

North Carolina Council on Health Care Coverage

May 14, 2021

3:00 PM– 4:30 PM

Agenda

- Welcome
- Employer Conversation on Health Care Coverage
- Update on the Health Care Coverage and Access Landscape
- Overview of Michigan's Experience
- Breakout Conversations of Council Members
- Looking Forward

Employer Conversation on Health Care Coverage

Duke-Margolis Employer Roundtable on Health Care Coverage

On May 4th, Duke-Margolis convened a small group of small and large business from all regions of North Carolina and from retail, hospitality and entertainment, childcare, and health care sectors.

- Employers' major priorities related to health care coverage and access:
 - Affordable and accessible health care
 - Small businesses struggle to offer affordable health insurance options
 - Employers can play an important role in prevention
 - Access to telehealth
- Key actions that could be taken in North Carolina:
 - Increased access to affordable, comprehensive health insurance
 - Improving access to preventive care
 - Continuing the coverage of telehealth services post-pandemic and expanding access to telehealth through broadband investments
 - Ensure ease of credentialing to expand access in rural areas
 - Facilitate easy enrollment in subsidized marketplace coverage

Update on the Health Care Coverage and Access Landscape

American Rescue Plan – Coverage Provisions

Enhanced federal match for states that expand Medicaid

State option to extend postpartum Medicaid & CHIP coverage

Expanded premium assistance for coverage on Marketplace plans

Increased premium tax credits for the unemployed

Overview of Bills Under Consideration in North Carolina Legislature

A sampling of the bills being considered that relate to this Council include:

- Allow employers to offer Exclusive Provider Organizations (EPOs) benefit health plans, similar to an HMO but with slightly larger in-network providers (SB 228)
- Increase transparency by requiring healthcare facilities to notify patients if providers are out-of-network (SB 505)
- Addresses the staffing crisis in intermediate care facilities (SB 610)
- Amend certificate of need laws (SB 462)
- Merge the NC Health Choice Children's Health Insurance Program with the North Carolina Medicaid program (HB 747)

Voluntary Work Programs for Medicaid Enrollees

Arkansas' Proposed Work Incentive Program:

- Signed into law. State will apply for a waiver to incentivize participation in an work and education program
- The initiatives could include education, training, and employment services

Montana's HELP-Link program:

- Voluntary workforce program designed to assist Medicaid-eligible adults to improve long-term employability, reducing reliance on Medicaid for health insurance
- Clients are given training and support to obtain more stable and higher paying employment in the long term

Montana HELP-Link

What is HELP-Link and how does it work?

- All newly enrolled individuals under Medicaid expansion are contacted about HELP-Link
 - Eligible recipients are automatically directed to a survey about their employment situation and an offer to participate in workforce programs
 - Recipients meet with a workforce consultant to complete an individualized employment plan
- HELP-Link services include 1) assessment, 2) job planning and search services, 3) subsidized job trainings, 4) licensing and certification, 5) removing barriers such as childcare or poor credit ratings
- HELP-Link is funded through a combination of Medicaid funds and existing workforce programs
- The most commonly pursued occupations are: registered nurse, nursing assistant, heavy truck driver, and medical record technician

HELP-Link is the only model in the nation proven to increase workforce participation among the Medicaid eligible population.

36,000 participated
in the first 2 years
of the program

72% were
employed a year
after participation

83% of participants
had higher wages
after completing
the program

\$8,700 median
annual wage
increase

Overview of Michigan's Experience

Dr. John Z. Ayanian, Director, Institute for Healthcare
Policy and Innovation, University of Michigan

Medicaid Expansion in Michigan: The Healthy Michigan Plan

John Z. Ayanian, MD, MPP

Institute Director

Alice Hamilton Distinguished University Professor
of Medicine & Healthcare Policy



North Carolina Council on Health Care Coverage

May 14, 2021



Healthy Michigan Plan signing, September 2013



The NEW ENGLAND JOURNAL *of* MEDICINE



Section 1115 waiver
to expand Medicaid

Emphasis on primary care

Market-oriented reforms

- Cost-sharing
- Financial incentives
- MI Health accounts

Better access to care
for low-income adults

↑ federal \$ to pay providers

Perspective
NOVEMBER 7, 2013

Michigan's Approach to Medicaid Expansion and Reform

John Z. Ayanian, M.D., M.P.P.

