

# MACPAC Report to Congress Looks at Integrated Care, Maternal Health, and Third-Party Liability

Commission says addressing these issues is “of heightened importance at this time”

The Medicaid and CHIP Payment and Access Commission (MACPAC) today released its [June 2020 Report to Congress on Medicaid and CHIP](#), which this year addresses how to improve integration of care for dually eligible beneficiaries who have both Medicaid and Medicare coverage; increasing enrollment in the Medicare Savings Programs (MSPs) that use Medicaid funds to cover certain Medicare costs for low-income beneficiaries; Medicaid’s role in maternal health; and ensuring that Medicaid remains the payer of last resort when beneficiaries have other sources of coverage. The report includes five recommendations for congressional and administrative action.

In the Commission’s letter transmitting the report to Congress, MACPAC Chair Melanie Bella said that much of the report reflects work completed in advance of the COVID-19 pandemic while noting that “...concerns about how best to serve the high-cost high need population enrolled in both Medicare and Medicaid, as well as low-income pregnant women, among others, may even be of heightened importance at this time.”

“As states respond to both economic and health system stresses caused by the pandemic as well as persistent and systemic inequities in access and health outcomes, they will need to keep sight of specific concerns affecting particular beneficiaries,” said Bella. She further noted that the Commission’s work in the months ahead will focus both on Medicaid’s programmatic response to the COVID-19 pandemic, which is having a disproportionate impact on low-income communities of color, as well as policy issues in the design of automatic triggers to increase federal funding when Medicaid enrollment grows and state revenues drop.

[Chapters 1 and 2](#) of the June report address how to improve integration of acute care, long-term services and supports, behavioral health, and social needs of individuals who rely on both Medicaid and Medicare for their health care coverage. Higher rates of morbidity and mortality from COVID-19 among individuals who are older or have underlying health conditions—many of whom may be dually eligible—suggest an even greater need for care coordination during the pandemic. Beneficiaries enrolled in integrated care models generally have lower rates of hospitalization and readmissions than those who are not enrolled, but despite many state and federal efforts, only about 10 percent of dually eligible beneficiaries are now enrolled in integrated care. [Chapter 2](#) contains two recommendations aimed at increasing the availability of integrated products and the opportunity to enroll in them.

The Commission continues to focus on dually eligible beneficiaries in [Chapter 3](#), with recommendations to align MSP eligibility rules with those of the Medicare Part D Low Income Subsidy (LIS) program, which serves a similar population. Medicaid pays for Medicare premiums and copayments for beneficiaries enrolled in an MSP, but low enrollment in the MSPs has been an ongoing concern since lack of financial assistance can limit access to care. The Commission expects bringing state-set MSP eligibility rules in line with the single set of federal rules in LIS will not only increase MSP enrollment, but will also make administration easier for states.

In [Chapter 4](#), the Commission turns to another ongoing challenge in Medicaid: protecting the safety-net program's statutory role as the payer of last resort. This is important because ensuring payment from the appropriate party helps preserve Medicaid funds to cover services for beneficiaries and limits cost shifting to states and the federal government, a concern that will be even more pressing in light of declining state revenues. Chapter 4 looks specifically at third-party liability coordination with TRICARE, the health insurer for U.S. Armed Forces military personnel, military retirees, and their dependents, almost 900,000 of whom also have Medicaid coverage. Chapter 4 contains two recommendations to keep Medicaid from bearing costs that are the responsibility of the Department of Defense.

The final section of the June report examines Medicaid's pivotal role in maternal health. [Chapter 5](#) looks at increasing rates of mortality and morbidity among pregnant women and new mothers, and [Chapter 6](#) at the effect of substance use disorder (SUD) on pregnant women covered by Medicaid and their newborns. Although poor maternal outcomes are not limited to women with Medicaid, the program covers 43 percent of births and thus plays an important role in addressing in maternal morbidity and mortality. State Medicaid programs also can use multiple authorities to tailor benefits for pregnant women with SUD and infants with neonatal abstinence syndrome. However, few states are using all of the available authorities to do so.

Download the [June 2020 Report to Congress on Medicaid and CHIP](#) and each of its chapters—[Integrating Care for Dually Eligible Beneficiaries: Background and Context](#); [Integrating Care for Dually Eligible Beneficiaries: Policy Issues and Options](#); [Improving Participation in the Medicare Savings Programs](#); [Medicaid and TRICARE Third-Party Liability Coordination](#); [Medicaid's Role in Maternal Health](#); and [Substance Use Disorder and Maternal and Infant Health](#)—at [macpac.gov](http://macpac.gov).

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## ABOUT MACPAC

The Medicaid and CHIP Payment and Access Commission is a non-partisan legislative branch agency that provides policy and data analysis and makes recommendations to Congress, the Secretary of the U.S. Department of Health and Human Services, and the states on a wide array of issues affecting Medicaid and the State Children's Health Insurance Program (CHIP). For more information, please visit: [www.macpac.gov](http://www.macpac.gov).



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