
PLAN FIRST!

State of Michigan

Michigan Department of Community Health

PLAN FIRST! Family Planning Waiver

Project Number 11-W-00215/5

July 1, 2012 – June 30, 2013 Annual Report

**Michigan Department of Community Health
PLAN FIRST! Family Planning Waiver
Section 1115 Demonstration**

**Annual Report
July 1, 2012 – June 30, 2013**

I. General Program Overview

The Michigan Department of Community Health (MDCH) submitted a Section 1115 Family Planning Waiver application to the Centers for Medicare and Medicaid Services (CMS) on October 20, 2004, and was approved March 1, 2006. This waiver enables the MDCH to provide family planning services to women who otherwise would not have medical coverage for these services. "PLAN FIRST!" is the official name of the program, and it was implemented July 1, 2006.

The MDCH is submitting this annual program progress report for its Section 1115 Family Planning Waiver in compliance with the Special Terms and Conditions established for the program. This document provides waiver progress information occurring during the seventh year of program operations, which covers the time period of July 1, 2012 through June 30, 2013.

Assessment of Need

In the past, Michigan has enjoyed a historically high insurance rate, in large part due to the automotive industry. However, the decline and reorganization of that industry and the loss of manufacturing jobs, has changed the shape of the insurance landscape. High unemployment in the state, like the rest of the country, has left many residents without basic health insurance benefits. Even as the unemployment rate begins to rebound, the uninsured rate remains high.

Further, family planning services are not always a covered benefit for those individuals with health insurance. Even in the past, when Michigan residents had health insurance coverage at a higher rate, this was true. As insurance has become less comprehensive and more costly, the occurrence of having some form of health insurance without family planning coverage has become more pronounced. A high percentage of childbearing age women in Michigan are uninsured or underinsured.

Because the cost of providing Medicaid-covered, pregnancy-related care far outstrips the cost of providing contraceptive services, giving women access to contraceptive services generates significant state and federal savings.¹ Furthermore, providing family planning services is directly linked to longer inter-pregnancy intervals and improved maternal and infant health outcomes.²

¹ Guttmacher Institute, Estimating the Impact of Expanding Medicaid Eligibility for Family Planning Services: 2011 Update

² Michigan Department of Community Health, Pregnancy Risk Assessment Monitoring System (2008)

In 2011 more than 114,000 live births occurred in Michigan. Of those births, over 51 percent were paid for by Medicaid. 2011 is the first year since the waiver began in which the number of live births increased, while the proportion of Medicaid births decreased.³

Two important public health priorities in the state are improving family planning services to better meet the needs of all women of reproductive age, and reducing the infant mortality rate, particularly for minority populations. Southeast Michigan is an especially vulnerable area in the state as the infant mortality rate among black women is twice that of their white counterparts. Providing low-income women with contraceptive services contributes to meeting these goals.

Covered Services

Plan First! provides coverage for 12 continuous months. A beneficiary is able to retain enrollment as long as the eligibility criteria are met annually. Family planning services are defined as any medically approved means, including diagnostic evaluation, pharmaceuticals, and supplies, for voluntarily preventing or delaying pregnancy. Services covered under this program include: (a) office visits; (b) associated laboratory procedures; (c) contraceptive management, including drugs and supplies; and (d) sterilization services. The family planning service benefit does not include coverage of abortions or treatment of infertility.

Eligibility

Through this waiver, the MDCH offers eligibility for family planning services to women who: (a) are 19 through 44 years of age; (b) are not currently Medicaid eligible; (c) do not have other creditable private insurance that covers family planning, including Medicare; and (d) have family income at or below 185 percent of the FPL. Coverage is limited to women who reside in Michigan and meet Medicaid citizenship requirements.

II. PLAN FIRST! Enrollment

This waiver period marks the seventh year the waiver has been operating. Program enrollment has remained consistent during the past year, as opposed to the first five years, that saw enrollment grow steadily. While this year was not a year of growth, the current enrollment clearly demonstrates the need to cover this population.

