![CMS — Centers for Medicare & Medicaid Services]

Medicaid Managed Care
Trends and Snapshots

2000 – 2013

MATHEMATICA
Policy Research

This chartbook presents charts, tables, and maps showing longitudinal trends in Medicaid managed care from 2000–2013.

It provides details on the rise of comprehensive Managed Care Organizations (MCOs), benefits covered by Medicaid managed care, and quality assurance and improvement activities in Medicaid managed care.

Information in the chartbook is derived from two sources: the Medicaid Managed Care Enrollment Report and the National Program Summary of State Medicaid Managed Care Programs, both of which are produced annually by the Centers for Medicare & Medicaid Services (CMS). Data for these two sources are submitted by the states to CMS. The processes to validate these data have varied over time; as a result, data for some states may not be reliable in all years. The chartbook includes data from the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Graphics may contain different combinations of states, territories, and programs; each combination is explained in the accompanying notes.

Major trends from 2000 to 2013 include the following:

- An increasing percentage of the Medicaid population enrolled in some form of managed care and received either comprehensive or limited benefits through MCOs, primary care case management programs (PCCMs), prepaid inpatient health plans (PIHPs), prepaid ambulatory health plans (PAHPs), Programs of All-Inclusive Care for the Elderly (PACE), or other managed care programs.

- The percentage of the Medicaid population enrolled in comprehensive MCOs rose between 2005 and 2013, coinciding with the increase in the percentage of Medicaid enrollees in any form of managed care.

- Between 2010 and 2013, states increasingly took steps to improve health care quality, such as requiring that MCO plans be accredited by outside organizations. In 2013, more than half of comprehensive MCO beneficiaries were enrolled in programs that required MCO plans to be accredited, and roughly three-quarters of the states with comprehensive MCOs rewarded quality through payment bonuses/differentials, preferential auto-enrollment, public reports comparing MCO performance on key metrics, or withholds tied to performance metrics.

Data presented in this chartbook cover through 2013, but experts predict that total Medicaid enrollment and managed care expenditures will continue to increase over the next 10 years (Truffer et al. 2014). The largest expected jump in enrollment evident in future data will occur between 2013 and 2014, due to coverage expansions under the Affordable Care Act (ACA) that took effect in 2014 (Keehan et al. 2015). Most states expanding Medicaid eligibility to low-income adults under the ACA are enrolling these newly eligible Medicaid beneficiaries into managed care programs (Truffer et al. 2014). In addition, states are increasingly shifting long-term services and supports from fee-for-service (FFS) programs into managed care. As the number of Medicaid enrollees covered through managed care continues to increase, the share of Medicaid expenditures paid to managed care organizations will as well.

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Enrollment in Medicaid managed care nationwide

As of 2013, nearly three-quarters of Medicaid beneficiaries nationwide were enrolled in some form of managed care. Medicaid managed care penetration, defined as the percentage of all Medicaid beneficiaries (FFS and managed care) enrolled in managed care, increased in all years except for three during the period of 2000 to 2013.

Data notes: Medicaid managed care penetration in Figure 1 includes the 50 states and the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The national Medicaid managed care penetration rate refers to Medicaid enrollees in any form of managed care, including those receiving comprehensive benefits through MCOs and PACE, and those receiving limited benefits through PCCMs, PIHPs, PAHPs, and other managed care programs. Total Medicaid enrollment data in 2012 were not available from Alaska, New Hampshire, the Virgin Islands, or Wyoming, but none had managed care enrollment in that year.

Sources: Medicaid Managed Care Enrollment Reports from 2005–2012 (CMS n.d.[a–f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

Figure 1. National Medicaid managed care penetration rose from 2000 to 2013
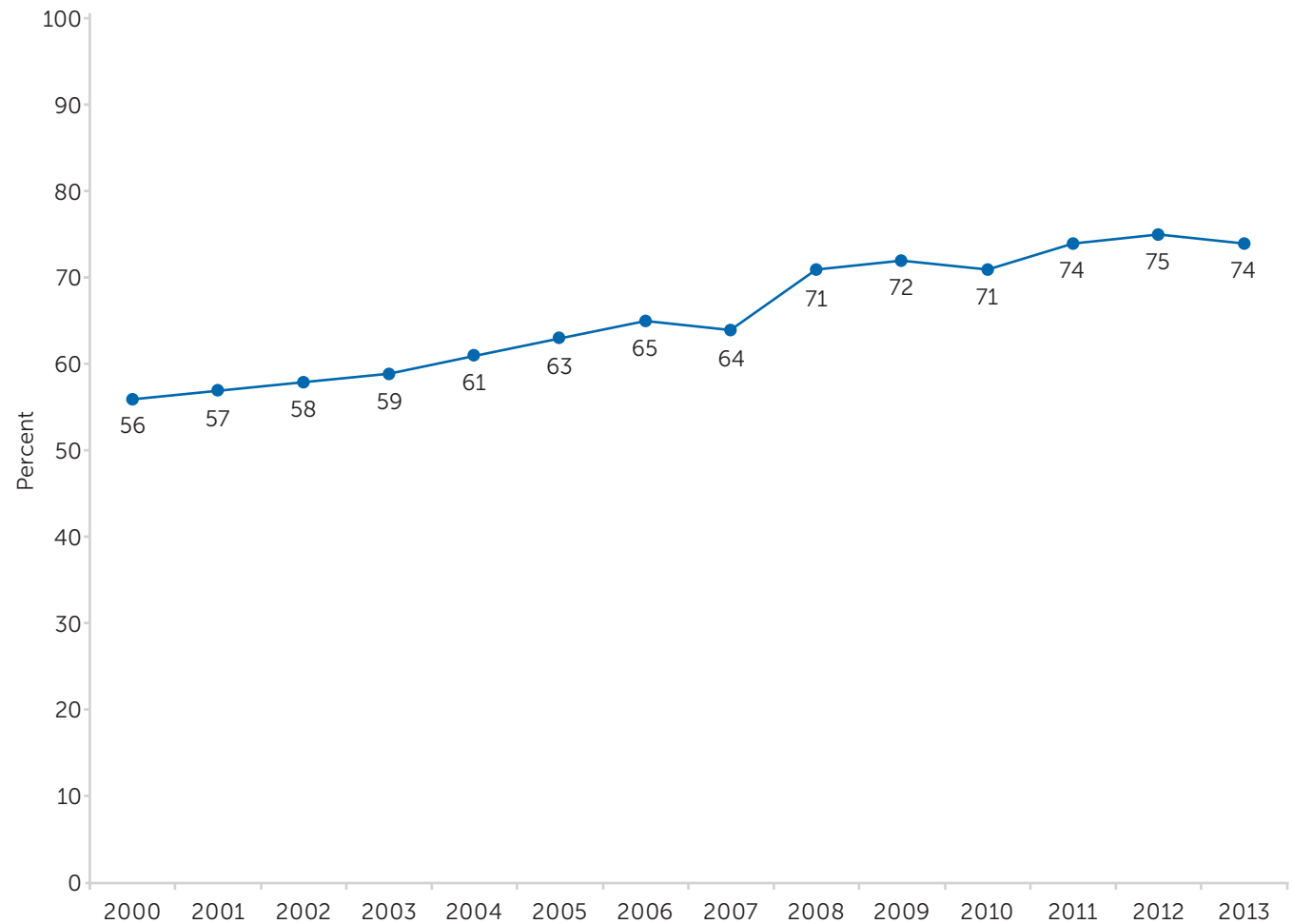
Enrollment in Medicaid managed care by state

From 2005 through 2013, the percentage of Medicaid enrollees in any type of managed care delivery system increased in 29 states, decreased in 20 states, and did not change in 2 states. Among the states that showed an increase in the percentage of Medicaid enrollees in managed care, the average increase was 18 percent. Among the states in which the share decreased, the average decrease was 14 percent. The 5 states with the largest percentage point increases from 2005 through 2013 are highlighted in green, and the 5 states with the largest percentage point decreases are highlighted in blue.

Data notes: The national total is weighted by population and includes enrollment from the 50 states and the District of Columbia (territories are excluded). The Medicaid managed care penetration rate

Table 1. Medicaid managed care penetration is increasing over time, although there is some variation across states and years

