

ISPOR ABSTRACT

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IMPACT OF THE SHIFT TO MEDICAID MANAGED CARE ON RESOURCE UTILIZATION AND COSTS FOR BENEFICIARIES IN MISSISSIPPI MEDICAID

OBJECTIVE

As have many states, Mississippi Medicaid has witnessed a major shift from fee-for-service to managed care with in the last few years. In November 2012, managed care enrollment was increased to almost 30% with the aim of improving health care service quality and reducing costs. However, the effects of this shift of patients to managed care has not been thoroughly evaluated. 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.

METHODS

A retrospective analysis was conducted using Mississippi Medicaid FFS administrative claims and beneficiary eligibility data for the period November 1, 2011 through December 31, 2013. A cohort of beneficiaries were identified who were continuously enrolled for this period and spent the first 12 months enrolled in fee-for-service and the next 12 months in managed care. Various outcomes were measured for the first 12-month and the second 12-month periods. An additional cohort of beneficiaries who were enrolled in fee-for-service for the whole duration of the study period were also followed on the same measures as a control group.

RESULTS

The number of medications filled, number of office visits, intensity of office visits, total pharmacy costs and total outpatients costs were found to increase after the shift to managed care. Days of inpatient stay, inpatient costs and ER costs all decreased. It appears that the shift to managed care has caused an increase in outpatient and pharmacy utilization and costs and a decrease in inpatient costs.

CONCLUSIONS

The shift to managed care seems to have a mixed effect on health care use and spending for Mississippi Medicaid beneficiaries. Increased use of outpatient services while inpatient costs decrease may indicate a more appropriate level of care being used. Further analysis is needed to provide conclusive results.

Statement to be included on poster

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