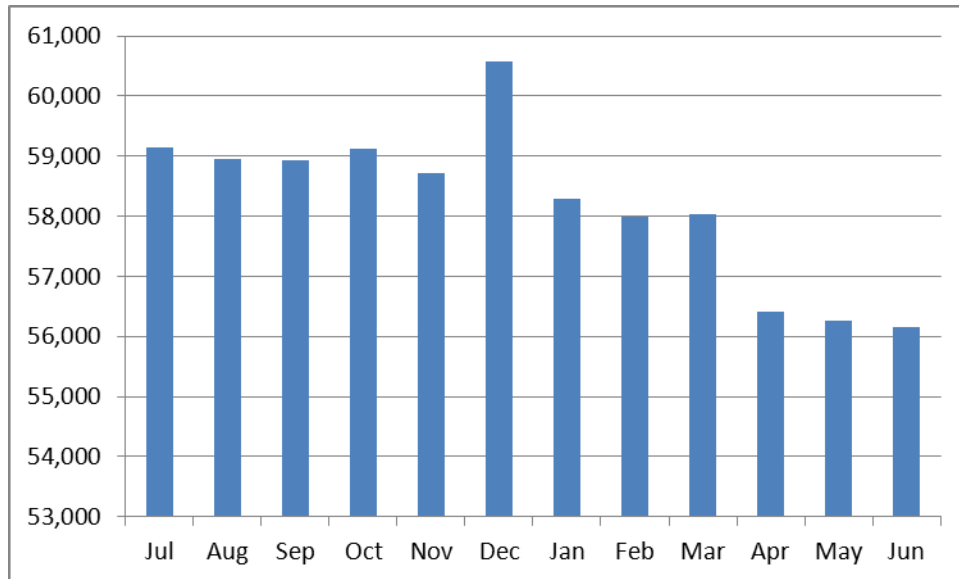
Table 1 and Figure 1 on the following page show monthly enrollment during the course of the waiver year.

³ Michigan Residents Birth Files, Division for Vital Records and Health Statistics, MDCH (2011)

**Table 1: Monthly Enrollment
July 2012 – June 2013**

Month	Enrollment
July 2012	59,144
August 2012	58,947
September 2012	58,921
October 2012	59,120
November 2012	58,720
December 2012	60,574
January 2013	58,295
February 2013	57,996
March 2013	58,028
April 2013	56,393
May 2013	56,239
June 2013	56,111
Unduplicated Enrollment	
July 2012 through June 2013	94,181

**Figure 1: Monthly Enrollment
July 2012 – June 2013**



III. Significant Program Changes

Eligibility Changes

There were no changes related to eligibility during the waiver year.

Covered Services

No new services have been added.

IV. Eligibility Verification Activities

Department of Human Services (DHS) staff processes enrollments and makes eligibility determinations for Plan First!. After the DHS determines eligibility, they enter the new cases into the State's eligibility system. They use the same programs and protocols applicable to the full benefit Medicaid program with appropriate coding configurations to represent this population. Applicants determined eligible for participation in the family planning waiver program are sent a mihealth plastic card to show providers as verification of their eligibility.

Once enrolled in the program, beneficiaries are eligible for a 12-month period. Providers querying the State's eligibility verification system are advised of the 12-month coverage associated with this program. DHS staff makes ongoing changes to information on the file (such as address changes) and facilitates annual eligibility redeterminations. DHS staff maintains full responsibility for the integrity of the information in the State's eligibility system for family planning waiver program participants.

Integrity of Eligibility Determinations

Family planning waiver beneficiaries are included in the State's current Medicaid quality control audit pool and are subject to the same random sample procedures as a full Medicaid case. Family planning waiver program beneficiaries are also subject to the same Income Verification System checks as full benefit Medicaid program beneficiaries. In an effort to ensure consistency of the review process, the State elected not to develop a separate, targeted, post-eligibility income validation process for family planning waiver beneficiaries.

The Medicaid Eligibility Quality Control (MEQC) process currently includes a universe of Medicaid and Adult Benefit Waiver cases. In Michigan, this universe is the total active number of cases in a given sample month. Audit samples are identified for MEQC review using a three-tier stratified random sampling method. For more information, please refer to the Michigan Medicaid Quality Control Sampling Plan document previously submitted to CMS on March 30, 2006. Currently, family planning waiver beneficiary cases are included in the sample pool.

V. Quality Improvement Activities and Marketing

Marketing has played an important role in the success of the Plan First! program. The department has used a variety of media outlets, strategies, and partnerships to reach the target population in a culturally sensitive way.

Michigan worked with Brogan & Partners, a marketing firm with whom the MDCH has an established relationship, to develop an aggressive media plan with an emphasis on social media as well as traditional marketing tactics. The target audience was women 19 through 44 years of age, paying special attention to women of color. The campaign ran statewide with a strong presence in Southeast Michigan. Additional marketing efforts were channeled toward the greater Detroit area.

