



# **LPCAs ANNUAL CONTINUING EDUCATION CONFERENCE**

**Shreveport Convention Center  
June 27 - 30, 2010**

**Open Plenary and Awards Presentation (June 28)**

***“LOUISIANA’S REVAMPED  
MEDICAID PROGRAM WILL  
LIKELY ATTRACT NATIONAL  
INSURERS AHEAD OF  
REFORM-RELATED MEDICAID  
EXPANSION”***

*InterStudy 5/26/2010 Press-release headline  
(<http://home.healthleaders-interstudy.com/>)*

**“Louisiana’s new coordinated care delivery model for its Medicaid program emphasizes management and quality, and is expected to save the state money while improving health outcomes. *It will also drive national Medicaid insurers to the state, as they prepare for major Medicaid expansion in 2014,*”**

HealthLeaders-InterStudy Analyst Jan Shuxteau

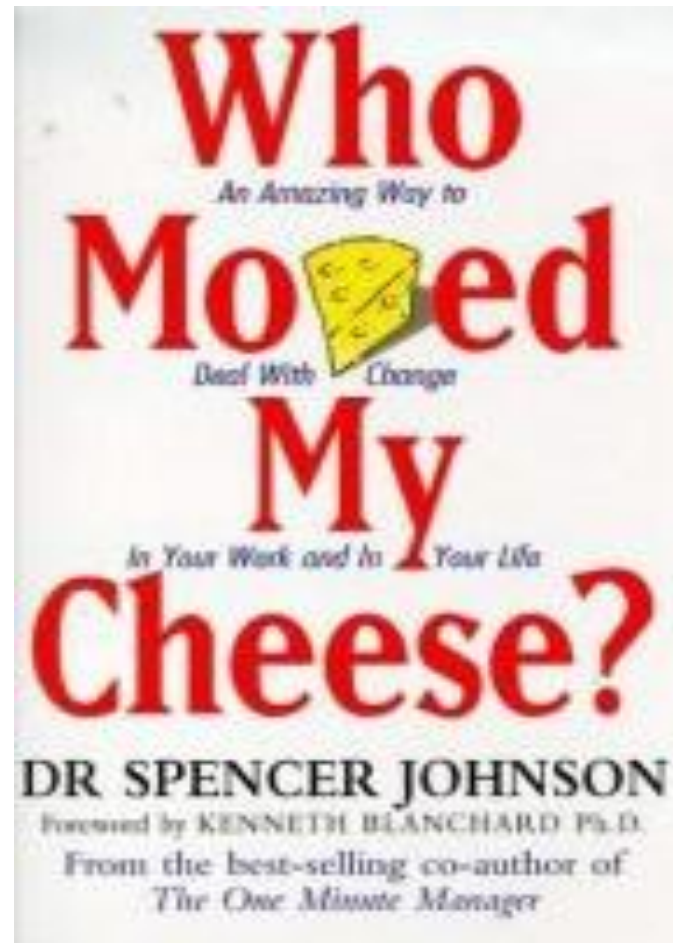
**“ Meanwhile, Louisiana Association of Health Plans executive Gil Dupre said there’s a lot of industry interest in participating in the health care revamp. ‘We have a lot of experience and expertise,’ he said.”**

*Source: From: sostrategy.com*

*Mon Jun 14; Subject: State prepares for managed care system*



**BOOK PUBLISHED IN 1998 RE: CHANGE & HOW TO  
ANTICIPATE AND ADAPT TO CHANGE**



# PRINCIPLES OF CHANGE (“LESSONS” FROM MOVING CHEESE)

- **Change Happens**
- **Anticipate Change**
- **Monitor Change**
- **Adapt To Change Quickly *The Quicker You Let Go Of Old Cheese, The Sooner You Can Enjoy New Cheese***
- **Change**
- **Enjoy Change!**
- **Be Ready To Change Quickly And Enjoy It Again & Again**



