

**Testimony of Great Lakes Health Plan  
to the House Subcommittee  
on Department of Community Health Appropriates**

**March 13<sup>th</sup>, 2009**

Good morning chairman McDowell and members of the Subcommittee, my name is Dawn Koehler, I am the vice president of Government Affairs for Great Lakes Health Plan. I am here not only representing Great Lakes Health Plan, but also the Michigan Association of Health Plans (MAHP).

Great Lakes Health Plan provides coverage to nearly 183,000 Medicaid Recipients in 24 counties in Michigan, of which 65,127 are located in Wayne County. We also have a SNP product in Wayne County called Personal Care Plus. In Wayne County alone, we have contracts with 479 primary care physicians, 997 specialist and 13 hospitals in the county – including DMC, St. John Health System, Oakwood Hospital, Children’s Hospital and Garden City Hospital. We have been serving Wayne County Medicaid recipients since 1996.

MAHP represents 24 licensed HMOs and health plans in the State of Michigan, including Medicaid health plans that contract with the Medicaid program to deliver a comprehensive set of services for over 1,000,000 Medicaid beneficiaries.

Great Lakes Health Plan’s goal is to continually improve the health and well-being of the people we serve and their communities - and to do so with quality providers and quality programs. At Great Lakes Health Plan we have worked hard to develop these programs and have been rewarded recently for these efforts:

- U.S. News and World Report, 2008-09, ranked GLHP among the nation's top 25 plans in the nation.
- In 2008, GLHP won three MAHP Pinnacle Awards for Best Practices for our “One Call Resolution” program, our “Health First Steps” program and one for health care technology.
- GLHP’s COPD Case Management Program, not only won a MAHP Pinnacle Award in 2007, but was also selected by America’s Health Insurance Plan (AHIP) to appear in its publication entitled “Innovations in Medicaid Managed Care.”
- In December, 2007 – Great Lakes Health Plan was awarded an Accreditation status of Excellent from the National Committee for Quality Assurance (NCQA).

GLHP was one of the first health plans in the State to offer “Pay-for-Performance” contracts to our providers by paying a monthly Care Management Fee, Fee-for-Service Reimbursement, and Quality Incentive Measures. We not only reward providers financially for quality performance, but we also assign more members to our highest quality providers.

We understand and appreciate the challenges in developing this years budget and we are very appreciative of the continued support recommended in the Executive Budget for the Medicaid managed care program. We believe that the value of managed care is well documented in both the MAHP White Paper and in the presentation made by Steve Fitton, Interim Medicaid Director, regarding performance results and we know that the Administration and Legislators continue to rely on Medicaid managed care to deliver service to those in our health plans. But there are more Medicaid eligible populations we can serve and want to serve. We believe that our managed care principles and care and case management programs could be applied to these other populations which would result in better health outcomes and cost savings to the State.

GLHP Recommendations:

1. The need to support managed care with a rate structure that complies with the federally required actuarial-soundness requirements is now well established. GLHP supports the Executive Budget Recommendations for continuing to provide this assurance.
2. GLHP believes that managed care is the most efficient and cost-effective delivery system for the State of Michigan to use to provide services to the Medicaid programs, as well as to additional programs that will be developed during the health care reform process.
3. GLHP supports policy, waiver and contract changes that will enable additional Medicaid beneficiaries to be served by Medicaid Health Plans and will contribute further savings for Michigan and provide a medical home for more Medicaid beneficiaries.

Thank you for the opportunity to provide you with comments on this year’s budget and the continued support.