ADVANCING MEDICARE AND MEDICAID INTEGRATION

Integrating care for individuals dually eligible for Medicare and Medicaid may reduce fragmentation of services, improve care, and lower overall costs for the two programs.

WHY INTEGRATE CARE FOR DUALLY ELIGIBLE INDIVIDUALS?

There are 11.4 million dually eligible beneficiaries in the United States.

They have complex needs: 53% have 3 or more chronic conditions.

Of these 11.4 million individuals, more than 90% receive fragmented care.

Their care accounts for a disproportionate 34% of Medicare costs and 33% of Medicaid costs.

FEATURES OF EFFECTIVE INTEGRATED CARE PROGRAMS*

1. Strong partnerships and stakeholder engagement to set goals and inform program design
2. Transparency and responsiveness, through ongoing updates and beneficiary and provider feedback
3. Comprehensive care delivery to advance person-centered care and service coordination
4. Integrated financing and risk-adjustment to align incentives and account for complex beneficiary needs
5. Robust oversight and monitoring to assess program quality, outcomes, and make refinements

FACTORS INFLUENCING STATE INVESTMENT IN INTEGRATED CARE

State-Level Factors

Capacity
Does the state have the staff, Medicare expertise, technology, and partnerships to launch and sustain integrated care?

Environment
Are there related initiatives and market or political factors facilitating development? Are stakeholders supportive?

Rebalancing Incentives
Is there potential to better predict state spending and manage costs while rebalancing toward home- and community-based care?

Federal-Level Factors

Flexibility
Can Medicare work with the state to better align administrative and care management processes?

Permanency
Does Medicare offer states and health plans long-term options to integrate care?

Sustainability
Are there flexible payment approaches and mechanisms to grow/ sustain enrollment?

Financial Incentives
Are there federal options to share in savings if integration lowers Medicare costs overall?