



INSTITUTE FOR
MEDICAID INNOVATION

Medicaid Innovation: Managed Care Trends and Risk Adjustment Model Updates

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Founding Executive Director





MISSION

Improve the lives of Medicaid enrollees

Develop, implement, and diffuse innovative and evidence-based models of care



Promote quality, value, and equity



Engage individuals, families, and communities



VISION

Provide independent, unbiased, nonpartisan information

Inform Medicaid policy

Improve the health of the nation



IMI Strategic Priorities



**Access, Coverage, and
Outcomes**



Community and Equity



Data and Quality



Sustainability

What IMI Does



We Convene The Experts

We engage representatives from state and federal agencies, Medicaid health plans, people with lived experience and their families and caregivers, clinicians, providers, community and advocacy groups, and academic and industry researchers in meaningful conversation to drive action and change.



We Share And Empower

We hold a variety of learning collaboratives, learning series and other convenings on a variety of critical and emerging topics to share knowledge and empower communities and other groups to work together to transform Medicaid.



We Ask What Matters

We collect data through our health plan surveys, interviews with Medicaid enrollees and caregivers, and other forums, asking the right questions to get to the heart of critical, emerging issues affecting the Medicaid community.



We Answer With Actionable Insights

We use our data-driven, expert analyses to develop reports, issue briefs and fact sheets that feature insights and highlight best practices to reduce inequities, improve outcomes, and enhance quality of life.



What areas we
focus on –
High Level Topics



What we do –
Types of Deliverables
& Work Products



It's not the statistics that make Medicaid real.



It's when you ♥ one of the numbers.



Annual Survey Findings

Medicaid

Who is Covered

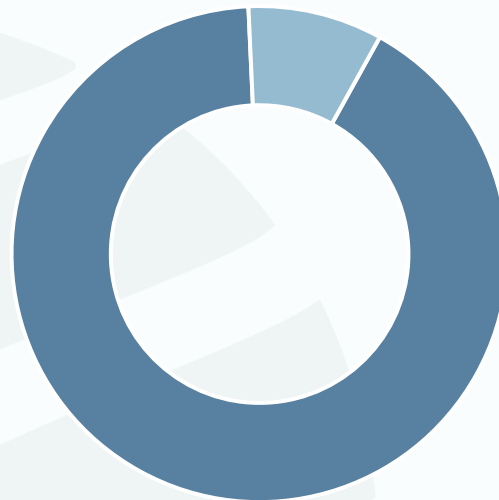
80.9 M

individuals use
Medicaid for health
insurance coverage,

Medicaid cost

\$824 B

in 2022²



■ 73.8M enrolled in Medicaid¹

■ 7.1M enrolled in CHIP¹

Who Funds It

- **Medicaid** is state operated and jointly funded by the federal government and the states
 - 71.3% federal, 28.7% state³
 - Fed-state payment ratio varies by state
 - **States are required to cover pregnant individuals** up to a certain income level, but states are permitted to cover individuals up to a higher income level.

¹Medicaid.gov. (2024, May 30). *May 2024 Medicaid and CHIP Enrollment Trends Snapshot*, <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>

²Kaiser Family Foundation. *Total Medicaid Spending*, <https://www.kff.org/medicaid/state-indicator/total-medicaid-spending/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

³Kaiser Family Foundation. *Federal and State Share of Medicaid Spending*, <https://www.kff.org/medicaid/state-indicator/federalstate-share-of-spending/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

Identifying Trends Over Time

9 Years of Data

2016

First year data
was collected

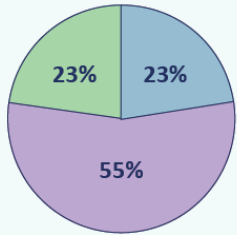
2025

Current data
collected this
year

A Comprehensive Look

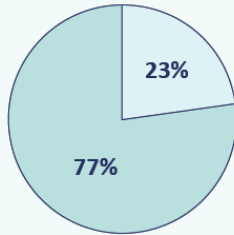
Type of Health Plan

- Private Nonprofit
- Private For-Profit
- Government or Other



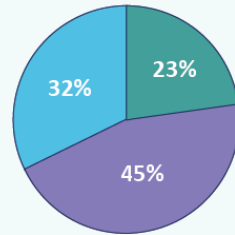
Markets

- Single State
- Multiple States

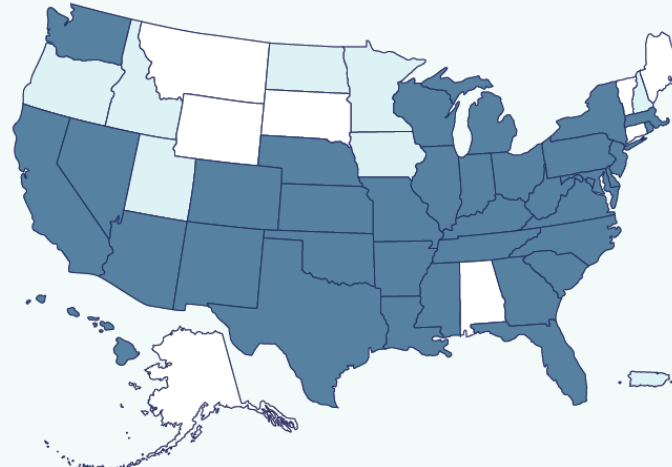


Health Plan Size

- Small Health Plans (<250K Covered)
- Medium Health Plans (250K–1 Million Covered)
- Large Health Plans (>1 Million Covered)

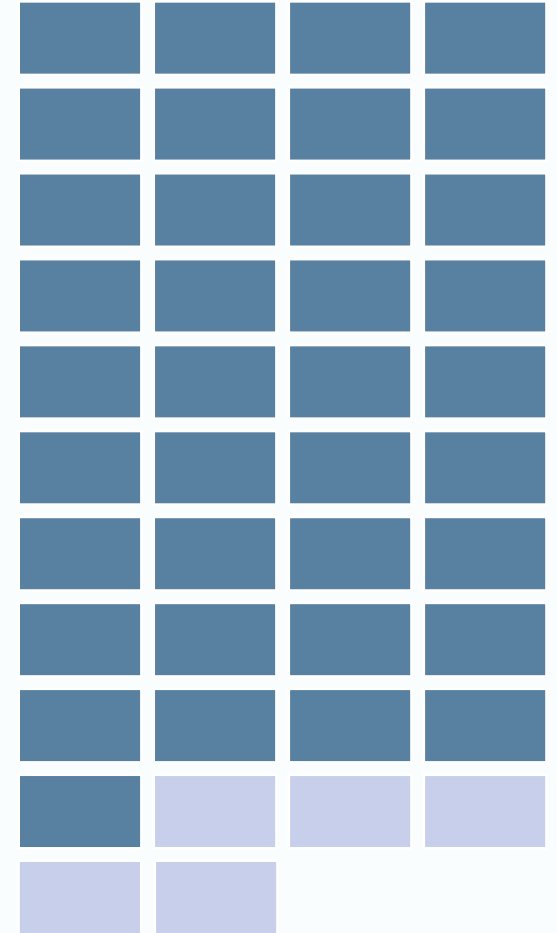


Health Plan States



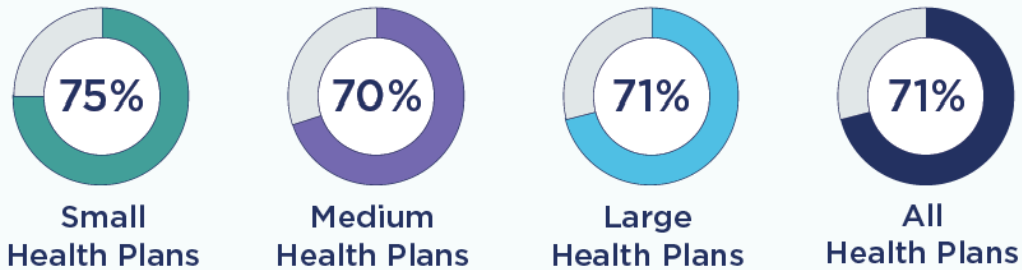
- Managed Care States Represented in Findings (states with capitated managed care)
- Managed Care States NOT Represented in Findings
- States without Medicaid Managed Care

Survey covers 37 of the 42 states that have Medicaid Managed Care



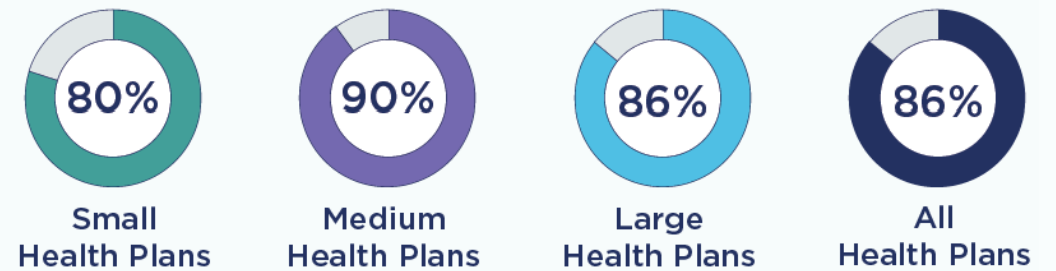
Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Percentage of Health Plans That Received Any Rate Adjustments or Additional Funding from States in Calendar Year 2024 or 2025 for 2024 Rates



Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Percentage of Health Plans That Agree That Capitation Rates Were Adequate for Expenses in 2024




Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

A Comprehensive Look 9 Topic Areas for 2025

- Value-Based Purchasing & Alternative Payment Models
- High-Risk Care Coordination
- Maternal and Perinatal Health
- Pharmacy
- Child and Adolescent Health
- Behavioral Health
- Managed Long-Term Services and Supports
- Social Determinants of Health
- Telehealth

Past years also included fact sheets on sexual & reproductive health and health equity.

