



MEDICAID CARE MANAGEMENT

Smarter care management brings better results

- ❖ Care management services help to ensure that a beneficiary receives needed services in a supportive, effective, and timely manner. For individuals with type 2 diabetes, care management is important in ensuring effective treatment and lifestyle change.
- ❖ Managed Care Organizations (MCOs) in New Jersey primarily provide telephonic case management, rather than “high-touch” or “hands-on” management. However, research shows **telephonic care management is unlikely to yield either better health outcomes or lower costs.**
- ❖ Medicaid should **provide in-person visits** and increase coordination between care managers and providers to make care management more **effective and cost-justified.**

What is the New Jersey Medicaid care management system?

The New Jersey Division of Medical Assistance and Health Services defines *care management* as a “a set of enrollee-centered, goal-oriented, culturally relevant and logical steps to ensure that an enrollee receives needed services in a supportive, effective, efficient, timely and cost-effective manner.” Its components include *case management*, a set of activities tailored to meet a beneficiary’s situational health-related needs, which emphasizes improved functional status, quality of life, beneficiary satisfaction, adherence to care plans, and beneficiary self-direction.

Check out Care Management in the
New Jersey PATHS Report:
pp. 9, 53–54, 91–97

Why should the care management system be changed?

MCO care managers predominantly rely on phone calls to interact with patients. However, telephonic case management can be ineffective because patients often do not have reliable access to phones. In one Colorado study that tracked 3,540 Medicaid beneficiaries, the use of telephonic management did not result in any fewer emergency room visits. Care managers are likely not providing the quality of interaction and reliability needed given the level of assistance and follow up necessary for patients to make lifestyle changes.

What should New Jersey do?

1. New Jersey Medicaid should conduct an analysis of the existing care management system in order to **assess the program’s efficacy and improve its design.** Researchers have highlighted six structural features for efficacy: (1) targeting patients at substantial risk of hospitalization; (2) averaging one in-person contact per month; (3) accessing hospital admissions and ED utilization data to provide transitional care; (4) working closely with primary care providers; (5) developing care plans, providing social support, and coaching; (6) relying primarily on nurses.
2. Medicaid should encourage or require MCOs to **shift their focus to face-to-face and home visits** for complex and vulnerable patients. Additionally, Medicaid can pay **Medicaid Accountable Care Organizations** to provide higher-touch management for complex patients.

FOR MORE INFORMATION, CONTACT:

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