

MAY 2008
ISSUE 8**MEDICAID MANAGED CARE MONTHLY**<http://jfs.ohio.gov/ohp/bmhc/index.stm>**Managing
Emergency Department
Use**

It is no surprise that health care services provided in a hospital emergency department are costlier than treatment in a physician's office, clinic, or urgent care center. Ohio Medicaid has taken steps, especially among those populations enrolled in managed care, to direct consumers to seek preventive care and service delivery in the most appropriate settings. In particular, Ohio Medicaid has emphasized minimizing frequent or preventable visits to hospital emergency departments (EDs).

ODJFS requires Medicaid managed care plans to provide enrollees with 24 hour per day, seven day per week access to a medical advice line. These telephone services are staffed by registered nurses who can review with consumers their circumstances and advise them on whether their condition warrants a visit to a hospital emergency room or whether some other alternative would be a better choice.

MCPs must also demonstrate adequate access to primary care providers and specialists within their provider networks. Assuring adequate access may mean offering extended hours for physician office visits or providing transportation services to medical appointments. For consumers with complex or chronic health conditions, MCPs must offer comprehensive case management services, coordinating a consumer's health care with other health systems or providers outside the MCP network (e.g. community behavioral health networks.)

ODJFS requires Medicaid managed care plans to minimize frequent and preventable utilization of hospital emergency services. MCPs must monitor ED utilization, identify consumers who are "frequent utilizers" of emergency

care, and implement strategies to reduce avoidable ED utilization. Examples of MCP strategies include improved consumer education, the designation of a primary care provider for each consumer, and access to alternative health care services. In addition, MCPs must work with primary care providers who serve a substantial number of frequent ED utilizers to engage them in reducing their consumers' inappropriate ED utilization.

ODJFS monitors ED visits among Medicaid managed care enrollees. Specifically, ODJFS calculates the percentage of each MCP's members with four or more ED visits during a six month period. MCPs must continuously improve their performance on this measure and are subject to corrective action if they fail to do so. In 2006, Ohio Medicaid MCPs demonstrated an overall improvement of 11% on this measure.¹

Beginning SFY 2009, ODJFS will monitor MCPs' performance regarding inappropriate ED utilization. This revised approach will use a nationally recognized model for identifying ED visits that are potentially preventable or treatable in a primary care setting.² This new focus will further expand efforts to identify and divert consumers from seeking care in inappropriate settings.

Finally, since MCPs receive "capitated" per member per month payments for all health care services, they have a direct financial incentive to assure health care services are provided in the least costly setting that meets the consumer's medical needs.

Despite these efforts, ODJFS and MCPs face certain challenges in managing consumer and provider behaviors that result in inappropriate ED utilization. For example, neither ODJFS nor MCPs have some of the tools available in the commercial health care marketplace, e.g. requiring high consumer co-payments for inappropriate ED use. Nevertheless, ODJFS is committed to continually seeking new approaches, best practices, and proven strategies for directing consumers toward the most appropriate and cost-effective service delivery settings.

¹ Emergency Department Diversion report, July-December, 2006, ODJFS/BMHC.

² New York University, Emergency Department (ED) Algorithm, <http://wagner.nyu.edu//chpsr/>

Medicaid Managed Care Plans Receive Best Practice Awards

Five out of seven awards for performance among all managed care corporations operating in the state of Ohio went to Medicaid-contracted managed care plans. This annual competition, sponsored by the Ohio Association of Health Plans, uses a panel of judges representing health care providers, consumer advocates, and regulatory agencies to rate the achievements of managed care corporations.

First Place Pinnacle and Meritorious Awards went to the following companies serving Ohio Medicaid consumers:

Business and Operational Performance

CareSource was selected for process improvements that successfully avoided severe respiratory infection in infants.

Community Outreach/Partnerships

Amerigroup was selected for successful innovation in medical and behavioral health coordination for Medicaid consumers.

Buckeye Community Health Plan was also selected for first place for improvement in primary care and behavioral health coordination for Medicaid consumers.

Molina Healthcare of Ohio received a second place Meritorious Award in this category for its program targeting high risk prescription drug users with 5 or more chronic prescription drugs. Members work with select community pharmacists to coordinate prescription drug use with primary care physicians.

Health Care Programs Award

Buckeye Community Health Plan was selected a second time, for improvements in preventive care for high-risk pregnant mothers, reducing Neonatal Intensive Care births by an estimated 30%.

ODJFS is pleased to do business with MCPs recognized for their excellence in serving Medicaid consumers.