

# 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 DUALY 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

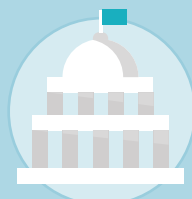
## FACTORS INFLUENCING STATE INVESTMENT IN INTEGRATED CARE

### 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



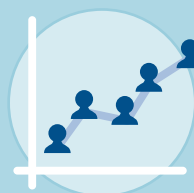
#### Flexibility

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?