The media plan involved a number of components with a strong focus on social media. Aspects of the plan that center on social media utilize Facebook, interactive search keywords, and mobile devices.

Facebook ads targeted the population using specific demographics – primarily women age 19-44. Facebook ads have a very large reach and broad appeal across various age groups and cultures. The interactive feature used a service called Clearspring. Clearspring used key words to prioritize Plan First! information in the results returned from an internet search. For example, if a woman searched the words “birth control”, the interactive feature would rank Plan First! higher in the list of search results. An appealing feature of both Facebook and Interactive outreach activities is the ease with which the results can be tracked. The MDCH could see how many media users “clicked through” and where they originated.

The mobile aspect of the media mix displays banner ads when users in the appropriate demographic access the internet with their phone. Research indicates many people are choosing to invest more heavily in their personal cell phone and use it for access to the internet as opposed to the expense of a home computer. Mobile device banner ads used for other programs like WIC have been very effective.

Plan First! ads also played on Pandora. Online and free, Pandora is the most widely used music website. Like Facebook, Pandora reaches a very large audience. Commercials play approximately 10 songs apart. The ad for Plan First! was both audio and visual.

Indoor posters advertising Plan First! were used in high traffic areas where women in the target demographic were likely to frequent. Among others, this includes restaurants, shopping centers, and child care facilities.

The MDCH continues to provide support through the beneficiary hotline as well as sending brochures on request. A MDCH employee regularly attends conferences and meetings where Plan First! information is displayed and distributed in conjunction with other state programs.

Provider Outreach and Training

Educational sessions for providers are held periodically throughout the year based on the need in communities. The MDCH places great importance on provider training, particularly in local health departments and family planning clinics. These two outlets are used most often for uninsured women to obtain services related to reproductive health and women who obtain some kind of family planning coverage often continue to

use these providers. Clinicians who are familiar with the program provide women the best opportunity to obtain the family planning coverage available to them and access the appropriate services.

VI. Demographics

The enrollment pattern shows the largest segment of women enrolled in the program are between 19 and 24 years of age. Over the course of the waiver year, 33 percent of beneficiaries fell in this age cohort. Women 25 to 29 years of age make up the next largest segment of the waiver population at 27 percent of beneficiaries. The percentage of beneficiaries in each age cohort decreases as the age ranges within the population increase. Figure 2 on the following page shows enrollment by age group and clearly demonstrates this pattern.

Enrollment of women less than 30 years of age is critical to the success of the program as young women have the highest fertility rate,⁴ particularly among low income women. Data also show a disproportionate number of the uninsured are young adults. In Michigan the 20 to 29 year old age group represents 26 percent of the total uninsured population.⁵ A high fertility rate coupled with a high uninsured rate make these women excellent candidates for the benefits of Plan First!.

While the 20 to 29 year old age group represents over a quarter of the uninsured in the state, all Michiganders have felt the economic strain associated with the loss of health insurance benefits. This makes Plan First! an invaluable tool for all eligible women.

Figure 3 shows program enrollment by race. Plan First! enrollment numbers closely resemble the racial makeup of Michigan as a whole. However, African American women, particularly in the Detroit area, make up a larger proportion of the low-income population the Plan First! program targets. Because of this, the MDCH focuses outreach efforts in Southeast Michigan with the goal of increasing program participation for women of color.

