

March 9, 2021

Senate Appropriations Committee HB 1012
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CHAIRMAN HOLMBERG AND COMMITTEE MEMBERS:

My name is Jack McDonald. I'm appearing on behalf of America's Health Insurance Plans or, as it is commonly known, AHIP.

AHIP appreciates that Engrossed HB 1012 reauthorizes North Dakota's Medicaid Expansion program until 2023. As an industry, we are supportive of Medicaid Expansion Programs and Medicaid Managed Care as a mechanism to improve beneficiary outcomes while controlling costs over time. Medicaid managed care plans (MCOs) have a proven record of demonstrating value and addressing the challenges states face in caring for more complex populations.

However, we are concerned that fragmenting North Dakota's expansion population by removing 19 and 20-year-olds will be disruptive and will needlessly deprive this population of the improved beneficiary outcomes that MCOs provide.

The success of these plans has resulted in states increasingly relying on MCOs to provide care management and administrative services. Between fiscal years 2010 and 2018, Medicaid managed care plan enrollment increased by 121%. As of 2018, more than 75% of all Medicaid enrollees were enrolled in an MCO, up from about 50% in 2010.

Achieving budgetary certainty is only one aspect of Medicaid managed care. Research shows that MCOs are improving access and the overall quality of care for Medicaid enrollees. The Menges Group's recent analysis indicates that MCOs improved their performance in 26 of 30 key quality metrics between 2014 and 2018.

In addition to the overall quality improvements, MCOs have been developing innovative, cutting-edge programs that improve care delivery and benefits for enrollees.

Most significantly, regarding the 19 and 20-year-old population, managed care can be an essential tool to ensure that newly insured individuals receive the full spectrum of care they require. For example:

- Medicaid managed care plans are creating and covering telehealth programs that expand access to care and increase doctors' ability to coordinate care for patients. These solutions address rural access to care, behavioral health services, and chronic pain management.
- Medicaid managed care plans are improving the ways enrollees can access provider networks, including creating tools that allow enrollees to locate doctors more easily in their networks, view practice information, and rate their doctors.

For these reasons, we ask that you keep 19 and 20-year-olds in the Medicaid expansion population by adopting the proposed teensy-weensy amendment set out below. Thank you for your time and consideration. I would be happy to answer any questions.

#### PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO.1012

Page 10, line 22, after the word "services," delete "and coverages for individuals ages nineteen and twenty"

Renumber accordingly