2025



Annual Medicaid Managed Care Organization Survey
Maternal and Perinatal Health

Demographics

In its eighth year, the 2025 survey findings represent health plan data from almost every state with Medicaid managed care. The annual survey collected information at the parent company and corporate levels and is intended to equip Medicaid stakeholders with the information needed to accurately articulate the national narrative about Medicaid managed care. The survey respondents are representative of the national demographics of all Medicaid health plans.

Type of Health Plan

- Private Nonprofit
- Private For-Profit
- Government or Other

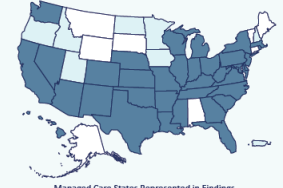
Markets

- Single State
- Multiple States



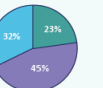
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Health Plan States



- Managed Care States Represented in Findings (states with capitated managed care)
- Managed Care States NOT Represented in Findings
- States without Medicaid Managed Care

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Type of Contracted Primary Care Providers for Maternal and Perinatal Health

Certified Nurse Midwife (CNM)

Advanced practice nurse with either a university-based master's or doctoral degree. Certified nurse midwives are trained in education programs that are accredited by the Accreditation Commission for Midwifery Education.

Certified Professional Midwife

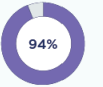

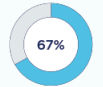
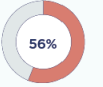

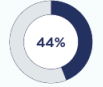
An individual who has varying educational and/or training experiences that might include work as an apprentice.

Certified Midwife

Graduate from a masters-level midwifery education program that is also accredited by the Accreditation Commission for Midwifery Education. The training is similar to that of a certified nurse midwife, but they do not have a nursing degree.

Licensed Midwife

An individual who has been issued a license to practice midwifery by a licensing board in the state where they practice. This is a legal designation conferring certain rights, restrictions, and legal status as a practitioner and is not the same as certification or credentialing by a midwifery education or accreditation board.


73% of responding Medicaid health plans are responsible for managing maternal and perinatal health benefits.

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Note: Health plans that are not at risk for maternal health did not respond to questions in this section of the 2025 Annual Medicaid Health Plan Survey.

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: Other includes physician assistants, doulas, obstetricians and gynecologists, and perinatologists. No health plans selected "None of the above."



Support for this project is provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Foundation.

www.MedicaidInnovation.org 1














Findings: Alternative Payment Models

Payment Strategies Used by Medicaid Health Plans

 **100%** of responding Medicaid health plans use value-based payment (VBP) or alternative payment models (APMs) as an alternative to Fee for Service.

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Payment Strategies Used by Medicaid Health Plans

77%	Payment incentives based on performance measures related to access to care		32%	Other	
50%	Enhanced payment rates for hard-to-recruit provider types		32%	Payment incentives to integrate behavioral health care into primary care	
45%	Enhanced payment rates for providers in rural or frontier areas		32%	Payment incentives to integrate primary care into behavioral health	
45%	Payment incentives for availability of same-day or after-hours appointments		18%	Optional benefits for select populations as authorized by statute (e.g., sickle cell disease)	
36%	Incentive payments for addressing health disparities		14%	Enhanced payments to providers for reimbursement parity with other health plans	
36%	Incentive payments for addressing health inequities				

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes enhanced payments to birth centers for achieving birth equity outcomes, payment to improve transitions in care, outcomes of school-based services, and delivery of medications for opioid use disorder and alcohol use disorder. Payment incentives are based on Healthcare Effectiveness Data and Information Set and/or member experience performance measures.

Approaches Used by Medicaid Health Plans

Trends in Value-Based Payment and Alternative Payment Model Approaches Used by Medicaid Health Plans with Providers

	2018	2019	2020	2021	2023	2024	2025
Incentive or bonus payments tied to specific performance measures (e.g., pay for performance)	95%	87%	94%	100%	96%	96%	95%
Global or capitated payments to primary care providers or integrated provider entities	59%	47%	67%	68%	61%	73%	59%
Bundled or episode-based payments	53%	40%	50%	53%	57%	59%	64%
Payment withholds tied to performance	30%	33%	33%	32%	39%	36%	36%
Nonpayment or reduced payment for patient safety issues (e.g., never events)	30%	7%	6%	11%	17%	23%	18%
Nonpayment or reduced payment for elective deliveries before 39 weeks	18%	7%	11%	11%	9%	9%	5%
Arrangements with downside risk	-	-	-	47%	48%	41%	59%
Arrangements with upside risk	-	-	-	74%	83%	73%	73%
Upfront payments to encourage faster movement to more advanced APM arrangements	-	-	-	21%	22%	27%	41%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: Dash (-) indicates that the answer option was not included in the survey. Prior to 2023, Annual Medicaid Health Plan Survey questions requested information on prior year activities. In 2023, the survey began requesting information on the current year.

External Barriers Influencing Health Plan Adoption and Innovation









Trends in External Barriers that Influence the Adoption and Innovation in Value-Based Payment Models and/or Alternative Payment Models

	2017	2018	2019	2020	2021	2023	2024	2025
Provider readiness and willingness	100%	88%	100%	94%	89%	91%	100%	91%
Medicaid payment rates	92%	65%	57%	67%	58%	52%	62%	73%
Uncertain or shifting state policy requirements/ priorities	92%	35%	43%	22%	32%	39%	57%	68%
Impact of 42 CFR Part 2 on limiting access to behavioral health data	100%	24%	21%	17%	37%	35%	29%	32%
State requirements limiting VBP and/or APM models	85%	41%	14%	39%	26%	30%	24%	32%
Uncertain or shifting federal policy requirements/ priorities	85%	29%	29%	11%	5%	17%	33%	59%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."







Note: Prior to 2023, Annual Medicaid Health Plan Survey questions requested information on prior year activities. In 2023, the survey began requesting information on the current year.

Operational Barriers that can be Addressed through APMs

Policy Barriers		
73%	Medicaid payment rates	
68%	Uncertain or shifting state policy requirements or priorities	
59%	Uncertain or shifting federal policy requirements or priorities	
59%	Variation in payment models across payers (e.g., Medicaid, commercial, Medicare)	
32%	Impact of 42 C.F.R Part 2 on limiting access to behavioral health data	
32%	State requirements limiting APMs and/or VBP models	
27%	Prospective payment system structure for federally qualified health centers	
14%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes state regulations that limit the flexibility of managed care organizations to offer a range of value-based payment models, uncertainty at the federal level regarding Medicaid cuts and regulatory requirements, misalignment of strategic priorities, and state requirements that require a large percentage of alternative payment models. Nine percent (9%) of health plans selected "None."

Provider Operational Barriers		
95%	Staff capacity	
91%	Staff expertise/skills	
91%	Willingness to participate in APMs and/or VBP models	
86%	Data sharing readiness	
77%	Information technology system preparedness	
73%	Contract requirements on APMs and/or VBP approaches	
55%	Pricing structures or actuarial soundness	
27%	Lack of consistent evidence of efficacy of APMs and/or VBP approaches	
9%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Note: **Other** includes severe staffing shortages for providers, limitations in funding, and limited ability to impact total cost of care and transition to shared savings. No health plans selected "None."

Health Plan Operational Barriers		
73%	Staff capacity	
68%	Information technology system preparedness	
55%	Contract requirements on APMs and/or VBP approaches	
55%	Data sharing & readiness	
55%	Pricing structures or actuarial soundness	
50%	Staff expertise/skills	
27%	Willingness to participate in APMs and/or VBP models	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: Five percent (5%) of health plans reported "None." No health plans selected "other."

Changes to State Requirements & Guidance that Would Have an Impact

Changes to State Requirements and Guidance That Would Assist Medicaid Health Plans to Effectively Implement Value-Based Payment Models and/or Alternative Payment Models

Better education for providers on state and health expectations	82%	More flexibility in the design of VBP components (e.g., member attribution, benchmarking)	50%
Provision of additional policy and/or fiscal levers for health plans to ensure provider engagement in VBP models	77%	Multi-payer alignment in VBP strategies	50%
Policies to facilitate data sharing between payers and providers	73%	Development of multiyear VBP strategy to allow for longer-term contracts with Medicaid	45%
Reporting of consistent metrics	73%	Removal of requirements that limit VBP models and APM development	45%
Streamlined VBP model design across payers, including aligned performance measures	64%	Removal of data sharing restrictions	36%
Better education for health plans on state expectations for VBP models	55%	Other	14%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

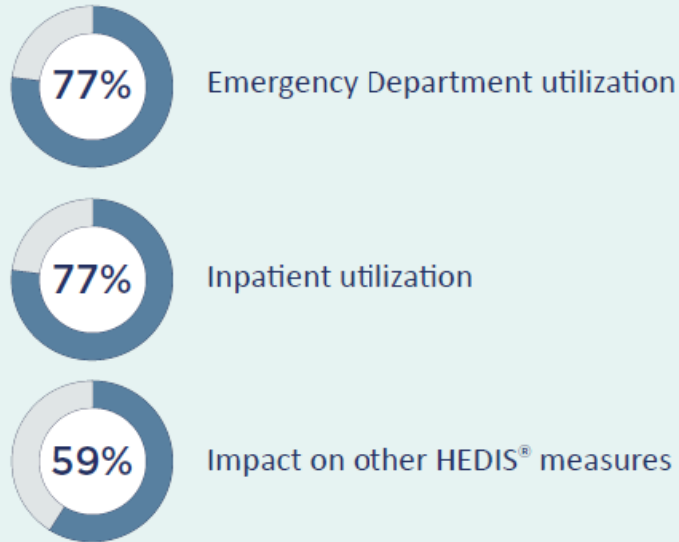
Notes: **Other** includes primary care lock in, additional consultation with health plans to ensure state and provider awareness of the realities of VBP, and elimination of yearly cost neutrality requirements. No health plans selected "None."



