



NEWSLETTER NO. 5

ELLEVATE LOUISIANA



ELLEVATE LOUISIANA WAS FOUNDED IN 2020 TO EMPOWER WOMEN LEADERS THROUGHOUT LOUISIANA BY CONNECTING AND EDUCATING THEM ON THE CHALLENGES IMPACTING OUR STATE WITH DATA-DRIVEN, NON-PARTISAN SOLUTIONS TO MAKE A BETTER FUTURE FOR LOUISIANA.

The Senate Stretch

As we approach the last third of legislative session, the budget has made its way through its journey in the House and is now in the Senate. We await this Thursday's meeting of the Revenue Estimating Conference (REC) where we will learn if there are additional funds to be spent by the legislature in this legislative session. It was reassuring that funding to assist victims of domestic violence was added back to the budget in the House, but a \$24m cut to Early Childhood Education was a tough blow to our state's ability to improve educational outcomes and get parents back into the workforce. The budget is always a difficult tightrope to walk, but our state really needs to up its game in the very two areas that these cuts impact – education and workforce.

However, the biggest question on everyone's minds these days seems to be whether there will be a constitutional convention. Even though most legislators believe that a convention would simply move items out of the constitution and into statute without making any substantive changes, many remain concerned. In the long run, it will be very difficult to do the sort of wholesale tax reform and financial restructuring that many in the legislature and administration want to do next year without holding this constitutional convention and having the public vote on it this year. That being said, there are risks in moving laws out of the constitution and into statute. To change the constitution requires a 2/3 vote of the legislature and a ballot vote of the people in a scheduled election. If laws that govern issues like the funding of K-12 education, the Stelly sales tax exemptions, the homestead exemption, and many others are moved to statute they become much easier to change. Many of these laws do appropriately fit into statute, but the political times are a bit tricky, and trust can be a scarce commodity. There are already promises being made to leave some of these particularly troublesome items out of the convention. All of that said, most agree that the constitutional convention will happen. All of the stars seem aligned for it to happen this year.

By: Julie Stokes, *Ellevate Louisiana CEO & President*

SB190 and the State of Louisiana Medicaid

As of March 2024, the Louisiana Department of Health (LDH) reports that 1,781,169 people are enrolled in the state's Medicaid program. This figure represents roughly 40% of the state's 4.5 million residents, many of them children, elders, and/or disabled individuals.[1] After Louisiana adopted Medicaid expansion in 2016, nearly 470,000 new beneficiaries were enrolled by 2020 and the state-wide uninsured rate declined from 22.7% to 8.9%.[2] However, Medicaid enrollment has been steadily decreasing since May 2023 when 2,055,782 people were reportedly enrolled.[3] This decrease is largely due to "Medicaid unwinding," as many beneficiaries are losing coverage, even if they are still eligible, because of the "pandemic-related continuous coverage requirement" expiration in April 2023.[4]

Currently, Louisiana has two Medicaid delivery systems: managed care organizations (MCOs) - applicable to about 91% of population and fee-for-service (FFS) - applicable to the remaining 9%.[5] Louisiana is one of the many states that has transitioned almost entirely to managed care services to contain

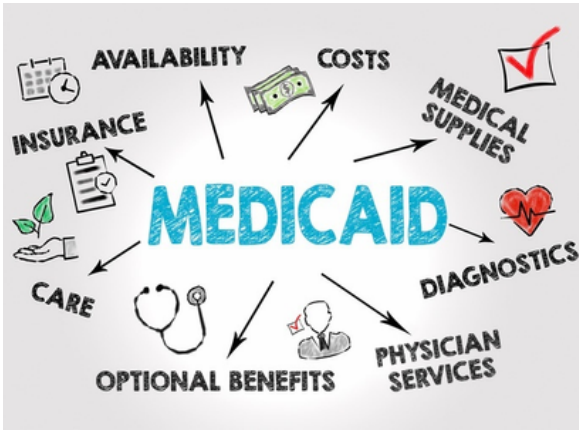


costs after the passage of the Affordable Care Act.[6] The state contracts six managed care organizations (e.g., Aetna Better Health Louisiana, Humana Healthy Horizons in Louisiana, United Healthcare Community Plan) to provide benefits and manage claims.[7] Each MCO is given a per-member-per-month capitated payment from the government that is negotiated (potentially with fixed annual increases) when the ~3-5 year contract is set. However, Medicaid MCO spending is only ~66% of total Medicaid spending[8] as many of the high-cost, special-needs Medicaid beneficiaries are not able to join an MCO plan and therefore remain part of a small FFS group associated with a disproportionately large amount of spending. Providers who care for MCO Medicaid patients are reimbursed on terms that they negotiate with the MCO directly while FFS patients trigger a volume-based reimbursement rate set annually by the state's fee schedule.



