

Nurse Home Visitation Medicaid Option

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1900 Grant Street, Ste. 400 Denver, CO 80203 866.864.5266 www.nursefamilypartnership.org

What it Means for Children and Families in Michigan

Michigan stands to gain \$4.5 million over 5 years and \$14.6 million over 10 years in additional federal Medicaid funding for nurse home visitation services under the Nurse Home Visitation Medicaid Option in Section 1713 of the Affordable Health Care for America Act (H.R. 3962).

What is the Nurse Home Visitation Medicaid Option?

In many States, Medicaid covers most home visitation services performed by nurses through several different categories of service. However, in practice, States find it administratively burdensome to seek Medicaid reimbursement through multiple categories and some of the categories are not options within State Medicaid Plans. As a result, States that cover nurse home visitation in their Medicaid programs often elect to seek Medicaid reimbursement for only the subset of nurse services that fit into one category. The voluntary Medicaid Option corrects this problem by grouping all Medicaid-reimbursable nurse home visitation services into a new category that States may use to cover the full range of nurse home visitation services for first-time, Medicaid-eligible pregnant women and their infants through age 2.

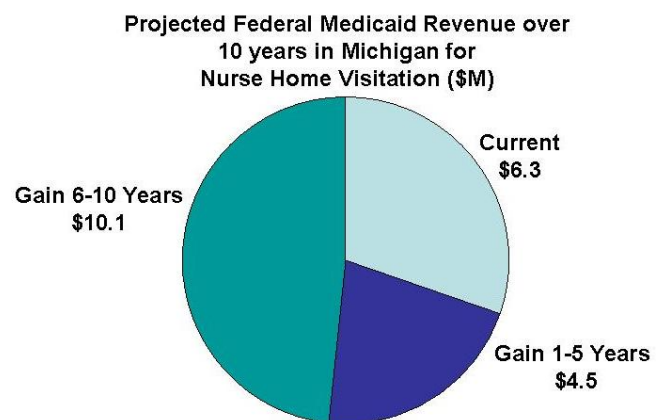
Are Nurse Home Visitation Services Offered to Children & Families in Michigan?

In Michigan, Nurse-Family Partnership (NFP) currently serves clients in the following four counties: Berrien, Kalamazoo, Kent and Oakland. All four agencies are implemented by the local county public health department for the county. Since 2000, Michigan has served over 1600 first-time, at risk mothers, and has been overseen by the Michigan Department of Community Health, in collaboration with the Department of Education and Department of Human Services. The City of Detroit, Genesee and Saginaw counties are also interested in establishing NFP programs. The State currently matches local public and private dollars with Medicaid Administrative Match funds (via the Michigan Department of Health).

What Additional Federal Medicaid Funding Could Michigan Receive from Section 1713?

Subject to availability of State and local matching funds, Section 1713 could provide Michigan with \$4.5 million over 5 years and \$14.6 million over 10 years in additional federal Medicaid funds for nurse home visitation services.

- The projected dollar amounts more than double the federal Medicaid funds that Michigan could receive for nurse home visitation compared with current Medicaid reimbursement rates, estimated at \$6.3 million over 10 years.
- These projections are based on a conservative projected increase from 420 mothers enrolled in 2009 to 950 mothers enrolled in 2019.
- With more aggressive enrollment of families to reach 15% of Medicaid births statewide, or 6,750 mothers and children, the Medicaid Option would produce \$17.1 million annually in *additional* federal Medicaid funds for nurse home visitation services in Michigan.



Assumptions

1. Funding estimates are based on enrollment and cost projections for nurse home visiting services primarily provided by Nurse-Family Partnership. A range of other nurse home visiting programs may be eligible providers under the Medicaid Option, including the many nurse home visiting programs offered through State and local health departments.
2. State estimates are based on current State enrollment figures and growth projections based on the Congressional Budget Office's target Medicaid expenditures of \$800 million over 10 years for Section 1713.
3. A more generous estimate of additional federal Medicaid funding that is potentially available to States through this provision is also provided, based on more aggressive enrollment of 15% of Medicaid live births statewide. At that enrollment rate, 59% of Medicaid first-borns would be offered nurse home visiting services. Approximately 40% of Medicaid births are first births.
4. Projections of additional federal Medicaid reimbursement estimate that Medicaid will cover 65% of costs, which is higher than the percentage of costs currently covered by Medicaid in any State. Estimates of existing reimbursement rates are based on individual State estimates where available or a State average based on available data.
5. Enrollment estimates are based on the number of live births by state in 2006 and the percentage of births covered by Medicaid in 2003 (the most recent year available).
6. National average prices were adjusted to state estimates using the ACCRA price index – all items. (See US Statistical Abstract, Census Bureau.)

Source: Ted R. Miller, Ph.D., Pacific Institute for Research & Evaluation, Calverton, MD.