A cornerstone of the Affordable Care Act (ACA) is the expansion of Medicaid coverage in 2014 to adults with incomes up to 133% of the federal poverty level (approximately \$15,500 for a single adult in 2014).

aid, as have 7 of 12 states in which control of state government is split between Democrats and Republicans. Conversely, of the 24 states in which Republicans control the governor's office and both cham-

University of Michigan Faculty Team Evaluating Healthy Michigan Plan

Evaluation required in Section 1115 waiver for Michigan from CMS (since mid-2014)

Conducted under Master Agreement with Michigan Dept of Health & Human Services

15 faculty members from 5 schools (Med, Public Health, Public Policy, Business, Social Work)

Required domains in evaluation:

- Changes in insurance coverage
- Hospital uncompensated care
- Utilization & health outcomes of enrollees
- Health behaviors of enrollees
- Cost-sharing requirements for enrollees

Detroit's “uninsured rate has fallen from 22% to 7% over past 3 years”



July 2017

Improved Access to Care After Healthy Michigan Plan Enrollment



40%

saw a primary care provider in the 12 months **before enrollment**



2 in 6

reported forgone care



85%

saw a primary care provider in the 12 months **after enrollment**

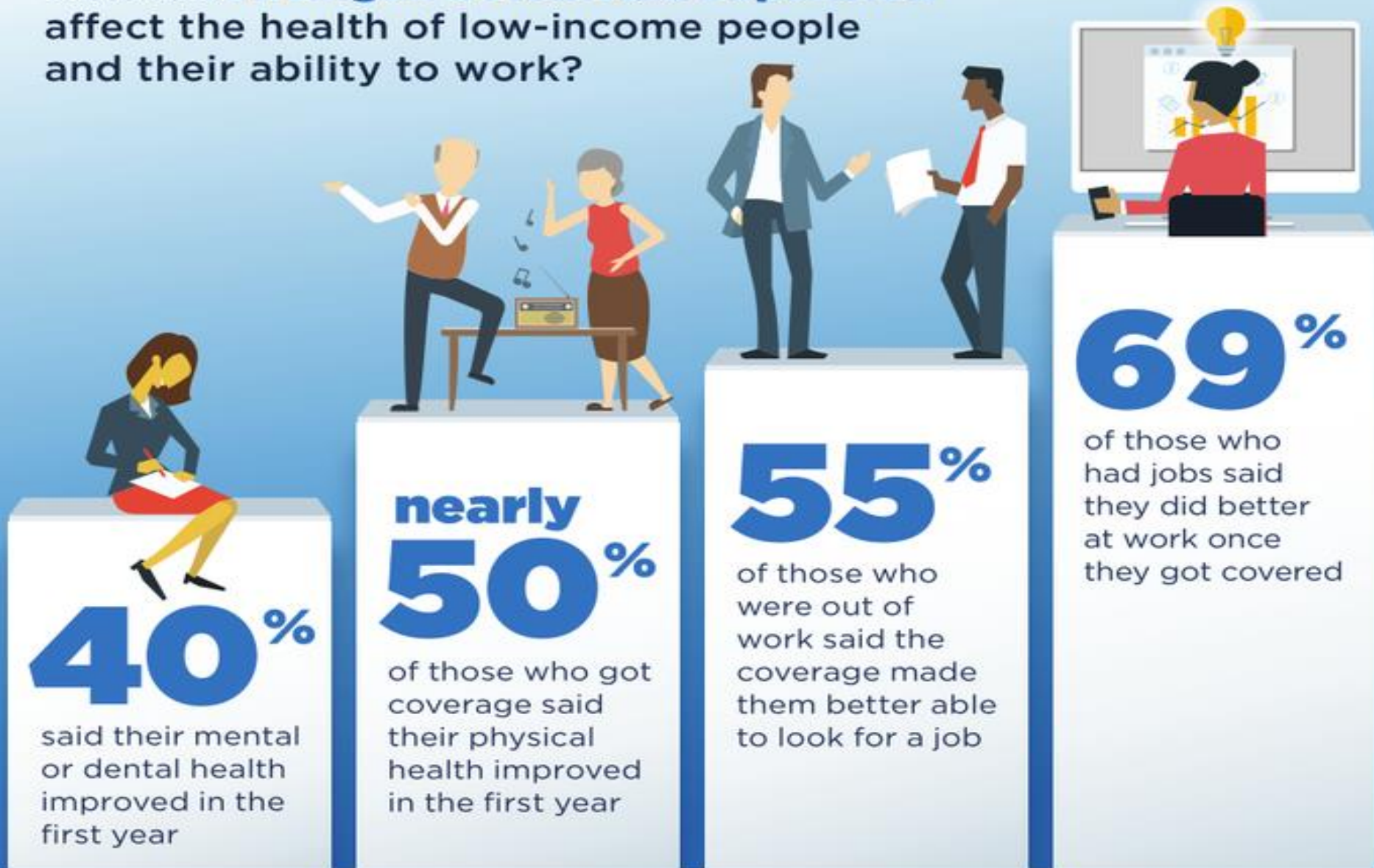


1 in 6

reported forgone care

Most said they have equal or better access to primary care (94%) and prescription medications (85%) since enrolling in HMP

How did **Michigan's Medicaid expansion** affect the health of low-income people and their ability to work?



