

MO HealthNet Cost Sharing

Interim Committee on Citizens and Legislators Working Group on
Medicaid Eligibility and Reform

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Current Cost Sharing: Co-Payments

- Missouri's Medicaid Fee-For-Service program includes co-payments for most adult participants as allowed under federal and state law.
- The following adult participants are exempt from co-payment requirements:
 - Pregnant women
 - Residents of nursing homes
 - Blind persons
 - Medicaid/Medicare dual eligibles when Medicare pays for the service
- Total cost sharing may not exceed 5% of a family's income.
 - Family of two with income @ 19% FPL (\$2,947) = \$147
 - Family of three with income @ 19% FPL (\$3,711) = \$186
 - Family of one with income @ 85% FPL (\$9,767) = \$488
 - Family of two with income @ 85% FPL (\$13,184) = \$659
- Certain services are exempt from co-payments.
 - Emergency room care when life threatening conditions present
 - Personal care services
 - Mental health services
 - Certain therapies (physical therapy; chemotherapy; radiation therapy; chronic renal dialysis)
 - Hospice
 - Emergency or transfer inpatient hospital admissions
 - Family planning

Current Cost Sharing: Co-Payments (Cont.)

- The healthcare provider is responsible for collecting co-payments and provider reimbursement rates are set assuming that co-payments are collected.
- A Medicaid providers cannot deny services to MO HealthNet participants who do not pay co-payments; thus, providers view co-pays as the equivalent to reimbursement rate reductions.
- Current co-pays are capped at \$3 for most services and \$2 for pharmacy services according to the following schedule:

Medicaid Payment for Each Item of Service	Recipient Co-Payment Amount
\$10 or less	\$0.50
\$10.01-\$25	\$1.00
\$25.01- \$50	\$2.00
\$50.01 or more	\$3.00

- Co-payments for inpatient hospital services are charged at the rate of \$10 per hospitalization.

Current Cost Sharing: Premiums

- Certain MO HealthNet Ticket to Work participants and Children covered under the Children's Health Insurance Program (CHIP) pay a premium to participate in MO HealthNet.
- Ticket to Work
 - Participants with incomes above 100% FPL pay a premium to be eligible for health care services under the Ticket to Work program.
 - 78% (or 1,040) of participants in the Ticket to Work program are required to pay the premium.
 - Mental health services and home and community based services account for nearly 50% of the health care costs of this group.
- CHIP
 - Children covered under CHIP with family incomes between 150% FPL and 300% FPL pay a premium to participate in the program.
 - For a family of three, the premium ranges from \$23 to \$183, depending on the income of the family.
 - 39% (or 28,000) of children participating in the CHIP program are required to pay a premium.
 - Over half of the children in families required to pay premiums have incomes between 150% FPL and 185% FPL (16,000 of the 28,000).

New Medicaid Cost Sharing Provisions

- In early July 2013, CMS issued a final rule meant to simplify what cost sharing limits states may impose under the Medicaid program.
 - The healthcare provider is still required to collect the co-payment.
 - Cost sharing is still subject to an aggregate limit of 5% of a family's income.
- New cost sharing allowances

Service	Family Income to 100% FPL	Family Income from 100% FPL to 150% FPL	Family Income > 150% FPL
Outpatient Services	\$4 (starting in 2015), to be increased by the medical care component of the CPI	10% of cost the agency pays	20% of cost the agency pays
Inpatient stays	\$75	10% of total cost the agency pays for the entire stay	20% of total cost the agency pays for entire stay

Service	Family Income to 150% FPL	Family Income > 150%
Preferred Drugs	\$4	\$4
Non-Preferred Drugs	\$8	20% of the cost the agency pays
Non-emergency use of an emergency department	\$8	No limit