

Healthcare Dive

MACPAC calls for greater transparency amid steep rise in Medicaid directed payments

Rebecca Pifer | November 5, 2024

A widespread Medicaid funding mechanism could help increase healthcare access for some of America's most vulnerable patients, but needs additional transparency, according to key congressional advisors.

Spending through the arrangements, called state directed payments, is projected to skyrocket, exacerbating concerns that states could be using creative financing schemes to inflate Medicaid funding from the federal government.

Higher state directed payments could also create a windfall for the hospital industry. Caring for Medicaid patients has historically been a low-margin or altogether unprofitable business, but hospitals are already reporting millions of dollars in extra quarterly revenue from the supplemental funding — and those sums are only expected to grow, according to analysts.

Meanwhile, the CMS, government watchdogs and public policy researchers are operating mostly in the dark. States are supposed to evaluate directed payments' success, but those reviews are often incomplete and not publicly available. That's also the case for data on how directed payments are funded and where dollars are being spent.

"We're assuming nobody is doing anything untoward here, but if it's transparent we can see what everyone's doing and why," said MACPAC Commissioner Heidi Allen during the congressional advisory group's meeting on Thursday.

An exploding Medicaid payment mechanism

Historically, states have been forbidden from making supplemental payments for services covered in managed care contracts, wherein states contract with private insurers to administer the care of Medicaid beneficiaries.

But in 2016, the CMS made an exception for directed payments. The arrangements — which must be approved by federal regulators — include establishing a base rate plans must pay for services; a uniform rate increase requiring plans pay a set dollar or percent increase in payment, in addition to negotiated payment rates; and requiring plans to enact value-based models like shared savings arrangements.

Directed payments have seen "substantial growth" in the last eight years, Asher Wang, a policy analyst with MACPAC, said during the meeting last week.

Of the roughly [500 state directed payment arrangements](#) currently in place, the CMS approved more than 300 between February 2023 and August 2024, according to new MACPAC research.

Those new arrangements are estimated to increase spending by \$110.2 billion each year. That's roughly four times larger than the \$24.7 billion in projected spending from arrangements approved by the end of 2020, the analysis found.

Directed payments are popular with states because they increase payment to providers, hopefully incentivizing more hospitals and doctors to participate in Medicaid.



Medicaid rates are generally much lower than those paid by Medicare or commercial plans, and providers [can face unique billing hurdles](#) in the program. As a result, many providers don't accept the insurance — roughly [one-third of all physicians](#) refuse to accept new Medicaid patients — leaving Medicaid patients struggling to find a doctor.

State directed payments can help make up the gap, MACPAC commissioners said Thursday. More generous Medicaid payment rates are associated with [higher rates of doctors](#) accepting new Medicaid patients, research has shown.

Increasing Medicaid access can have a major impact, given roughly 80 million Americans are covered by the safety-net insurance.

“The directed payments, at least in the states that we operate in, are used to increase access to care. And they're used as a way to ensure that we've got providers who want to participate in the program because they end up increasing the rates,” said Commissioner **Carolyn Ingram**. **Ingram** is plan president of insurer Molina Healthcare, which brings in the lion's share of its revenue from contracts with Medicaid states.

Albuquerque Journal

OPINION: Managed care organizations unite to expand access to care for New Mexicans

By Brandon Fryar, Carolyn Ingram, Andrew Peterson, Janice Torrez | July 29, 2024

In our state, managed care organizations (MCOs) safeguard access to critical and comprehensive health care services for nearly one in two New Mexicans. Under the Medicaid Turquoise Care program, it is our responsibility and privilege to ensure that New Mexicans access high-quality care and achieve positive health outcomes.

The majority of state Medicaid programs use a managed care model for its proven ability to improve health outcomes and focus on the unique needs of individuals and communities. The managed care model offers members care coordination, a robust provider network, and expanded access to care in historically underserved areas through innovative partnerships and programs.

We take our responsibility as MCOs seriously and work to improve access to both physical and behavioral care while addressing social determinants of health such as housing and food insecurity. MCOs use data to identify risks, conduct member outreach, create integrated care plans and provide digital tools to help members manage their care.

We continually grow our provider network year over year, including our behavioral health network. We help behavioral health providers with billing and claims processes, training and education opportunities, and sharing data about improving the health of their patients.

MCOs are making significant strides to expand access along with our community providers and partners, including:

- Partnering with providers to expand inpatient and outpatient behavioral health services, funding new school-based health centers, supporting projects like New Mexico Access to Behavioral Health for Children, and bringing national providers to our state to close gaps in care. This includes the development of outpatient programs and residential treatment centers with the goal of reducing out-of-state placement of residents. We are also working with behavioral health providers to expand telehealth capabilities which improves access for people living in rural communities.