State	2005	2007	2009	2011	2013	Percentage point change in Medicaid managed care penetration from 2005 to 2013
National Total	62.2%	63.6%	71.2%	74.1%	72.8%	10.6%
Alabama	60.5%	65.1%	66.5%	61.1%	59.5%	-1.0%
Alaska	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Arizona	88.8%	90.0%	89.6%	88.7%	84.4%	-4.4%
Arkansas	81.1%	81.7%	79.2%	78.4%	77.7%	-3.4%
California	50.2%	50.8%	52.2%	60.1%	67.4%	17.2%
Colorado	95.0%	94.1%	95.1%	94.6%	95.3%	0.3%
Connecticut[a]	75.0%	73.7%	75.2%	68.6%	0.0%	-75.0%
Delaware	76.2%	66.9%	73.9%	80.5%	84.4%	8.2%
District of Columbia*	64.8%	64.7%	97.8%	67.4%	67.7%	2.9%
Florida	66.2%	61.7%	66.0%	63.8%	62.8%	-3.4%
Georgia*[a]	95.8%	64.2%	92.0%	91.3%	65.4%	-30.4%
Hawaii	79.9%	79.9%	97.0%	98.7%	98.7%	18.8%
Idaho	82.8%	84.8%	84.1%	100.0%	94.6%	11.8%
Illinois[b]	9.6%	28.4%	55.1%	67.8%	70.5%	60.9%
Indiana	68.5%	72.6%	74.0%	70.3%	68.0%	-0.5%
Iowa	92.0%	77.4%	82.9%	91.1%	82.2%	-9.8%
Kansas	56.0%	51.1%	86.6%	87.4%	82.5%	26.5%
Kentucky*	92.0%	62.8%	83.0%	89.4%	84.6%	-7.4%
Louisiana	79.0%	68.1%	68.7%	65.3%	87.6%	8.6%
Maine*	61.9%	67.4%	63.7%	49.3%	61.5%	-0.4%
Maryland	67.4%	72.4%	78.8%	74.6%	79.4%	12.0%
Massachusetts	61.5%	59.3%	59.6%	53.1%	64.1%	2.6%
Michigan[a]	89.9%	88.4%	88.8%	88.4%	71.1%	-18.8%
Minnesota	65.9%	61.8%	63.1%	65.7%	70.2%	4.3%
Mississippi*[b]	13.5%	0.0%	76.1%	87.2%	77.5%	64.0%
Missouri[b]	45.0%	41.9%	98.7%	97.7%	97.2%	52.2%
Montana	68.2%	55.8%	66.6%	76.1%	65.5%	-2.7%
Nebraska	71.1%	81.2%	83.6%	85.1%	75.7%	4.6%

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	States with the largest percentage point increases		States with the largest percentage point decreases

refers to Medicaid enrollees in any form of managed care, including those receiving comprehensive benefits through MCOs and PACE, and those receiving limited benefits through PCCMs, PIHPs, PAHPs, and other managed care programs. For the purpose of calculating average penetration, Wyoming's percentage point change is included as 0.1 percent in 2013. Processes to validate state-reported data have varied over time.

[a]States with the largest percentage point decreases.

[b]States with the largest percentage point increases.

*Trends shown in the District of Columbia, Georgia, Kentucky, Maine, Mississippi, New Hampshire, and South Carolina may be the result of incorrect or incomplete data.

Sources: Medicaid Managed Care Enrollment Reports 2005, 2007, 2009, and 2011 (CMS n.d.[a,c,e,h]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

State	2005	2007	2009	2011	2013	Percentage point change in Medicaid managed care penetration from 2005 to 2013
National Total	**62.2%**	**63.6%**	**71.2%**	**74.1%**	**72.8%**	**10.6%**
Nevada[a]	100.0%	84.8%	83.7%	83.6%	54.9%	-45.1%
New Hampshire*	2.0%	77.3%	77.6%	0.0%	0.0%	-2.0%
New Jersey	69.0%	70.6%	74.9%	77.7%	87.9%	18.9%
New Mexico	60.6%	61.9%	74.2%	72.8%	74.5%	13.9%
New York	61.5%	62.1%	66.2%	76.7%	75.5%	14.0%
North Carolina	70.9%	64.4%	70.2%	83.2%	76.1%	5.2%
North Dakota	60.6%	56.0%	67.6%	63.6%	55.7%	-4.9%
Ohio[b]	31.2%	69.5%[b]	70.4%	75.4%	69.8%	38.6%
Oklahoma	87.0%	69.5%	88.5%	86.5%	73.4%	-13.6%
Oregon	90.6%	90.8%	88.1%	98.2%	90.2%	-0.4%
Pennsylvania	90.4%	81.2%	82.1%	81.5%	91.3%	0.9%
Rhode Island	69.4%	63.1%	62.1%	68.6%	74.9%	5.5%
South Carolina*[b]	9.8%	22.9%	100.0%	100.0%	63.8%	54.0%
South Dakota[a]	97.5%	98.6%	79.7%	75.8%	74.8%	-22.7%
Tennessee	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%
Texas	48.4%	67.3%	64.6%	70.7%	77.3%	28.9%
Utah	91.0%	82.3%	85.9%	99.8%	98.5%	7.5%
Vermont	66.9%	84.3%	87.8%	58.5%	56.5%	-10.4%
Virginia	62.5%	64.2%	63.9%	58.2%	67.8%	5.3%
Washington	84.8%	85.5%	86.0%	88.1%	67.3%	-17.5%
West Virginia	47.5%	44.6%	46.0%	51.0%	52.8%	5.3%
Wisconsin	46.4%	48.2%	60.4%	63.7%	62.8%	16.4%
Wyoming	0.0%	0.0%	0.0%	0.0%	<0.1%	<0.1%

■ States with the largest percentage point increases   ■ States with the largest percentage point decreases

Enrollment in comprehensive MCOs nationwide

The share of Medicaid beneficiaries enrolled in comprehensive managed care reached more than 50 percent in 2011 and continued to grow in subsequent years.

Data notes: Figure 2 includes MCO enrollment from the 50 states and the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as health insuring organizations (HIOs) and PACE. Total Medicaid enrollment data in 2012 were not available from Alaska, New Hampshire, the Virgin Islands, and Wyoming, but none had managed care enrollment in that year.

Sources: Medicaid Managed Care Enrollment Reports from 2005–2012 (CMS n.d.[a−f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

Figure 2. The share of Medicaid enrollees in comprehensive MCOs increased from 2005 to 2013
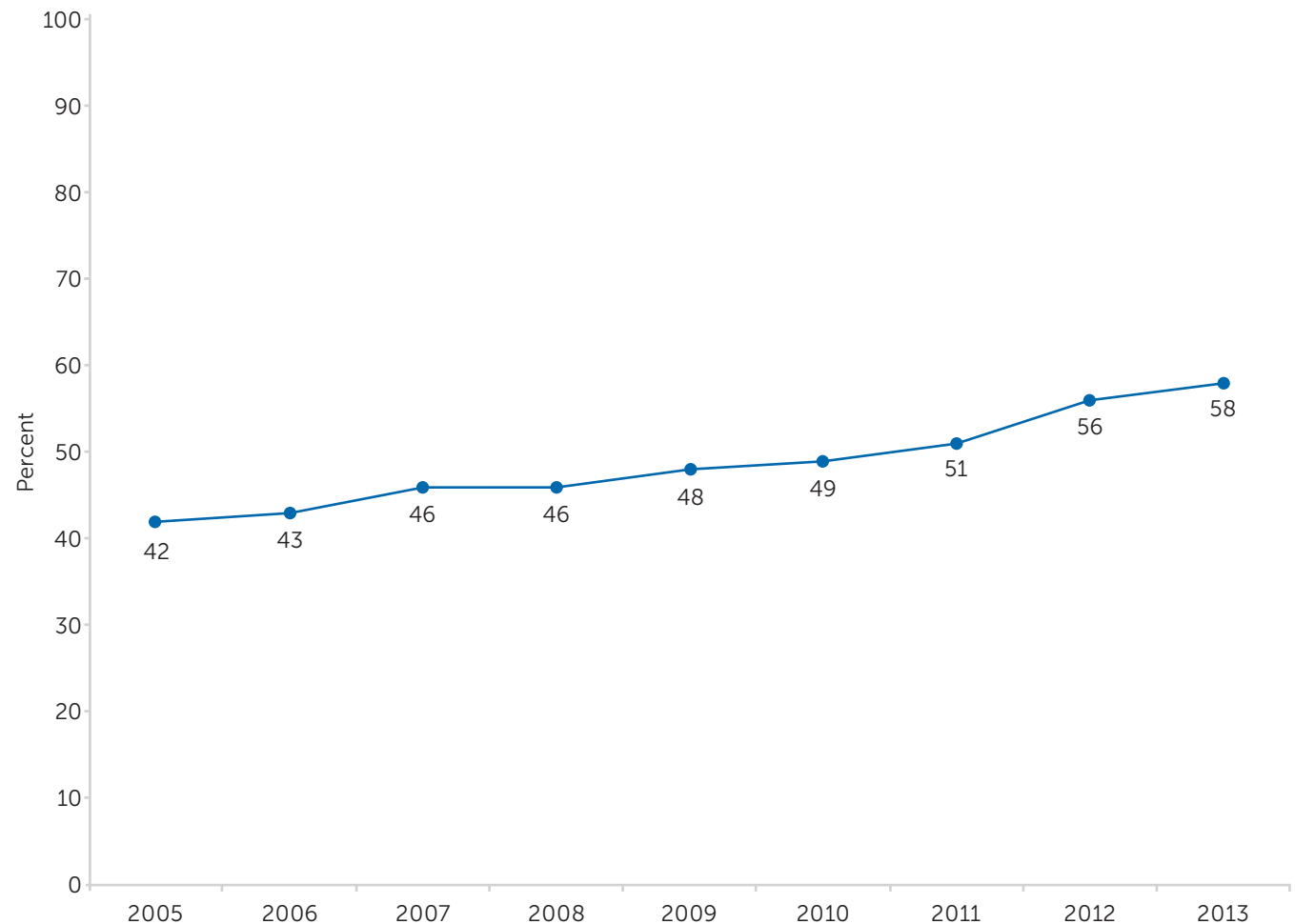
Enrollment in comprehensive MCOs nationwide

