



GEORGETOWN UNIVERSITY

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## **MEDICAID REFORM'S REWARDS PROGRAM SLOW TO CATCH ON IN FLORIDA**

WASHINGTON – The program offering Medicaid beneficiaries financial rewards for healthy behaviors – a key feature of Florida's Medicaid Reform pilot – has been expensive to launch and slow to catch on, raising questions about its effectiveness and efficiency, according to the latest research report issued by Georgetown University's Health Policy Institute.

The Enhanced Benefits Rewards Program provides each Medicaid beneficiary participating in Florida's reform pilot up to \$125 a year in credits for certain healthy behaviors, such as keeping a doctor's appointment, getting a flu shot or stopping smoking. The credits may be applied to purchase of health and personal care products (bandages, shampoo, eye drops and vitamins) at participating pharmacies.

Though beneficiaries have earned \$12.5 million in credits, only about 10 percent of those credits have been spent.

The findings were released today in an issue brief – *The Enhanced Benefits Rewards Program: Is it changing the way Medicaid beneficiaries approach their health?* – part of the Georgetown researchers' ongoing evaluation of the state's Medicaid changes. The research was commissioned by the Jessie Ball duPont Fund.

Low participation appears to be a function of poor consumer awareness. Beneficiaries interviewed by Georgetown researchers appear to have limited knowledge of the program.

Even those who are familiar with the program question its effectiveness. Both providers and beneficiaries were skeptical about the ability of rewards to alter fundamental health behaviors.

Moreover, the first-year costs of the program raise questions of efficiency: year one administrative costs of the program were \$1.1 million. That same year, beneficiaries redeemed \$300,000 in credits.

The issue briefs are part of an ongoing series from the Georgetown University researchers evaluating the implementation and impact of Florida's Medicaid changes. They are available online at [www.dupontfund.org](http://www.dupontfund.org) and [hpi.georgetown.edu/floridamedicaid](http://hpi.georgetown.edu/floridamedicaid).

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