

Project Number: ECI 03-199-2

Project Title: Medicaid Enrollment, Utilization and Outcomes for VA Patients

Principal Investigators: Ann Hendricks, Ph.D. and Steven Pizer, Ph.D.

The IOM recommends the federal government try to understand how well its health care programs fit together for patients who are dual- or triple-eligible. VA researchers recognize the importance of dual enrollment in VA and Medicare but have not examined VA-Medicaid dual-enrollment (6.5% of all VA patients). We will use VA and Medicaid data to:

Objective 1: Relate the use of VA, Medicaid and Medicare services nationally for all veterans dually enrolled in VA and Medicaid (VA+Medicaid enrollees) to the patients' needs.

Objective 2: Identify Medicaid program factors leading to greater VA+Medicaid enrollment.

Objective 3: Compare risk-adjusted outcomes for VA+Medicaid enrollees and comparable VA-only patients.

This data intensive study will use Medicaid MSIS national eligibility and utilization files for 1999 and 2000, VA inpatient and outpatient utilization from VA's National Patient Care Database, outpatient PBM pharmacy data, Medicare inpatient MEDPAR, SNF, outpatient, and other standard analytic files, and the BIRLS files. We will select all VA+Medicaid enrollees from 1999 and 2000 using the national MSIS Eligible files and a master file of VA patients created from multiple years of VA utilization data to identify VA patients also enrolled in Medicaid. A match with Medicare Denominator files will give the triply enrolled subpopulation. Using VA national utilization and diagnosis information, we will classify the VA+Medicaid enrollees as having a mental health diagnosis, receiving long-term care services or having a physical disability. These categories are not mutually exclusive. Patients with none of these characteristics will be "None of the above."

For VA services, our cost estimates will be the national average hypothetical budget amounts calculated by the Health Economics Resource Center, the VA disbursed amounts for contract care, attributed to the fiscal year in which the services were delivered, and DSS national aggregate outpatient pharmacy costs. For the value of Medicare and Medicaid utilization, we will use the total amount paid, including that covered by patient co-payments and deductibles.

Objective 1: we will compare total numbers of inpatient days and outpatient visits and their dollar values for the dually (and triply) enrolled to other VA patients with similar diagnoses or types of care (e.g., nursing home stays). We will compare patterns of services used under each program in each month to determine whether the programs are substitutes or complements. Objective 2: we will create a typology of state Medicaid characteristics relevant to the VA population and document the VA programs available on a state level, using these as explanatory variables in analyses of Medicaid enrollment among VA patients. Objective 3: we will compare risk-adjusted mortality, preventable hospitalizations, and psychiatric readmissions for dual enrollees to other VA patients with the same diagnoses to test for poorer outcomes that might indicate poorer coordination of care.

VA providers cannot assume that the VA system is the sole source of health care for veterans who are its patients. In any year, more than half of VA patients receive at least some care from non-VA sources. Multiple sources of care are recognized in the Medicaid-Medicare arena as leading to fragmented care. A finding that fragmented care is associated with poor outcomes would support VA policy to create a VA+Choice program for Medicare enrollees.