

# Keynote Speaker

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**HEALTH REFORM & RECENT MEDICAID  
CHANGES: A NEW ENVIRONMENT FOR  
THE INTERSECTION OF  
HEALTH AND HOUSING**

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# PREVALENCE & BURDEN OF CHILDHOOD ASTHMA

**Most common chronic condition among children in the United States:**

- **7.1 MILLION** children have asthma, just under 15% of all children in US
- Poor and minority children suffer greater burden

**Many children do not have well-controlled asthma:**

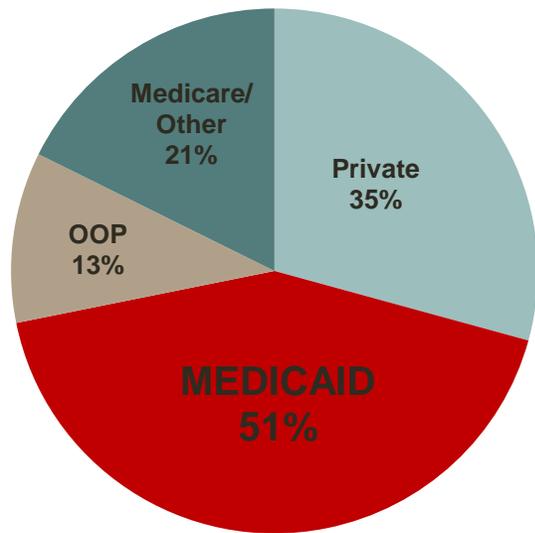
- Each year, **60%** of children with diagnosed asthma suffer an asthma exacerbation, 800,000 visit the ED, and 200,000 are hospitalized
- **3<sup>rd</sup> leading cause of hospitalization** for children under age of 15

**Economic burden is substantial:**

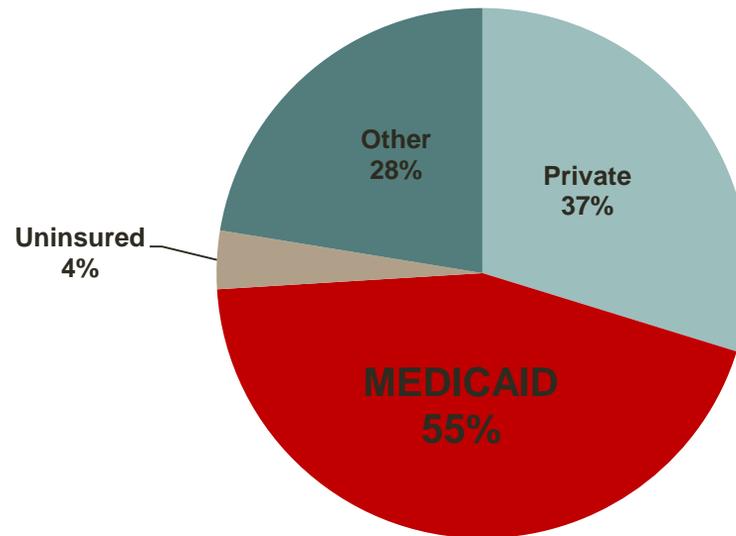
- Costs the US **\$56 BILLION** annually in both direct and indirect costs
- The 20% of pediatric asthma patients with poorly-controlled high-risk asthma account for 80% of all expenditures

# MEDICAID CARRIES HEAVY LOAD IN PAYING FOR PEDIATRIC ASTHMA-RELATED MEDICAL EXPENSES

Asthma Medical Expenditures, 2008



Asthma Hospital Discharges, 2009



In 2010, Medicaid covered nearly 629,000 ED visits related to asthma at a cost of **\$272 M**

Medicaid covered the majority of pediatric asthma hospitalizations in 2010, costing **\$36.9 M**

# HOME-BASED APPROACHES ARE FUNDAMENTAL TO SUCCESSFUL ASTHMA CONTROL

Home-based, multi-trigger, multi-component asthma interventions: *trained personnel make one or more home visits that **focus on reducing exposures to a range of asthma triggers in the home** (allergens and irritants) through environmental assessment, education, and/or remediation*  
[Community Guide definition]

## These interventions can:

- ✓ improve asthma management,
- ✓ reduce urgent care utilization and hospitalizations,
- ✓ decrease allergens in the home,
- ✓ reduce missed school days, and
- ✓ lessen caregiver stress

