

Integrating Care for Dual Eligibles: Opportunities for States



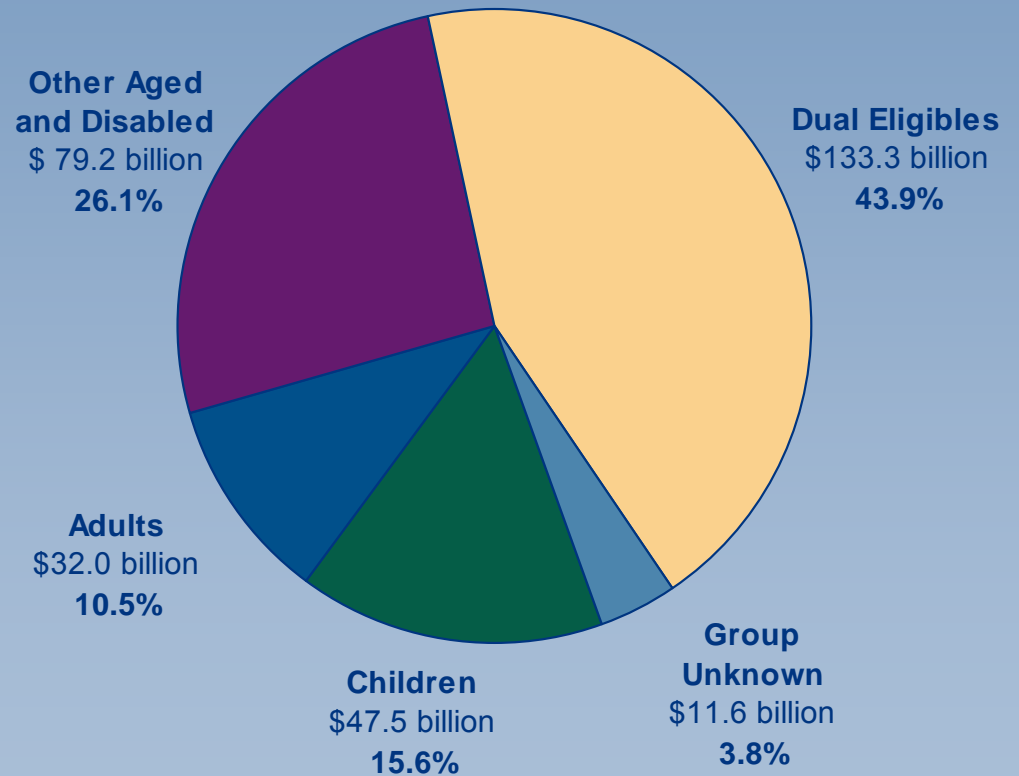
Medicaid Best Buys Webinar
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Melanie Bella
Senior Vice President
Center for Health Care Strategies

Why Focus on Dual Eligibles?

Roughly 7.5 million adults are dually eligible for Medicaid and Medicare services. These individuals equal 14% of Medicaid beneficiaries, yet drive almost 44% of total spending.

Medicaid Spending by Group, Services Only, FFY 2005



Total Spending = \$ 303.6 billion

Mattie H.: Day in the Life of a Dual Eligible*

- ▶ Mattie, 77, is fiercely independent and lives alone
- ▶ Longstanding diabetes, depression and hypertension
- ▶ Three strokes, resulting in left-side weakness and limited mobility
- ▶ Frequent falls and inadequate food intake
- ▶ Three recent hospitalizations for poorly controlled diabetes
- ▶ Requires significant personal assistance to maintain independence
- ▶ Has difficulties making appointments because of mobility limitations; accessing and managing aging network or personal care attendant services; and obtaining mental health services

Mattie H.: The Benefits of Integration

<u>WITHOUT INTEGRATED CARE</u>	INTEGRATED CARE
x Three ID cards: Medicare, prescription drugs, and Medicaid	✓ One ID card
x Three different sets of benefits	✓ One set of comprehensive benefits: primary, acute, prescription drug, and long-term care supports and services
x Multiple providers who rarely communicate	✓ Single and coordinated care team
x Health care decisions uncoordinated and not made from the patient-centered perspective	✓ Health care decisions based on Mattie's needs and preferences
x Serious consideration for nursing home placement; Medicare/Medicaid only pays for four hours/day of home health aide services	✓ Able to receive non-traditional benefits that help Mattie stay in her home

How can States Integrate Care?

