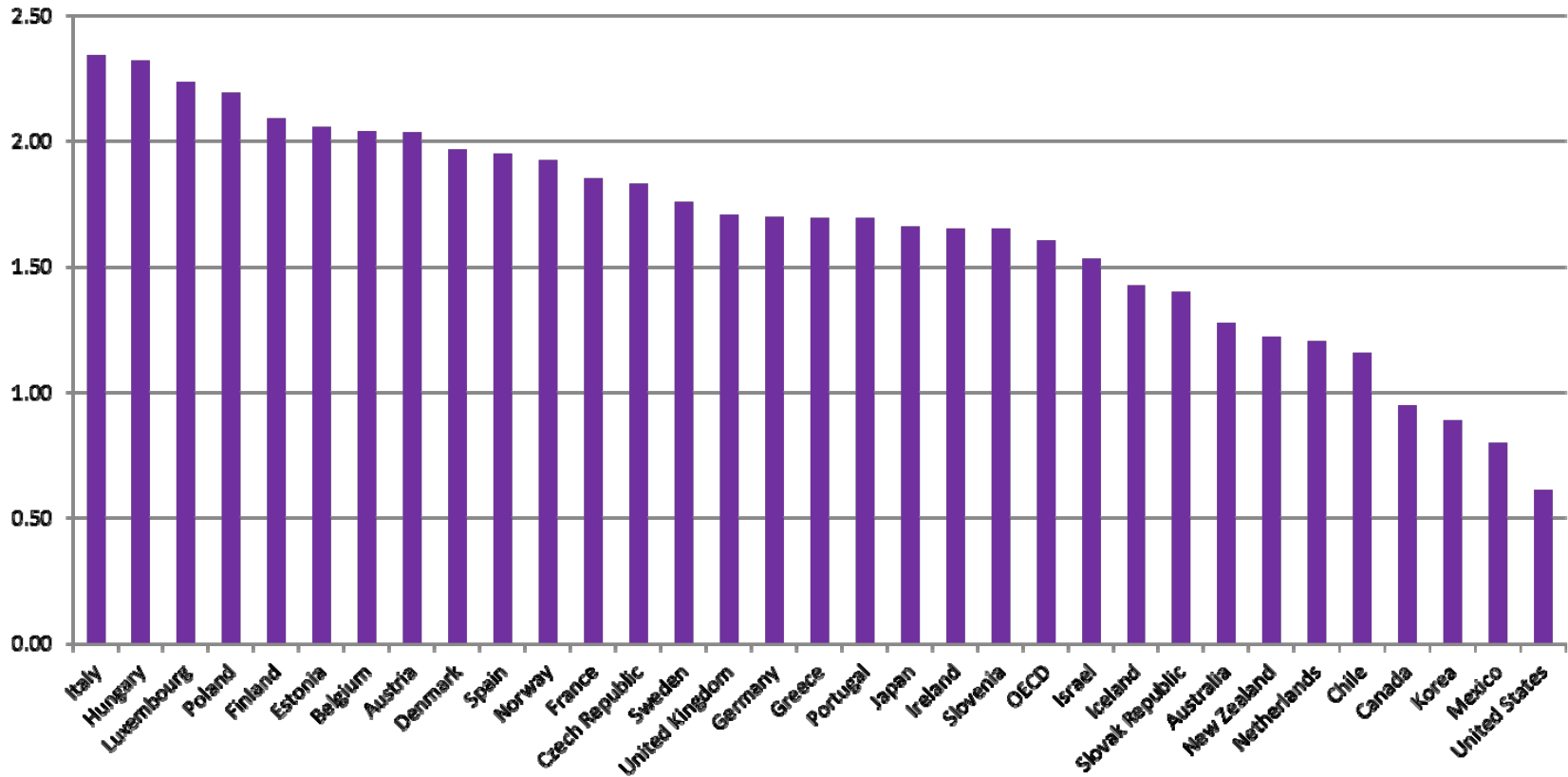


# Total Investment in Health as a %age of GDP





# Ratio of Social Service to Health Care Spending: International



\*Switzerland and Turkey are missing data for 2009

## Ratio of Social Service to Health Care Spending: U.S.

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- Findings - using the ratio of expenditures on social services (including education, income support, transportation, environmental programs, housing, and public safety) and public health to health care services (Medicare and Medicaid) for a 10- year period
  - Increased spending on social services relative to health care was statistically associated with better health outcomes at the state level.
  - Outcomes included obesity, asthma, mentally unhealthy days, days of activity limitations, postneonatal mortality, and lung cancer mortality.

