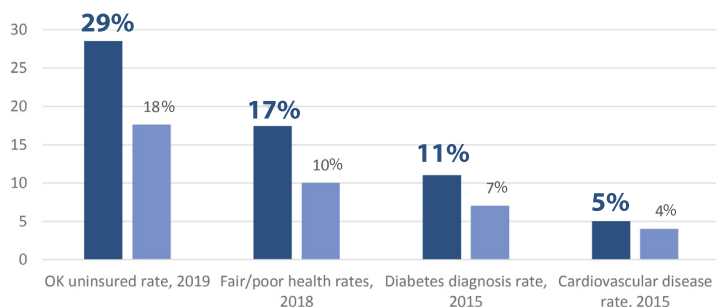


## Privatized managed care could create barriers to care

One in every ten individuals who receive Medicaid coverage in Oklahoma are American Indians. Tribal nations have concerns about how this potential change could negatively impact their citizens:

### Systemic factors place American Indians at higher risk for health concerns



■ American Indian ■ Avg/Total

Note: numbers are rounded to the nearest whole percentage

Source: Data collected from the Kaiser Family Foundation and Centers for Disease Control and Prevention

- Indigenous communities have higher rates of chronic disease and mental health concerns,<sup>1</sup> and MCOs' potential economic incentives to limit comprehensive care could especially harm these individuals.<sup>2</sup>
- Inadequate networks and pre-authorization requirements could disrupt long-term primary care relationships and make specialty care less accessible.<sup>3</sup>
- Indian Health Care Providers (IHCPs) already provide care coordination similar to what MCOs provide, and a duplication of services would be confusing for patients.<sup>6</sup>
- Privatization could jeopardize access to culturally competent care,<sup>4</sup> which is proven to improve health outcomes.<sup>5</sup>

## Privatized managed care could create barriers to care

The OHCA has taken some precautions to minimize the financial risk to IHCPs and the state. However, some risks still exist:

In some states, MCO payments to tribes have been delayed or outright denied,<sup>4</sup> which places already underfunded facilities at greater risk.

Billing processes will be different for patients enrolled in MCO plans, meaning the state and IHCPs will need to have additional processes in place to accurately track claims and reimbursements.

Care provided through IHCPs is eligible for a federal reimbursement rate of 100%, but privatization will increase the likelihood that the state will lose a portion of that reimbursement. When Arizona made a similar change to its Medicaid program, the state saw more than twice as high of a rate of not maximizing the 100% match. If Oklahoma sees a similar result, it could cost the state an additional \$52 million annually.

<sup>1</sup> Kaiser Family Foundation, "Medicaid and American Indians and Alaska Natives" (2017)

<sup>2</sup> MACPAC, "Managed care's effect on outcomes"

<sup>3</sup> Oklahoma Policy Institute, "Managed care will be bad for patients and providers" (2020)

<sup>4</sup> Citizen Potawatomi Nation, "Tribes watch as Oklahoma moves toward managed care for Medicaid" (2020)

<sup>5</sup> Georgetown University Health Policy Institute, "Cultural Competence in Health Care: Is it important for people with chronic conditions?"

<sup>6</sup> "Indian Health Care in a Managed Care Environment," presentation at OK Senate Interim Study (2020)