Blacks enrollees had largest employment gains with Michigan Medicaid expansion

	<u>2016</u>	<u>2017</u>	<u>Difference</u>
White	54.0	57.5	3.5%
Black	51.0	61.7	10.7%*
Hispanic	68.7	71.5	2.8%
Other	60.2	65.8	5.6%

*P=0.02

Tipirneni, Patel, Ayanian et al. JAMA Network Open 2020

Personal stories of improved physical health & ability to work



“If you don’t know what’s causing your ailment, then you’re not able to get the medications that you need or the care that you need, then that prevents you from being employable...I start school on the 22nd for a semi truck driver... I need to know what’s going on with me if I’m being careful for myself on the road as well as others.”

(Man, age 35-50, Detroit Metro)

Personal stories of improved mental health & ability to work

I have personally gotten better since being able to seek help for my mental issues, and that falls out over the rest of my life. I'm happier. I'm more able to work. I can function."



(Woman, age 19-34, Northern Michigan)

Personal stories of improved dental health & ability to work



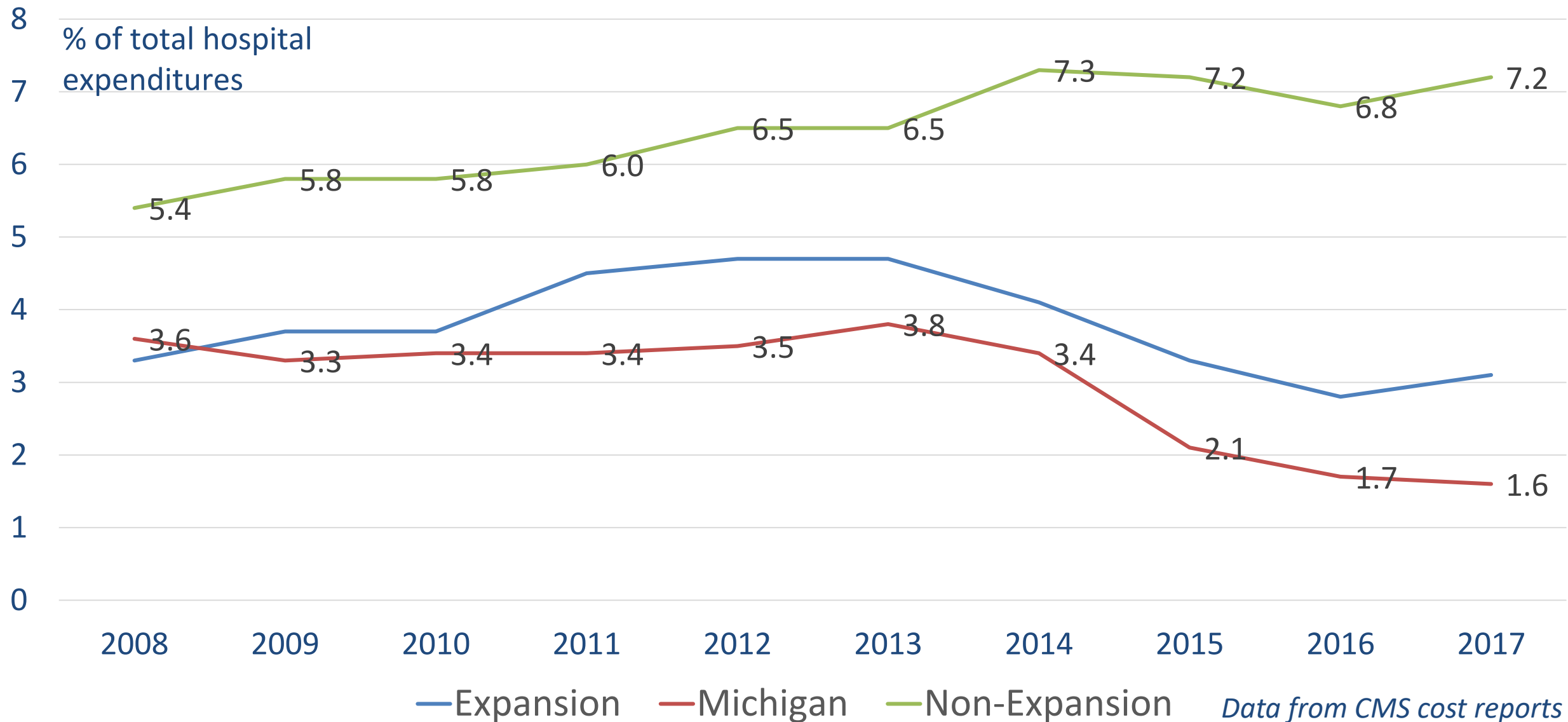
“My teeth were pretty bad...and they fixed it up fine, and now...I feel better when I am looking for a job...I feel better because my appearance has changed a lot. That has helped me a lot, physically and mentally.”

