Impact Of The Shift To Medicaid Managed Care On Resource Utilization And Costs For Beneficiaries In Mississippi Medicaid

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Setting: Mississippi Medicaid has witnessed a major shift of beneficiaries from fee-for-service (FFS) to managed care (MC). As with most state programs, the major objectives were improving health care service quality and reducing public spending. A major shift of beneficiaries occurred in December 2012.

Objective: This project aimed to evaluate the impact of the shift of patients from fee-for-service to managed care on health care utilization, quality and costs.

RESULTS

Conclusion: Managed care appears to have resulted in an increase in number of prescriptions, outpatient visits and outpatient costs but an overall decrease in inpatient costs and ER costs. A similar decrease in inpatient costs and ER costs was seen in FFS and may be the result of reimbursement changes.

REFERENCES

• Epstein AM. Medicaid managed care and high quality: can we have both? Journal of the American Medical Association. 1997; 278(19): 1617-1621.