Rethinking Medicaid's Core Mission

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Date : November 2, 2017

John V. Jacobi, Medicaid, Managed Care, and the Mission for the Poor, 9 **St. Louis Univ. J. of Health L. & Pol'y** 187 (2016).

Republican efforts to "repeal and replace" the Affordable Care Act have generated heated debate over the Medicaid program. Underlying this debate is a fundamental question: How should we define Medicaid's core mission? In his article *Medicaid, Managed Care, and the Mission for the Poor*, Professor John Jacobi provides a possible answer to this question: raising the health status of the poor and vulnerable by improving their access to both medical care *and* the social goods and services whose absence impede health. His vision of Medicaid deserves serious attention by policymakers.

As Professor Jacobi explains, the health-related needs of the poorest Americans differ significantly from the non-poor. An enormous body of research documents the impact that social, environmental, and economic conditions have on individuals' health. Indeed, poor quality housing, food insecurity, the stress of social inequalities, and other non-medical factors likely exert a greater influence on health than access to health coverage and medical care. Because these determinants of health disproportionately affect the poor and vulnerable populations served by Medicaid, their health care needs are far more fragile and complex than those of other populations. Many experts therefore have concluded that medical care should no longer be provided in isolation from social services, but instead should be part of a delivery system that coordinates clinical and non-clinical services and interventions. As Jacobi explains, "[t]his coordination requires not only the purposeful interaction of previously separate public services, but also coordination of the funding that flows to and through the providers of those services."

State Medicaid programs, however, have done little to promote this broader vision of the health care system (with a few notable exceptions). Jacobi explains that this unfortunate state of affairs stems from Medicaid's traditional mission of simply providing its beneficiaries with medical coverage. This narrow focus has culminated in states relying on commercial managed care plans. Because commercial insurers operate their Medicaid plans largely in the same manner that they do their commercial plans – connecting enrollees to medical care through the formation of provider networks and claims payment functions – they are ill-equipped to address the non-medical barriers to improving Medicaid beneficiaries' health.

Jacobi somewhat overstates his case, however, as some states do contract with niche Medicaid managed care plans that focus exclusively on poor and vulnerable populations and the social determinants that impact their health. Nor does Jacobi distinguish among different Medicaid subpopulations, some of whom may closely resemble the non-Medicaid population. For example, the health care needs of low-income adult students and temporarily unemployed individuals typically are less complex than those of the homeless or disabled. Medicaid managed care plans may be sufficient to meet the health care needs of the former groups even if inadequate for the latter. Nevertheless, many Medicaid beneficiaries with complex health needs remain enrolled in commercial or managed care plans that primarily focus on narrow payment functions, and Jacobi rightly questions whether we should continue to mainstream care for these individuals.

Consistent with his broader vision of a Medicaid program that promotes coordination of medical and social interventions, Jacobi advocates for new forms of health care delivery and finance. His article highlights two such models – Medicaid accountable care organizations (ACOs) and Health in All Policies (HiAP) networks. He also cautions against federal regulatory policies that limit states' ability to experiment with innovative health delivery and

financing models to address Medicaid beneficiaries' clinical and non-clinical health needs.

Although Jacobi's article was published prior to Congress's repeal and replace efforts, his concerns nevertheless remain instructive for federal policymakers seeking to reform Medicaid. In particular, proposals to both roll back Medicaid coverage of low-income adults and reduce Medicaid funding would constrain the program's ability to raise the health status of the poor. With reduced funding to support transformation of the health delivery system, states would abandon any movement toward a Medicaid program consistent with Jacobi's vision and would continue their narrow focus on providing coverage of medical care, albeit with a narrower scope of benefits.

Cite as: Jessica Lind Mantel, *Rethinking Medicaid's Core Mission*, JOTWELL (November 2, 2017) (reviewing John V. Jacobi, *Medicaid, Managed Care, and the Mission for the Poor*, 9 **St. Louis Univ. J. of Health L. & Pol'y** 187 (2016)), https://health.jotwell.com/rethinking-medicaids-core-mission/.