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Medicaid contracts to reward wellness

State's incentives aimed at improved health, lower costs

By Catherine Candisky

The state's Medicaid program will no longer pay managed-care companies only for the care they provide to poor and disabled Ohioans in the tax-funded health-insurance program.

Instead, the state wants the companies to better coordinate care for those who are sick and do more to keep others well.

Gov. John Kasich's administration announced yesterday that it was rebidding the state's Medicaid managed-care contracts that serve about three-fourths of the nearly 2.2 million people in the program.

The new Medicaid contracts will withhold a portion of each payment to a managed-care company until its plan meets performance standards aimed at improving patients' health.

State officials say they hope the financial incentives will enhance the plans' performance, which in addition to improving care should lower costs for taxpayers.

Last year, Ohio spent \$14 billion on its Medicaid program.

"The purpose of managed care is to improve health outcomes for individuals enrolled in the Medicaid program," said Ohio Medicaid Director John McCarthy.

"As our partners, managed-care organizations are expected to improve health outcomes by ensuring access to care and providing intensive case-management services to those individuals who have the highest need and often the most complex medical and social conditions."

Article continued here:

<http://www.dispatch.com/content/stories/local/2012/01/12/medicaid-contracts-to-reward-wellness.html>

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