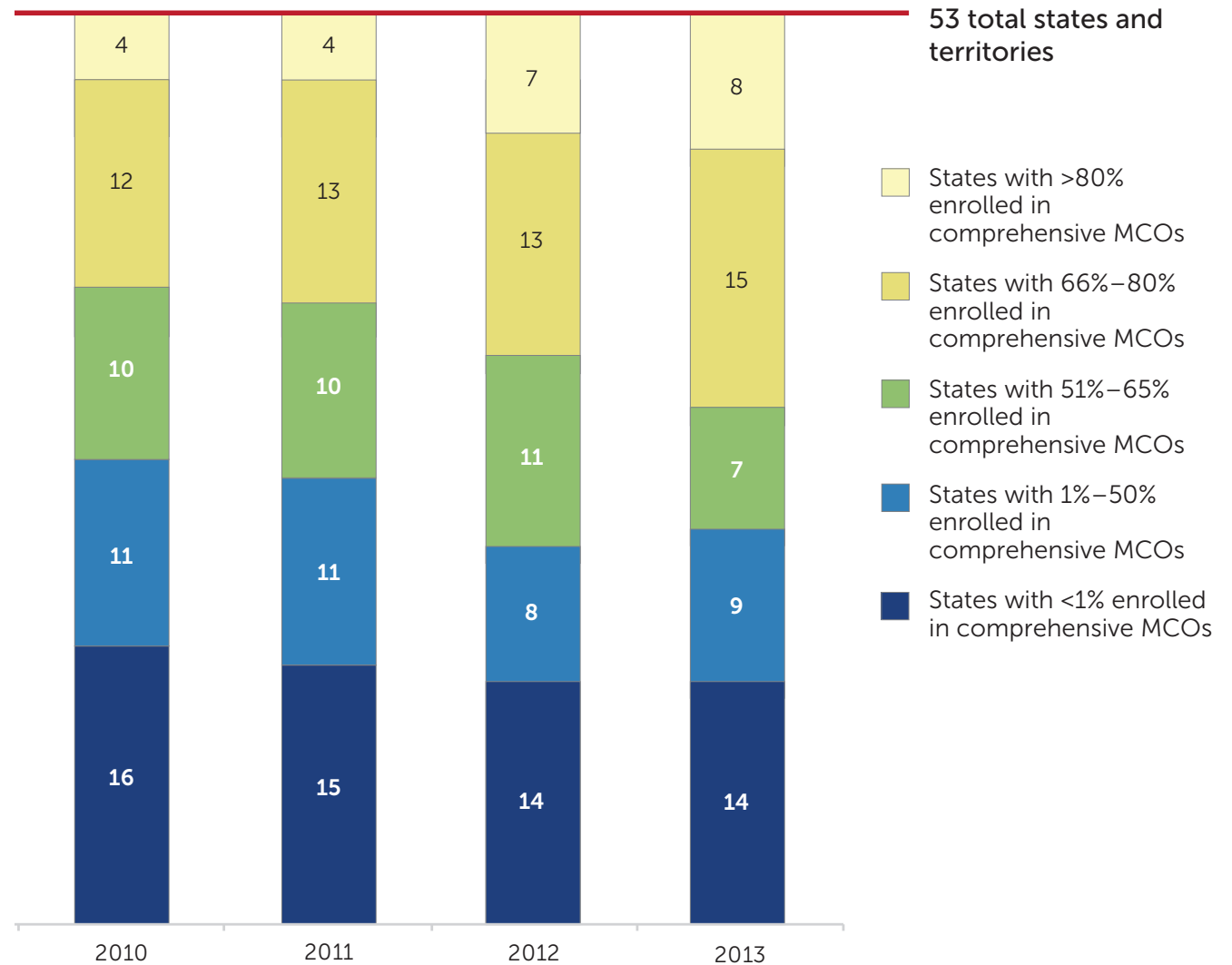From 2010 to 2013, the number of states with more than half of their Medicaid beneficiaries enrolled in comprehensive MCOs increased from 26 to 30. During the same period, the number of states with more than 80 percent of their Medicaid enrollees in comprehensive MCOs doubled, from 4 to 8.

Data notes: Figure 3 includes enrollment from the 50 states and the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as HIOs and PACE.

Sources: Medicaid Managed Care Enrollment Reports from 2005–2012 (CMS n.d.[a–f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

Figure 3. The number of states and territories enrolling more than half of their Medicaid enrollees in comprehensive MCOs increased from 2010 through 2013

53 total states and territories

- States with >80% enrolled in comprehensive MCOs
- States with 66%−80% enrolled in comprehensive MCOs
- States with 51%−65% enrolled in comprehensive MCOs
- States with 1%−50% enrolled in comprehensive MCOs
- States with <1% enrolled in comprehensive MCOs

Enrollment in comprehensive MCOs by state

From 2010 through 2013, the percentage of Medicaid enrollees in comprehensive MCOs increased in 33 states, decreased in 11 states, and did not change in 7 states. Among the states with an increase, the average percentage point increase was 13 percent. Among the states with a decrease, the average percentage point decrease was 9 percent. The 5 states with the largest increases in comprehensive MCO enrollment from 2010 through 2013 are highlighted in green, and the 5 states with the largest decreases in comprehensive MCO enrollment are highlighted in blue.

Data notes: The national total is weighted by population and includes enrollment from the 50 states and the District of Columbia (territories are excluded). Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and

Table 2. The percentage of Medicaid beneficiaries enrolled in comprehensive MCOs is increasing over time, although there is some variation across states and years

State	2010	2011	2012	2013	Percentage point change from 2010 to 2013
National Total	**48.0%**	**50.2%**	**55.9%**	**57.6%**	**9.6%**
Alabama	0.0%	0.0%	0.0%	<0.1%	<0.1%
Alaska	0.0%	0.0%	0.0%	0.0%	0.0%
Arizona[a]	90.5%	88.7%	82.8%	84.4%	-6.1%
Arkansas	0.0%	0.0%	0.0%	<0.1%	<0.1%
California	54.6%	59.7%	61.4%	67.2%	12.6%
Colorado	8.2%	8.3%	8.0%	10.6%	2.4%
Connecticut[a]	69.8%	68.5%	68.5%	0.0%	-69.8%
Delaware	73.0%	77.1%	80.2%	84.4%	11.4%
District of Columbia[a]	69.7%	68.1%	69.5%	62.4%	-7.3%
Florida	38.2%	40.7%	45.3%	44.8%	6.6%
Georgia	62.2%	61.5%	63.5%	63.3%	1.1%
Hawaii[a]	98.0%	98.0%	98.6%	93.9%	-4.1%
Idaho	0.0%	0.0%	0.0%	0.0%	0.0%
Illinois	7.5%	7.7%	8.9%	9.6%	2.1%
Indiana	67.6%	66.8%	66.5%	64.9%	-2.7%
Iowa	0.0%	0.0%	0.4%	7.0%	7.0%
Kansas	50.3%	51.3%	52.2%	82.5%	32.2%
Kentucky*[b]	20.4%	20.8%	106.3%	84.6%	64.2%
Louisiana[b]	0.0%	0.0%	37.0%	34.1%	34.1%
Maine	0.0%	0.0%	0.0%	0.0%	0.0%
Maryland	74.8%	74.6%	74.6%	79.4%	4.6%
Massachusetts	32.8%	32.8%	37.8%	31.6%	-1.2%
Michigan	65.5%	66.7%	68.1%	71.1%	5.6%
Minnesota	63.8%	65.7%	68.7%	70.2%	6.4%
Mississippi	0.0%	8.3%	7.5%	22.5%	22.5%
Missouri	42.3%	45.4%	47.8%	47.9%	5.6%

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	States with the largest increases in comprehensive MCO enrollment		States with the largest decreases in comprehensive MCO enrollment

sometimes other benefits, as well as HIOs and PACE. For the purpose of calculating average percentage point change in comprehensive MCO enrollment, any state that had an increase of less than 0.1 percent was recoded to 0.1 percent. Processes to validate state-reported data have varied over time.

[a]States with the largest decreases in comprehensive MCO enrollment.

[b]States with the largest increases in comprehensive MCO enrollment.

*Trends shown in Kentucky may be the result of incorrect or incomplete data.

Sources: Medicaid Managed Care Enrollment Reports from 2010–2012 (CMS n.d.[f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

State	2010	2011	2012	2013	Percentage point change from 2010 to 2013
National Total	**48.0%**	**50.2%**	**55.9%**	**57.6%**	**9.6%**
Montana	0.0%	0.0%	0.0%	0.0%	0.0%
Nebraska[b]	17.5%	42.5%	69.9%	75.7%	58.2%
Nevada	55.1%	56.7%	55.6%	54.9%	-0.2%
New Hampshire	0.0%	0.0%	0.0%	0.0%	0.0%
New Jersey	76.8%	77.7%	87.2%	87.9%	11.1%
New Mexico	73.2%	72.9%	68.4%	74.5%	1.3%
New York	67.1%	75.7%	77.3%	73.6%	6.5%
North Carolina	0.0%	0.0%	0.0%	<0.1%	<0.1%
North Dakota	0.1%	0.1%	0.1%	0.1%	0.0%
Ohio[a]	73.5%	75.4%	73.4%	69.8%	-3.7%
Oklahoma	0.0%	0.0%	0.0%	<0.1%	<0.1%
Oregon	71.1%	76.3%	76.4%	78.8%	7.7%
Pennsylvania	54.0%	54.1%	61.7%	76.8%	22.8%
Rhode Island	67.4%	68.6%	68.6%	71.3%	3.9%
South Carolina	48.7%	49.8%	54.0%	45.9%	-2.8%
South Dakota	0.0%	0.0%	0.0%	0.0%	0.0%
Tennessee	96.4%	96.4%	96.2%	100.0%	3.6%
Texas[b]	44.4%	47.5%	75.2%	77.3%	32.9%[b]
Utah[b]	17.1%	19.1%	23.9%	70.1%	53.0%
Vermont	56.8%	58.5%	58.6%	56.5%	-0.3%
Virginia	59.3%	58.2%	64.4%	67.8%	8.5%
Washington	58.4%	61.8%	62.3%	67.3%	8.9%
West Virginia	48.6%	51.0%	51.0%	51.6%	3.0%
Wisconsin	59.7%	60.7%	60.5%	59.5%	-0.2%
Wyoming	0.0%	0.0%	0.0%	<0.1%	<0.1%