Findings: High Risk Care Coordination

Role of HEDIS Measures in Tracking Impact

HEDIS® Measures That Medicaid Health Plans Currently Use to Track Effectiveness



Source: Institute for Medicaid Innovation. “2025 Annual Medicaid Health Plan Survey.”

Notes: **HEDIS® is Healthcare Effectiveness Data and Information Set.** Other **HEDIS** Measures responses included: AAB, AAP, AIS-E, AMR, APM, AXR, BCS, BPD, CBP, CCS-E, CHL, CIS, COA, COL, COU, CWP, DSF-E, EDU, EED, FMC, FUA, FUH, FUI, FUM, GSD, HBD, HDO, IET, IMA-E, KED, LBP, LSC, MPM, OED, OMW, OSW, PBH, PCE, PCR, PDS-E, PND-E, POD, PPC, PRS-E, RDM, SAA, SMC, SMD, SNS-E, SPC, SPD, SSD, TRC, UOP, URI, W30, WCC, WCV.

Non-HEDIS® Measures Medicaid Health Plans Currently Use to Track Effectiveness in High-Risk Care Coordination

	All Health Plans
Emergency Department utilization (unrelated to HEDIS® measure)	91%
Inpatient utilization (unrelated to HEDIS® measure)	91%
Members’ experience survey results (e.g., Consumer Assessment of Healthcare Providers and Systems® survey)	91%
Outpatient primary care utilization	86%
Complaints and grievances	82%
Preventive care utilization	77%
Total spending	77%
Provider experience survey results	64%
Other	9%

Source: Institute for Medicaid Innovation. “2025 Annual Medicaid Health Plan Survey.”

Notes: **HEDIS® is Healthcare Effectiveness Data and Information Set.** **Other** includes readmission within 30 days after integrated physical and mental health discharge, National Committee for Quality Assurance audits, and medication reconciliation and adherence. No health plans selected “Our health plan does not track the effectiveness.”

Barriers When Providing High-Risk Care Coordination

Barriers Medicaid Health Plans Experience When Providing Effective High-Risk Care Coordination	All Health Plans
Members' unmet social determinants of health	100%
Members' access to specialty care	95%
Members' access to behavioral and mental health care	91%
Ability to contact member	91%
Provider willingness to engage with high-risk care coordination	86%
Members' willingness to engage with high-risk care coordination	82%
Availability of social supports	82%
Access to information from previous providers (e.g., mental health)	77%
Ability to connect individuals to necessary nonclinical social supports	77%
Churn (member- or eligibility-related)	73%
Members' knowledge of managed care	73%
Members' ability to navigate multiple care coordinators from health systems, provider practices, clinics, etc.	68%
Ability to share information with service providers	64%
Language barriers	64%
Members' access to primary care	59%
Other	23%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes technology, data exchange between the state and managed care organizations, cultural and mental health barriers, substance use and HIV, and challenges with primary care providers and specialists aligning on the care plan. No health plans selected "None."



Opportunities for State Medicaid Agencies - Data

Additional Information or Categories of Data That State Medicaid Agencies Could Provide to Help Medicaid Health Plans Better Administer High-Risk Care Coordination

General Background Data		
95%	Contact data (e.g., phone numbers, email addresses)	
86%	Demographic data (e.g., age, sex, education level)	
86%	Household data (e.g., power of attorney, guardian, head of household information, or household composition)	
86%	Language	
82%	Ethnicity	
82%	Race	
73%	Pronouns	
68%	Gender identity	
64%	Sexual orientation	
18%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes "Engagement in other care management programs, written vs. spoken language, SMS enabled phone, and preference for communication (e.g. phone, text)." No health plan selected "None."

Medical Systems Data		
95%	Chronic medical conditions or diagnoses (e.g., sickle cell disease, HIV/AIDS)	
95%	Health status indicators	
95%	Historical claims data and clinical encounters	
91%	Behavioral health diagnoses, treatment, or providers (including mental health and substance use disorder)	
91%	Special health care needs indicators	
86%	Case management or social work encounters	
77%	Smoking, vaping, or nicotine or tobacco use	
9%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes pharmacy and medical claims, and social determinants of health and medical needs of members. Five percent (5%) of health plans selected "None."

Social Determinants of Health Data		
100%	Housing situation or stability (e.g., unhoused)	
100%	Participation in other state programs (e.g., Special Supplemental Nutrition Program for Women, Infants, and Children)	
95%	Child welfare involvement	
86%	Criminal justice system involvement	
86%	Juvenile justice system involvement	
86%	School enrollment	
14%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

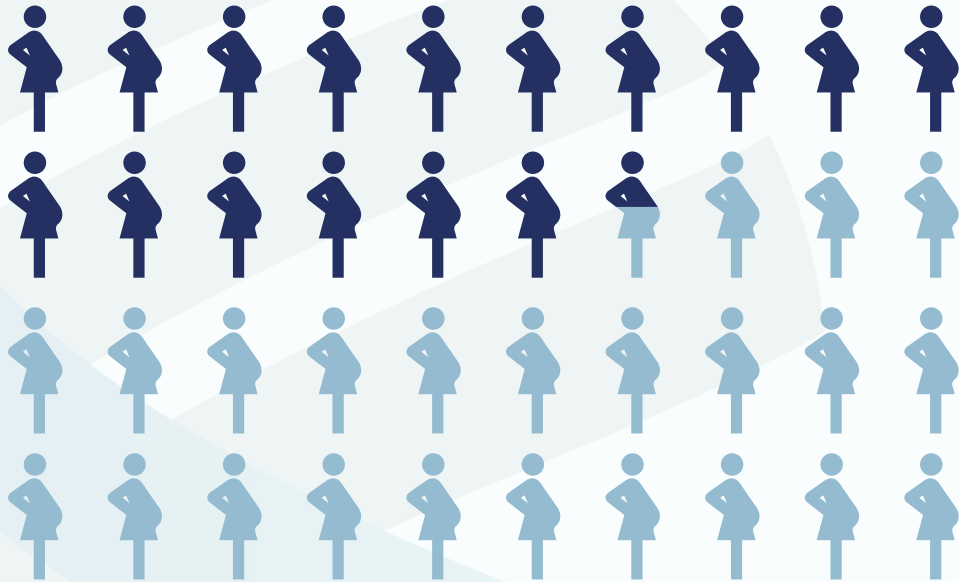
Notes: **Other** includes engagement in the Special Supplemental Nutrition Program for Women, Infants and Children; cash assistance; utility assistance; and accurate information about the services that were active in the past and/or are currently active. Five percent (5%) of health plans selected "None."



Findings: Maternal and Perinatal Health

Percentage of Births Covered by Medicaid Nationally

41% of all births in the United States are covered by Medicaid with some states as high as **61% of its population.**



Medicaid finances more than half of births:

- In rural areas, and
- Among individuals under age 19, and
- Black, Indigenous and People of Color individuals.

Prevailing health inequity: Individuals enrolled in Medicaid face barriers accessing high-quality care early in pregnancy and in the postpartum period because of a variety of factors, including eligibility and coverage gaps, unmet social needs, and issues related to implicit bias and racism.

