Medicaid health plans are at the forefront of implementing systems and programs that promote high-quality, coordinated care for millions of low-income beneficiaries across the country. More than 43.5 million low-income individuals – representing nearly 66 percent of total Medicaid enrollment – rely on private health plans for their Medicaid coverage.

These plans currently provide a variety of services to meet the unique needs of their beneficiaries, including programs to coordinate care for people with multiple chronic conditions; outreach and education initiatives to promote prevention and healthy living; and efforts to facilitate beneficiaries’ access to non-medical support, such as social services or transportation.

**Improving Quality**

Health plans have a proven track record of providing high-quality care to low-income Americans through the Medicaid program. These health plans coordinate care so that physician services, hospital care, prescription drugs, long-term services and supports, and other health care services are integrated and delivered through an organized system whose overriding purpose is to improve quality of life through disease prevention, early detection, prompt treatment, and meeting beneficiaries’ long-term health care needs. They also partner with community organizations, such as foster care agencies, schools and community centers, which can address broader needs beyond medical care.

Medicaid health plans consistently outperform the fee-for-service program on key quality measures. Beneficiaries enrolled in Medicaid health plans are more likely to receive preventive services, including cervical cancer screenings and diabetes monitoring. Moreover, Medicaid health plan participation is associated with more appropriate use of antibiotics, fewer hospital admissions, and better access to primary care than the FFS program.

**Promoting Value**

Medicaid health plans help states control escalating program costs and achieve a high value for their health care dollar. By coordinating medical and pharmacy benefits, Medicaid health plans saved $2.06 billion in state and federal expenditures in 2014 alone, according a report by The Menges Group.

And a Lewin Group analysis of 24 state Medicaid Managed Care studies found Medicaid health plans provide savings of up to 20 percent compared to Medicaid fee-for-service. The analysis also showed that in multiple states drug costs per-member per-month were 10 to 15 percent lower for Medicaid health plans than for FFS programs.
Meeting the Demands of Growing Medicaid Populations

States are increasingly relying on Medicaid health plans to provide coverage for their growing Medicaid populations. In fact, the Congressional Budget Office estimates that by 2022, an additional 12 million people will be enrolled in Medicaid and the Children’s Health Insurance Program (CHIP).

States are also increasingly turning to Medicaid health plans to address beneficiaries with complex needs, including individuals with disabilities and/or multiple chronic conditions, as their focus on disease management and delivery of patient-centered care improves quality for these vulnerable populations.

Medicaid plans also tailor care programs to specific population needs – such as prenatal care initiatives for pregnant women and home-based long-term care for people with chronic conditions – programs that may far exceed anything available under Medicaid fee-for-service.