

Medicaid Health Plans & Integration

MYTH vs. FACT

THEY SAY...

Health plans “run from risk.”



Health plans will deny access to providers, and have few providers to offer service.



Consumers will lose appeal rights.



Health plans cannot serve difficult populations like those needing behavioral services.



TRUTH IS...

JUST THE OPPOSITE. Medicaid Health Plans are required to treat/serve all enrollees, for all the care they need, at a contracted price. That encourages plans to smartly identify and provide early services to improve health outcomes as quickly as possible, since they are fully at risk.

NOT TRUE. Governor Snyder investigated this issue before supporting the Healthy Michigan Plan. He found plenty of providers ready to offer services. And the state’s recent contracts with health plans required them to prove adequate numbers of providers in every region where they operate.

WRONG. Beneficiaries retain access to the fair hearing process of Medicaid, and they gain access to the Patient Right To Review Act administered by state regulators.

YES, THEY CAN AND DO. By working with with interest groups, consumers and the state, Medicaid Health Plans today provide services to groups such as:

- The disabled
- Pregnant women
- Foster care children
- Children special health care services
- Persons with dual eligibility
- Special needs plans for seniors

No Further savings are possible.



LET'S FIND OUT. The greater focus on prevention, earlier detection and treatment, eliminating unneeded emergency department and hospital admissions – all of these better outcomes for patients also have the potential for saving taxpayer dollars.

Health plans don't cover non-traditional services, so they aren't ready to address behavioral service needs.



NOT TRUE. Medicaid health plans have proven that they can efficiently contract with differing providers, meeting the needs of unique populations under programs such as Childrens Special Health Care Services, Foster care, Special Needs Plans for Seniors, Dual eligible and Services for Disabled.

National for-profit health plans send money out of state.



MORE COMPETITION HOLDS DOWN COSTS. All Medicaid Health Plans are licensed in Michigan have offices and staff in Michigan, contract with Michigan providers and community organizations. Average margins for Medicaid Plans have been under 2% for past four years. The goal is to improve services while saving taxpayer dollars, not micromanage companies.

Health plan administrative cost are higher.



NOT THE ISSUE. If spending more on administration leads to lower overall costs for the program by developing smarter delivery of services – that's a good thing. Far better than having low administrative costs but spending more because of poor management.

