



# Medicaid Leadership in Times of Transformation and Reform

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# Leadership in Stormy Times Requires Great Vision and Know How

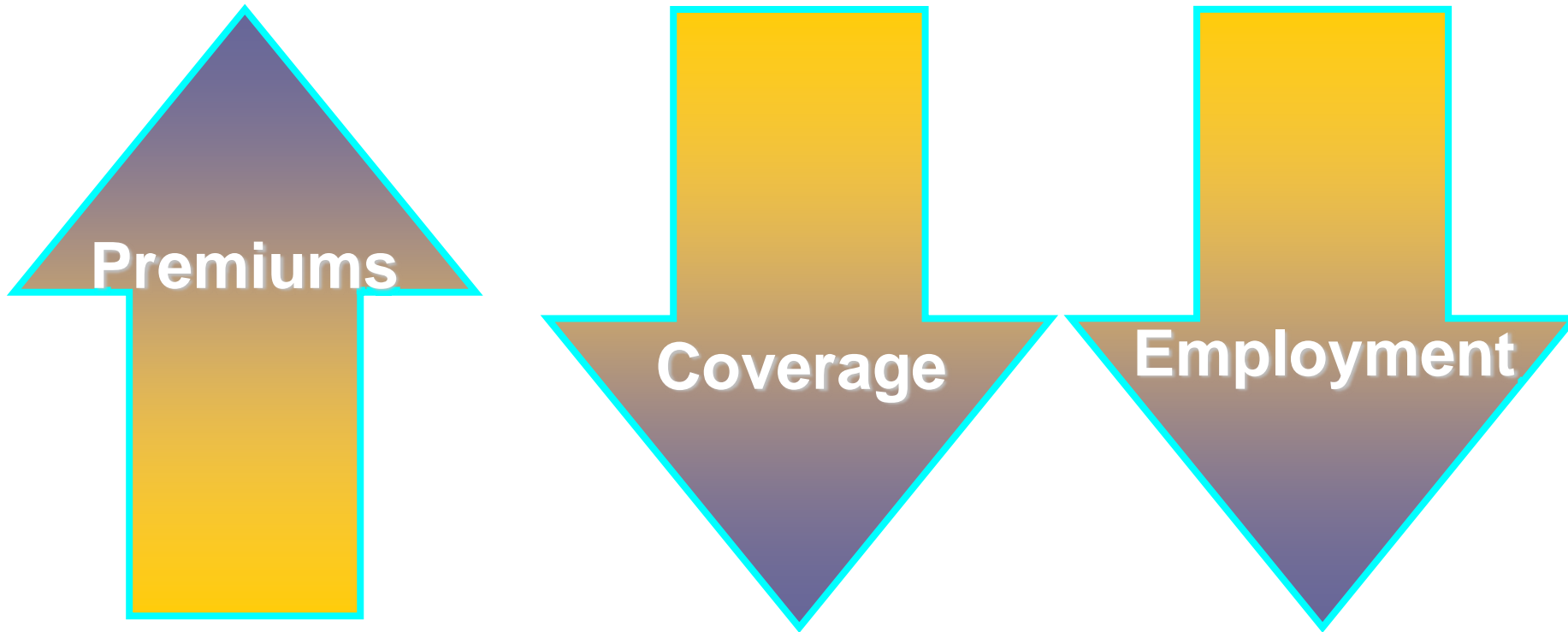


**Can you see what's on the horizon?**

# The Evolution of the Medicaid Program and Health Coverage Policy

- At the time Medicaid was enacted by congress health care was only 5% of the GNP today it is 16% of the GNP
- Medicaid was created as part of the welfare benefit to the poor, disabled, and vulnerable, today it is the only health care coverage that is available to for many low income working Americans
- Today Medicaid is being reshaped by States through reform and health system transformation

# What is Driving the Policy Dialogue Around Medicaid Today? The Declining Availability of Employer Based Health Insurance



