

December 13, 1996

Enclosed are samples from the latest fact sheets prepared by the National Health Law Program regarding Medicaid Managed Care. Copies of the entire set of fact sheets can be ordered from NHeLP's Los Angeles office for \$25.00, which includes postage costs. (update July 1998)

Part One

The enrollment and education fact sheets cover such issues as automatic enrollment, enrollment by health benefits managers, choosing a health plan, disenrollment, grievances, and fair hearings.

Part Two

The services fact sheets deal with such issues as: coordination of services, EPSDT services, emergency services, maternity care, child and adolescent mental health services, transportation, and provide access.

Part Three

Addresses Medicaid managed care quality.

Part Four

Addresses Medicaid managed care financing.

Samples are included from Parts Three and Four, covering access and solvency issues.

**Access**

December 13, 1996

### Medicaid Managed Care: Access Standards:

#### **The Law Says:**

States must ensure that services are provided with "reasonable promptness" (42 U.S.C. § 1396a(a)(8)).

States must ensure that "care and services...be provided in a manner consistent with the simplicity of access."

States managed care contracts must assure that recipients will have their choice of health professional services.

States must ensure that payments are "consistent with efficiency, economy, and quality of care, and are not excessive."

#### **There Can Be Problems:**

People with disabilities cannot get to or easily use health care sites.

Medicaid beneficiaries have problems making timely appointments or have to wait too long in the doctor's office.

Non-English-speaking beneficiaries have had to use young children to translate for them because plans do not provide interpreters.

Medicaid beneficiaries have had to travel long distances to reach doctors offices, hospitals, and pharmacies.

Medicaid beneficiaries have had to wait too long for approval of needed services and have had trouble getting needed services.

Adolescents don't get care because they are enrolled with their parents doctor.

**Consumer Protections Are Needed NOW:**

States must specify in guidelines and plan contracts:

timelines for initial health assessments for new enrollees (e.g. within 60 days or, in cases of pregnancy

maximum time and distance standards

patient to provider ratios

waiting times for scheduling appointments

waiting times at the waiting room

24 hour/7 day per week access to qualified health providers for emergency treatment and health advice

existence of wheelchair ramp access, TTY, and other assistive technologies

language access to administrative staff and providers

ability of adolescents to choose their own health plans or providers separate from their families and to co

States should require prior authorizations to be made immediately for emergency care, within 24 hours

States should ensure that these standards are included in Requests for Proposals (RFP's)/Requests for

States need to test and monitor access by:

employing "testers" who attempt to obtain assistance and services from plans

audits and reviews

complaint hot lines

monitoring use of services by plan enrollees as safety net provider sites (e.g., community clinics)

inspecting provider sites to ensure disabled persons' access

clear grievance processes that members understand how to use

**Notes:**

## Solvency

### Medicaid Managed Care: Solvency Protections

The Law Says:

States must obtain from each contractor proof of financial solvency and adequate protection against insolvency

The Medicaid agency has the right to audit and inspect the books and records of a plan or its subcontractors

Plans must assure that Medicaid beneficiaries will not be liable for the plan's debts if it becomes insolvent

State Medicaid or insurance laws may require plans to maintain a certain net worth or minimum deposits.

There Can Be Problems:

Medicaid payments can be used for expensive marketing campaigns and/or luxury items for plan owners.

Some states do not hold Medicaid-participating HMOs to state insurance requirements.

State Medicaid agencies and departments of insurance do not adequately enforce laws regarding solvency.

Community health clinics can have a difficult time meeting reserve requirements (GAO, 1995).

Consumer Protections Are Needed NOW:

Federal solvency standards should be explicitly applied to Medicaid-participating HMOs in their contracts.

Medicaid HMOs should be required to meet state department of insurance standards.

State Medicaid agencies should enter interagency cooperative agreements with the state departments of insurance.

States should develop programs that assure that solvency standards will not preclude community health centers.

States should develop contingency plans to assure that beneficiaries care and access to services will not be disrupted.

### **Notes:**

Each fact sheet is two to three pages long, with an area along the right hand margin for note-taking. You can insert the name of your organization on the back page as you distribute these fact sheets.

National Health Law Program  
2639 S. La Cienega Blvd  
Los Angeles, CA 90034

(310) 204-6010 (phone)  
(301)204-0891 (fax)  
<http://www.healthlaw.org>  
nhelp@healthlaw.org