Osterman, M. J. K., Hamilton, B. E., Martin, J. A., Driscoll, A. K., & Valenzuela, C. P. (2024, April 4). Births: Final Data for 2022. *National Vital Statistics Reports*.
<https://www.cdc.gov/nchs//data/nvsr/nvsr73/nvsr73-02.pdf>

MACPAC. (2020). Medicaid's Role in Financing Maternity Care. <https://doi.org/10.26099/2w1h-h609>. <https://www.macpac.gov/wp-content/uploads/2020/01/Medicaid's-Role-in-Financing-Maternity-Care.pdf>

Percentage of Births Covered by Medicaid Vary

As high as:

61% in Louisiana

57% in Mississippi

55% in New Mexico

51% in Oklahoma

48% in Texas

As low as:

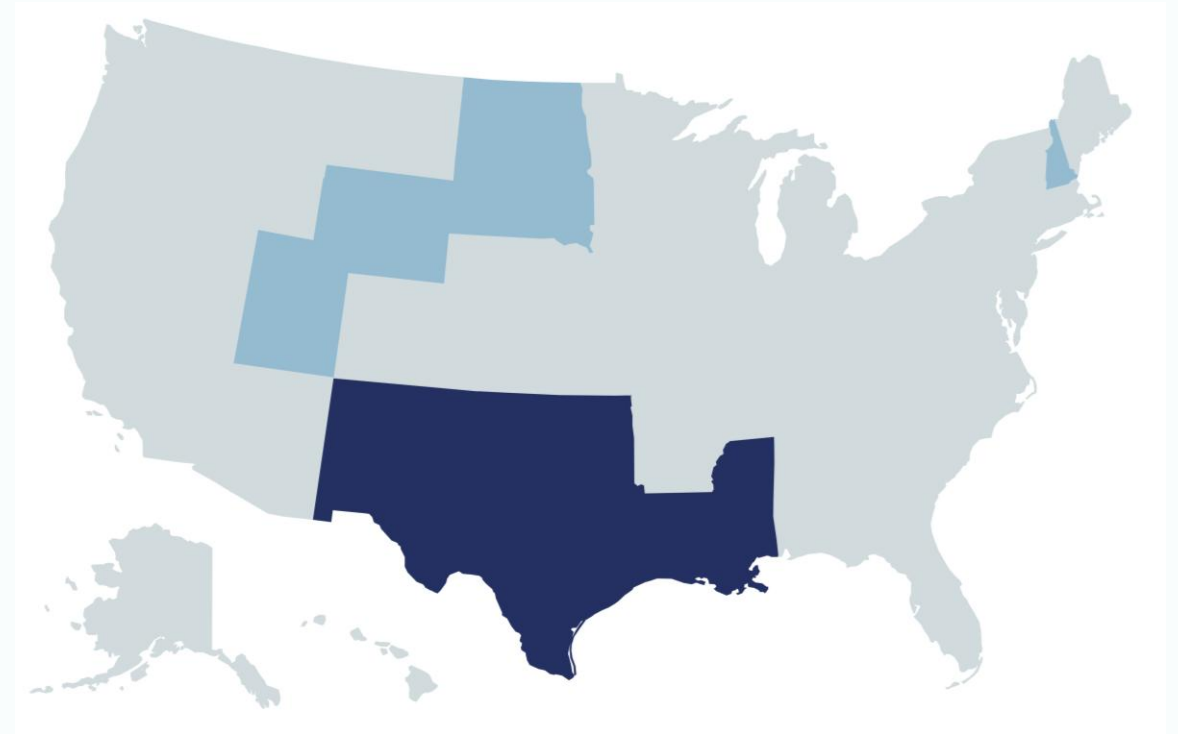
30% in Wyoming

27% in South Dakota

22% in North Dakota

22% in New Hampshire

17% in Utah



● 17%–30%

● 48%–61%

Contracted Providers for Maternal & Perinatal Services

Type of Contracted Primary Care Providers for Maternal and Perinatal Health

Certified Nurse Midwife (CNM)

Advanced practice nurse with either a university-based master's or doctoral degree. Certified nurse midwives are trained in education programs that are accredited by the Accreditation Commission for Midwifery Education.

Certified Professional Midwife

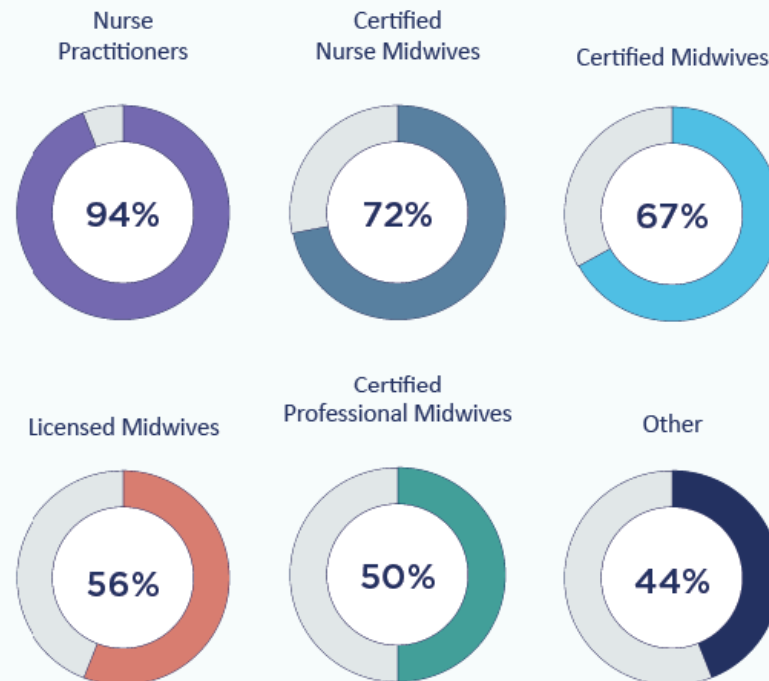
An individual who has varying educational and/or training experiences that might include work as an apprentice.

Certified Midwife

Graduate from a masters-level midwifery education program that is also accredited by the Accreditation Commission for Midwifery Education. The training is similar to that of a certified nurse midwife, but they do not have a nursing degree.

Licensed Midwife

An individual who has been issued a license to practice midwifery by a licensing board in the state where they practice. This is a legal designation conferring certain rights, restrictions, and legal status as a practitioner and is not the same as certification or credentialing by a midwifery education or accreditation board.



Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes physician assistants, doulas, obstetricians and gynecologists, and perinatologists. No health plans selected "None of the above."

Contracted Settings for Maternal & Perinatal Services















Medicaid Health Plans' Contracted Settings to Provide Members with Sexual and Reproductive Health Care, Including Pregnancy, Childbirth, and the Postpartum Period	Small Health Plans	Medium Health Plans	Large Health Plans	All Health Plans
Federally Qualified Health Centers	100%	100%	83%	94%
Freestanding family planning providers	100%	62%	83%	78%
Freestanding birth centers	50%	62%	83%	67%
Telehealth platforms	75%	62%	67%	67%
Other	0%	0%	17%	5%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: No specifics were shared for "Other." No health plans selected "None."

Most Common Benefits for Maternal & Perinatal Services

Medicaid Health Plans' Covered Ancillary Benefits for Pregnant Members

94%	Support from a community health worker	
94%	Support from a social worker and/or nurse case manager	
89%	Nutritional counseling	
83%	Breastfeeding or chestfeeding education	
83%	Childbirth education	
83%	Lactation counseling (e.g., postpartum services provided by a lactation consultant)	
83%	Support from a doula	
67%	Group prenatal care (e.g., CenteringPregnancy)	
67%	Physical therapy	
67%	Services through telehealth**	
61%	Comprehensive dental care	
61%	Parenting education	
33%	Acupuncture	
22%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: No specifics were shared for "Other." No health plans selected "None."

** Services through telehealth include video visits with case managers and obstetrician visits.

Most Common Ways to Identify Pregnant Members

Ways Medicaid Health Plans Identify Pregnant Members

Electronic health record, claims data, laboratory results, encounter data, or provider information (e.g., Obstetric Needs Assessment Form)



Members self-identify through case managers or member services



Enrollment data received from state



Health information exchange



Other



Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes provider referrals for care management and care coordination, Maternal Prenatal Risk Assessment, Adjusted Clinical Groups algorithm, and emergency notification service.



of Medicaid health plans have a way to identify pregnant members during the first trimester.

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Increased Medicaid Reimbursement Rates = Increased Needs Met

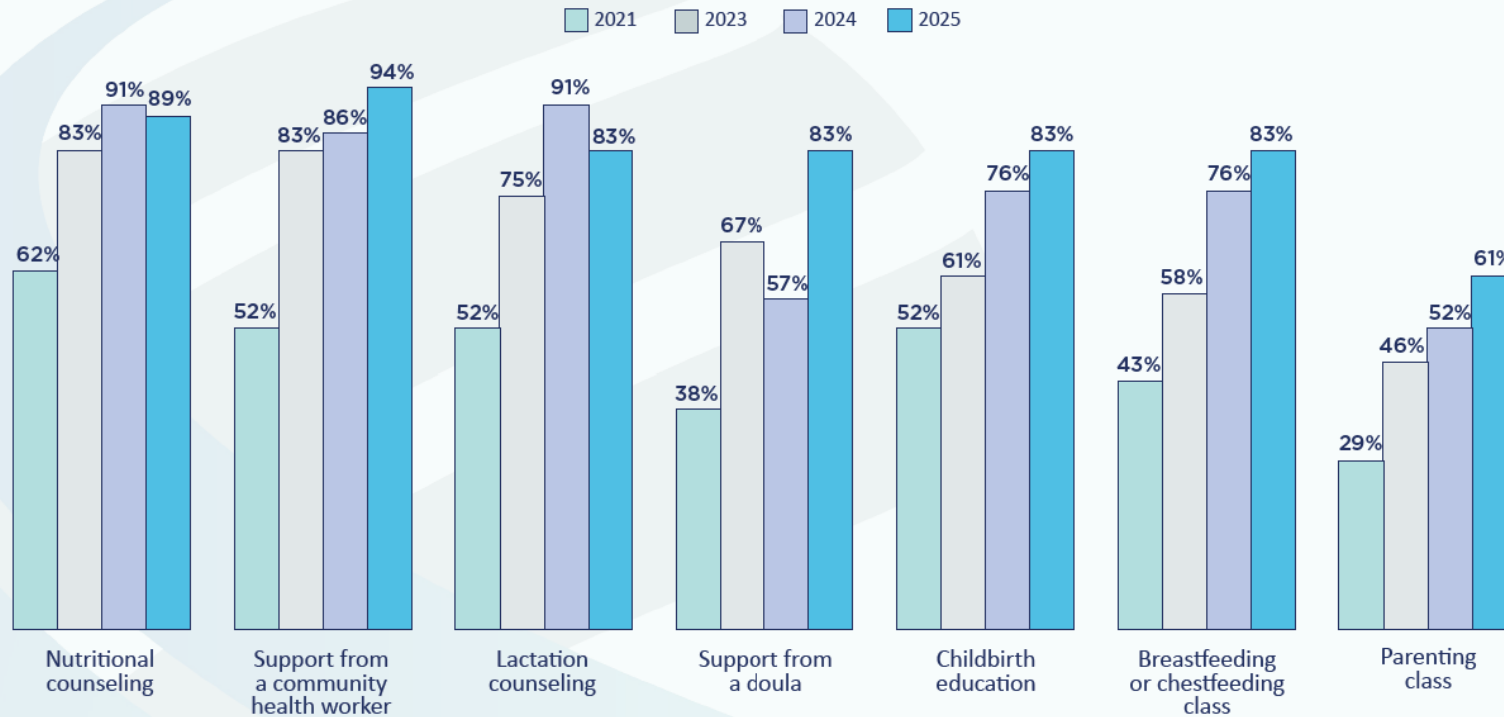
Provider Types for Which Increased Medicaid Reimbursement Rates Would Assist Health Plans in Addressing Sexual and Reproductive Health Needs	Small Health Plans	Medium Health Plans	Large Health Plans	All Health Plans
Certified professional midwives	75%	75%	50%	67%
Certified midwives	50%	75%	67%	46%
Licensed midwives	75%	75%	50%	67%
Certified nurse midwives	75%	75%	67%	72%
Doulas	25%	88%	67%	67%
Freestanding birth centers	50%	88%	83%	78%
Perinatal community health workers	50%	88%	83%	78%
Community health workers	75%	88%	50%	72%
Perinatal nutritionist	50%	75%	67%	67%
Behavioral health providers	75%	75%	67%	72%
None	25%	0%	0%	6%
Other	25%	12%	33%	22%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes lactation consultants.