# Opportunity Costs

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1 ED Visit = 1 months rent

2 hospitalizations = 1 year of child care

20 MRIs = 1 social worker per year

60 echocardiograms = 1 public school teacher per year

# Opportunity Costs

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Foster better value and efficiency in health delivery systems through payment reforms, value based purchasing and delivery system changes

Invest some of those savings into social enterprises that improve health

Increased partnerships across health and social service endeavors

Creating coordinating/integrating organizations

# Addressing Social Factors: Interventions



**Care Coordination.** Support and assistance in navigating the system.



**Housing Assistance.** Services that help people find and remain in homes, including assistance locating a home, making home repairs, and training in navigating relationships with landlords or other tenants.



**Employment Supports.** Services to help people prepare to enter the job market or to find and keep a job.



**Peer Supports.** Individuals who come from a beneficiary's community or who have had similar experiences and can offer counseling, advice, and other support.



**Food and Nutrition Aid.** Programs to connect food insecure individuals with food resources.



**Economic Supports.** Fiscal programs, including asset-building, tax credits, child care subsidies, student financial aid, and health insurance.

# Addressing Social Factors: Potential Benefits

**Improved  
beneficiary  
outcomes**

**Strengthened  
community  
health**

**Savings on  
healthcare  
costs**

**Non-  
healthcare  
benefits (e.g.,  
reduced  
recidivism)**

# Addressing Social Factors: Challenges

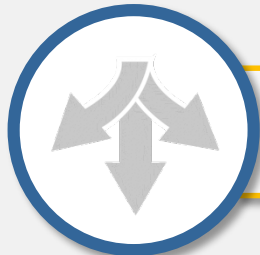
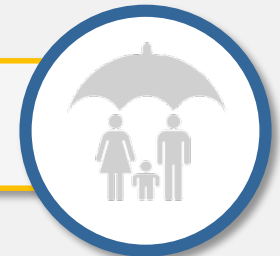


# Big Picture Questions



**What is level of interest in pursuing?**

**Which social factors and populations?**



**What type of intervention?**

**Delivered by whom?**



**How is the intervention funded?**

**Does the state have authority to implement?**



**How is success measured?**



# **Legal Authority for Medicaid Coverage of Social Supports**

# Federal Legal and Regulatory Authorities



**State Plan Amendment.** *An agreement between a state and the Federal government describing how that state administers its Medicaid and CHIP.*

Services in the agreement can include:

- ✓ Case management or targeted case management
- ✓ Preventative and rehabilitative services
- ✓ Habilitation services
- ✓ Health Homes



**Waivers.** *The Federal government may waive certain provisions of federal Medicaid law to enable states to implement innovative programs consistent with Medicaid goals*

Types of waivers include:

- ✓ Home & Community-Based waivers
- ✓ Section 1115 demonstration waivers (e.g., DSRIP waivers)



**Medicaid Managed Care.** *Delivery of Medicaid benefits through contracted arrangements between state Medicaid agencies and managed care organizations (MCOs); generally payment is on capitated basis.*

Managed care contracts can include:

- ✓ In lieu of services
- ✓ Value-added services

# Other State Options: Value-Based Purchasing

## Value-based purchasing (VBP)

Arrangements that pay for value rather than volume of care create new incentives to cost-effectively improve outcomes. **In some circumstances, addressing social needs – even if it requires spending on non-clinical interventions – can help to avert even more significant medical costs.**



# State statutory authorities

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- Does the initiative require statutory/legislative changes?
- Does the initiative require budget authority?
- Is there a legislative policy mandate for initiatives?

# State Examples: Coverage of Social Services

# Coverage Opportunities: Housing Services

While Medicaid cannot pay for room and board, it can finance a range of services that support beneficiaries in finding and staying in housing.

## Covered Services

- Identifying barriers to sustainable housing
- Assisting in securing appropriate housing and completing housing applications
- Addressing barriers to sustainable housing
- Developing housing supports and a crisis plan
- Evaluating and addressing issues with housing safety and move-in readiness
- Assisting with resolution of housing disputes
- Providing education and training on appropriate tenant behaviors
- Intervening when negative behaviors occur

### State Example



**LOUISIANA**

Permanent Supportive  
Housing Program

# Coverage Opportunities: Linkages to Social Supports

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States have a number of ways to connect beneficiaries with social services, such as the Supplemental Nutrition Assistance Program (SNAP) and other food supports, rental assistance, child care, legal assistance, and help with high utility bills.

