

# *For Exiles From Medicaid, Lessons in Managed Care*

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In an effort to guide the millions of Medicaid beneficiaries around the country who will soon be obliged to sign up for managed care plans, the Community Service Society of New York is starting a consumer education project that will focus initially on recipients in Los Angeles, Philadelphia and New York City.

Backed by \$790,000 in grants from the Robert Wood Johnson Foundation, the Henry J. Kaiser Family Foundation and the J. P. Morgan Charitable Trust, the project will recruit and train local residents -- some volunteers, others paid -- to conduct free workshops explaining how Medicaid managed care works, how clients can get the services available to them and how they can resolve disputes with their managed care companies.

More than half of the money will go to the New York City project, with the rest split between Los Angeles and Philadelphia, said David R. Jones, president of the Community Service Society. With money from the grants, the society will expand a pilot program it started last year in the South Bronx and Harlem.

In Philadelphia, the program will be directed jointly by the Pennsylvania Health Law Project and the Health Promotion Council and is expected to begin operating next month. In Los Angeles, the Maternal and Child Access Program will be working with the National Health Law Project, with a projected starting date of next January.

"Governments are interested in getting people into H.M.O.'s and saving money," said Mr. Jones, whose nonprofit organization does research and advocacy work in addition to providing social services. "They are not as interested in seeing that people make good choices and use their benefits well."

Although the movement toward managed care is having a profound impact on Medicaid beneficiaries around the country, nowhere are the changes being felt more strongly than in New York, which has the largest Medicaid caseload in the country and which for years has had among the most generous and costly benefits.

Nearly all Medicaid recipients in New York State will soon be forced to get their health care through managed care plans. There are about 2.4 million Medicaid beneficiaries in the state, about 1.9 million of them in New York City. About 400,000 beneficiaries in the city are enrolled in managed care plans, some of whom signed up voluntarily and others who were part of a mandatory demonstration project in parts of Brooklyn.

Next March, the city and state will begin the process of moving Medicaid clients into managed care plans, with the goal of having all beneficiaries signed up by 2001. While people with certain diseases and disabilities -- including those with H.I.V. and those with mental illnesses -- will initially be exempt from the mandatory requirement, eventually most of them will be required to sign up with special-needs plans, which are supposed to address issues particular to chronic conditions.

But since the history of Medicaid managed care in New York has been so troubled, advocates for the poor say they are concerned that many people who will be shepherded into these plans will have little idea how to navigate them.

The city first began encouraging people to join managed care plans in 1994, saying the plans would save the city money while improving care for the poor. But city monitoring failed to prevent fraudulent marketing practices and to assure that the companies had enough doctors and support services to handle the patients they were enrolling. Critics, among them government regulators, said the city also did a poor job of educating Medicaid recipients about the way managed care works and about their rights under the program.

As a result, the state stopped enrollment in many of the plans until it was assured that the problems had been brought under control. Similar concerns also delayed the Federal Government's decision to grant the state's request that it be allowed to make managed care mandatory for nearly all of its Medicaid recipients.

Negotiations between the state and the United States Health Care Financing Administration led to a requirement that New York provide enrollment brokers to help beneficiaries choose among the 23 plans approved to sign up Medicaid clients in the state. But advocates for the poor say they still worry that the advice the brokers give is limited and that there is little general education about the way managed care works.

The Community Service Society began looking for funding for an education initiative after a survey it conducted last year found that most Medicaid recipients already enrolled in health maintenance organizations never received basic information about how to use their plans. The study found that more than 68 percent of the people interviewed reported that they had had difficulty getting the care they needed and that 20 percent said they had never even used their health plan.

"Signing people up is one thing," said Christine Molnar, director of the society's Medicaid managed care education project, who led the study. "Giving them health care is another."

To address the problems found by the survey, the Community Service Society began the pilot project in the South Bronx and Harlem, training 30 local, elderly volunteers and 10 paid participants in a welfare-to-work program in the intricacies

of managed care in general, and in the particular plans available to people in their communities.

Speaking for an hour or more to groups of 5 to 25 beneficiaries, the society's workers have educated about 3,500 people about their rights under their plans in the last year, Ms. Molnar said. She said the goal for the next 18 months was to reach 8,000 recipients in New York and as many in Los Angeles and Philadelphia combined.

"The fact that the volunteers and workers are community residents helped to cut the cynicism among the recipients that someone was just trying to snow them," Ms. Molnar said. "It allows for a real dialogue and it allows people in a community to help each other learn how this incredibly complicated process works."

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