# MEDICAID, GOVERNMENT CHEESE



**ADAPT TO CHANGE QUICKLY *THE QUICKER YOU LET  
GO OF OLD CHEESE, THE SOONER YOU CAN ENJOY  
NEW CHEESE***

**OLD Cheese:**

revenue through PPS and  
fee-for-service payments

**NEW Cheese:**

revenue from managed  
care and managed care  
utilization



# KEYS TO FQHC SUCCESSFUL ADAPTATION TO CHANGE

## Existing/Current Competencies

- Unique experience with Medicaid population
- Existing community presence & partnerships
- Addressing unique needs (*enabling services, social services, patient education, low literacy and low health literacy*)



# KEYS TO FQHC SUCCESSFUL ADAPTATION TO CHANGE (*CONT'D.*)

## New/Developing Competencies

- Managing information (IT)
- Managing /Containing cost
- Evidence-based quality of care
- ***EXTREME*** Customer Service
- ***COLLABORATION -- with other CHCs!!***

# MOVING CHEESE – MEDICAID MANAGED CARE EXPERIENCES

- Community based plans v/s large national insurers
- State experience – Tennessee & TennCare
- National experience – many single CHC based HMOs no longer in market

***Collaboration is KEY! To  
compete/survive – no more silos***



# LESSONS LEARNED

"The problem is the government often changes the rules in the middle of the ball game, so you can have a program that seems to offer a lot of promise and potential and people want to participate in it, and then two years later the economics have completely changed because legislation or political parties have changed in D.C. and the whole rug is pulled out from under you," says HMO analyst Greg Crawford.

***Source: Black Enterprise June 2002***

# LESSONS LEARNED (CONT'D.)

## Market Exit “casualties” of community based plans:

- Total Health
- DayMed
- Unity HMO
- Mississippi Managed Care Network
- Family Health Care Plus
- Xantus/Phoenix Healthcare
- UHP Healthcare/Watts Health Foundation
- Tennessee Managed Care Network/Access MedPlus

*(around 1998-2002)*

## LESSONS LEARNED (CONT'D.)

**Re: market exit “casualties” of  
community based plans *HMO*  
*analyst Greg Crawford*  
*lamented,***

***“There's an economic consequence,  
but the social consequences are  
really a shame.”***



# SPECIAL CHALLENGES FOR CHCs AFTER HEALTH CARE REFORM

- Increased competition for Medicaid patients
- Concentration of uninsured in CHCs
- Increased patient choice and transparency about clinical and customer service quality means CHCs will have to “compete” for covered patients

# SPECIAL CHALLENGES FOR CHCs AFTER HEALTH CARE REFORM (CONT'D.)

- States may pull back grant funding to CHCs because of federal funding increase
- For-profit plan interest in Medicaid expansion
- Safety net plans and providers will need to increase enhanced reporting of outcomes and other quality indicators
- Increased scrutiny and expectation of quality

*Source: ACAP*



# ACAP

## Association of Community Affiliated Health Plans; Membership Criteria:

- At least 75% of plan enrollees/members from public/government programs
- Local, community-affiliated health plan
- Affiliated with provider group
- Nonprofit not publicly-traded
- Agree with ACAP's mission and principles

*ACAP's current membership includes 15  
CHC affiliated health plans*

*(<http://www.communityplans.net/>)*



# MEDICAID HEALTH PLANS OF AMERICA

**Membership -- open to organizations with a state license and/or contract to provide prepaid health services to publicly subsidized Medicaid managed care programs.**

**(<http://www.mhpa.org/> )**



# MEDICAID HEALTH PLANS OF AMERICA (CONT'D.)

## Member Benefits

- Government Affairs
- Clinical Leadership and Quality
- Health Information Technology
- *Educational Opportunities* / Best Practices
- *Networking Opportunities* -- MHPA Annual Meeting - the largest Medicaid health plan meeting in the country
- Interaction with government officials, including quarterly calls with CMS



# CLOSING

Thank you.

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