## Health care system usually does not have the capacity to take on these interventions

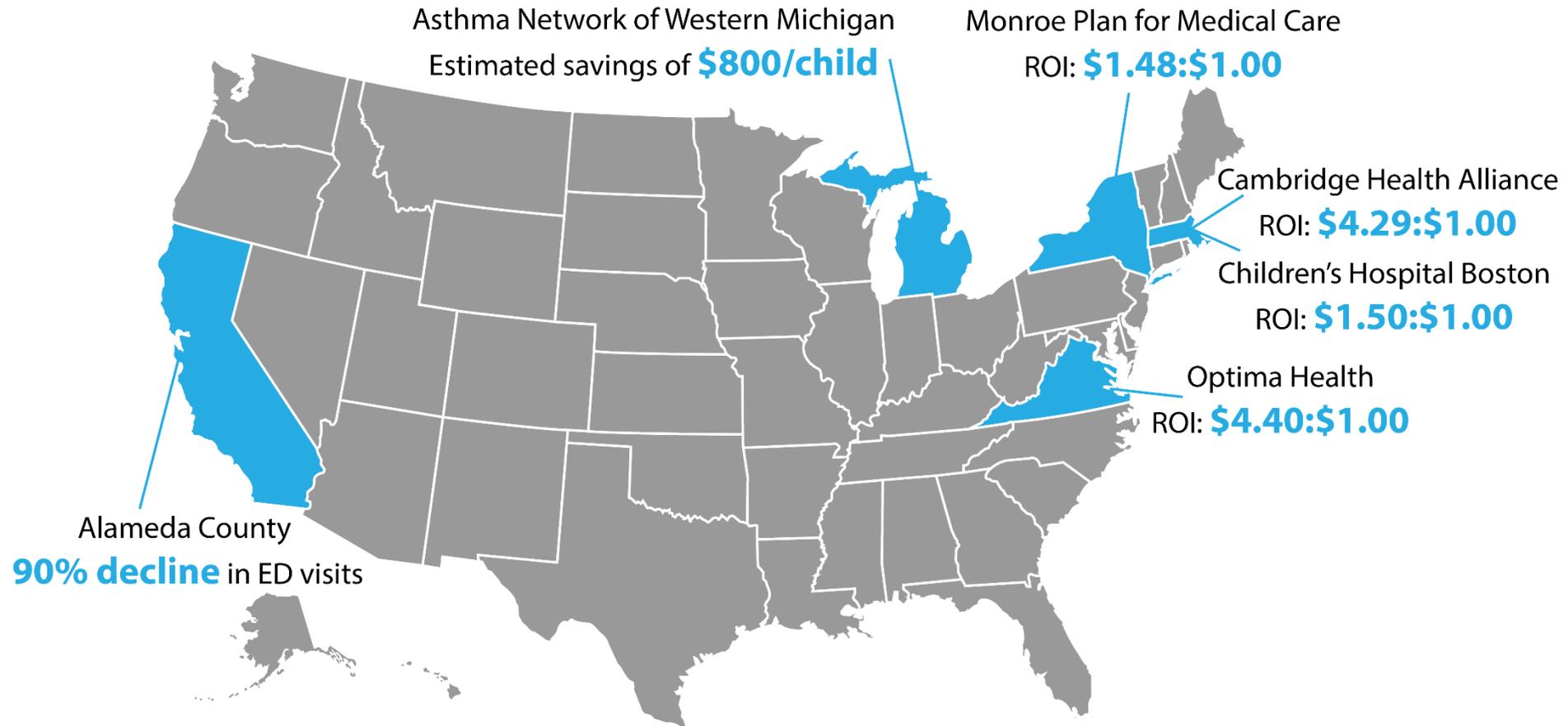
- Many patients do not receive adequate information to control their disease: in 2008, **less than half** of patients with asthma reported being taught how to avoid asthma triggers in their homes

# HOME-BASED ASTHMA INTERVENTIONS: SIGNIFICANT RETURN ON INVESTMENT



**Potential for significant return on investment makes a strong case for public/private insurers to cover home-based asthma interventions**