## *Covered Services*

Assessing the needs of beneficiaries

Identifying and tracking community-based resources, including through use of online tools

Developing plans for connecting beneficiaries to resources

Scheduling appointments for beneficiaries and promoting attendance

Assisting in gathering documentation and filling out applications

## State Example



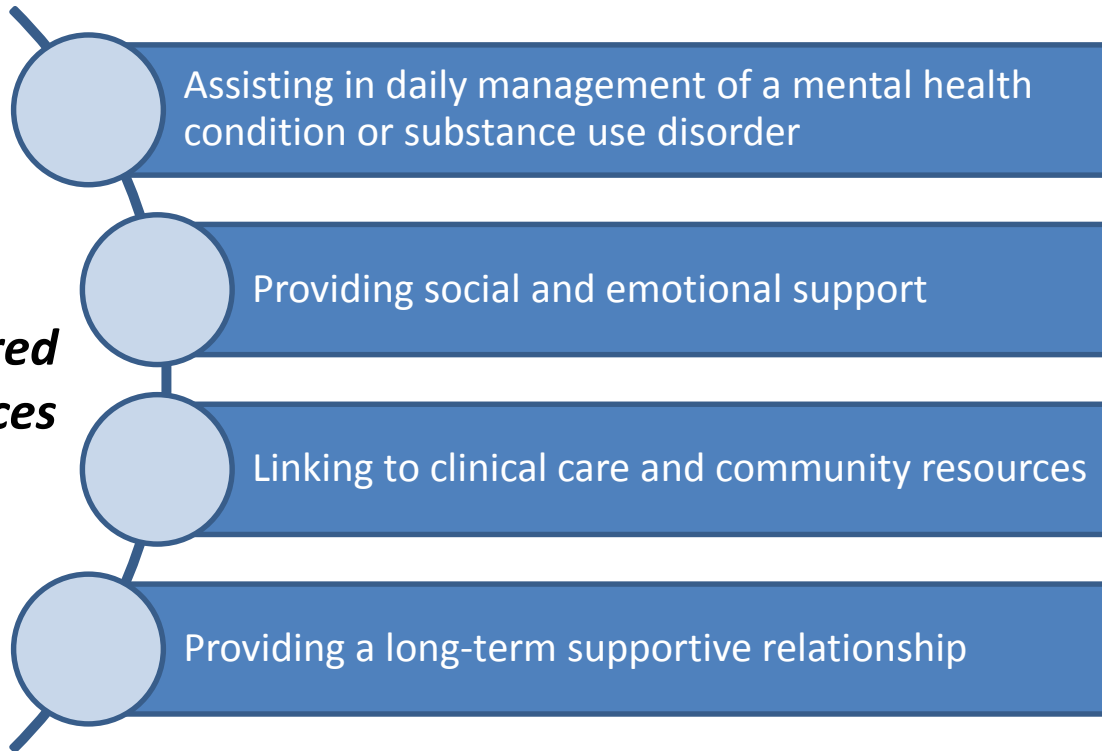
**MAINE**

Community Care Teams

# Coverage Opportunities: Peer Support Services

Peer support specialists help individuals with serious mental illness, substance use disorders, or other conditions cope with social and emotional challenges. They typically share important characteristics – such as ethnicity, language, socioeconomic status, and/or experience with the specific health conditions – with the clients they serve.

## Covered Services



### State Example



**WASHINGTON**  
Peer Support Program



For more information: *State Medicaid Director Letter #07-011. (August 15, 2007)*



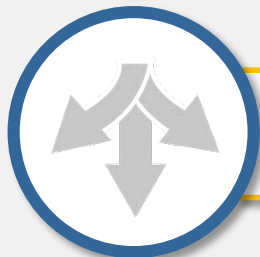
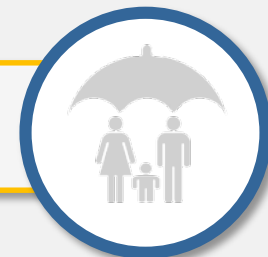


# Big Picture Questions Revisited



**What is level of interest in pursuing?**

**Which social factors and populations?**



**What type of intervention?**

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**How is the intervention funded?**

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# Discussion