



Testimony of Kate Massey, Kaiser Permanente

Medicaid Innovation and Reform Commission

Public Hearing: Virginia Medicaid Expansion

October 13, 2013

INTRODUCTION

I would like to thank the Medicaid Innovation and Reform Commission for soliciting public comments as you weigh the decision to expand Medicaid in the Commonwealth of Virginia.

My name is Kate Massey. I am the Vice President for Medicaid and Medicare for Kaiser Permanente of the Mid-Atlantic region.

Kaiser Permanente's mission is to provide high-quality, affordable health care services and to improve the health of our members and the communities we serve.

In the mid-Atlantic region, we provide and coordinate complete health care services for nearly 500,000 members through 30 medical centers in Virginia, Maryland, and Washington, DC relying on an integrated model of care.

LOW-INCOME COMMITMENT

As a non-profit organization, we have a strong commitment to make health services available to individuals with limited income. It's fundamental to our mission. In 2012, the Mid-Atlantic region subsidized coverage at low or no cost for almost 8,500 individuals.

On November 1, we will begin serving our first Virginia Medicaid members. After months of preparation, we are ready to provide high-quality, cost-effective services to Medallion and FAMIS beneficiaries in northern Virginia. Kaiser Permanente is excited to participate in Medicaid and we know that we have a model that will well serve the Commonwealth's low-income populations.

Given our longstanding focus on providing care to low-income individuals and our commitment to serve Medicaid beneficiaries in Virginia, we support a Medicaid expansion in the Commonwealth.

This afternoon, I would like to review the advantages of Kaiser Permanente's integrated model, the access to care that our system affords, and our proven track record of enhancing quality while lowering cost. These benefits are directly transferable to new beneficiaries should Virginia pursue a Medicaid expansion.

INTEGRATED MODEL

In Kaiser Permanente's integrated model, we collaborate with over 1,000 Mid-Atlantic Permanente Medical Group physicians to continually improve care delivery. By partnering directly with physicians:

- we share clinical knowledge and expertise across disciplines;
- coordinate care to reduce duplication and waste; and,
- invest in sophisticated quality improvement tools that are not available to solo practice or small group physicians.

Our doctors are leaders in their field. According to Northern Virginia Magazine, Kaiser Permanente employs 114 of the region's top doctors and Medicaid members will have access to this expertise.

ACCESS

Our delivery system is composed of 30 medical centers, including five new, state-of-the-art hubs. Care is available at our hubs 24 hours / 7 days / 365 days per year.

We co-locate services to create access for our members and ensure continuity of care.

At our hubs you will find, primary care, urgent care, laboratory services, specialty care, advanced imaging, an outpatient center and a pharmacy.

The majority of referrals made by our physicians can be fulfilled by our members on the day they are seen by a doctor.

Even often hard-to-access specialty care is available in our system. In 2013, on average, over 80 percent of our members who needed to access specialty care were connected to a specialist within 10 days.

QUALITY

When members do see our physicians, they receive excellent, high-quality care. We excel in providing preventive services, detecting disease in its early stages, and in monitoring medication utilization and adherence.

In 2013, among our commercial members, Kaiser Permanente rated #1 nationwide for a number of measures accredited and certified by the National Committee for Quality Assurance (NCQA) such as breast cancer screening and childhood immunizations.

We are among the top ten plans that receive high marks for counseling children for nutrition and physical activity as well as measuring and discussing kids' body mass index.

Compared to other health plans, Kaiser Permanente ranks above the 75th percentile for appropriate medication treatment for children with Upper Respiratory Infections (URI), Pharyngitis (CWP), Asthma (ASM, MMA).

COST

In recent years, we have made significant strides in bending the cost curve. Since 2009, we have reduced:

- inpatient utilization by 21 percent;
- ER utilization by 23 percent; and,
- non-formulary prescription drug spending by 63 percent.

Each of these statistics shows quantifiable progress in changing the way care is delivered in the United States. We have an organizational commitment – as evidenced by these measures – to deliver care in lower cost settings, using efficient medicines and technologies, and focusing on preventive care.

CONCLUSION

Should the Medicaid Innovation and Reform Commission recommend a Medicaid expansion in Virginia, this testimony is meant to assure you that Kaiser Permanente will be prepared to provide comprehensive care, high-quality services, and essential access to care for Virginia's new Medicaid beneficiaries.