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Medicaid changes challenging

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Kentucky's recently implemented managed care organization model for Medicaid isn't perfect, but state representatives Tommy Thompson and Jim Glenn said the state is trying to work out the issues with the for-profit companies providing insurance coverage.

"Anytime you make a change, there are always adjustments," Thompson said in a phone interview during a break from a legislative session Wednesday. "Obviously, this system has only been in place since last November, so everybody is still, so to speak, feeling their way through it."

"We've gotten a number of inquiries from folks about payment problems and paperwork, and so forth, and as these concerns are expressed to us in our Frankfort office from constituents, we're immediately contacting the Cabinet (for Health and Family Services) and conveying those concerns to them and asking that they address them as quickly as possible."

Medicaid is a program that provides health care coverage to eligible low-income Kentucky residents. It covers families with children and pregnant women, medically needy individuals, the elderly and people with disabilities. An MCO is a health plan that coordinates all of someone's health care, including medical and behavioral care, and, in some cases, dental care.

Kentucky has contracted with three MCOs to provide Medicaid insurance — Kentucky Spirit Health Plan, WellCare of Kentucky and CoventryCare of Kentucky. The MCO model has been adopted by several states and replaces the former model that was funded by taxpayers.

"The (governor's) administration said the state would save \$375 million a year, and roughly \$1.3 billion for the state and federal government over a three-year period," Glenn said. "We're in a tight budget cycle, and (finances are) a consideration. Everybody is short of money right now, and we're trying to take care of a bad budget situation, but the main thing is that we make sure our citizens' core medical needs are taken care of."

The MCO model was implemented in a short period of time starting last summer with Medicaid recipients being autoassigned to plans based on their physicians. The MCO model officially began on Nov. 1.

However, not everyone's medical needs fall neatly under one umbrella, and providers are on their own to contract with the MCOs, which may not be completely in line with a patient's needs. Problems may arise, for example, when a patient is in Plan A, but a specialist he sees is contracted with Plan B or C. Providers may be contracted with one, two or all three MCOs.

"It's pretty much up to the Medicaid member to choose which MCO to go with," Thompson said. "Hopefully, the member will do some research, talk to their providers and get their opinion on which MCO to go with. The MCOs all have strengths and weaknesses, but the patient should discuss with the provider which services are covered and which aren't."

Thompson said independent pharmacists have a concern with the MCOs' concept of maximum allowable cost, which he hopes the Cabinet will address.

"There are a lot of questions about the reimbursement side and a concern that MCOs may be moving to a mail-order process, where you only get your prescription medicine by mail," Thompson said. "That's not the case now, but pharmacies are concerned it may be going that way."

"I'm particularly concerned about that because pharmacies are such a fabric of our community. We've registered a lot of those concerns with the Cabinet, and they're working through those as we speak."

Legislators attended a briefing with Cabinet Secretary Janie Miller recently, and Thompson said her office was "working feverishly to get everything implemented while trying to remove some of the irritations and addressing concerns about payments and paperwork."

Thompson said that, in the long run, the MCO model will sufficiently serve the Medicaid recipients' needs.

"Moving to MCOs was the best way for Kentucky to go, both from a cost standpoint as well as a continuity of care standpoint," he said. "I think there will be better quality of care, and there will be more of an emphasis on wellness ... but (MCOs are) new to Kentucky and it's going to take time to get smoothed out."

Medicaid patients can still change their plan until Jan. 29. After that deadline, plans can't be changed until 2013. Call 1-855-446-1245 for more information.

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