- ▶ Contract with Medicare Advantage Special Needs Plans (SNPs)
 - Dual eligibles are able to enroll in one health plan (when the SNP also has a contract with the state) to receive a range of Medicare and Medicaid services.
- ▶ Develop Non-SNP Alternatives
 - For states where managed care is not feasible, additional models are needed (e.g., non-capitated models, gainsharing and Medicaid duals demonstrations, etc.).

Special Needs Plans

- Total number of SNPs in November 2008 – 762
 - ▶ Dual eligible – 436
- Total SNP enrollment in November 2008 – 1,309,393
 - ▶ Dual eligible SNPs – 905,701 (= 12% of duals)
- About 14 states currently contract with SNPs
 - ▶ Considerable variation in the comprehensiveness of contracts (ranges from limited wraparound and cost-sharing benefits to the full range of Medicare and Medicaid acute and long-term supports and services)

CHCS Integrated Care Program: State Experience with SNPs

State	Population		Benefits				Relationship with SNPs		
	Seniors	PWD	Medicare Acute	Medicaid Acute	BH	LTC	Current Contract	Future Contract	SNP Requirement
Florida	✓	✓	✓	✓	✓ Mental Health	✓		✓	No
Minnesota	✓ MSHO	✓ MnDHO, SNBC	✓	✓	✓	✓ not in SNBC	✓		Yes
New Mexico	✓	✓	✓	✓		✓	✓		Yes
New York	✓ NHC for MAP	✓ NHC for MAP	✓	✓	✓	✓ not in MA	✓		MA or SNPs
Washington	✓	✓	✓	✓	✓	✓	✓		No

PWD = people with disabilities

BH = behavioral health

LTC = long-term care

MSHO = Minnesota Senior Health Options

MnDHO = Minnesota Disability Health Options

SNBC = Special Needs Basic Care

NHC for MAP = Nursing Home Certifiable for Medicare Advantage Plus

MA = Medicaid Advantage Plan

SNP = Special Needs Plan

Non-SNP Vehicles for Integrating Care

State works alone or with an entity to provide integrated services, including a mechanism for sharing in any savings that result from the arrangement. Examples include:

VEHICLE	DESCRIPTION
Gainsharing Demonstration	Demonstration program (such as that created under Section 646 of the MMA) that allows physician groups, integrated health systems, or regional coalitions to join together and utilize an alternative payment system to support integration of services for dual eligible beneficiaries on a fee-for-service basis.
Medicaid Duals “Demonstration”	State with a well-established infrastructure for and experience with traditional health plan/insurer functions (e.g., claims payment, utilization management, provider networks, etc.) would receive the monthly Medicare premium and assumes risk for the management of the Medicare and Medicaid benefit (either directly or via contract/arrangement with a health plan or non-risk entity).

Challenges to Integrating Care

- Administrative and operational hurdles
- Financial misalignments between Medicare and Medicaid
- Enrollment/choice issues
- Development of state-SNP relationships
- Difficulties in developing and bringing duals-focused SNPs to scale
- Lack of non-SNP alternatives

Integrated Care Future Opportunities

- SNPs
 - ▶ Facilitate/define relationship between states and SNPs
 - ▶ Ensure SNPs are designed to meet the needs of dual eligibles
- Non-SNPs
 - ▶ Identify and pilot non-SNP integration options
- SNP and non-SNP options
 - ▶ Overcome financial misalignment
 - ▶ Develop meaningful performance measures
 - ▶ Evaluate/demonstrate the value of integration

Future Opportunities: CHCS' Transforming Care for Dual Eligibles

- Work with up eight (8) states committed to working toward a system of truly integrated care via SNPs or non-SNP alternatives.
- Provide short-term, in-depth, “on the ground” TA including program design, care model, financing mechanisms, contracting strategies, and working with CMS.
- Participants will be chosen via competitive process.
- Solicitation will be released December 15th.
- For questions, contact Lindsay Palmer (lpalmer@chcs.org) or Alice Lind (alind@chcs.org).

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