- Supporting innovative care models. MCOs are supporting Certified Community Behavioral Health Clinics (CCBHCs) throughout the state, which provide integrated, evidence-based substance use disorder and mental health services, including 24/7 crisis response and medication-assisted treatment.
- Investing in the recruitment and retention of health care workers. MCOs collaborate with providers, academic institutions, and community-based organizations. This includes increasing the number of community health workers and partnering with the New Mexico Primary Care Association to support Federally Qualified Health Centers' staffing.
- Improving maternal health outcomes. MCOs collaborate with organizations like the New Mexico Perinatal Collaborative, New Mexico Doula Association and Navajo Breastfeeding Coalition to support more equitable access to maternal care.
- Addressing the social determinants of health. Working with community organizations like Meals on Wheels and ABQ Faithworks, MCOs are investing in programs that connect members to local food and housing resources.
- Reimbursing providers based on the care provided and the needs of the community. Managed care can pay providers based on members' health outcomes and through rates that reflect their unique needs. For certain provider types, especially in rural communities, MCOs have the flexibility to enhance pay for specific services.

For children in state custody (CISC), Presbyterian Health Plan, the MCO for the CISC program, is growing the infrastructure to support this vulnerable population in accessing trauma-informed, evidence-based care.

Addressing the challenge of expanding access to care is one that requires high accountability. The New Mexico Health Care Authority leads the nation in Medicaid fiscal oversight and contract performance requirements – especially in network development, monitoring quality and access to care. MCO performance is audited through multiple third-party reviews.

While we have more work to do, through shared vision, increased innovation and strong accountability, we will continue to increase access to care for every New Mexican we serve.

Brandon Fryar is president of Presbyterian Health Plan. Carolyn Ingram is president of Molina Healthcare New Mexico. Andrew Peterson is CEO of UnitedHealthcare Community Plan of New Mexico. Janice Torrez is president of Blue Cross and Blue Shield of New Mexico.

Mondaq

New MACPAC Commissioners Named

May 15, 2023

The comptroller general of the Government Accountability Office (GAO) recently named new commissioners to the Medicaid and CHIP Payment and Access Commission (MACPAC). The new members are:

- Timothy Hill, MPA, vice president for client engagement at the American Institutes for Research (AIR)
- Carolyn Ingram, MBA, executive vice president of Molina Healthcare, Inc.



Medicaid and CHIP Payment
and Access Commission
www.macpac.gov

- Patti Killingsworth, senior vice president of long-term services and supports (LTSS) strategy at CareBridge
- John B. McCarthy, MPA, founding partner at Speire Healthcare Strategies
- Adrienne McFadden, MD, JD, chief medical officer of Medicaid at Elevance Health
- Jami Snyder, MA, president and chief executive officer of JSN Strategies LLC

Lexology

New MACPAC Commissioners Named

May 8, 2023

The comptroller general of the Government Accountability Office (GAO) recently named new commissioners to the Medicaid and CHIP Payment and Access Commission (MACPAC).

The new members are:

- Timothy Hill, MPA, vice president for client engagement at the American Institutes for Research (AIR)
- **Carolyn Ingram**, MBA, executive vice president of Molina Healthcare, Inc.
- Patti Killingsworth, senior vice president of long-term services and supports (LTSS) strategy at CareBridge • John B. McCarthy, MPA, founding partner at Speire Healthcare Strategies
- Adrienne McFadden, MD, JD, chief medical officer of Medicaid at Elevance Health
- Jami Snyder, MA, president and chief executive officer of JSN Strategies LLC

Becker's Payer Issues

Elevance Health, Molina execs appointed to MACPAC

Rylee Wilson | May 1, 2023

Executives from Elevance Health and Molina Healthcare are among the six new members [appointed](#) to the Medicaid and CHIP Payment and Access Commission.

According to a May 1 news release from the Government Accountability Office, Adrienne McFadden, MD, chief medical officer of Medicaid at Elevance Health, and **Carolyn Ingram**, executive vice president at Molina Healthcare and plan president of Molina Healthcare of New Mexico, will serve on the advisory board.

The nonpartisan committee advises Congress on issues related to Medicaid and CHIP.

See the full list of newly-appointed members [here](#).



American Hospital Association

GAO names new MACPAC members, vice-chair

May 1, 2023

The Government Accountability Office May 1 [named](#) six new members to the Medicaid and CHIP Payment and Access Commission, which advises Congress on issues affecting Medicaid and the Children's Health Insurance Program.

The new members are Timothy Hill, vice president for client engagement at the American Institutes for Research; [Carolyn Ingram](#), executive vice president of Molina Healthcare; Patti Killingsworth, senior vice president of long term services and supports strategy at CareBridge; John McCarthy, founding partner at Speire Healthcare Strategies; Adrienne McFadden, M.D., chief medical officer of Medicaid at Elevance Health; and Jami Snyder, president and CEO of JSN Strategies.

Commission member Bob Duncan, executive vice president and chief operating officer of Connecticut Children's, will serve as vice-chair.

U.S. Government Accountability Office

GAO Makes MACPAC Appointments, Designates Vice Chair

May 1, 2023

WASHINGTON, D.C. (May 1, 2023)—Gene L. Dodaro, Comptroller General of the United States and head of the U.S. Government Accountability Office (GAO), today announced the appointment of six new members to the Medicaid and CHIP Payment and Access Commission (MACPAC). He also named the Commission's Vice Chair.