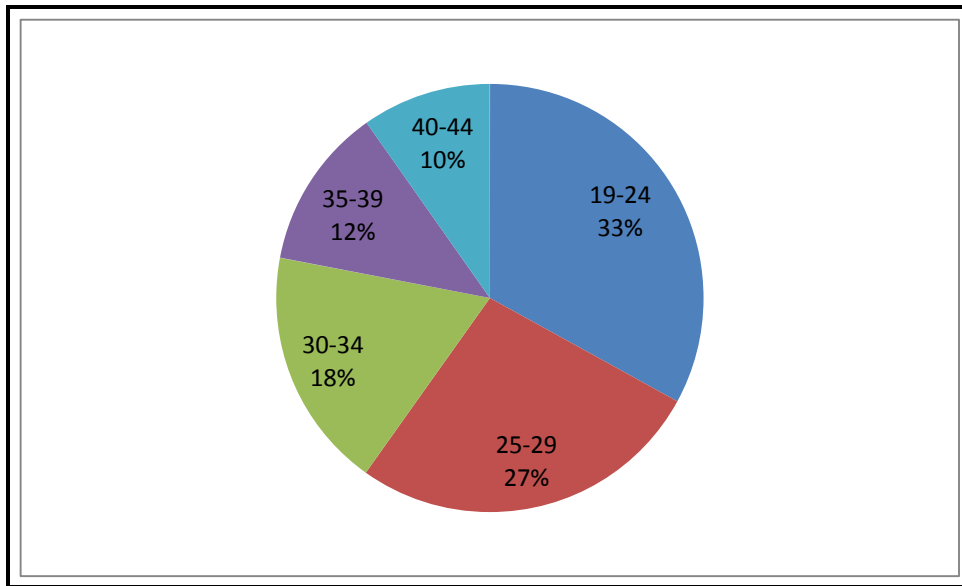
Greater access to family planning has the potential to positively impact the racial disparity in the infant mortality rate and improves child and maternal health. According to the Pregnancy Risk Assessment Monitoring Survey (PRAMS), women who have an unintended pregnancy have a higher prevalence of low birth weight infants than women with an intended pregnancy. Providing family planning services is directly linked to longer inter-pregnancy intervals and improved maternal and infant health outcomes.⁶

⁴ Michigan Department of Community Health (2010). Live birth rates by age of mother; Michigan residents 1920-2007. <http://www.mdch.state.mi.us/pha/osr/natality/Tab4.4.asp>

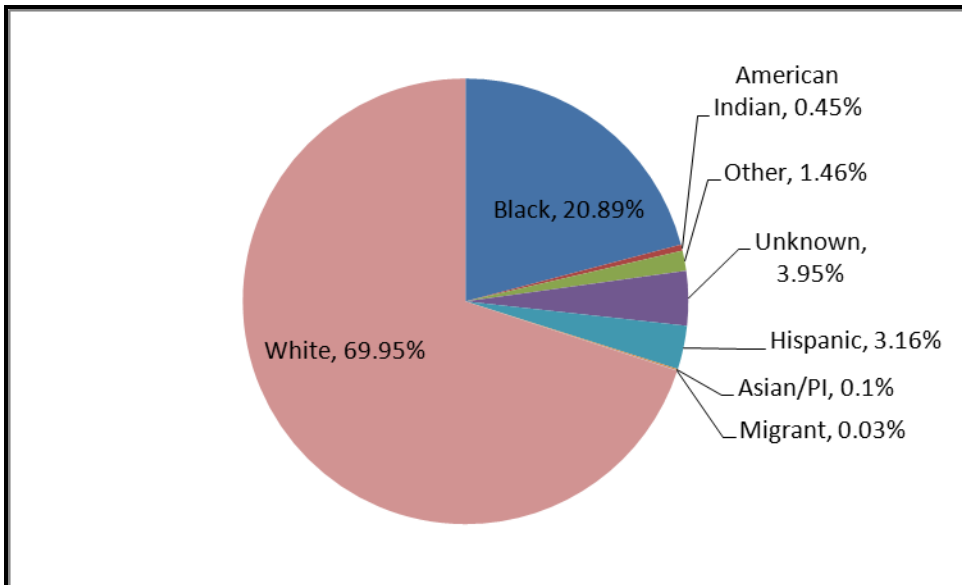
⁵ State Planning Grant Project for the Uninsured (2006). Michigan Household Health Insurance Survey Report.

⁶ Michigan Department of Community Health, Pregnancy Risk Assessment Monitoring System (2008)

**Figure 2: Enrollment by Age Groups
July 2012 – June 2013**



**Figure 3: Enrollment by Race
June 2013**



VII. Service Utilization

Current data show that the majority of beneficiaries enrolled throughout the year have had a paid claim. The claim information provides point in time data, and providers have up to one year to submit a claim. The goal of the department is not only to enroll women in the program, but also to connect beneficiaries with the services that best meet their needs.

VIII. Fertility Rate

As required in the Special Terms and Conditions, Michigan identified a 2003 base year fertility rate of 108.2 births per 1,000 women. In calculating the fertility rate, Michigan used a literature driven approach to adjust for age, race and income variables. Based on assumptions regarding prospective Plan First! enrollees, the DCH estimates that the fertility rate of 108.2 is representative of Michigan's Plan First! eligible population.