Covered Benefits for Pregnant Members

Year to Year Comparison of Medicaid Health Plans' Covered Benefits for Pregnant Individuals



Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Note: 2022 data is not available as the survey was changed from retrospective to current in 2023.



Opportunities for State Medicaid Agencies

How State Medicaid Agencies Could Assist Medicaid Health Plans in Addressing the Sexual and Reproductive Health Needs of Members

Improve data sharing between the state and managed care organizations	84%	Increase resources to support facilitation of partnerships	68%
Establish equitable and sustainable payment levels for births in freestanding birth centers	79%	Establish sustainable payment levels for perinatal physicians	63%
Establish sustainable payment levels for behavioral health providers	79%	Facilitate contracting with community-based organizations	63%
Improve quality of data sharing between the state and managed care organizations	79%	Improve data sharing between managed care organizations and provider groups	63%
Improve data sharing between government agencies (e.g., Child Welfare System, Justice System) and managed care organizations	74%	Remove regulatory burdens and obstacles for freestanding birth centers	63%
Improve data sharing between managed care organizations and community-based organizations	74%	Streamline provider enrollment and credentialing processes	58%
Remove regulatory burdens and obstacles for midwives to practice at the top of their license	74%	Remove coverage restrictions for reproductive health care	47%
Establish equitable and sustainable payment levels for doulas	68%	Remove regulatory burdens and obstacles for home births	42%
Establish equitable and sustainable payment levels for midwives	68%	Other	11%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes residential substance use disorder treatment for pregnant women. No health plans selected "States cannot provide further assistance."



Findings: Pharmacy

Most Common Challenges

Challenges Medicaid Health Plans Experience when Managing the Prescription Drug Benefit

	Small Health Plans	Medium Health Plans	Large Health Plans	All Health Plans
Increase in cost of specialty pharmacy medications	75%	90%	100%	89%
Managing GLP-1 agonists drug benefits and coverage requirements	25%	70%	100%	67%
Increase in number of specialty pharmacy medications	50%	70%	75%	67%
Utilization and cost history unknown for new drugs entering a market	50%	60%	75%	61%
Pharmacy network requirements	0%	40%	75%	39%
Single preferred drug list or formulary requirements	25%	30%	75%	39%
Pharmacy benefits or subset of benefits carved out of managed care	25%	20%	75%	33%
Difference between plan formularies and methodologies and state requirements	25%	30%	50%	33%
Members' comprehension of and engagement in programs	0%	40%	50%	33%
Other*	25%	20%	50%	28%
Vendor performance management (e.g., pharmacy benefit manager, specialty)	50%	10%	50%	28%
Formulary notification requirements as part of Medicaid Managed Care Organization Final Rules in 2016, 2017, and 2020	0%	10%	50%	17%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes provider engagement in programs, interoperability, and technology, continual changes to the state formulary, push for removal of prior authorization; and insufficient capitation or risk-sharing to address anticipated high-cost drug trends. No health plans selected "None."

Strategies to Address High-Cost Drugs











Strategies That Medicaid Agencies Could Use to Address New or High-Cost Drugs, as Identified by Medicaid Health Plans

61%	Capitation rate adjustment as part of regular rate adjustments
61%	Risk corridor for high-cost medications
44%	Kick payment for certain drug(s)
44%	State participating in the Centers for Medicare & Medicaid Services' Cell and Gene Therapy Access Model
44%	Stop-loss provision to cap the plan's cost for the drug
39%	Provide health plans with supplemental payments to cover the cost of specialty drugs
39%	Value-based contracts with manufacturers
38%	Completely carve in the drug costs to managed care
33%	Risk sharing
33%	Support creating alternative reimbursement models
28%	Other
28%	Temporarily cover specific drugs through the state fee-for-service program to get utilization data with intent to carve in to managed care contracts capitation rate adjustments made off of the normal rate cycle

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Note: **Other** includes Centers for Medicare & Medicaid Services guidance for covering GLP-1s for obesity, managed care entities in design of programs and in rebate and pricing discussions, managed care entities in state- driven pharmacy committees as member, actively engage managed care organizations to share state thinking on the Cell and Gene Therapy Access Model, and targeted carved- out drug costs. No health plans selected "State or states cannot provide assistance."

Most Common State-Led Strategies To Address New or High-Cost Drugs

47%	Carved-out the drug costs completely; pay Fee-for-Service (FFS) for certain drug(s)		20%	Transition period where drug(s) are offered in FFS to get claims data then rolled into contracts.	
33%	Capitation rate adjustment as part of regular rate adjustments		20%	Capitation rate adjustments made off the normal rate cycle	
33%	Kick payment for certain drug(s)		13%	Stop-loss provision to cap the plan's cost for the drug	
27%	Risk corridor for high-cost medications		7%	Risk sharing	
27%	Other (including identifying rebates, nonrisk arrangements for high-cost gene therapy, and carved-out drugs for pharmacies)		7%	States have not addressed the cost	

Note: No health plan selected "Value-based payments with manufacturers."


















Source: Institute for Medicaid Innovation. "2023 Annual Medicaid Health Plan Survey."



Findings: Child and Adolescent Health

Barriers Encountered

Barriers That Medicaid Health Plans Encountered When Serving Children

85%	Engaging family members to address social determinants of health		70%	Program fragmentation	
80%	Coordinating with departments of child services or departments of juvenile justice for children engaged with child welfare or juvenile justice systems		65%	Carved-out benefits	
80%	Families express lack of transportation to health care location		65%	Churn (member or eligibility-related)	
80%	Language barriers		60%	Barriers related to the child welfare system	
75%	Other unmet social needs expressed by families		60%	Families express inability to access telehealth	
70%	Engaging family members who are not enrolled in the health plan		60%	Immigration status of parents or caregivers	
70%	Identifying and coordinating with schools (e.g., unable to get documentation of care provided at schools)		35%	Federal policies	
70%	Inability finding needed health care providers or beds		35%	State policies	
			20%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes reimbursement rates for Medicaid, member engagement, no claims for school services, lack of affordable housing, higher food costs, and inability to locate adequate shift care nursing. No health plans selected "None."

Barriers Encountered for Youth after Adjudication

Medicaid Health Plans' Barriers When Implementing Targeted Case Management, Screening, and Diagnostic Services for Incarcerated Children and Youth After Adjudication

Establishing relationships with juvenile and adult justice systems



Navigating data privacy with new providers and institutions



Establishing secure data systems with juvenile and adult justice systems



Implementing suspension rather than termination requirements



Lack of providers available to perform the required services



Other



Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes processes to properly identify members. Seventeen percent (17%) of health plans selected "None."

How State Medicaid Agencies Could Help

How Medicaid Agencies Could Further Assist Medicaid Health Plans in Addressing Child and Adolescent Health

Improve data sharing between government agencies (e.g., child welfare system, criminal justice system) and health plans	84%
Improve data sharing between health plans and community-based organizations	79%
Champion policies to facilitate data sharing between payers and providers	74%
Improve the quality of data shared between state and health plans	74%
Improve data sharing between health plans and provider groups	68%
Improve data sharing between state and health plans	68%
Provide better education for providers on state and health plan expectations for child and adolescent health initiatives	68%
Increase technical assistance resources	63%
Streamline data sharing between providers and community-based organizations	63%
Increase resources to support the facilitation of partnerships	58%
Carve in school-based services to managed care	53%
Facilitate contracting with community-based organizations	53%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: Five percent (5%) of health plans reported "Other." No specifics were shared. No health plans selected "States cannot provide further assistance."