"I'm pleased to announce the newest members of this important health care commission," Dodaro said. "These outstanding individuals are exceptionally well-qualified to serve and provide Congress with expert advice on both Medicaid and the Children's Health Insurance Program (CHIP)."

The newly appointed members are Timothy Hill, Carolyn Ingram, Patti Killingsworth, Adrienne McFadden, and Jami Snyder. Their terms will expire in April 2026. In addition, John B. McCarthy was newly appointed to serve out the remaining term of Laura Herrera Scott, which will expire in April 2024. Current member Robert Duncan has been named the Commission's Vice Chair.

The Children's Health Insurance Program (CHIP) Reauthorization Act of 2009 established MACPAC to review Medicaid and CHIP access and payment policies and to advise Congress on issues affecting Medicaid and CHIP. The Act directs the Comptroller General to appoint MACPAC's members. Brief biographies of the new commission members and the Commission Vice Chair follow.

New Commission Members:

Timothy Hill, MPA, is Vice President for Client Engagement at the American Institutes for Research (AIR), where he provides leadership and strategic direction across a variety of health-related projects. Prior to joining AIR, Mr. Hill held several executive positions within the Centers for Medicare & Medicaid Services (CMS), including as a Deputy Director of the Center for Medicaid and CHIP Services, the Center for Consumer Information and



Insurance Oversight, and Center for Medicare. Mr. Hill earned his bachelor's degree from Northeastern University and his master's degree from the University of Connecticut.

Carolyn Ingram, MBA, is an Executive Vice President of Molina Healthcare, Inc., which provides managed health care services under the Medicaid and Medicare programs, as well as through state insurance marketplaces. Ms. Ingram is also the Plan President for Molina Healthcare of New Mexico and the Executive Director of the Molina Healthcare Charitable Foundation. Previously, Ms. Ingram served as the Director of the New Mexico Medicaid program, where she launched the state's first managed long-term services and supports program. She also held prior leadership roles, including Vice Chair of the National Association of Medicaid Directors and Chair of the New Mexico Medical Insurance Pool. Ms. Ingram earned her bachelor's degree from the University of Puget Sound and her master of business administration from New Mexico State University.

Patti Killingsworth is the Senior Vice President of Long Term Services and Supports (LTSS) Strategy at CareBridge, a value-based healthcare company dedicated to supporting Medicaid and dual eligible beneficiaries receiving home and community-based services. Ms. Killingsworth is a former Medicaid beneficiary and lifelong family caregiver with 25 years of Medicaid public service experience, most recently as the longstanding Assistant Commissioner and Chief of LTSS for TennCare, the Medicaid agency in Tennessee. Ms. Killingsworth received her bachelor's degree from Missouri State University.

John B. McCarthy, MPA, is a Founding Partner at Speire Healthcare Strategies, which helps public and private sector entities navigate the healthcare landscape through the development of state and federal health policy. Previously, he served as the Medicaid Director for both the District of Columbia and Ohio, where he implemented a series of innovative policy initiatives that modernized both programs. He has also played a significant role nationally, serving as Vice President of the National Association of Medicaid Directors. Mr. McCarthy holds a master's degree in public affairs from Indiana University's Paul H. O'Neill School of Public and Environmental Affairs.

Adrienne McFadden, MD, JD, is the Chief Medical Officer of Medicaid at Elevance Health, where she serves as the strategic clinical thought leader for the Medicaid line of business. Previously, Dr. McFadden was the Chief Medical Officer at Buoy Health, a virtual health service created to support patient decision making. After beginning her career in emergency medicine, Dr. McFadden has held multiple executive and senior leadership roles including Vice President for Medicaid Clinical at Humana, Inc.; Director of the Office of Health Equity at the Virginia Department of Health; and inaugural Medical Director of the South University Richmond Physician Assistant Program. Dr. McFadden received her medical and law degrees from Duke University.

Jami Snyder, MA, is the President and Chief Executive Officer of JSN Strategies LLC, where she provides health care-related consulting services to a range of public and private sector clients. Previously, she was the Arizona cabinet member charged with overseeing the state's Medicaid program. During her tenure, Ms. Snyder spearheaded efforts to stabilize the state's health care delivery system during the public health emergency and advance the agency's Whole Person Care Initiative. Ms. Snyder also served as the Medicaid director in Texas and as the President of the National Association of Medicaid Directors. Ms. Snyder holds a master's degree in political science from Arizona State University.

Commission Vice-Chair:

Robert Duncan, MBA, is Executive Vice President and Chief Operating Officer of Connecticut Children's. Previously, he served as Executive Vice President of Children's Wisconsin and the President of Children's Service Society, a large social service agency that provides foster care and adoption, mental health, and parental support services to children and families across the state. Earlier, he served as both the Director of the



Tennessee Governor's Office of Children's Care Coordination and the Director of CoverKids, Tennessee's CHIP program. Mr. Duncan received his master of business administration from the University of Tennessee at Martin.