***For every one percent increase in premiums 200,000 to 400,000 people lose coverage nationwide***

***Source: The Lewin Group, 1997***

# Key Issues Facing Medicaid

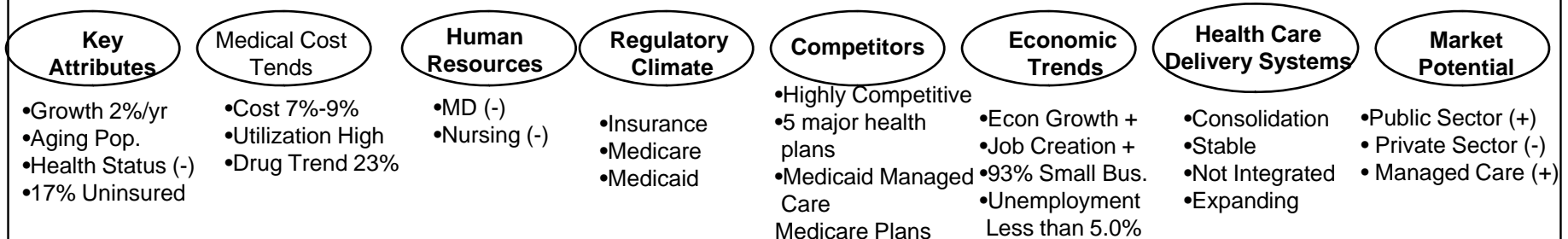
- Growth in the Medicaid/SCHIP enrollment
- Healthcare cost inflation
- The fiscal impact of the Medicaid Program on the state budgets
- Significant variance in cost and quality of care delivered to Medicaid/SCHIP enrollees
- Core organizational competency and agency health information support capacity required to drive health system transformation

# Leading a Health Care Coverage Organization is Different than Leading a Welfare Agency or Health Department

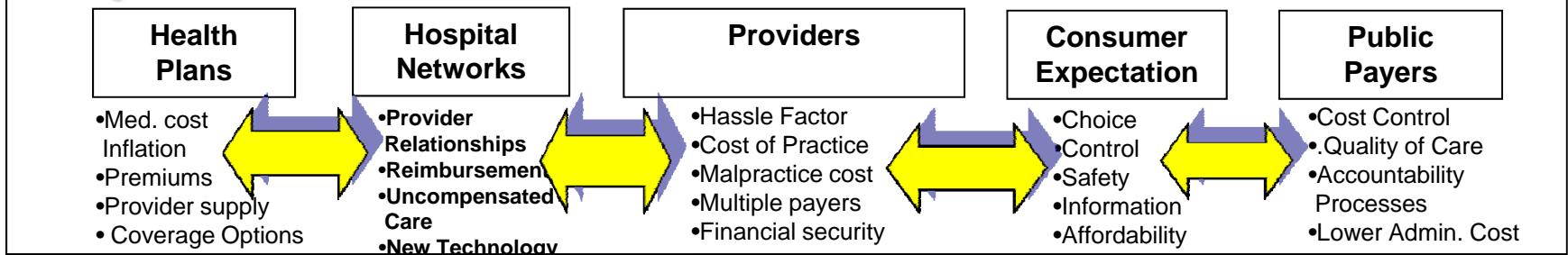
- Know your health care performance numbers.
  - Quality
  - Cost (PMPM)
  - Operational Performance
- Doctors, hospitals and other providers
  - Network Design
  - Reimbursement Methodologies
  - Utilization Factors
- What is Medicaid managed care really.....?
  - Care Coordination
  - Prevention focus
  - Medical Cost Risk Management

# State Health Care Environments

## Environmental Assessment of State Health Care Systems:



## Strategic Issues:



Synergies

## Strategic HIT Initiatives:



# Key Leadership Issues Facing Medicaid/SCHIP

- Managing growth in the Medicaid/SCHIP enrollment
- Controlling health care cost inflation
- Greater public accountability and scrutiny
- Integrating health information technology to improve health system efficiency and enhance quality of care
- Building your Medicaid organization's core competencies and technical capacity to manage Medicaid transformation and health reform



# **Are New Health Information Technologies Driving Your State's Medicaid Transformation?**

- Widespread adoption of interoperable HIT
- Electronic health information exchange
- Electronic health records
- Web-based clinical and patient decision support tools that use a common health data set and evidence-based references
- Enterprise level decision support tools that provide greater cost and quality transparency

# Required Competencies for High Organizational IQ

- Management Skills and Know How = Management IQ
- Behavioral Skills and Know How = Emotional IQ
- Management IQ + Emotional IQ = Organizational IQ



# Four Domains of Medicaid Leadership

- Medicaid Operations
- Medicaid Policy
- Medicaid Stakeholders and Beneficiaries
- Medicaid Politics

# Managerial Know How and Intelligence

<b>Education/Training</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Formal academic</li><li><input type="checkbox"/> On the job</li><li><input type="checkbox"/> Informal self-directed</li></ul>	<b>Experience</b> <ul style="list-style-type: none"><li><input type="checkbox"/> In the field</li><li><input type="checkbox"/> Outside of the field</li><li><input type="checkbox"/> Technical related</li></ul>
<b>Skill Sets/Competencies</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Directly related to job</li><li><input type="checkbox"/> Secondary to job</li><li><input type="checkbox"/> Not related to the job</li></ul>	<b>Attitude and Aptitude</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Aligned/not aligned</li><li><input type="checkbox"/> Learning/not learning</li><li><input type="checkbox"/> Engaged/not engaged</li><li><input type="checkbox"/> Confident/not confident</li></ul>