Reimbursement rates are often a point of contention in Medicaid programs across the country. The most recent data from KFF comparing Medicaid to Medicare indicates that generally, Louisiana FFS Medicaid is only paying 69% of what Medicare pays. When analyzing all Medicaid and Medicare services in the United States as a whole, Medicaid FFS pays 72% of what Medicare does. Additionally, when considering all services, only five states have reimbursement set at 100% or higher of Medicare rates and eight others have reimbursement set at 90% or higher of

Medicare. Interestingly, Louisiana ranks behind most of its southern peers in Medicaid rates. When considering all services compared to Medicare rates, South Carolina FFS Medicaid is at 98%; Mississippi at 92%; Alabama at 84%; Georgia at 83%.



Additionally, our FFS obstetric care Medicaid to Medicare fee ratio (0.66) is significantly below that of the United States which sits at 0.80.[9] Correlated with these low payment rates are devastating maternal and child health outcomes in Louisiana, with stark racial disparities. Louisiana consistently ranks in the top five for highest rates of maternal and infant mortality and various pregnancy and birth-related morbidities.[10] Many pregnancies in Louisiana are also covered by Medicaid as KFF reports that 61% of all births in the state during 2022 were financed by the program.[11]

Louisiana SB190 sponsored by Senator Gerald Boudreaux would prompt a drastic increase in Medicaid reimbursement rates. The bill would require LDH to develop a plan for increases in Medicaid MCO reimbursement rates and FFS reimbursement rates to physicians at 100% of Medicare rates with specific plan requirements. It is unclear how LDH would increase reimbursement rates by MCOs and by how much, but it is possible that the state could offer plans value-based incentives. This would direct additional funds to the plans outside of their per-member-per-month agreement that would be then paid out to providers, contingent on the plans meeting a target set by LDH. The second portion of the bill pertaining to FFS Medicaid would impact a relatively small number of beneficiaries but would impact a large sector of spending as FFS spending accounts for ~35% of all Medicaid spending. This transition from less than 70% to 100% of Medicare fees is significant and would considerably increase total Medicaid spending by the government. However, these increases proposed by Sen. Boudreaux would likely aid in the ongoing issues of access to care for our sizeable Medicaid population and help struggling clinics and healthcare systems that serve many of these patients to stay afloat now that additional pandemic-related funding has dried up. More importantly, they would steer Louisiana in the right direction by adjusting for current costs such as inflation. The state's fee schedule has not been adjusted adequately as the federal government intends for states to do on an annual basis. SB190 unanimously passed the Senate with 39 votes in favor and 0 votes in opposition of May 1. It is currently pending House introduction. Ellevate supports this bill and what it will do for Louisiana.



BY: AMANDA TOOLE
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Leading Change (Before It Leads YOU!!!)

I think we can all agree that change is hard. Well, guess what? Leading change is even harder!

There are people in the world who see change as a new adventure and eagerly welcome it. Most of us, though, regard change with some trepidation. We are creatures of habit, and anything different can be . . . well . . . scary!

Learning how to personally navigate change can be a great life lesson, but knowing how to help others navigate change is a rare skill. And when those “others” include employees, colleagues, and even entire organizations, leading change becomes a vital asset of an effective leader.

If you, the leader, aren't on board from the get-go, the whole change process will be a lot more painful both for you and your people. Leading change doesn't mean telling people what to do or how to feel. It means embracing the change yourself and then actively guiding others through it.



DON'T JUST GET THE LAY OF THE LAND—SHAPE IT

People have an insatiable desire to know what's going on—and that impulse is doubly strong when jobs, careers, and livelihoods are at stake. In the absence of accurate communication from official sources, though, misunderstandings, hearsay, and outright falsehoods can take on lives of their own.

