

MACPAC Releases June 2023 Report to Congress

Congressional advisory panel proposes payment policy recommendations for safety-net hospitals

The Medicaid and CHIP Payment and Access Commission (MACPAC) released its June 2023 *Report to Congress on Medicaid and CHIP* today, with recommendations on modifying payment policy for safety net hospitals. In addition, the report contains insights on integrating care for people who are dually eligible for Medicaid and Medicare, improving access to Medicaid coverage for adults leaving incarceration, and identifying barriers to Medicaid home- and community-based services (HCBS).

"This report provides valuable guidance to policymakers on addressing federal payments to safety-net hospitals, helping people who are dually eligible for Medicaid and Medicare receive integrated care, as well as improving access to Medicaid," said MACPAC Chair Melanie Bella. "We believe these recommendations and insights have the potential to make a difference in the lives of Medicaid beneficiaries in every state."

Chapter 1 focuses on safety-net hospitals. The Commission recommends automatic adjustments to disproportionate share hospital (DSH) payments, which are jointly financed between the federal and state governments and are statutorily required to offset hospitals' uncompensated care costs and support the financial stability of the nation's safety-net hospitals. The Commission recommends four actions that would improve the relationship between total DSH funding and the need for DSH payments to provide states with greater certainty regarding available DSH funds.

Chapter 2 looks at integrating care for the 12.2 million people who are dually eligible for Medicaid and Medicare. Dually eligible beneficiaries experience fragmented care and poor health outcomes due to a lack of coordination of services. For dually eligible beneficiaries, integrating coverage could improve their care experience, and reduce federal and state spending. This chapter provides information for states developing integrated care strategies and details the delivery system mechanisms available for integrating care.

Chapter 3 examines the challenges faced by adults leaving incarceration and their ability to access Medicaid coverage and health care services. While Medicaid's role is limited during incarceration, it is an important source of coverage for individuals released into the community. Congress and states have shown interest in improving health care transitions for this population as they leave incarceration. This chapter summarizes demographic characteristics, health-related social needs, and health status of justice-involved adults and describes state efforts and challenges to providing timely Medicaid coverage and access to care for adults leaving state prisons and local jails.



The final chapter is focused on Medicaid HCBS, which enable people who need long-term services and supports to live in their home or a home-like setting in the community. While HCBS is not a mandatory benefit, all Medicaid programs currently provide some HCBS benefits. This chapter provides an overview of Medicaid coverage of HCBS, including eligibility, benefits, and spending, as well as the range of federal HCBS authorities. It also examines the barriers for beneficiaries and state challenges in administering these programs.

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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.

