June 6, 1995

NOTE TO JENNIFER KLEIN:

I have attached 2 tables which were prepared from HCFA OACT data. They show that about $21.173 billion was spent on disabled adults using Medicaid funds. Of this amount, $9.198 billion (about 43%) went for long term care. This would leave $11.975 billion (about 57%) for acute care.

These numbers will not exactly match the ones I gave you . The attached tables were generated more recently than the ones I gave you, they classify slightly more of Medicaid expenditures as long term care, but they do not include explicitly include children with disabilities. I do not have comparable tables by state, but I could send you the number of disabled adults in each state.

Please call me if you have any questions.

John Drabek
690-5745

Medicaid Federal Expenditures, FY 1993
Excludes DSH; Includes Territories (Dollars in millions)

	CASH				NONCASH					MEDNEEDY					TOTAL
	ADULT	AGED	CHILDREN	DISADULT	ADULT	AGED	CHILDREN	DISADULT	OTHER	ADULT	AGED	CHILDREN	DISADULT	OTHER	
InpIGen	1,783.7	528.4	2,310.1	3,763.3	1,176.1	332.3	1,638.4	777.5	202.3	427.7	245.6	536.8	762.8	84.4	14,549.4
MentHosp	9.0	147.7	245.1	195.0	8.1	142.2	110.6	33.6	62.1	2.9	214.8	64.9	33.9	17.5	1,287.4
NF	5.3	1,135.4	118.3	859.8	11.5	7,698.7	79.0	858.9	4.7	7.2	3,571.3	42.1	462.6	0.7	14,855.5
ICFMRPub	0.2	61.0	133.0	1,172.0	1.7	91.0	119.2	1,246.4	1.6	1.1	46.4	51.8	563.8	0.4	3,489.6
ICFMRPvt	0.3	23.6	61.5	532.4	1.2	61.7	70.5	725.8	0.8	1.6	22.2	28.2	296.4	0.5	1,826.7
Phys	824.1	143.2	854.5	789.7	545.5	126.0	559.2	161.4	65.3	118.6	37.8	103.7	79.7	14.2	4,422.9
Outpt	669.1	111.3	777.1	821.2	264.2	88.7	351.9	169.3	41.8	89.0	31.3	104.7	87.6	11.1	3,618.3
Drugs	432.3	839.6	522.9	1,466.9	68.0	669.2	226.1	355.6	21.6	43.4	197.0	52.9	149.7	5.1	4,871.3
Rebate	(74.0)	(106.2)	(88.1)	(248.5)	(15.2)	(119.7)	(39.8)	(64.5)	(3.8)	(6.5)	(30.2)	(7.8)	(23.9)	(1.0)	(829.2)
Dental	131.3	12.9	229.3	69.6	50.6	17.0	139.3	18.6	26.1	33.2	12.8	56.5	9.3	2.9	609.4
OthPrac	63.7	18.7	157.7	151.7	24.6	16.8	26.5	24.1	15.1	7.5	13.1	17.9	38.3	2.6	580.3
Clinic	144.3	53.8	277.4	596.4	65.3	26.5	81.9	83.6	36.6	22.6	13.9	32.9	113.1	3.7	1,554.0
LabRad	100.6	12.2	61.2	112.3	54.0	7.6	32.0	16.8	4.3	11.5	2.7	6.9	7.6	0.7	430.4
HomeHlth	8.6	143.5	52.4	299.3	3.0	57.3	21.6	75.9	5.2	2.2	93.1	5.6	35.9	0.4	804.0
Ster	78.5	0.1	10.7	6.0	45.4	0.1	2.9	1.1	1.3	5.2	0.0	1.3	0.3	0.3	153.2
Abort	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
EPSDT	4.2	0.0	180.2	21.3	5.3	0.1	100.0	2.4	7.8	0.6	0.0	25.6	0.4	5.1	353.0
RurHlth	19.7	2.6	29.2	14.8	10.7	1.4	14.9	1.3	1.5	4.7	0.4	5.9	0.6	0.0	107.7
PremPtA	34.7	64.8	82.2	56.1	7.6	25.5	13.0	9.2	36.6	1.6	6.6	3.2	2.2	0.1	343.4
PremPtB	138.5	157.0	280.6	131.1	20.6	48.4	32.5	15.0	115.0	8.7	25.3	18.5	9.3	0.6	1,001.1
MCRCoDed	56.7	21.6	95.5	25.0	10.1	38.0	15.1	11.2	19.2	0.7	8.0	1.2	4.6	0.1	307.0
PremGrp	103.7	67.7	244.6	94.0	19.4	49.3	38.7	26.3	53.4	3.7	11.9	6.3	4.4	1.2	724.6
PremOth	387.2	305.2	584.0	362.0	27.9	164.7	49.9	40.9	96.2	19.0	38.5	44.9	15.2	1.6	2,137.2
HCBW	18.6	214.7	111.7	663.4	7.2	152.6	44.1	251.5	9.7	4.2	53.6	12.4	58.5	1.1	1,603.3
FrailEld	0.2	17.4	0.9	7.5	0.0	8.0	0.2	1.8	0.0	0.0	0.0	0.0	0.0	0.0	36.0
CSLA	0.0	0.5	0.2	1.7	0.0	0.1	0.0	0.1	0.1	0.0	0.1	0.0	0.1	0.0	2.9
PersCare	8.8	372.6	56.0	397.1	1.9	50.8	9.6	45.7	3.6	2.8	279.3	10.8	79.3	0.9	1,319.2
TgtCasMg	70.6	10.0	73.1	62.9	38.3	8.7	37.3	12.5	5.4	7.8	3.4	7.4	6.4	1.1	346.9
Hospice	5.1	5.6	11.2	27.1	1.8	9.0	4.1	5.0	0.5	0.5	1.4	1.0	1.8	0.0	74.1
FQHC	18.2	3.6	30.1	52.3	12.2	2.9	14.4	10.2	1.8	3.2	1.0	6.1	3.5	0.1	159.6
OthCare	191.5	142.0	358.1	737.2	74.2	189.1	104.4	145.3	26.9	11.5	43.6	31.5	64.5	3.4	2,123.4
TOTAL	**5,234.8**	**4,310.5**	**7,860.7**	**13,240.6**	**2,561.2**	**9,966.0**	**3,899.5**	**5,062.5**	**862.7**	**836.2**	**4,845.1**	**1,273.2**	**2,869.9**	**139.8**	**63,062.7**