The MDCH reviewed paid claims data from Michigan's data warehouse to calculate the actual fertility rate of Plan First! beneficiaries. The fertility rate includes both fee-for-service (FFS) and managed care births. Due to the gestation period and some additional claim lag, the beneficiaries represented in the fertility rate include women who were enrolled in Plan First! during the sixth year of program operations but delivered during the seventh program year, as well as women who became pregnant in, and delivered during the current program year.

Despite any concern about claim lag, Michigan's demonstration fertility rate, expressed in births per 1,000 occurring during the demonstration year, is significantly lower than the calculated 2003 base year fertility rate. Please see Table 2 below for the fertility rate of Plan First! beneficiaries.

Table 2: Demonstration Fertility Rate Based on FFS and Managed Care

Total Plan First! Beneficiaries in Program Year 6	Number of Births to Plan First! Beneficiaries through
94,181	2,612
Plan First! Fertility Rate	27.7
Total Population Fertility Rate	108.2

Furthermore, these numbers include women who enrolled in Plan First! and upon seeking family planning services, discovered they were pregnant. Although no family planning services were provided for these women, the program did allow them to discover their pregnancy earlier and seek prenatal care services.

IX. Cost

Administrative costs for the year were used for marketing, staffing, and ongoing program implementation procedures. The program cost information provided in Table 3 and Figure 4 is consistent with cost information provided on the CMS 64.9 and CMS 64.10 reports. This cost information is based on date of payment and not date of service.

Table 3: Service Reimbursement

Provider	Jul-Sep 2012	Oct-Dec 2012	Jan-Mar 2013	Apr-Jun 2013	Total
Physician/Clinic Services	1,595,657	1,485,862	1,440,995	1,177,271	5,699,785
Outpatient/Sterilizations	201,738	138,314	161,113	183,795	684,960
Laboratory/Radiological	197,249	143,227	166,577	157,769	664,822
Pharmacy	949,952	881,472	878,032	937,081	3,646,537
Pharmacy Rebate	(357,672)	(404,158)	(379,669)	(412,546)	(1,554,045)
Total	2,586,924	2,244,717	2,267,048	2,043,370	9,142,059
Administrative Costs	311,785	235,094	140,047	175,826	862,752
Total + Administrative Costs	2,898,709	2,479,811	2,407,095	2,219,196	10,004,811

The majority of expenditures were for professional fee reimbursement. This includes reimbursement for physician office visits and professional fees associated with physician office procedures. Pharmacy expenditures also constitute a large portion of the healthcare program costs.

Table 4: Average Cost Per Enrollee

Total Number of PLAN FIRST! Beneficiaries in Program Year 7	Total Provider Services Cost	Average Cost Per Enrollee
94,181	\$9,142,059	\$97.07

Table 4 displays the average cost of providing healthcare services per person in the Plan First! program. This was calculated by dividing the total program cost by the total number of enrollees. The \$97.07 per program enrollee is less than the \$158 per person amount forecasted in the Plan First! budget, as stated in the waiver application.

Table 5: Average Cost Per Pregnancy

Average cost of pregnancy	Average cost for child's first year of life.	Average cost per case
\$7,035	\$5,600	\$12,635
Michigan's FMAP 2013	Federal share	State share
66.39%	\$8,388	\$4,247

Table 5 shows the cost of prenatal care, delivery, and post-partum care stated as the average cost of pregnancy. It also shows the cost of the child during the first year of life. On average, the Michigan Medicaid program pays \$12,635 per case when a woman becomes eligible for Medicaid due to a pregnancy. For each pregnancy averted under the Plan First! program, the federal government saves \$8,388 and Michigan saves \$4,247 in general fund contribution.

X. Conclusion

Overall, Michigan's family planning waiver continues to successfully enroll, and provide family planning services to, eligible women. The fertility rate of waiver participants remains well below that of the base year, and enrollment in the program remains strong. The reduced fertility rate in waiver participants clearly demonstrates the ability of the family planning waiver to greatly impact unintended pregnancies.

The MDCH focused its marketing and outreach efforts in Southeast Michigan and statewide with the goal of increasing enrollment among low-income women. Increased program participation among these women will not only decrease the incidence of unintended pregnancies but also reduce the infant mortality rate for this group and increase their economic opportunities.

Considering Michigan's economic difficulties, giving women the opportunity to prevent unintended pregnancies is not only a health priority but an important tool in the state's recovery. The loss of private health insurance due to consistently high unemployment has created an even greater need for Plan First!.