

# Medicaid Preventive Services in the MLR

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# Medically Related Social Services

Up to 80% of health outcomes are impacted by non-clinical factors.



Food Insecurity



Employment  
Supports



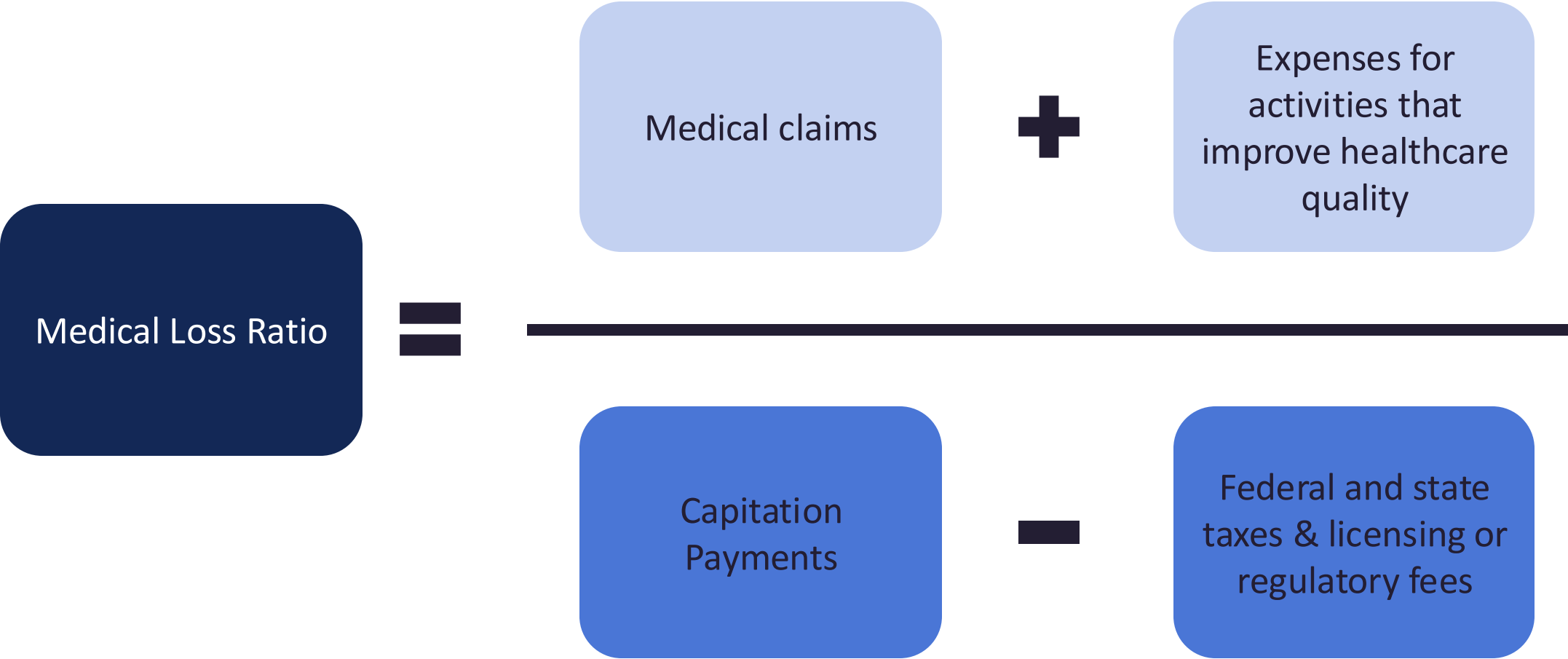
Housing Navigation



Transportation  
Supports



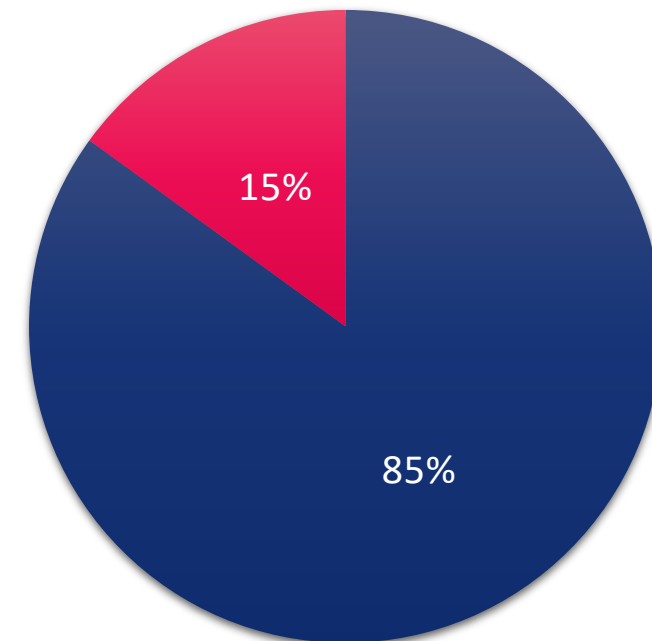
# Understanding Medicaid Medical Loss Ratio (MLR)



# Medicaid MLR Requirements

- States require MCOs to submit MLR reports, which the state then includes in its annual report to CMS.
- States must also submit an Annual Managed Care Program report to CMS, detailing each MCO's financial performance and MLR experience.
- If a Medicaid plan fails to meet the minimum MLR standard, states can require the MCO to pay a rebate to the state or adjust future capitation rates.

Medicaid MLR Standard



- Benefit Expenses & Quality Improvement Efforts
- Administrative Expenses Excluding Taxes and Regulatory Fees



# Including Medically Related Social Services in the MLR

## STATE LEVEL

State Medicaid contracts could be updated to allow Medicaid MCOs to classify the costs of these activities more like medical expenses.

## FEDERAL LEVEL

Potential legislation could define these services and classify them more like medical expenses when calculating the Medicaid MLR.

This approach allows states to maintain flexibility in deciding which services their MCOs offer.

A long-term solution for addressing health-related social needs with less administrative burden is to classify these services like medical or benefit expenses in the Medical Loss Ratio (MLR).



# Food is Medicine in Texas



Food RX – Houston  
Food Bank



High-Risk  
Pregnancy  
Home Delivered  
Meals



# Food is Medicine in Texas

- Fostered multiple 3-way partnerships with local medical clinics and food banks across the state, placing fresh food boxes in the medical clinic.
- Food boxes are not counted against a family's monthly federal allowance.



# Food as Medicine in Texas



Mobile food pantries supporting rural Texas

In partnership with Big Bend Conservation Alliance Presidio Community Garden





# Food is Medicine in Texas