Data from OAct; Prepared by ASPE
Does not include adjustments, collections, DSH or administration costs.
01-Feb-95

Medicaid Federal Expenditures, FY
Long-Term Care (Dollars in millions)
Community-Based Long-Term Care (CLTC) & Institutional Long-Term Care (ILTC)

		CASH				NONCASH					MEDNEEDY					TOTAL
		ADULT	AGED	CHILDRE	DISADUL	ADULT	AGED	CHILDRE	DISADUL	OTHER	ADULT	AGED	CHILDRE	DISADUL	OTHER	
	InptGen															
CLTC	MentHosp		36.9	10.0	89.7	0.0	35.5	1.3	15.5	0.0		53.7	1.4	15.6		259.6
ILTC	NF	5.3	1,135.4	118.3	859.6	11.5	7,698.7	79.0	858.9	4.7	7.2	3,571.3	42.1	462.6	0.7	14,855.5
ILTC	ICFMRPub	0.2	61.0	133.0	1,172.0	1.7	91.0	119.2	1,246.4	1.6	1.1	46.4	51.8	563.6	0.4	3,489.6
ILTC	ICFMRPvt	0.3	23.6	61.5	532.4	1.2	61.7	70.5	725.8	0.8	1.6	22.2	28.2	296.4	0.5	1,826.7
	Phys															
	Outpt															
	Drugs															
	Rebate															
	Dental															
	OthPrac															
CLTC	Clinic	24.5	9.1	47.2	101.4	11.1	4.8	14.0	14.2	6.2	3.8	2.4	5.6	19.2	0.5	264.1
	LabRad															
CLTC	HomeHlth	8.6	143.5	52.4	299.3	3.0	57.3	21.6	75.9	5.2	2.2	93.1	5.6	35.9	0.4	804.0
	Ster															
	Abort															
	EPSDT															
	RurHlth															
	PremPtA															
	PremPtB															
	MCRCoDe															
	PremGrp															
	PremOth															
CLTC	HCBW	18.6	214.7	111.7	663.4	7.2	152.6	44.1	251.5	9.7	4.2	53.6	12.4	56.5	1.1	1,603.3
CLTC	FrailEld	0.2	17.4	0.9	7.5	0.0	8.0	0.2	1.8	0.0	0.0	0.0	0.0	0.0	0.0	36.0
CLTC	CSLA	0.0	0.5	0.2	1.7	0.0	0.1	0.0	0.1	0.1	0.0	0.1	0.0	0.1	0.0	2.9
CLTC	PersCare	8.8	372.6	56.0	397.1	1.9	50.8	9.6	45.7	3.6	2.8	279.3	10.8	79.3	0.9	1,319.2
CLTC	TgtCasMg		10.0	7.0	62.9	0.0	8.7	1.1	12.5	0.0		3.4	0.7	8.4		114.7
CLTC	Hospice	5.1	5.6	11.2	27.1	1.8	9.0	4.1	5.0	0.5	0.5	1.4	1.0	1.8	0.0	74.1
	FQHC															
CLTC	OthCare	38.3	28.4	71.6	147.4	14.9	37.9	20.9	29.9	5.3	2.3	8.8	6.3	12.9	0.7	424.7
TOTAL		109.8	2,058.7	681.0	4,361.7	54.3	8,216.1	385.6	3,282.3	37.7	25.7	4,136.7	165.9	1,554.5	5.3	25,074.4

