III. POPULATIONS AFFECTED BY MANAGED CARE REFORMS

Populations Included in Health Care Reforms

Table 17 indicates the types of populations affected by state managed care reforms in 1995 and in 1997-98. The percentage of health care reforms covering the entire state population has remained about the same between 1995 and 1997-98, about 10%. Twenty-one percent of all reforms in 1997-98 include some portion of the uninsured population, representing a slight decrease in coverage of the uninsured from the 1995 survey. It is anticipated, however, that coverage of the uninsured in managed care systems may increase as states implement the State Children's Health Insurance Program, which provides federal support for states to offer coverage to uninsured children. Some states are electing to include uninsured children in their managed care systems.

| Table 17 Percent of Reforms Covering Population Types | | | | | | | | |
|---|---------------|-----------|-----------------------|-------|--------------------|--|--|--|
| Population | 1995 Total | Carve Out | 1997-98 Integrated | Total | 95-97/98 Change | | | |
| Entire State Population | 10% | 11% | 7% | 9% | -1% | | | |
| Uninsured Population | 27% | 25% | 13% | 21% | -6% | | | |
| Total Medicaid Population | 59% | 68% | 13% | 49% | -10% | | | |

Most managed care reforms are geared toward state Medicaid populations—either the entire Medicaid population or some subset of this group. In 1997-98, 49% of the health care reforms covered the entire Medicaid population, decreased from 59% of the reforms in 1995. The decrease in coverage of the total Medicaid population between 1995 and 1997-98 may be attributable to the reported increase in integrated physical health/behavioral health reforms, which are more likely to cover only a portion of the Medicaid population, typically the Aid to Families with Dependent Children (AFDC) / Temporary Assistance for Needy Families (TANF) population.

Although only half of the reforms cover the entire state's Medicaid population, 96% of the reforms reportedly cover one or more subgroups of the Medicaid population. Table 18 shows that both in 1995 and in 1997-98, the subset of the Medicaid population most likely to be covered by managed care reforms is the AFDC (now TANF) population. In 1997-98, the next most likely populations to be covered are pregnant women and children (covered in 88% of the reforms), poverty related populations (covered in 84% of the reforms), and children in the child welfare system (covered in 60% of the reforms).

From 1995 to 1997-98, significant increases in the coverage of all Medicaid eligibility categories has occurred. For example, the percentage of reforms covering the AFDC/TANF subpopulation increased dramatically from 44% in 1995 to 96% in 1997–98.

| Table 18 Percent of Reforms Covering Medicaid Subpopulations | | | | | | | | |
|--|---------------|-----------|-----------------------|-------|--------------------|--|--|--|
| Medicaid Population | 1995 Total | Carve Out | 1997-98 Integrated | Total | 95-97/98 Change | | | |
| AFDC/TANF | 44% | 92% | 100% | 96% | +52% | | | |
| Poverty Related | 24% | 83% | 92% | 88% | +64% | | | |
| SSI | 20% | 92% | 23% | 56% | +36% | | | |
| Pregnant Women and Children | 34% | 75% | 92% | 84% | +50% | | | |
| Children in Child Welfare System | 37% | 67% | 54% | 60% | +23% | | | |
| Children in Juvenile Justice System | Not Asked | 50% | 31% | 40% | NA | | | |
| Other | 15% | 17% | 8% | 12% | -3% | | | |

Similar dramatic increases are noted for the poverty-related and pregnant women and children subgroups. Coverage of the SSI subpopulation increased as well; the SSI population was covered in only 20% of the reforms in 1995 but reportedly was covered by 56% of the reforms in 1997-98. Another subpopulation for whom coverage has increased is children in the child welfare system; the proportion of reforms covering this population has increased from 37% in 1995 to 60% in 1997-98.

Findings from the 1995 survey suggested that states were phasing in their Medicaid populations, beginning with the AFDC population and moving over time to include other subpopulations which may be expected to use more and costlier services. The increases in inclusion of the SSI and child welfare populations indicate that states are now more willing to cover populations with greater risk of needing more intensive and costly interventions. Overall, the substantial growth in the proportion of reforms covering each Medicaid subpopulation demonstrates the rapid movement of states towards managed care approaches in their Medicaid systems.

The 1997-98 survey also explored whether managed care reforms cover children in the juvenile justice system, an issue that was not examined in 1995. Fifty percent of the carve-outs and 31% of the integrated reforms include children in the juvenile justice system.

Age Groups Included in Health Care Reforms

As shown in Table 19, the majority of reforms (86%) in 1997-98 cover all ages. Only 14% of the reforms involve children and adolescents only. These findings are similar to 1995 when 12% of the reforms included only children and adolescents. As in 1995, if special agebased reforms are underway, they involve children and adolescents; in both 1995 and 1997-98, no reforms covered an adult population exclusively. All of the age-based reforms reported by states are behavioral health carve outs focusing on children and adolescents.

| Table 19 | | | | | | | | |
|--|---------------|-----------|-----------------------|-------|--------------------|--|--|--|
| Percent of Reforms by Age Groups Covered | | | | | | | | |
| Age Group | 1995 Total | Carve Out | 1997-98 Integrated | Total | 95-97/98 Change | | | |
| All Ages | 88% | 79% | 100% | 86% | -2% | | | |
| Children/Adolescents | 12% | 21% | 0% | 14% | +2% | | | |
| Adults | 0% | 0% | 0% | 0% | 0% | | | |