██ States with the largest increases in comprehensive MCO enrollment

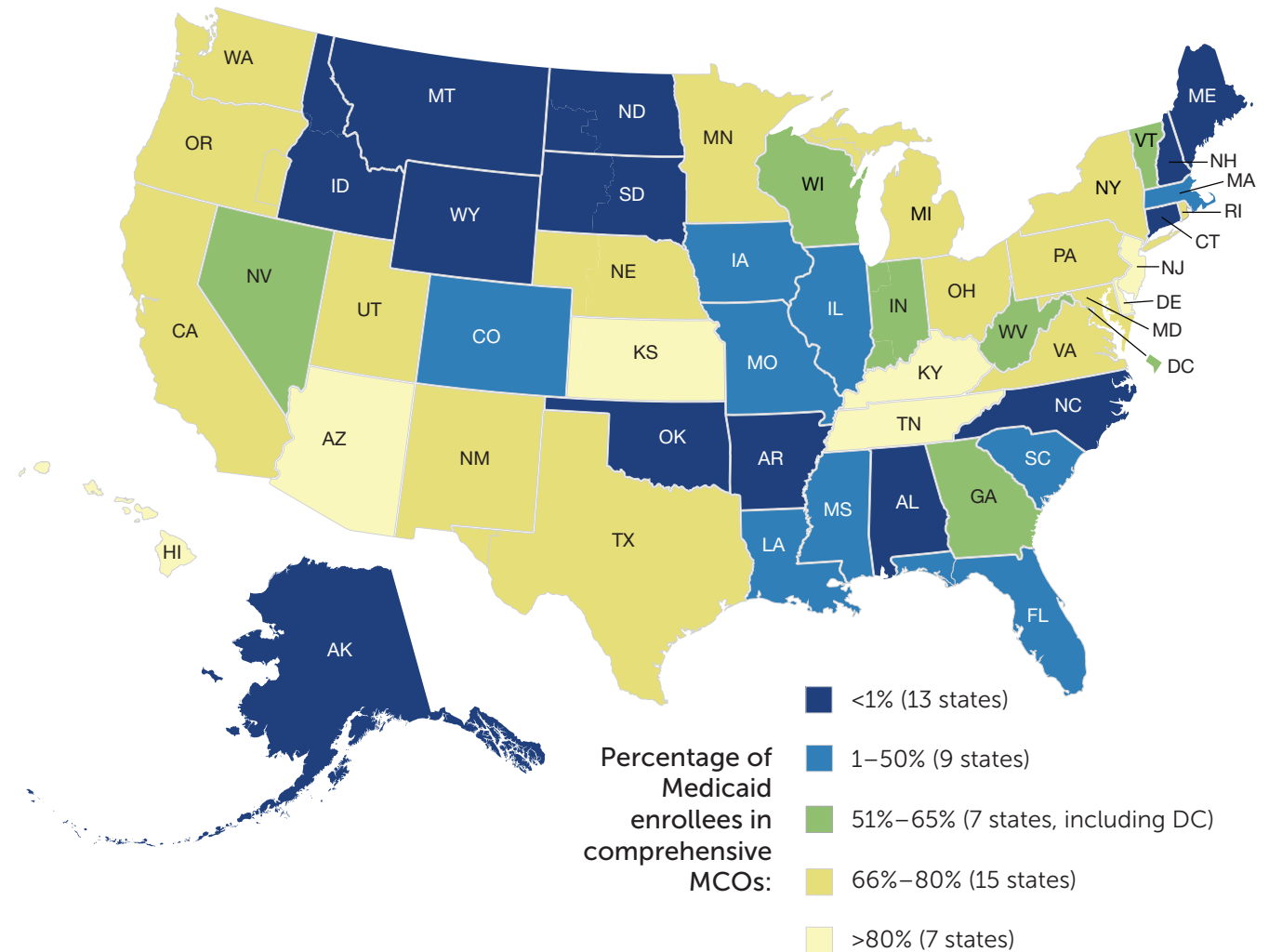██ States with the largest decreases in comprehensive MCO enrollment

Enrollment in comprehensive MCOs by state

In 2013, 29 states (including the District of Columbia) enrolled more than half of their Medicaid beneficiaries in comprehensive MCOs; 22 states enrolled less than half of their Medicaid beneficiaries in comprehensive MCOs.

Data notes: Map 1 presents enrollment from the 50 states and the District of Columbia. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as HIOs and PACE.

Source: Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

Map 1. A majority of states enrolled at least half of their Medicaid population in comprehensive MCOs in 2013

Percentage of Medicaid enrollees in comprehensive MCOs:

- <1% (13 states)
- 1–50% (9 states)
- 51%–65% (7 states, including DC)
- 66%–80% (15 states)
- >80% (7 states)

Number of comprehensive MCOs contracting with states

In 2013, about 70 percent of states contracted with at least three comprehensive MCOs. Roughly half of all states contracted with at least six MCOs.

Data notes: The number of comprehensive MCOs includes the 50 states and the District of Columbia. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as HIOs and PACE.

Source: 2013 Medicaid Managed Care Data Collection System (MMCDCS) state tables (CMS n.d.[m]).

Map 2. A majority of state Medicaid programs contracted with at least three comprehensive MCOs in 2013

Number of comprehensive MCOs contracting with states:

- 0 (6 states)
- ≤2 (9 states)
- 3–5 (11 states, including DC)
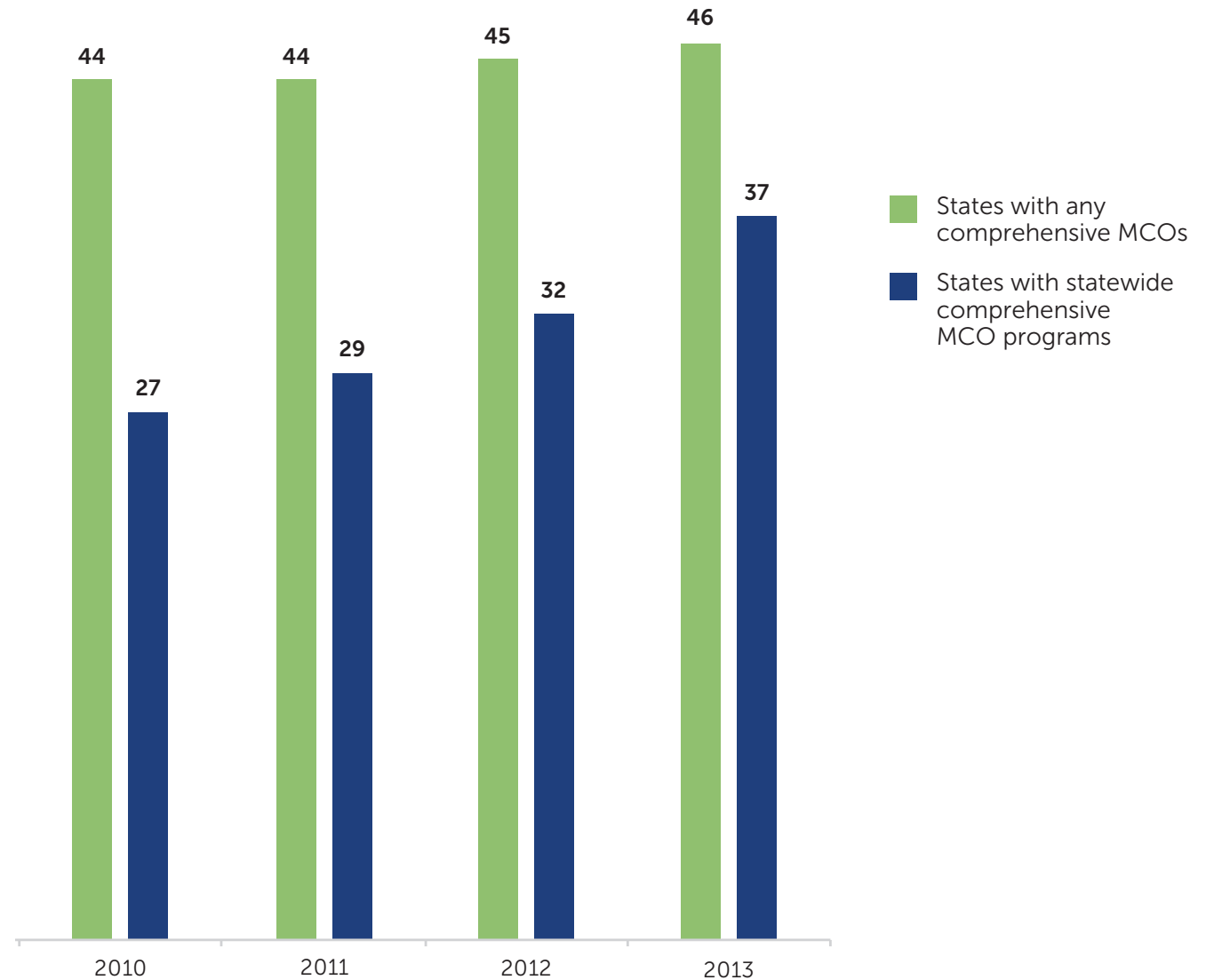- 6–10 (9 states)
- >10 (16 states)
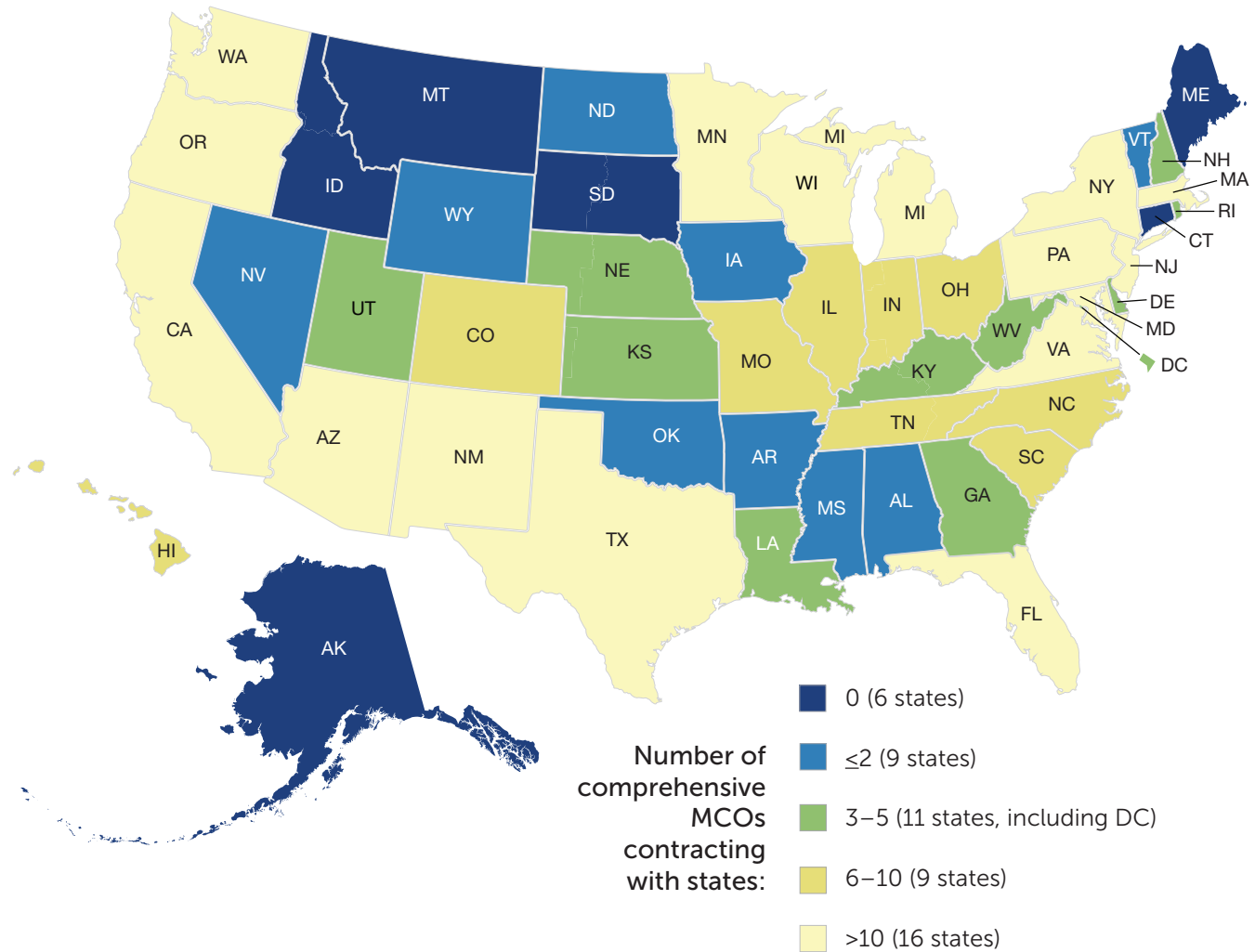
Number of states and territories offering comprehensive MCOs statewide

An increasing number of states and territories operated comprehensive MCO programs statewide, rising from 27 states (61 percent) in 2010 to 37 states (80 percent) in 2013.

Data notes: States and territories include the 50 states, the District of Columbia, and Puerto Rico. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well HIOs and PACE.

Sources: Medicaid Managed Care Enrollment Reports from 2010–2012 (CMS n.d.[f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]); National Summary of State Medicaid Managed Care Programs 2010-2012 (CMS n.d.[g,i,k]); 2013 MMCDCS state tables (CMS n.d.[m]).

Figure 4. An increasing number of states and territories offered comprehensive MCOs statewide from 2010 to 2013

Legend:
- States with any comprehensive MCOs
- States with statewide comprehensive MCO programs

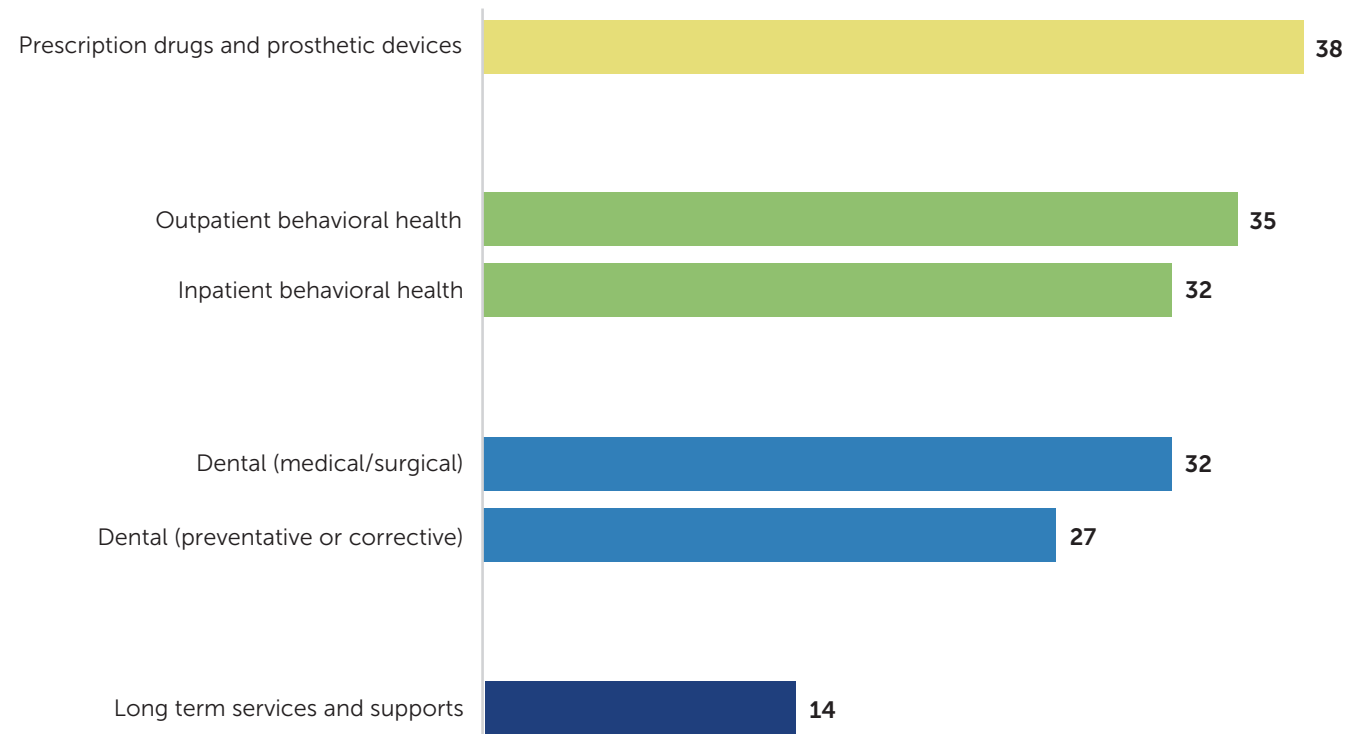| Year	States with any comprehensive MCOs	States with statewide comprehensive MCO programs
2010	44	27
2011	44	29
2012	45	32
2013	46	37

Benefits covered through Medicaid managed care

Of the 40 states and territories (including the District of Columbia and Puerto Rico) with comprehensive MCOs in 2013, a majority (27) covered prescription drugs and prosthetic devices, behavioral health, and dental care. However, only 14 covered long-term services and supports (LTSS) through their comprehensive MCOs.

Data notes: Figure 5 presents covered services from the 50 states, the District of Columbia, and Puerto Rico. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as HIOs. PACE programs are excluded.

Source: Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

Figure 5. More than half of states and territories covered behavioral health, prescription drugs, and dental services through comprehensive MCOs in 2013

| Category	Value
Prescription drugs and prosthetic devices	38
Outpatient behavioral health	35
Inpatient behavioral health	32
Dental (medical/surgical)	32
Dental (preventative or corrective)	27
Long term services and supports	14

Benefits covered through Medicaid managed care

From 2005 to 2013, the number of states offering MLTSS almost doubled (from 10 to 19 states). MLTSS can include programs that cover acute care and LTSS through comprehensive MCOs as well as those that cover LTSS only through limited-benefit PIHPs. The increase was driven by the growth in the number of states covering LTSS through comprehensive MCOs—from 6 states in 2005 to 14 states in 2013.

