

# ***Pennsylvania's Medicaid Program***

## ***Medicaid Overview***

- Medicaid is a jointly funded state-federal partnership.
- Medicare is a federally-funded program.
- Medicaid provides health benefits for 1.9 million Pennsylvanians, including children, pregnant women, the elderly, families, persons with disabilities and chronically ill adults.
- The elderly and disabled comprise 33% of Medicaid recipients in Pennsylvania and account for approximately 70% of the state's Medicaid expenditures.
- In Pennsylvania, Medicaid covers needed services for low-income Medicare beneficiaries that are not covered by Medicare, including cost sharing amounts.
- Medicaid physical health benefits in Pennsylvania are administered through 4 programs:
  - *HealthChoices* mandatory managed care (1.1 million enrollees)
  - Voluntary managed care (72,000 eligibles)
  - Access Plus (291,000 eligibles)
  - Fee-for-Service (400,000 eligibles, mostly elderly and long-term care)

## ***Managed Care Overview***

- The PA Department of Public Welfare has contracted with seven Physical Health managed care organizations (MCOs) to administer the *HealthChoices* program. These organizations are: **AmeriChoice, AmeriHealth Mercy Health Plan, Gateway Health Plan, Health Partners, Keystone Mercy Health Plan, Unison Health Plan, and UPMC Health Plan.**
- The Commonwealth pays each of the physical health MCOs in a predictable manner known as **full-risk capitation**. Each MCO is paid for each member enrolled in its program on a monthly basis. The MCOs bear the full financial risk for every one of their plan members. They do not receive supplemental appropriations.
- The ***HealthChoices*** Physical Health MCOs invest enormous energy and resources into 1) development of appropriate, outcomes-based coordination and delivery of patient-centered health care services, 2) enhancement of their integrated medical delivery models, and 3) improved access to high quality medical providers.
- ***HealthChoices*** is nationally recognized for its performance and value. U.S. News and World Report (in association with the National Committee for Quality Assurance) ranks all of PA's Medicaid Physical Health MCOs in the top 25% of the nation's Medicaid MCOs in terms of access to care, overall member satisfaction, prevention, and treatment.
- There is also a behavioral health component to ***HealthChoices***, which is managed by a combination of County-based programs and behavioral health MCOs.