

PERFORMANCE AUDIT

Work in progress: Audit description

Examining Concurrent Multistate Enrollments in Medicaid

Approximately one-quarter of Washingtonians receive medical and behavioral health care through a Medicaid (Apple Health) managed care plan. Under managed care, the state contracts with five private insurance companies, called managed care organizations (MCOs), to provide specific services in exchange for monthly payments. This practice differs from fee-for-service, which pays providers directly only when they see a patient. The state makes monthly payments to MCOs to ensure all enrollees will have access to care should they need it; in fiscal year 2022, these payments amounted to \$9.7 billion. The Health Care Authority (HCA), as Washington's lead Medicaid agency, is responsible for meeting numerous federal requirements, including ensuring that it pays MCOs only for people who are properly enrolled. HCA and the Department of Social and Health Services (DSHS) share responsibilities for identifying people enrolled in Washington's program who have left the state.

Federal law does not allow people to be enrolled in more than one state Medicaid program at a time. Nonetheless, in 2022, the Office of Inspector General in the U.S. Department of Health and Human Services reported that nearly all states made payments for people enrolled in more than one state at the same time. It found that in August 2020, Washington paid \$3.2 million for health care coverage for 11,300 people concurrently enrolled in two states. Some proportion of these people likely had moved away and established a residence that enabled them to enroll in Medicaid in their new home state, yet Washington continued to pay MCOs for their health care.

Preliminary scope and objectives

The audit will determine how many people are enrolled in managed care in Washington and at least one other state at the same time. It will then use data to distinguish actual state residents from those living elsewhere, to estimate potential cost savings if those incorrectly enrolled in Washington were removed from state rolls. The audit will also identify improvements Washington can make to ensure the state makes monthly payments only for eligible residents. It is part of a multistate audit of the Medicaid program. Partner organizations include the Office of Inspector General, Oregon, Ohio and Kentucky. Washington will issue its own separate report. The audit seeks to answer these questions:

1. To what extent did Washington pay premiums to managed care organizations for enrollees concurrently enrolled in another state Medicaid program?
2. What additional steps could HCA and DSHS take to ensure MCOs are not paid for enrollees who no longer live in Washington?



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