Findings: Behavioral Health

Barriers with Behavioral and Physical Integration







Medicaid Health Plans' Barriers to Behavioral and Physical Health Integration

Operational Barriers

47%	Access to data between care management and behavioral health teams	
47%	Staffing in care management to align skills sets with integrated care needs	
42%	Communication between care management and behavioral health teams	
37%	Technological system differences with subcontractors	
32%	We do not experience any operational barriers	
5%	Other	









Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."
Note: **Other** includes inability to share information with physical health providers due to lack of access.

Network Barriers

95%	Providers' capacity to integrate physical and behavioral health at point of care	
84%	Access to data from other network entities, such as departments of health or substance use programs	
58%	Behavioral health providers' readiness for managed care	
53%	Behavioral health providers' adoption of electronic health records	
37%	Willingness of behavioral health providers to contract with managed care organizations	
16%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."
Notes: **Other** includes communication between nonintegrated physical health and behavioral health providers with similar patients/members, workforce challenges, and automating data exchange. No health plans selected "We do not experience any network barriers."





















Policy Barriers

74%	42 CFR Part 2 limitations on substance use disorder treatment information being shared	
58%	Fragmentation in program funding for physical and behavioral health services	
53%	Fragmentation in program contracting for physical and behavioral health services	
53%	State-specific substance use confidentiality laws	
47%	Institutions of Mental Disease exclusion	
26%	State-specific behavioral health confidentiality laws	
21%	We do not experience any policy barriers	
5%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."
Note: **Other** includes prescribing policies with telehealth.

Barriers for Behavioral Health for Children & Adolescents

Barriers That Medicaid Health Plans Experience Managing Child and Adolescent Behavioral Health











79%	Availability of in-person behavioral health providers		63%	Coordinating with departments of child services or departments of juvenile justice for children engaged with child welfare or juvenile justice systems	
79%	Availability of treatment options for substance use disorders, specifically for children or adolescents		58%	Members' access to technology to engage in virtual behavioral health services	
79%	Excessive wait times for specialty care		47%	Carved-out benefits	
74%	Cultural and familial stigma around mental illness		47%	Immigration status of parents or caregivers	
74%	Members' ability to access in-person behavioral health		42%	Language barriers	
68%	Identifying and coordinating with schools (e.g., unable to get documentation of care provided at schools)		42%	Providers' infrastructure to support virtual behavioral health	
68%	Members' parents' or caregivers' willingness to engage with behavioral health services		37%	Churn (member or eligibility related)	
68%	Pediatricians' capacity to assess behavioral health needs		37%	Providers' inability to adopt the Collaborative Care Model	
68%	Pediatricians' capacity to provide appropriate levels of care for behavioral health needs		21%	Other	
68%	Providers' inability to embed a behavioral health provider in a primary care setting				
63%	Availability of virtual behavioral health providers				

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: Other includes workforce challenges and insufficient number of providers who offer services to children 12 and younger. No health plans selected "None."

Initiatives for Behavioral Health for Children & Adolescents

Initiatives Medicaid Health Plans Use to Address Access Barriers for Child and Adolescent Behavioral Health Services














	Educate members to help destigmatize mental illness	63%		Administer behavioral health services in schools	42%
	Contract with more virtual behavioral health providers	58%		Provide coaches and peer support to expand available resources	42%
	Provide services in multiple languages	58%		Other	37%
	Connect members to infrastructure to access virtual care	53%		Incentivize members' parents/caregivers to engage with behavioral health services	21%
	Provide training to pediatricians on integrating behavioral health into their practice	47%		Provide behavioral health services in medical emergency rooms	11%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes outreach and engagement initiatives for pediatric members on available mental health services, contracting with providers that offer behavioral health services in schools, provide care management through the lifespan, pre- and postnatal care management, supporting community health workers, recruitment efforts for providers to work in schools, and covering services via single case agreements with out-of-state providers. No health plans selected "None."

Ways for State Medicaid Agencies to Address Issues

Initiatives Medicaid Agencies Could Use to Assist Health Plans with Addressing Behavioral Health Needs of Members

	Facilitate increase of behavioral health provider participation in Medicaid	84%
	Facilitate increase in behavioral health provider workforce	84%
	Champion policies to facilitate data sharing across physical health and behavioral health MCOs	79%
	Remove data sharing restrictions	79%
	Support behavioral health home and community-based service providers	74%
	Increase Medicaid payment rates for behavioral health	68%
	Cover codes for mental health screening, peer support, and collaborative care	63%
	Authorize mobile crisis services	47%
	Authorize telehealth regulations that permit virtual-only providers for behavioral health, including opioid use disorder treatment or buprenorphine prescribing	47%
	Expand payment around audiovisual delivery of mental health and substance use disorder services	42%
	Carve-in behavioral health (where not carved in)	37%
	Expand payment around audio-only delivery of mental health and substance use disorder services	37%
	Other	0%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."
Note: No health plans selected "States cannot provide further assistance."



Findings: Managed Long-Term Services & Supports

Barriers Experienced

Barriers Experienced by Medicaid Health Plans When Managing Long-Term Services and Supports

100%	Challenges related to the direct-care workforce (e.g., lack of staff, turnover, training, and qualification challenges)	50%	Waiver waitlists
64%	Medicare and Medicaid misalignment and financial disincentives	43%	State requirements for health plans to contract with specific organizations or providers for care coordination
64%	State program requirements that limit the effectiveness of managed care strategies (e.g., any-willing-provider provisions, continuity-of-care provisions)	36%	Institutional level-of-care requirements that do not align with state goals (e.g., ADL or IADL requirements that are too low or too high to support appropriate utilization)
50%	Churn (member or eligibility-related)	21%	Operationalizing electronic visit verification requirements
50%	Fragmented Medicaid benefit design—behavioral health and/or physical health benefits—limiting the ability to serve the whole individual	21%	Other

Source: Institute for Medicaid Innovation. “2025 Annual Medicaid Health Plan Survey.”

Notes: **Other** includes lack of data sharing of members receiving other state or waiver programs, avoiding duplication when coordinating care, insufficient number of caregiver agencies, and language barriers. No health plans selected “Restrictions to in-person assessments and care delivery due to COVID-19” and “None.”

Transition Barriers Experienced

Barriers Medicaid Health Plans Encountered During...



Hospital to Home Transitions

Barrier	% of Health Plans
Availability of caregivers	86%
Housing availability	86%
Availability of in-home support	79%
Coordination of community services in advance of transition	64%
Data exchange	64%
Availability of respite care	57%
Continuity of services	57%
Awareness and availability of resources to support caregivers	43%
Availability of hospice	14%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

















Nursing Facility to Home Transitions

Barrier	% of Health Plans
Availability of caregivers	93%
Housing availability	93%
Availability of in-home support	79%
Coordination of community services in advance of transition	79%
Continuity of services	64%
Data exchange	64%
Availability of respite care	50%
Awareness and availability of resources to support caregivers	50%
Availability of hospice	14%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

How State Medicaid Agencies Can Help

Agencies Could Further Assist Medicaid Health Plans in Addressing Managed Long-Term Services and Supports

93%	Improve data sharing between state and health plans	
93%	Improve the quality of data shared between state and health plans	
86%	Facilitate alignment of Medicare and Medicaid requirements	
86%	Improve data sharing between health plans and community-based organizations	
79%	Implement policies to increase long-term care and direct-care workforce	
79%	Improve data sharing between government agencies (e.g., office on aging, child welfare system, criminal justice system) and health plans	
79%	Improve data sharing between health plans and provider groups	
71%	Address backlogged waiver approval processes	
64%	Streamline data sharing between providers and community-based organizations	
57%	Facilitate contracting with community-based organizations	
57%	Increase technical assistance resources	
43%	Increase resources to support the facilitation of partnerships	
36%	Allow reimbursement for paid family caregivers	
7%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes value-based payment programs and efforts to develop risk adjustment for managed care organizations. No health plan selected "States cannot provide further assistance."



Findings: Social Determinants of Health

Populations with SDOH Specific Initiatives

Specific Populations for Which Medicaid Health Plans had Social Determinants of Health Programs













Pregnant and postpartum individuals	86%	Long-term services and supports population	59%
Adults with a substance use disorder	73%	Adults transitioning from institutions (e.g., nursing homes, assisted living facilities, rehabilitation)	55%
People experiencing homelessness or housing insecurity	73%	Aged, blind, and disabled	55%
Adults with disabilities (e.g., physical, intellectual, developmental)	68%	Children or adolescents with behavioral health diagnoses (mental health or substance use)	50%
Foster care youth or youth transitioning to adulthood	68%	Children with disabilities	50%
People with justice system involvement	68%	People living with HIV/AIDS	50%
Medicare and Medicaid enrollees (dual eligible)	64%	Expansion members	41%
People with limited English proficiency	64%	Our SDOH programs are open to all members	41%
Adults with serious mental illness	59%	Other	27%
Child welfare—or child protective services—involved families	59%	We do not have SDOH programs for specific populations	9%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **SDOH is social determinants of health.** **Other** includes members with challenges including food insecurity, workforce, transportation, maternity, and isolation, and individuals with cognitive disabilities, dementia, Alzheimer's disease, and children with autism.