The best way to stave off rumors and panic is to stay ahead of them by communicating directly. Don't want your staff's imaginations to run wild with theories? Then you tell them—as soon as you're able—the truth about what's happening.

ANTICIPATE—AND ADDRESS—RESISTANCE

Have you ever heard of the attitude bell curve? It's a theory about the typical distribution of the attitudes an organization's employees have about change.

- “Change Avoiders” make up 20 percent of employees. They will never accept change and will fight any efforts to get them on board with it.
- “Change Leaders” make up another 20 percent. They're the ones who embrace and support change early in the process (and often wonder why it took so long to get to this point).
- “Status Quo” make up the remaining 60 percent. These middle-of-the-road types will go along with change once its worth (and safety) have been proven to them.

In most situations, it's the Avoiders who tend to make the most noise. But managers need to be careful not to give the Avoiders too much attention because their attitudes aren't likely to budge much. Save your breath on the Change Leaders, too: they're already on board and don't need convincing.



The people you need to focus on are those in the middle – those who prefer the Status Quo. They haven't yet made up their minds about the change, so they're still very open to persuasion. They're also the largest group, and how they feel about the change could make or break its implementation.

Once you've identified the different groups, you can start to figure out what you need to do to overcome resistance and encourage people to explore the positive aspects of the change and eventually commit to it themselves.

EXPLAIN THE WHY AND PROVIDE A FINITE SCOPE

In my years in management, I've seen far too many leaders make one crucial mistake: making assumptions about what people know or believe. This invariably results in communication problems that slow things down or derail everything completely.

When you're leading people through change, never assume that everybody automatically catches on to what's happening, even if the reasons for change seem clear. Remember, what's obvious to one person isn't always obvious to another. That's not an issue of intelligence, it's a matter of different perspectives.

Instead of assuming that everyone has the same understanding about the change, spell it out in detail. Explain why the change is happening, why you the manager care about it, and why your employees should care about it too. Taking the time to walk everyone through this background information mitigates the problems that are usually associated with making assumptions.



You'll also find that people are more likely to be engaged and committed to the change if you tell them up front what the end looks like than if you try to figure out the end point as you go along. Give them the map they need to navigate this terrain successfully.

OVERCOMMUNICATE

I've said it before, and I'll say it again: communication is one of the most important aspects of leadership. Good communication is absolutely critical to the successful implementation of any endeavor and that's doubly true for a change process. Give your employees as much data as you can think of that might ease their minds about the change and feel more prepared to participate in it.



LEAD THE IMPLEMENTATION—AND KEEP AN EYE ON THE ROLLOUT

Once you've identified what change is needed, explained it to your teams, and come up with a plan for its implementation, it's time to put everything into action. As the leader, you still have plenty of hands-on work to do in this phase, though. You'll need to track behavior and measure the results—and be prepared to adjust things on the fly if they aren't going to plan.

As you navigate the various metrics, don't lose sight of the human factor: a successful change implementation is possible only because of the people involved, so be sure they are supported and recognized for their efforts. Rewards not only highlight your team members' accomplishments but can also entice fence-sitters to get on board with the change.

FINAL THOUGHTS

Sometimes the greatest challenges in business lie within one's own company. When organizations struggle, it's usually because their leaders have made missteps that could have been avoided, such as inaccurate assumptions, poor communication, or inadequate planning.

It's a lot easier for people to undertake the change journey when their managers lead the way—and are ready to encourage them when they hesitate and support them when they stumble.



BY: VALERIE GRUBB
KEYNOTE SPEAKER, CORPORATE TRAINER & EXECUTIVE COACH



UPCOMING EVENT:

N.O. CHAMBER OF COMMERCE'S 2024 POWER UP: WOMEN'S LEADERSHIP CONFERENCE

ELLEVATE LA WILL HAVE A BREAKOUT SESSION DURING SESSION 1 FROM 9:30AM-10:30AM

SCAN TO REGISTER!



Location

New Orleans Ernest N. Morial Convention Center
La Nouvelle Orleans Ballroom (2nd Fl.)
900 Convention Center Blvd.
New Orleans, LA 70130



Date

June 6, 2024



Time

8:00am - 5:00pm



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