Top 5 Issues for 2015: Health

By Debra Miller [1]
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CSG Director of Health Policy Debra Miller outlines the top five issues in health policy for 2015, including Medicaid expansion, growing the health workforce, integrating health and human services, long-term care, and mental health and substance abuse.

Medicaid Expansion
By the end of 2014, 27 states and the District of Columbia had chosen to expand Medicaid eligibility to 138 percent of the federal poverty level as allowed by the Affordable Care Act and the subsequent Supreme Court decision that found it unconstitutional to force states to expand eligibility. Federal funds will reimburse states 100 percent of the cost of expansion for calendar years 2014 through 2016, so the clock is ticking for the 23 states that may still decide to expand their Medicaid programs. These states are likely to design state-specific programs requiring a waiver from the federal government. Just as Arkansas, Iowa, Michigan and Pennsylvania before them, new expansion states in 2015 likely will consider implementing a number of policies outside of states’ existing Medicaid programs. These policies might include paying for premiums on the private insurance market, requiring enrollee copayments for certain services, charging small premiums for Medicaid coverage, instituting work requirements and requiring participation in wellness activities.

Growing the Health Workforce
Health care spending, both in the public and the private sectors, continues to grow as a share of the economy although more slowly than in the last decade. National health expenditure projections from the Centers for Medicare and Medicaid Services anticipate a 5.8 percent growth rate between 2012 and 2022, outpacing the growth in the gross domestic product by 1 percentage point. In the past six years, the health care profession also added 2.1 million jobs to the economy, more than any other
employment sector. Critical shortages, however, remain in some health care professions and in certain geographic areas. Important areas of debate for state leaders include scope of practice laws, reimbursement rates, professional education standards, licensing requirements and telemedicine standards.

**Integrating Health and Human Services**

With the increased emphasis on improving health care outcomes and population health indicators, state leaders will continue to break down health and human services silos. This focus on integration extends beyond one-stop shop service configurations and combined eligibility applications. Medicaid administrators, at the state level and within Medicaid managed care organizations, will look to control costs by focusing on underlying problems that can lead to expensive health care services. It may be less expensive to provide housing to a homeless individual than to meet increased hospital bills that result from substandard living conditions. Public health advocates in particular have been building an understanding of the social determinants of health and the importance of these upstream factors to downstream health costs.

**Long-Term Care**

Baby boomers have transformed just about everything they have lived through. Now comes old age and long-term care issues. Baby boomers will live longer—whether in good health or not—and demand more services, delivered in the communities and the homes where they live and directed by themselves and their loved ones, not service providers. The service system will face many challenges. Growing numbers of older seniors with Alzheimer’s disease and other dementias will need extra assistance. The larger number of cognitively impaired seniors will complicate the movement to self-directed health care. Many older Americans will need financial assistance on top of federal Medicare. States also will face pressure to create a range of alternatives to more traditional nursing home care.

**Mental Health and Substance Abuse**

One in five Americans suffers from mental health issues and increasingly they are coming out of the shadows. As some states have expanded their Medicaid programs to include broader eligibility, they also have expanded their coverage of behavioral health and substance abuse issues. Advocates will continue to push for parity between behavioral health and physical health in insurance policy coverage, Medicaid and state systems development and funding.

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