How States Supported Medicaid Health Plan’s SDOH Initiative

How States Support Medicaid Health Plans’ Social Determinants of Health Initiatives

	Submit and receive approval for a Medicaid waiver that included support of SDOH initiatives	64%
	Make policy or regulatory changes to support SDOH initiatives	59%
	Allow or improve data sharing	50%
	Provide financial support	45%
	Provide screening tools	41%
	Provide tools and support for data analysis	36%
	Provide support for cultural and linguistic competency	32%
	Payments for SDOH services in plan capitation	23%
	Provide administrative assistance (e.g., staff resources)	23%
	Engaging health plan members in informing efforts to address structural racism	18%
	States do not support SDOH initiatives	9%
	Other	9%

Source: Institute for Medicaid Innovation. “2025 Annual Medicaid Health Plan Survey.”

Notes: **SDOH is social determinants of health.** **Other** includes partner on a learning collaborative (Advancing Health Equity) and participation in the Association for Community Affiliated Plans Health Equity Learning Collaborative.



SDOH Initiatives Above State Requirements

Additional Social Determinants of Health Services and Supports Medicaid Health Plans Offer Above State Requirements















73%	Food insecurity
64%	Transportation problems
59%	Housing instability
55%	Employment
50%	Education
45%	Family and community support
41%	Access to disability supports
41%	Access to mental health services
41%	Access to substance use services
41%	Physical activity
36%	Utility help needs
32%	Financial strain
23%	Other
5%	None

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Note: **Other** includes community health workers, benefits enrollment navigation, grant programs, and community resource centers.

How State Medicaid Agencies Could Further Assist Medicaid Health Plans Addressing SDOH Needs

How State Medicaid Agencies Could Further Assist Medicaid Health Plans in Addressing Social Determinants of Health Needs

91%	Standardize 834 enrollment file to include social needs information*		73%	Improve data sharing between health plans and provider groups	
86%	Improve data sharing between government agencies (e.g., child welfare system, criminal justice system) and health plans		73%	Increase resources to support facilitation of partnerships	
86%	Improve data sharing between health plans and community-based organizations		64%	Increase financial resources for community-based organizations	
82%	Improve data sharing between state and health plans		59%	Increase technical assistance resources	
82%	Increase financial resources from state to health plans		59%	Purchase tools and resources that require a license and provide access to all health plans	
77%	Increase resources to support capitated payments models, pay-for-performance, and risk programs with providers		14%	Other	
73%	Facilitate contracting with community-based organizations		0%	States cannot provide any further assistance	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes improving the use of ICD-10 Z codes for providers. *An 834 enrollment file is a standardized electronic file format used in health insurance to communicate enrollment and eligibility information between a health plan sponsor (i.e., an employer or a government agency) and a health insurance payer (e.g., a health plan or insurer).



Findings: Telehealth

Provider Barriers Experienced by Health Plans









Provider Barriers Encountered by Medicaid Health Plans for Telehealth	Small Health Plans	Medium Health Plans	Large Health Plans	All Health Plans
Computer or technology literacy	80%	90%	71%	82%
Lack of technological resources	100%	80%	71%	82%
Information technology systems	20%	70%	86%	64%
Broadband internet access	60%	70%	57%	64%
State telehealth coverage policies influencing provider adoption	20%	60%	57%	50%
Integration into care models	20%	60%	57%	50%
Provider disinterest	60%	40%	29%	41%
Insufficient internet speed for telehealth	40%	40%	43%	41%
Lack of interpreter services	40%	50%	14%	36%
Lack of training on telehealth best practices	40%	30%	29%	32%
Payment incentives	0%	30%	43%	27%
Other	0%	20%	57%	27%
Payment parity	0%	10%	29%	14%
Quality concerns from the provider	0%	30%	0%	14%
None	0%	10%	0%	5%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes inconsistency within provider networks, challenges sending visit notes back to the primary care provider when telehealth is used through vendor, staff shortages, technology optimization, policy concerns, ongoing regulatory clarifications of telehealth, and lack of resources to support program implementation.

Billable Modalities of Telehealth Access

Modalities That Medicaid Health Plans Cover as a Billable Visit or Service

95%	Live video visits	
86%	Audio only or telephone	
62%	Remote patient monitoring (e.g., blood pressure monitoring, digital scales, blood glucose monitoring, heart rate, oxygen saturation)	
52%	Provider-to-provider eConsult	
43%	Use of a health portal (e.g., for online appointment scheduling, obtaining test results, and secure messaging with one's provider)	
38%	Store and forward (e.g., receiving digital images of a patient's skin condition)	
19%	Live text chat	
10%	Other	

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes in-home medical services. No health plans selected "None."

Outcomes Attributed to Telehealth

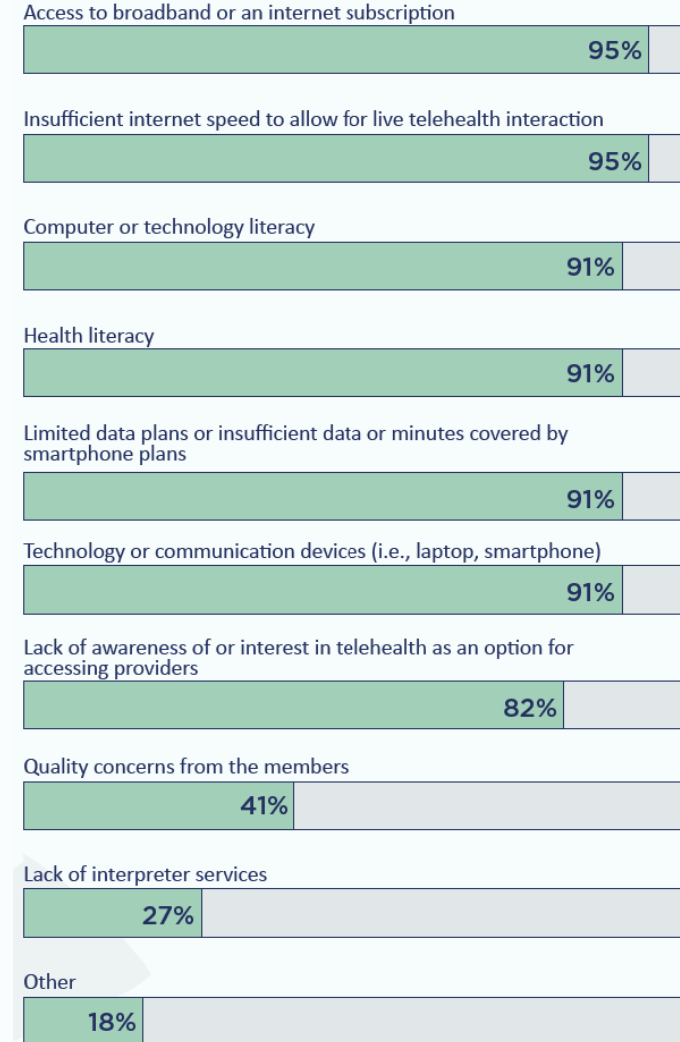
Outcomes Medicaid Health Plans Attribute to Telehealth	All Health Plans
Increased patient access to services	82%
Improved continuity of care	64%
Increased behavioral health care utilization	64%
Increased member satisfaction	64%
Decreased emergency department utilization	55%
Improved patient compliance with care	55%
Decreased member no-shows	50%
Decreased urgent care utilization	50%
Increased cost savings	50%
Increased provider satisfaction	45%
Increased primary care utilization	36%
Increased prescribing	18%
Other	14%
Increased fraud or abuse	5%
None	5%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes monitoring the delivery of services to providers to ensure that telehealth delivery is convenient for members. No health plans selected "Increased duplication of services."

Most Common Member Barriers

Member Barriers Encountered by Medicaid Health Plans for Telehealth



Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes provider scheduling, and hours of operation. No health plans selected "None."

Opportunities for State Policy Changes

Changes to State Medicaid Policies or Requirements that Could Assist Medicaid Health Plans to Create More Equitable Access to Telehealth

	Support school-based health services delivered via telehealth, including behavioral health services	73%
	Enable health plans to create innovative reimbursement models	64%
	Reimburse for provider-to-provider consultations, including eConsults leveraging asynchronous telehealth modalities (such as store and forward) when a professional medical opinion is sought	64%
	Reimburse for evidence-based remote patient monitoring	59%
	Allow federally qualified health centers, rural health clinics, Indian Health Service clinics, and community mental health centers to serve as origination and distant site providers	55%
	Incentivize for evidence-based remote patient monitoring	55%
	Reimburse for services that can be delivered appropriately via audio only, including outpatient evaluation and management services and professional outpatient mental health care	55%
	Remove site restrictions that limit where members can be located during a telehealth visit	55%
	Reimburse for translation and interpreting services	50%
	Enable health plans to support community-based organizations with telehealth technology to support members' telehealth appointments	45%
	Reimburse nontraditional providers for facilitating telehealth appointments (e.g., emergency medical service providers facilitating a telehealth visit versus transporting a low-acuity patient to the ED)	45%
	Remove restrictions on the type of entity that can be reimbursed for remote patient monitoring (e.g., limiting reimbursement to home health agencies)	41%
	Other	9%

Source: Institute for Medicaid Innovation. "2025 Annual Medicaid Health Plan Survey."

Notes: **Other** includes allowing providers to sit in other states than the member. Five percent (5%) of health plans selected "None."