(Man, age 51-64, Detroit Metro)

Economic Effects of Healthy Michigan Plan

- Hospital uncompensated care costs cut in half (Buchmueller, Rhodes & Levy 2018)
 - *No reduction* in uncompensated care in non-expansion states
- Household economic outcomes improved (Miller et al. 2018)
 - TransUnion credit data linked to Michigan Medicaid enrollment, with control group drawn from non-expansion states
 - Reduction in unpaid bills, medical bills, delinquencies, evictions, bankruptcies
- Expansion improved state's fiscal position (Ayanian et al. 2017, Levy et al. 2020)
 - Medicaid expansion pays for itself, even with 10% state match

Hospital uncompensated care in Michigan vs. other states by Medicaid expansion status



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Financial outcomes improved for Healthy Michigan Plan enrollees

- Unpaid credit cards & loans : ↓ \$233
- Unpaid medical bills : ↓ \$515
- Fewer bills sent to collection, home evictions & bankruptcies

Miller et al. National Bureau of Economic Research 2018

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Medicaid expansion increased jobs, income & tax revenue for Michigan economy

- **↑ Employment of ~39,000 jobs in 2016 & projected at ~30,000 jobs through 2021**
- **↑ Personal income with new employment in Michigan: ~\$2.3 billion annually**
- **↑ Economic activity yields new state tax revenue of ~\$150 million annually**



Perspective

Economic Effects of Medicaid Expansion in Michigan

John Z. Ayanian, M.D., M.P.P., Gabriel M. Ehrlich, Ph.D., Donald R. Grimes, M.A., and Helen Levy, Ph.D.

Under the Affordable Care Act, 31 U.S. states have opted to expand Medicaid coverage to nonelderly adults with annual incomes up to 138% of the federal poverty level (approximately

vices covered by the expanded Medicaid program, such as state mental health and correctional health programs for adults who were previously ineligible for Medicaid. Annual state spending for such

Ayanian et al. NEJM 2017
Levy et al. J Health Polit Policy Law, 2020

Take-home points about



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- 1) Coverage & access to care has improved for ~670,000 low-income adults
 - 2) Many enrollees report improved physical, mental & dental health and better ability to work, especially among those with chronic conditions
 - 3) Financial outcomes have improved substantially for enrollees & hospitals with costs offset in state budget



For more on Medicaid expansion in Michigan:

On the web: ihpi.umich.edu

On Twitter: @UM_IHPI



@jzayanian

Small Group Breakout Conversations

20 minutes

Please chat Luke Durocher in zoom
or send an email to
luke.durocher@duke.edu with any
technical issues

- Council members will automatically be entered into break out rooms for small group discussion
- Duke-Margolis staff will be present to facilitate the conversation, take notes, and keep time
- One member of each group will be asked to report out on the conversation to the group when we return

Small Group Discussion Questions

- What are your reactions to the national and state movement on health care coverage since we last met in January?
- What do you think can be accomplished in North Carolina this year?
- How can the members of the council carry this work forward after today's meeting?
- How can Duke-Margolis continue to support the Council and these efforts in the state?

Small Group Breakout Conversations

Please be aware that the council is in small group breakouts. They will return to the main room at **4:20 PM** and the live stream will resume at that time.

Recordings of the breakout conversations will be posted after the meeting for the public.

Thank You!

Please contact us with any requests for additional information:

- Hemi Tewarson: hemi.tewarson@duke.edu or htewarson@nashp.org
- Mark McClellan: mark.mcclellan@duke.edu
- Elaine Chhean: elaine.chhean@duke.edu
- Michelle DelFavero: michelle.delfavero@duke.edu