Data from OAct; Prepared by ASPE
Does not include adjustments, collections, DSH or administration costs.
01-Feb-95

old 14,410.5 = 57% } 91%
d.sal. 9198.5 = 37%
= 4.9
k.ds

FOR IMMEDIATE RELEASE

CONTACT: Debra Lipson
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Jen - FYI. I have report in my office K

MEDICAID EXPANSIONS IMPROVE COVERAGE FOR LOW-INCOME PREGNANT WOMEN, BUT BIRTH OUTCOMES ARE NO BETTER

Washington, DC -- A report released today shows positive results from policies expanding Medicaid coverage for pregnant women and children. More poor women are enrolling in Medicaid, they are enrolling earlier in their pregnancy, and Medicaid is covering more deliveries. But, the report says, the proportion of poor women receiving comprehensive prenatal care has not increased. And it is not clear yet that the expansions have led to improved birth outcomes, such as fewer infant deaths or low birthweight babies.

The 16 page report, *The Medicaid Expansions for Pregnant Women and Children: Are They Working?*, by Linda Loranger and Debra Lipson of the Alpha Center, synthesizes the findings of several studies funded by The Robert Wood Johnson Foundation's Changes in Health Care Financing and Organization (HCFO) program.

Between 1984 and 1990, Congress enacted a set of laws that extended Medicaid eligibility to poor pregnant women, breaking the historic link between Medicaid coverage and receipt of welfare. Pregnant women whose family incomes are below 133 percent of the federal poverty line must be covered by the program, according to current Medicaid law. States have the option of extending eligibility to women whose income is higher.

"The rationale for the Medicaid expansions was that providing health coverage would help women gain access to early prenatal care, which in turn would lead to better birth outcomes," said Debra Lipson, associate director of the Alpha Center. "Although more poor women enrolled in Medicaid, many still don't get prenatal care in their first trimester and low birthweight rates among their babies have not declined significantly."

To understand the impact of the federal Medicaid expansions, the report summarizes the results of several studies that examined how states implemented the Medicaid expansions, which components of those strategies were more effective in enrolling women in Medicaid early in their pregnancies, and what further steps may be needed to improve birth outcomes.

States implemented the federal Medicaid expansions very differently, according to the report. Researchers believe that because of variations in state policies and lags in implementing their programs, it is too early to tell whether the more generous levels of coverage will reduce rates of low birthweight and infant deaths.

Nonetheless, researchers found that some states have had greater success by taking advantage of all the federal options available to them. Several of the studies indicate that factors other than simply raising eligibility levels -- such as the amount of outreach and education conducted by the state, the number of physicians and other practitioners offering services, and streamlined application procedures -- influence whether a women obtains early prenatal care. Reimbursement rates are also important. One study found that increasing provider reimbursement fees may not be enough to *attract* more prenatal care providers into the Medicaid program, but it can help *keep* prenatal care providers already in the system from dropping out.

The report concludes by discussing the implications of these findings for both the federal government and state Medicaid programs. As more state agencies enroll Medicaid recipients in managed care organizations, responsibility for improving low birthweight and infant mortality rates among poor women now will be shared by states and managed care plans. The studies suggest that to improve birth outcomes, states and plans must work together to assure an adequate supply of obstetrical providers, set high standards for quality of care, pay adequate capitated rates, and monitor performance.

"For years, the United States has had much higher rates of infant mortality and low birthweight compared to other developed countries. These studies suggest that the Medicaid expansions are a step in the right direction, but we still have a long way to go," said Anne K. Gauthier, director of the Changes in Health Care Financing and Organization Program and associate director of the Alpha Center. "The findings offer important lessons to public officials, health care organizations and insurance plans who now share the responsibility for making further improvements in prenatal care for poor women."

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For a copy of the report, ***The Medicaid Expansions for Pregnant Women and Children: Are They Working?***, fax or mail a request to the Alpha Center, 1350 Connecticut Avenue, NW, Suite 1100, Washington, DC 20036, 202-296-1818 (FAX: 202-296-1825)