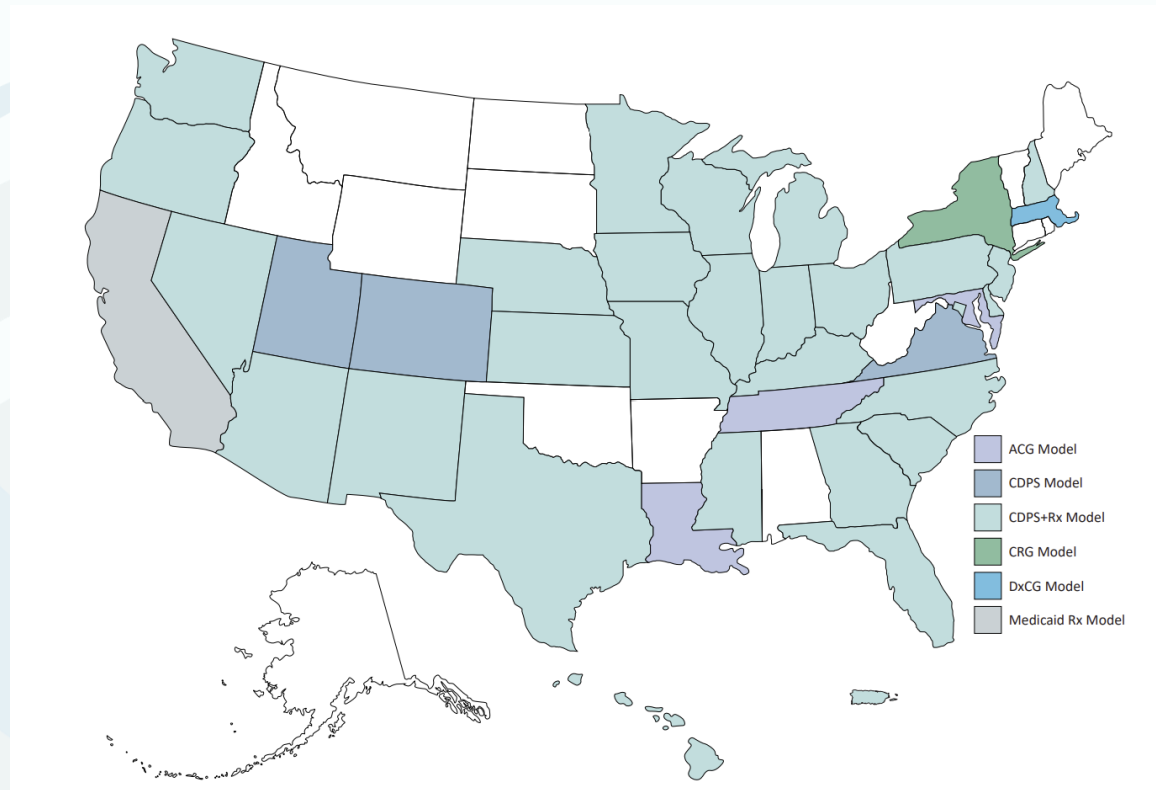
Risk Adjustment Models for Medicaid Payment

Why is Risk Adjustment Important

- 1** Provide a budget-neutral (zero-sum) mechanism to allocate capitated payments among contracted managed care organizations, while considering health status of individuals enrolled.
- 2** Minimize the incentives for health plans and providers from selectively covering healthier members.
- 3** Provide adequate financing for managed care organizations that treat individuals with higher-than-average health needs.

Source: Institute for Medicaid Innovation. "Medicaid Risk Adjustment Fact Sheet."

States Utilizing CDPS and CDPS+Rx Risk Adjustment Models



Source: Institute for Medicaid Innovation. "Medicaid Risk Adjustment Fact Sheet."

The Chronic Illness and Disability Payment System (CDPS) is a diagnostic-based risk adjustment model used to adjust capitated payments for Medicaid health plans.

CDPS+Rx is a combined diagnosis and pharmacy-based model that employs both ICD and NDC codes.

Currently, 32 state Medicaid agencies, including D.C. and Puerto Rico, utilize the CDPS risk adjustment model to inform actuarially sound payments to health plans.

What has Changed Since the Update?

Refinement of Clinical Categories, Plus:

How has the CDPS Model Improved with the Update?

As there continue to be exploratory efforts to the CDPS model to increase precision, there are two main improvements that are expected:

1

To the extent that new treatments and technology have changed how patients are treated, the relative weights estimated with 2011 data may not accurately reflect relative cost in 2019.

2

To the extent that patients are treated differently in fee-for-service (FFS) vs. managed care, the regression weights estimated with FFS data may not reflect patterns of care in managed care organizations.

There were significant updates to six diagnostic categories:

Psychiatric

Pulmonary

Renal

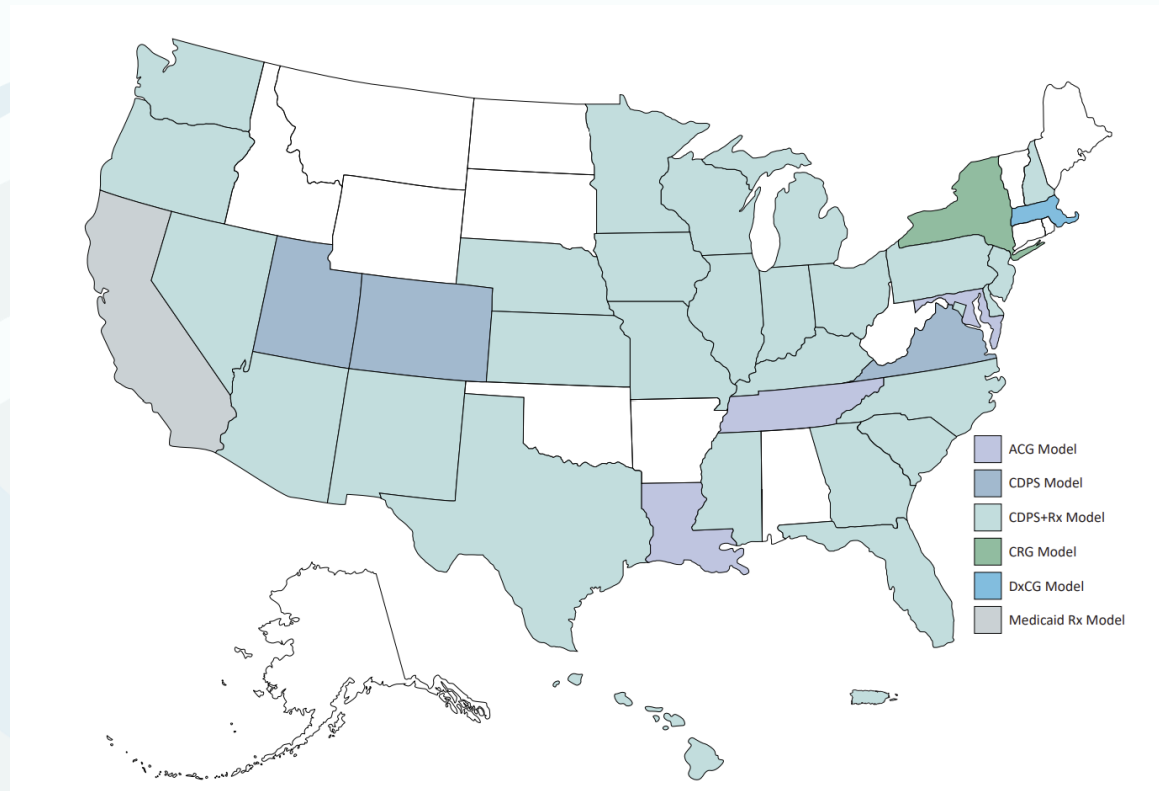
Cancer

Infectious Disease

Hematologic

Source: Institute for Medicaid Innovation. "Medicaid Risk Adjustment Fact Sheet."

What is Next for the Model Update?



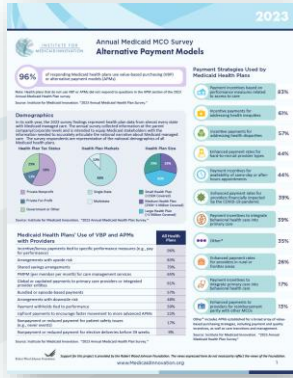
Complete Model Update with New Data

Source: Institute for Medicaid Innovation. "Medicaid Risk Adjustment Fact Sheet."

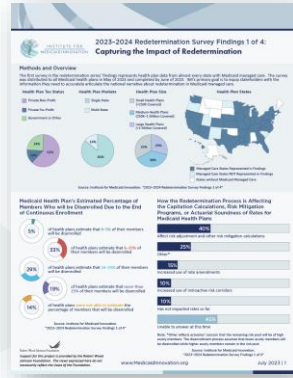


Learn More!

A Broad Portfolio of Meaningful Work Impacting Medicaid



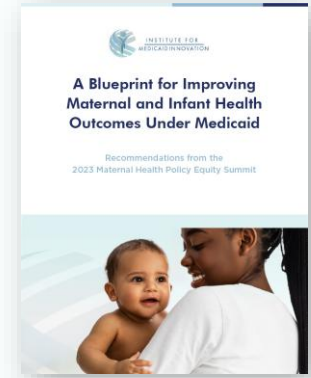
Annual MCO Survey



MCO Redetermination Survey



Community Partnerships in Medicaid Toolkit



National Maternal Health Strategy and Blueprint



Doula and Perinatal Community Health Worker Learning Series



Midwifery in Medicaid Business Case Learning Series



Medicaid Risk Management (CDPS)



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