

Medicaid Matters

Federal measure to provide funding relief for Alabama Medicaid

New federal legislation designed to sustain state Medicaid programs for an additional six months of the 2011 fiscal year is expected to provide an estimated \$133 million in federal funds for Alabama's Medicaid program.



Signed into law August 10, the bill provides a total of \$16.1 billion for state Medicaid programs and \$10 billion to prevent layoffs of teachers and other public employees throughout the country. The U.S. Senate passed the bill August 5 after Congressional leaders agreed to make cuts in other programs to pay for the new spending. The U.S. House gave its approval August 10.

"We have been optimistic throughout this process that Congress would preserve the nation's health care safety net by providing funds for Medicaid. While this bill still leaves us with a shortfall for FY 2011, it has been reduced significantly. Now it is up to us to work with the Governor, Finance Director and the Legislature to analyze our options and determine the best way to bridge this funding gap," Medicaid Commissioner Carol H. Steckel said.

The funds will be provided to Alabama in the form of increased Federal matching funds for Medicaid. The Agency's FY 2011 matching rate, or FMAP, is 68.54 percent federal, which requires the state to provide 31.46 percent in state funds. The enhanced 2011 matching rate will be 78 percent federal and 22 percent state.

The FMAP rate represents the share of state Medicaid benefit costs paid by the federal government and is based on a three-year average of state per capita personal income as compared to the national average. For example, the FMAP rate for FY 2011 is based on the per capita personal income for calendar years 2006-2008. In addition, the enhanced rate is only available for certain expenditures, such as the Breast and Cervical Cancer Treatment Program. Administrative expenses remain at a 50-50 federal-state match. [Read more >>](#)

Alabama Medicaid to track health, cost impact of BP oil spill

While the full impact of the BP oil spill in the Gulf of Mexico remains unknown, the Alabama Medicaid Agency is now using special tracking codes to provide a more accurate picture of the state's health and financial costs associated with the environmental disaster.

Providers were notified July 12 to begin use of special indicators on claims billed to Alabama Medicaid in order to track claims resulting from an oil spill-related illness or injury. Indicators are to be used on medical, institutional and pharmacy claims submitted to the Agency for payment.



"Based on our past experience, it is essential that we closely track and evaluate health outcomes and costs to accurately assess the full impact of this disaster," said Commissioner Carol H. Steckel.

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- **Davis-Allen appointed state health information technology coordinator**
- **State submits health information exchange plan for Federal review**
- **Workgroup considers care networks to improve primary care**

Davis-Allen appointed state health information technology coordinator



Governor Bob Riley has appointed Kim Davis-Allen to serve as the state's coordinator for health information technology. As state coordinator, Davis-Allen will provide leadership, direction, management and coordination of *One Health Record*, Alabama's statewide health information exchange and related technology initiatives in collaboration with the Alabama Health Information Exchange Advisory Commission.

"Many of Alabama Medicaid's most successful programs are the result of her ability to effectively implement and manage new health care initiatives," said Alabama Medicaid Agency Commissioner Carol H. Steckel. "Her experience in working with a diverse group of stakeholders will be very helpful as we build an electronic health information system for the state." [Read more >>](#)

State submits health information exchange plan for Federal review

The strategic and operational plan to establish a health information exchange in Alabama has been presented to the federal government for review, furthering the state's goal of building a valuable asset connecting medical service providers, patients, payers and state agencies with vital information to improve health care quality and efficiency.

The Alabama Health Information Exchange (AHIE) strategic and operational plan was submitted to the Office of the National Coordinator for Health Information Technology (ONC) on August 4 and responds to the requirements outlined by ONC and needs identified by the state. The AHIE will be known as *One Health Record*.

"The plan details the mission and vision of the HIE for Alabama, as well as how the exchange will be constructed, implemented and ultimately utilized," said State Health Information Technology Coordinator Kim Davis-Allen. [Read more >>](#)



Workgroup considers care networks to improve primary care



Improving the way primary care services are provided to Medicaid patients will require state programs to become as proficient in caring for patients with chronic illnesses as they are at treating patients with acute illnesses, according to Chris Collins, Assistant Director of Managed Care for the Division of Medical Assistance and one of the founding Executive Directors for Community Care of North Carolina (CCNC).

Collins met June 30 with members of a workgroup that is exploring different ways to provide primary care to Alabama Medicaid recipients. Comprised of state health leaders, the workgroup was formed after Alabama was chosen by the National Academy for State Health Policy in August 2009 to receive technical assistance from national experts to expand and strengthen the use of medical homes in the state. [Read more >>](#)

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