# HOME-BASED ASTHMA INTERVENTIONS: SIGNIFICANT RETURN ON INVESTMENT



# PATCHWORK OF FUNDING FOR HOME-BASED ASTHMA SERVICES

- Despite substantial evidence that in-home interventions improve patient's wellbeing and reduce costs, an adequate and sustainable funding stream for them remains a challenge
- **Medicaid programs do not generally offer coverage for asthma services provided in non-clinical settings**

Programs pay for these services through:

- State- or private foundation-sponsored grants
- Hospital community benefit dollars
- Public health department funds
- HUD funding
- Medicaid Administrative expenses or Targeted Case Management (TCM) dollars
- Social impact financing

# ACA DELIVERY SYSTEM REFORMS: OPPORTUNITIES FOR INCLUSION OF HOUSING INTERVENTIONS

## (1) MEDICAID HEALTH HOMES

- New state Medicaid option to allow individuals with two or more chronic conditions to seek care through a health home
- States have significant flexibility in determining range of eligible health home providers and treatment settings: **opportunity for healthy homes programs and healthy homes specialists to be designated as part of the “health team”**
- As additional Medicaid health homes develop, states may see this ACA initiative as a desirable way to integrate healthy housing services into new healthcare delivery models

**HEALTH HOME:** *a team of providers responsible for providing or arranging for all patient care, including care management, coordination and health promotion, patient and family support, and referral to community and social support services*