Data notes: Figure 6 presents MLTSS from the 50 states and the District of Columbia. PACE programs are excluded. The Medicaid Managed Care Enrollment and Program Characteristics report, 2013, classifies programs in North Carolina and Pennsylvania as "other MLTSS." In this chartbook, North Carolina and Pennsylvania are classified as managed LTSS only because neither state includes inpatient medical care in its MLTSS benefit package.

Sources: Medicaid Managed Care Enrollment Reports from 2005–2012 (CMS n.d.[a–f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]); Saucier et al. (2012).

Figure 6. The number of states offering managed long-term services and supports (MLTSS) benefits nearly doubled from 2005 to 2013

Total number of states per year shown in red

■ Managed LTSS only

■ Comprehensive managed care including LTSS
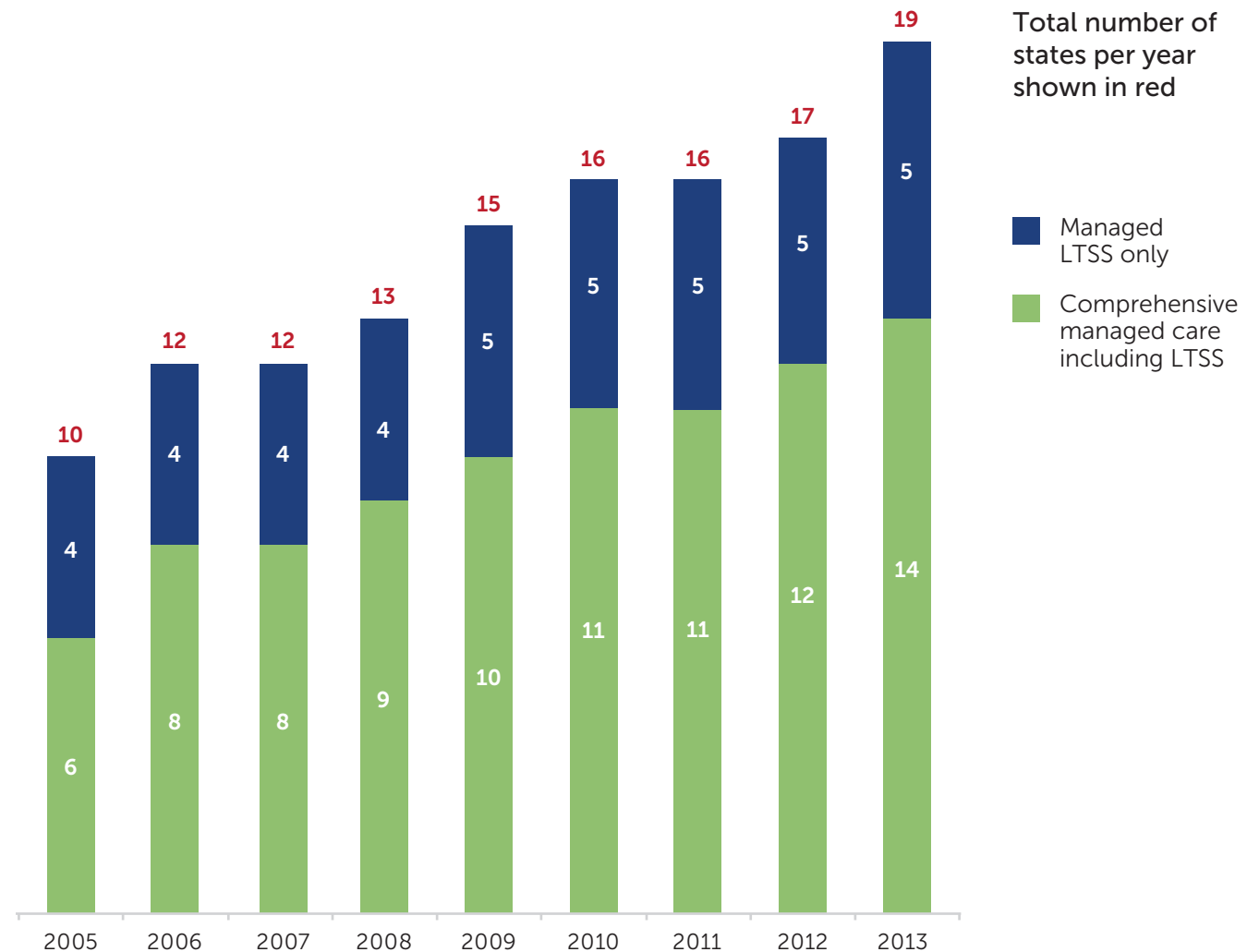
Benefits covered through Medicaid managed care

The number of states contracting with BHOs, which are limited-benefit plans that only cover services related to mental health and substance use disorders, was similar in 2005 and 2013 (18 states and 17 states, respectively). The number of states contracting with BHOs increased slightly from 2005 to 2008, followed by a slight decline from 2009 to 2012.

Data notes: Figure 7 includes the 50 states and the District of Columbia. Behavioral health benefits offered in comprehensive MCOs are excluded from this figure.

Sources: Medicaid Managed Care Enrollment Reports from 2005–2012 (CMS n.d.[a−f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

