

# Data-Driven Strategies for Bending the Cost Trend and Improving Services for People with Intellectual/Developmental Disabilities (IDD)

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## Overview

State Medicaid programs are grappling with budgetary uncertainty and looking for ways to bend cost trends associated with acute care and long term services and supports without compromising quality.

Costs for Medicaid beneficiaries with IDD are **2-5 times higher** than the average for all other Medicaid beneficiaries with disabilities. Those with complex physical health conditions have even higher costs and people with IDD and co-occurring behavioral health conditions have expenditures 13-40 percent higher than those without these conditions. The consequences of unmanaged physical and behavioral health conditions drive healthcare costs and negatively impact the quality of life, in addition to service-related outcomes, for people with IDD.

## What States Can Do

- Evaluate Medicaid claims data for emergency room care to identify opportunities to drive non-emergent care to more appropriate settings or methods such as telehealth.
- Evaluate pharmacy data to identify opportunities for reducing the number and type of potentially unnecessary medications prescribed for people with IDD.
- Analyze hospital readmissions occurring within 30 days of discharge to identify opportunities for preventing costly, preventable readmissions.
- Utilize Medicaid claims data to quantify the Medicaid spend for emergency room and in-patient psychiatric admissions driven by inadequate management of behavioral/psychiatric needs.
- Explore the benefits of implementing IDD-specific Medical Homes to promote person-centered, high-value, collaborative health care.
- Develop and implement value-based payment strategies aimed at incentivizing IDD service providers to improve service-related outcomes.

## How Mercer Can Help

Mercer employs a full complement of IDD subject matter experts committed to supporting states in their efforts to bend the cost trends associated with inefficient, low-value services and supports. We will work with you to develop clinical efficiency analyses, value-based payment strategies, and other innovative service delivery approaches designed to better manage costs without sacrificing quality.

## Caveats and Limitations

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## For More Information

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