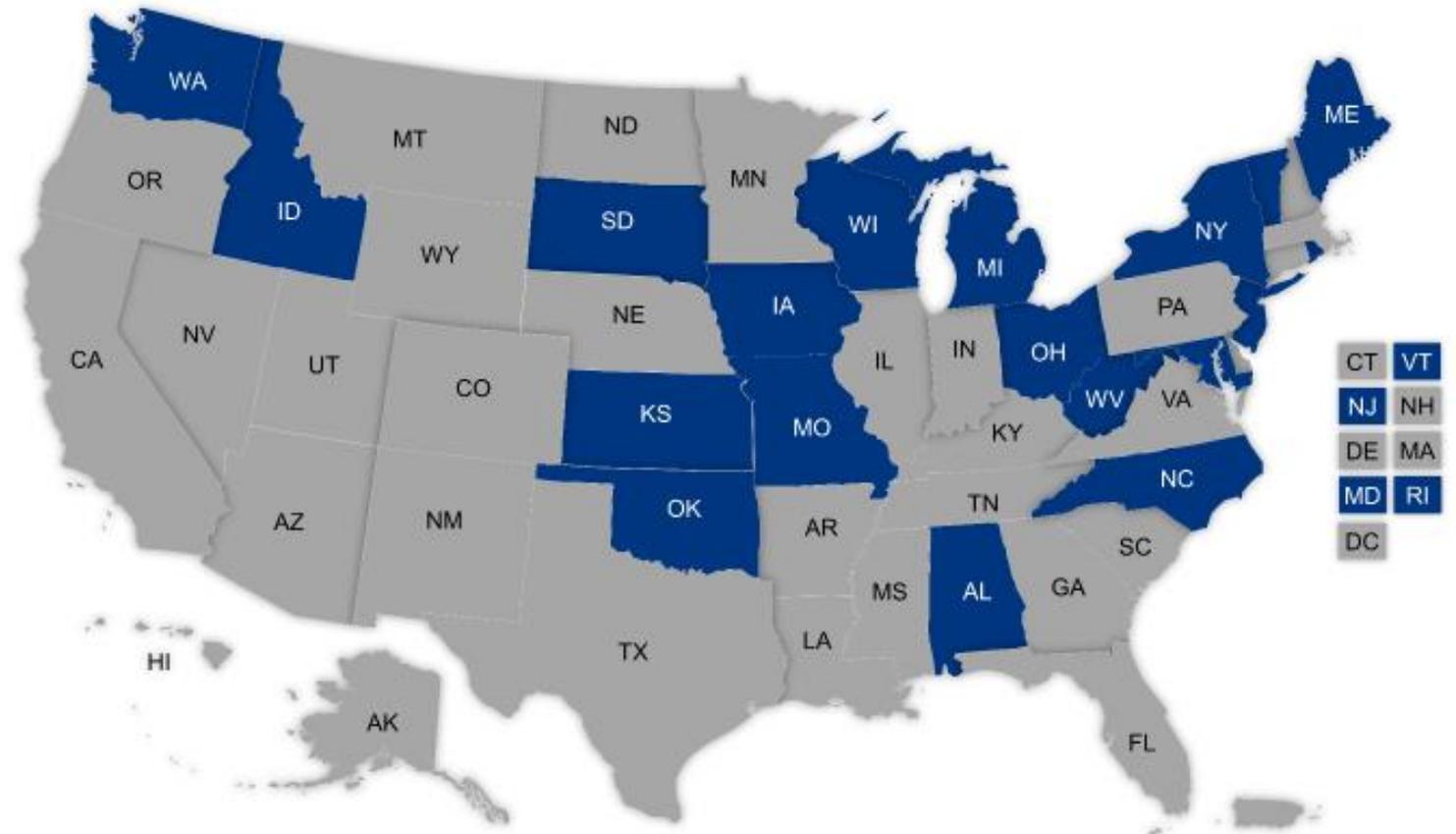
# STATE HEALTH HOME STATUS

Six states have health homes focused on asthma:

- Alabama
- Idaho
- Maine
- Missouri
- Rhode Island
- Washington



Approved Medicaid Health Home State Plan Amendments *(effective May 2015)*



As of May 2015, 19 states have a total of 26 approved Medicaid health home models.

# ACA DELIVERY SYSTEM REFORMS: OPPORTUNITIES FOR INCLUSION OF HOUSING INTERVENTIONS

## (2) PEDIATRIC ACCOUNTABLE CARE ORGANIZATIONS

- Network of doctors and hospitals that share responsibility for providing coordinated care to patients
- ACO models are tested by the Center for Medicare and Medicaid Innovation (CMMI); ACOs also forming in private market
- ACOs may encourage innovative organizations to experiment with delivering care in various community settings, **including housing settings**

# ACA DELIVERY SYSTEM REFORMS: OPPORTUNITIES FOR INCLUSION OF HOUSING INTERVENTIONS

## (3) STATE INNOVATION MODELS (SIM)

- Financial and technical support to states for the development and testing of state-led, multi-payer health care payment and service delivery models
  - Round One: \$300 million was awarded to 25 states to design or test innovative health care payment and service delivery models
  - Round Two: over \$660 million to 32 awardees
- **DE:** receiving up to \$35M to implement and test a State Health Care Innovation Plan to support community-based population health programs
- **PA & NJ:** each state received \$3 M to design a State Health Care Innovation Plan

# RECENT MEDICAID RULE CHANGES: OPPORTUNITY FOR IN-HOME ASTHMA INTERVENTIONS

PREVIOUS MEDICAID REGULATION:	REGULATION EFFECTIVE JANUARY 1, 2014:
Preventive services are reimbursable by Medicaid when “ <u>provided by</u> a physician or other licensed practitioner...”	Preventive services are reimbursable by Medicaid when “ <u>recommended by</u> a physician or other licensed practitioner...”

- Impacts “traditional” Medicaid, not Expansion
- Beginning January 1, 2014, Medicaid (either directly or through its managed care contractors) can cover and pay for preventive services when carried out by asthma educators, healthy homes specialists, or other community health workers
- Previous regulations limited scope of practitioners that can provide preventive services -- as a result, most state Medicaid programs limit coverage of preventive services to those furnished by licensed providers in a clinical setting.



## CHALLENGES:

(1) Medicaid programs can only cover what is considered “Medical Assistance”

(2) Community Guide recommendations are not required preventive services -- home-based, multi-trigger, multi-component asthma interventions not included in set of ACA mandatory preventive services

# A NEW ENVIRONMENT FOR THE INTERSECTION OF HEALTH AND HOUSING

- Delivery system reforms pushed forward by ACA and recent rule changes under Medicaid place new emphasis on the importance of social determinants of health in improving healthcare outcomes and reducing costs
- Unprecedented opportunity to integrate community-based interventions – including in-home asthma services – into patient care and to shape the future of healthcare delivery for low-income and medically-underserved populations
- If implemented well, interventions traditionally funded through a patchwork of public health, housing, and philanthropic dollars may find sustainable funding through Medicaid
- As these programs and changes are implemented, housing and health sectors have incentive to collaborate and partner as never before

# QUESTIONS

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