# Leadership Emotional Intelligence

<b>Self Awareness</b> <ul style="list-style-type: none"><li>❑ Knowledge (limits)</li><li>❑ Skills</li><li>❑ Strengths</li><li>❑ Weaknesses</li><li>❑ Perception of how others see you</li></ul>	<b>Relationship Awareness</b> <ul style="list-style-type: none"><li>❑ Awareness of how others relate to you</li><li>❑ Empathy/Relationship effectiveness</li><li>❑ Relationship influence (trust, loyalty, respect)</li></ul>
<b>Cultural Awareness</b> <ul style="list-style-type: none"><li>❑ Organizational culture</li><li>❑ Peer group culture</li><li>❑ Standards of peer group behavior</li></ul>	<b>Social Awareness</b> <ul style="list-style-type: none"><li>❑ Values</li><li>❑ Common understandings</li><li>❑ Societal Norms</li></ul>

# Organizational IQ

<p>Vision Clarity</p> <ul style="list-style-type: none"><li>❑ Future Focus</li><li>❑ Aligned from Top to Bottom</li><li>❑ Knowledge based</li></ul>	<p>Emotional Intelligence</p> <ul style="list-style-type: none"><li>❑ Self-awareness</li><li>❑ Relationship awareness</li><li>❑ Cultural awareness</li><li>❑ Social awareness</li></ul>
<p>Managerial Intelligence</p> <ul style="list-style-type: none"><li>❑ Education</li><li>❑ Experience</li><li>❑ Skills/Competencies</li><li>❑ Attitude/Aptitude</li></ul>	<p>Execution</p> <ul style="list-style-type: none"><li>❑ Results oriented</li><li>❑ Strategic road map</li><li>❑ Change-able</li><li>❑ Accountable</li></ul>



# Enhancing Medicaid Organizational IQ

*We live in the age of electronic information and multi-channels of communications that requires more rapid adaptability and information driven decision making.*

*High performing Medicaid organizations are able to efficiently convert health data to information, health information to knowledge, and knowledge to action.*

*Adaptive, intelligent organizational leadership and managing high performing Medicaid organizations will determine the success Medicaid Health System Transformation.*

# 21<sup>st</sup> Century Core Organizational Competencies In Medicaid

<b>Customer Care</b>	<b>Operations</b>	<b>Medical Management</b>	<b>Financial Management</b>
<b>Web based Electronic Eligibility Screening and Processing</b>	<b>Electronic Claims EDI</b>	<b>Utilization Management</b>	<b>Expenditure management</b>
<b>Web based Provider Information Access and Administrative functions</b>	<b>Contracting &amp; Network Mgmt Tools</b>	<b>Quality Improvement Management</b>	<b>Rate Setting Reimbursement Management</b>
<b>Web based Member Communications and Feedback</b>	<b>Health Information Exchange/ Electronic Health Records/E-Prescribing</b>	<b>Disease Management</b>	<b>Policy Modeling and Planning</b>
<b>Electronic Customer Relations Management Tools</b>	<b>Data Warehouse and Decision support tools</b>	<b>Case Management</b>	<b>Financial Performance Reporting</b>
<b>Web Based wellness and health promotion</b>	<b>Electronic Encounter Reporting</b>	<b>Predictive Modeling and Medical Risk Management</b>	<b>Fraud and Abuse Monitoring</b>



# Value Driven Cost and Quality Improvement Evolution

**Transactional  
Level**

**Managed  
Level**

**Optimizing  
Level**

**Quality Control  
&  
Quality  
Assurance  
Management**

**Performance  
Improvement  
Management**

**Value Driven  
Management**

**Retrospective  
Transactional  
Activities**

**Proactive Quality  
And Cost  
Management**


**Predictive  
Modeling and  
Simulation  
For Optimization**

# Health Care Transformation Maturity Model



# Leadership in Medicaid Reform and Transformation

- There are 50 ways to reform Medicaid
- What is your states vision of reform?
- Are you going to lead or follow health care system transformation?



Your Leadership is More Than a Title  
***What is Your Leadership Legacy Going  
to Be?***

- Leaving a legacy
- Finding the pathway to success

Thank You