Figure 7. The number of states contracting with behavioral health organizations (BHOs) fluctuated slightly from 2005 through 2013
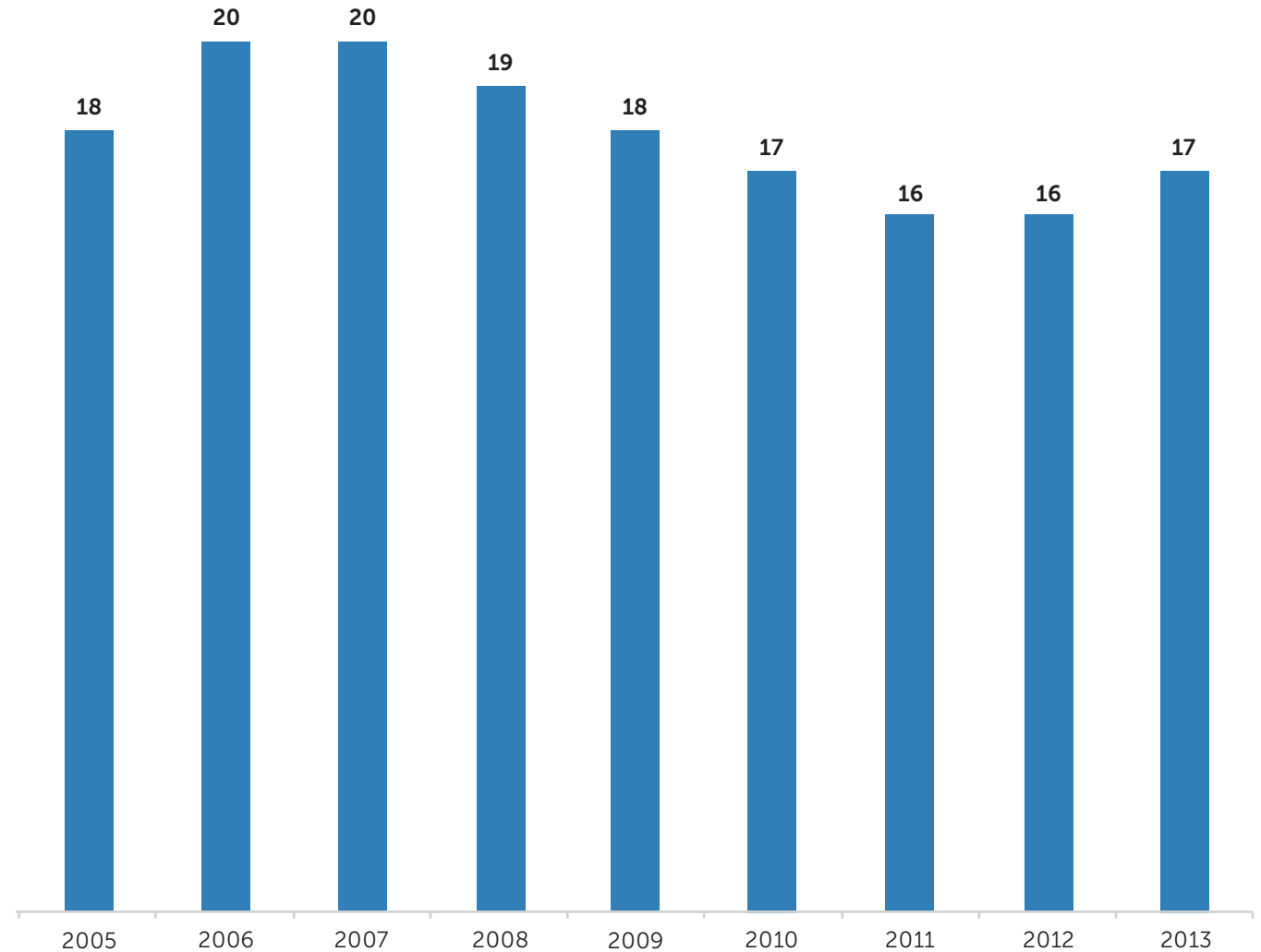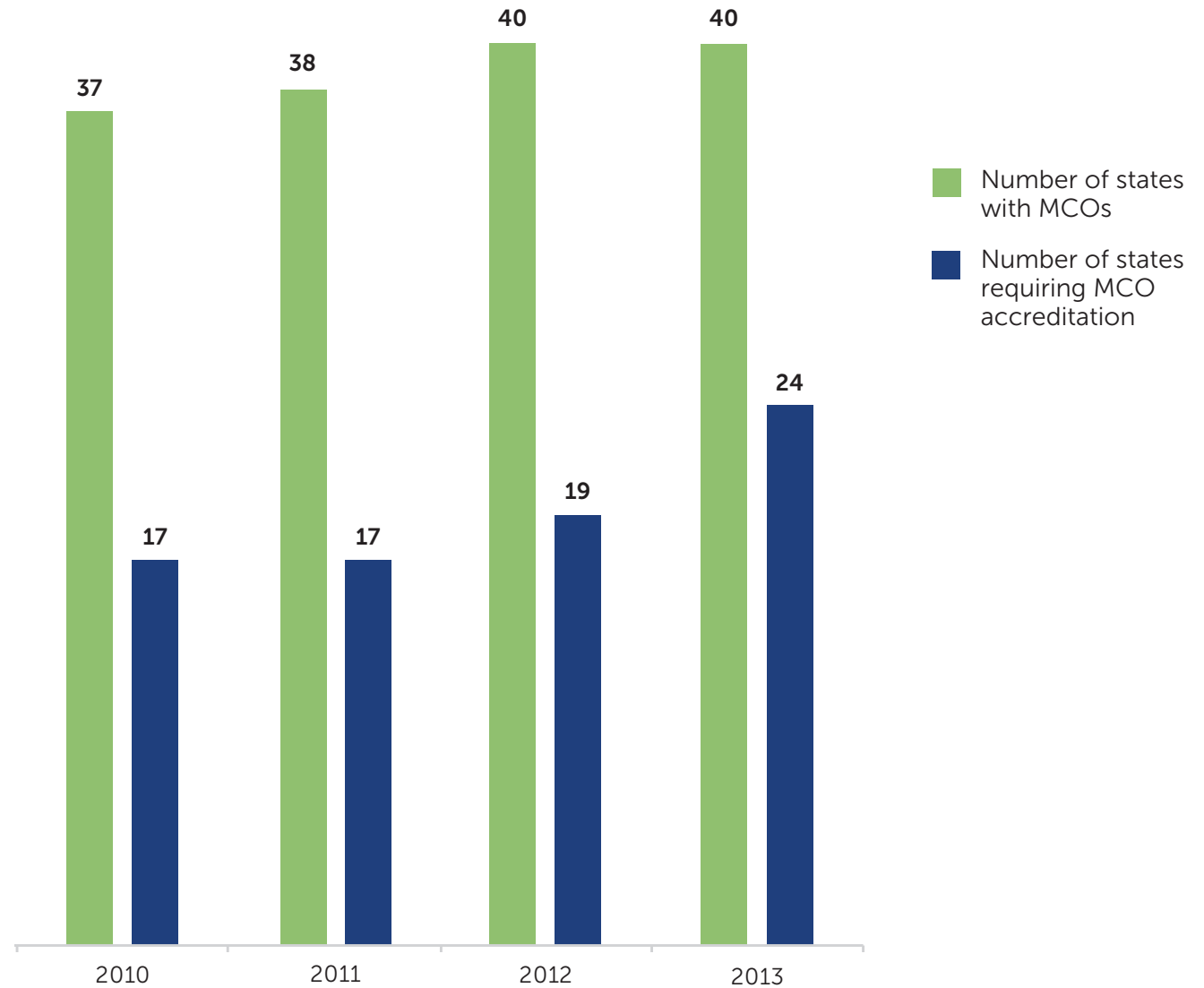
Quality assurance and improvement activities in states nationwide

In 2010, 17 of the 37 states and territories with comprehensive MCOs (46 percent) required plans to be accredited; by 2013, 24 of the 40 states and territories with comprehensive MCOs (60 percent) required plans to be accredited.

Data notes: Figure 8 includes the 50 states, the District of Columbia, and Puerto Rico. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as HIOs. PACE programs are excluded.

Sources: Medicaid Managed Care Enrollment Reports from 2010–2012 (CMS n.d.[f,h,j]); Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]); National Summary of State Medicaid Managed Care Programs 2010-2012 (CMS n.d.[g,i,k]); 2013 MMCDCS state tables (CMS n.d.[m]).

Figure 8. The number of states and territories requiring MCO plans to be accredited increased from 2010 to 2013

Legend:
- Number of states with MCOs
- Number of states requiring MCO accreditation

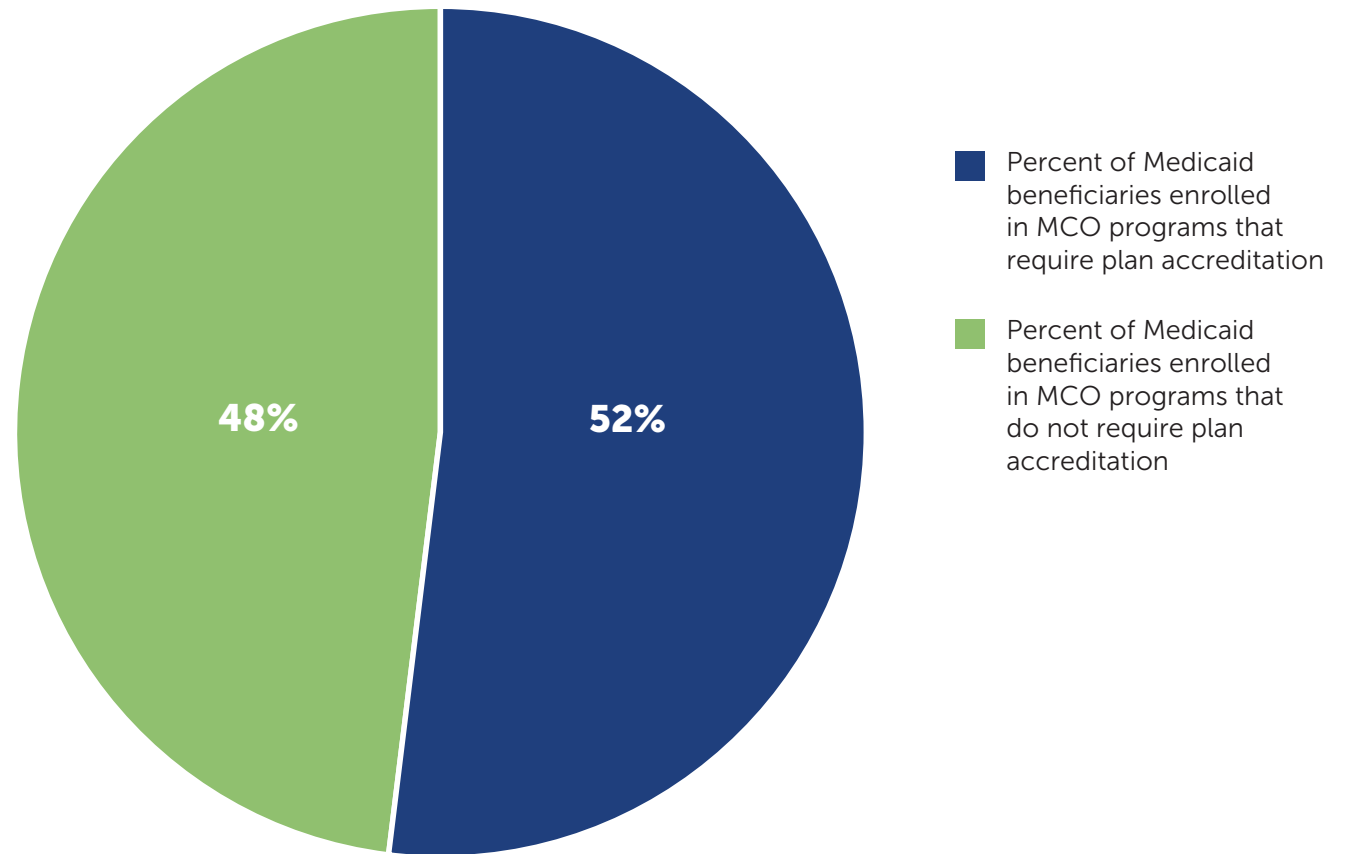| Year	Number of states with MCOs	Number of states requiring MCO accreditation
2010	37	17
2011	38	17
2012	40	19
2013	40	24

Quality assurance and improvement activities in states nationwide

In 2013, more than half of comprehensive MCO enrollees were enrolled in plans required by the state to be accredited. Accreditation ensures that managed care plans meet minimum quality standards. Accrediting organizations include the National Committee for Quality Assurance (NCQA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the Accreditation Associate for Ambulatory Healthcare (AAAHC), URAC (formerly the Utilization Review Accreditation Commission), and others.

Data notes: Figure 9 includes the 50 states, the District of Columbia, and Puerto Rico. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as HIOs. PACE programs are excluded.

Source: Medicaid Managed Care Enrollment and Program Characteristics, 2013 (CMS n.d.[l]).

Figure 9. More than half of Medicaid beneficiaries enrolled in comprehensive MCOs were in states that required plans to be accredited in 2013

Legend:
- Percent of Medicaid beneficiaries enrolled in MCO programs that require plan accreditation
- Percent of Medicaid beneficiaries enrolled in MCO programs that do not require plan accreditation

48%
52%

Quality assurance and improvement activities in states nationwide

Nearly three-quarters of states with comprehensive MCOs rewarded or recognized plans that achieved quality targets or thresholds. Rewards included payment bonuses/differentials, preferential auto-enrollment, and payment of withholds from the capitation rate tied to the achievement of performance metrics. States are recognized for quality most often via public reports showing their MCO performance on key metrics.

Data notes: Figure 10 includes the 50 states, the District of Columbia, and Puerto Rico. Comprehensive MCOs include risk-based MCOs covering acute, primary, and specialty care services, and sometimes other benefits, as well as HIOs. PACE programs are excluded. Due to rounding, the percentage of states and territories in Figure 10 sums to over 100 percent.

Source: 2013 MMCDCS state tables (CMS n.d.[m]).

Figure 10. About three-quarters of the states and territories with comprehensive MCOs rewarded plans that achieved quality targets in 2013

- States that reward quality
- States that do not reward quality

28% (11 states)

73% (29 states)
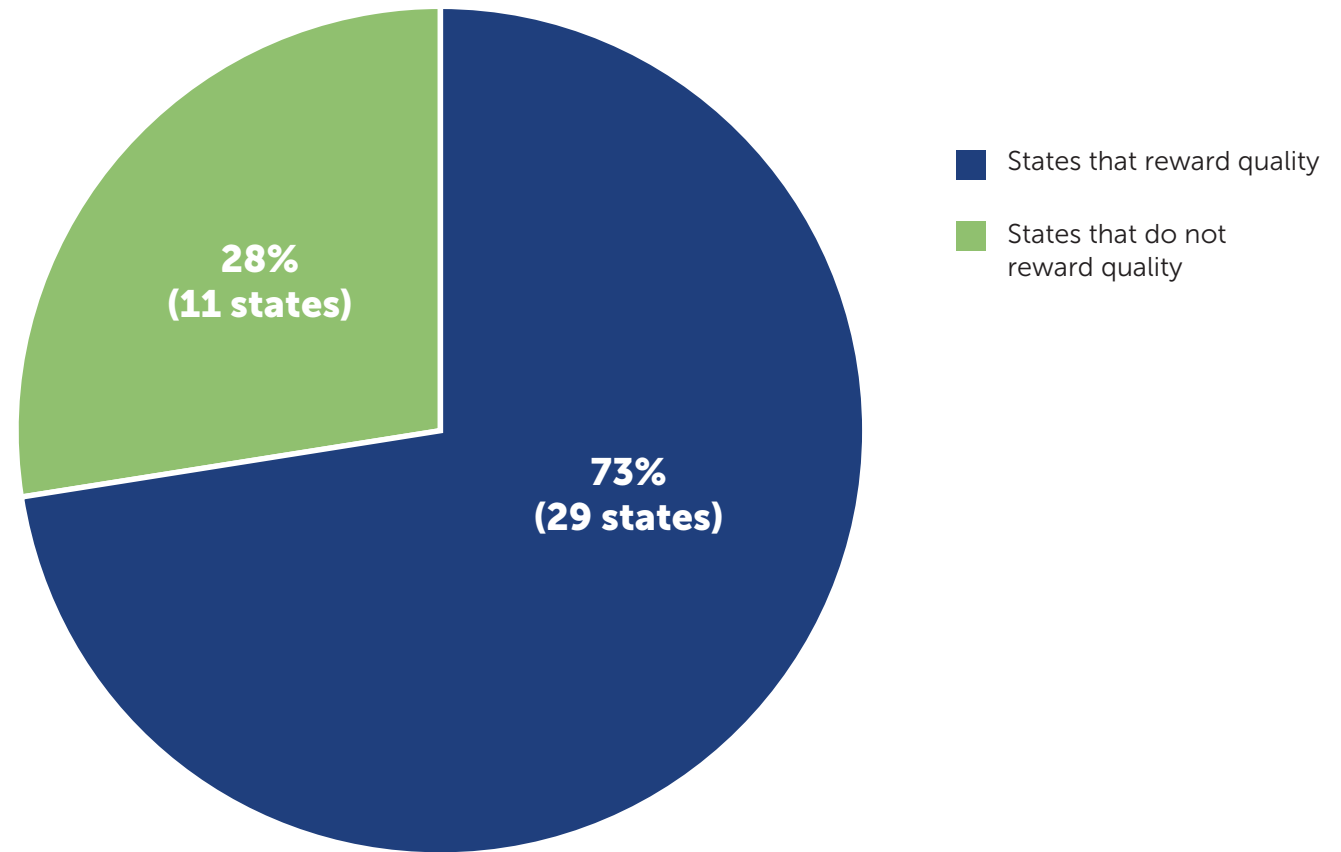
Projected expenditures for Medicaid managed care

The CMS Office of the Actuary projects that expenditures for capitation payments and premiums will grow at an average of almost 11 percent per year from 2014 to 2023. The projected growth is attributed partially to states enrolling their newly eligible Medicaid population into managed care programs (Truffer et al. 2014).

Data notes: Expenditures are reported in billions of dollars. Expenditures before 2013 represent actual payments; expenditures after 2013 are projections.

Source: Truffer et al. (2014).

Figure 11. Medicaid managed care expenditures are projected to increase over the next 10 years

Legend: Acute care FFS | Long-term care FFS | Capitation payments and premiums
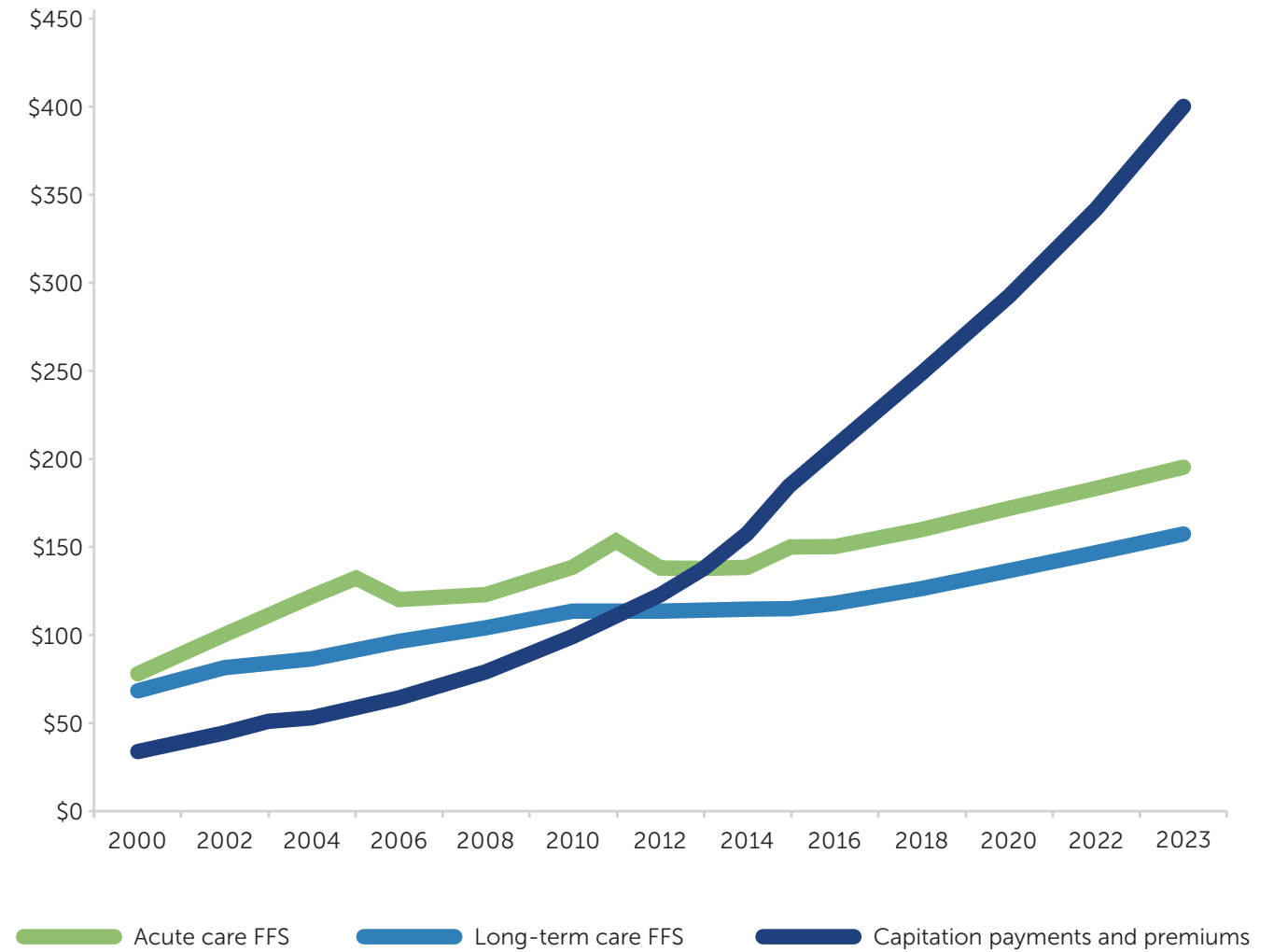
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