

December 15, 2016

# State Medicaid Integration Tracker<sup>©</sup>

## Welcome to the State Medicaid Integration Tracker®

The **State Medicaid Integration Tracker®** is published each month by the National Association of States United for Aging and Disabilities (NASUAD). It is intended to provide a compilation of states' efforts to implement integrated care delivery-system models. Only publicly available and documented activities are included in this tracker.

This tracker includes new updates for each state that occurred during the most recent month. For comprehensive information on each state, as well as archived versions of the tracker, please visit: <http://nasuad.org/initiatives/tracking-state-activity/state-medicaid-integration-tracker>

The **State Medicaid Integration Tracker®** focuses on the status of the following state actions:

1. Managed Long Term Services and Supports (MLTSS)
2. State Demonstrations to Integrate Care for Dual Eligible Individuals and other Medicare-Medicaid Coordination Initiatives
3. Other LTSS Reform Activities, including:
  - Balancing Incentive Program
  - Medicaid State Plan Amendments under §1915(i)
  - Community First Choice Option under §1915(k)
  - Medicaid Health Homes

NASUAD uses many information sources to learn what is happening across the country in these areas. NASUAD's sources include: the CMS website on Managed Long Term Services and Supports ([link](#)), the CMS website on State Demonstrations to Integrate Care for Dual Eligible Individuals ([link](#)), the CMS Balancing Incentive Program website ([link](#)), the CMS website on Health Homes ([link](#)), the CMS list of Medicaid waivers ([link](#)), state Medicaid Agency websites, interviews with state officials, and presentations by state agencies. NASUAD lists sources for each update, as well as hyperlinks to related CMS and state documents and materials.

For more information, please contact **Damon Terzaghi** ([dterzaghi@nasuad.org](mailto:dterzaghi@nasuad.org)) or **Adam Mosey** ([amosey@nasuad.org](mailto:amosey@nasuad.org))

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## Overview

<p><b>Managed LTSS Programs:</b></p>	<p>AZ, CA, DE, FL, HI, IA, IL, KS, MA, MI, MN, NC, NJ, NM, NY, RI, TN, TX, WI</p>
<p><b>Medicare-Medicaid Care Coordination Initiatives:</b></p> <p>All states, except Minnesota, are operating a CMS-approved Financial Alignment (FA) demonstration program</p> <p>** : Pursuing alternative initiative # : Planning to terminate FA in December 2018</p>	<p>CA, CO, IL, MA, MI, MN**, NY, OH, RI, SC, TX, VA#, WA</p>
<p><b>Other LTSS Reform Activities approved by CMS:</b></p> <p><b>NOTE: For clarity, designation of approved and pending state actions have been modified. Pending actions ONLY are noted with an asterisk. Otherwise, all states listed have approved programs.</b></p> <p>*: Pending CMS approval</p>	
<ul style="list-style-type: none"> <li><b>Balancing Incentive Program:</b></li> </ul>	<p>AR, CT, GA, IL, IN, IA, KY, LA, ME, MD, MA, MS, MO, NE, NV, NH, NJ, NY, OH, PA, TX</p>
<ul style="list-style-type: none"> <li><b>Medicaid State Plan Amendments under §1915(i):</b></li> </ul>	<p>AR*, CA, CO, CT, DE*, DC*, FL, ID, IN, IA, LA, MD, MI, MN*, MS, MT, NV, OR, SC*, WI</p>
<ul style="list-style-type: none"> <li><b>Community First Choice option under §1915(k):</b></li> </ul>	<p>AR*, CA(2), CO*, CT, MD, MN*, MT, NY, OR, TX, WA, WI*</p>
<ul style="list-style-type: none"> <li><b>Medicaid Health Homes:</b></li> </ul>	<p>AL, AZ*, AR*, CA*, CT*, DE*, DC*, ID, IL*, IN*, IA(3), KS, KY*, ME(2), MD, MI, MN*, MS*, MO(2), NV*, NH*, NJ*, NM*, NY(3), NC, OH(2), OK, OR, RI(3), SD, VT(2), WA, WV*, WI(2)</p>

**State Updates**

State	State Updates
<p><b>California</b></p>	<p><b>State Demonstration to Integrate Care for Dual Eligible Individuals</b></p> <p>On December 7, 2016, the Field Research Corporation on behalf of, and in collaboration with, the SCAN Foundation and the California Department of Health Care Services, released Wave 4 of the Rapid Cycle Polling Project, which is a tracking survey for the state’s dual eligible population enrolled in Cal MediConnect (CMC), the state’s financial alignment demonstration. The survey notes a number of positive trends for CMC enrollees, including: 83 percent express they are confident in handling their health conditions; 83 percent say they can get their health questions answered, and; 84 percent are able to identify who they need to call if they have a health-related question.</p> <p>Significant majorities of CMC beneficiaries also report high levels of satisfaction with the health services they consume as a part of the program. Also of note, CMC enrollees report fewer hospitalizations in the previous 12 months than individuals that have opted out of the program, 24 percent compared to 30 percent, respectively. This is particularly notable since there are no major differences in reported health status of enrollees versus those opting out of the program, and this may reflect the effectiveness of the integrated and coordinated care provided by the CMC program.</p> <p>Approximately a third of CMC enrollees are under 65, another third are between 65 and 74, and a final third are 75 and older. (Source: <a href="#">Survey Report 12/7/2016</a>)</p>
<p><b>Florida</b></p>	<p><b>Managed LTSS Program</b></p> <p>On November 8, 2016, the Herald Tribune reported that the Florida Agency for Health Care Administration (AHCA) will submit a proposal to extend the state’s managed long term services and supports (MLTSS) program to the Centers for Medicaid &amp; Medicaid Services (CMS) following the closing of the state’s public comment period on November 10, 2016. The proposal would extend the state’s Medicaid managed care waiver through 2020. (Source: <a href="#">Herald Tribune 11/8/2016</a>)</p>

<b>Iowa</b>	<p><b>Managed LTSS Program</b></p> <p>On November 22, 2016, the Globe Gazette reported that the Iowa Department of Human Services (DHS) estimates it will save \$118.7 million during the current fiscal year due to the implementation of statewide managed care. DHS calculates that it would have spent \$1.716 billion if the fee-for-service system were still in place, instead of the \$1.694 billion the state will spend under managed care. (Source: <a href="#">Globe Gazette 11/22/2016</a>)</p> <p>On November 30, 2016, the Iowa Department of Human Services (DHS) released the second quarterly report on the state’s shift to managed care for the operation of the state’s Medicaid program, which covers the period of July-September. As of September 2016, total managed care organization (MCO) enrollment in Iowa equaled approximately 568,000 enrollees.</p> <p>In terms of long term services and supports (LTSS) enrollment, as of September 2016 Iowa has 14,015 individuals (38 percent of LTSS enrollees) receiving facility-based services—that is, residents residing in an Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/ID) or a nursing facility. 62 percent of LTSS beneficiaries, or 22, 810 individuals, receive home and community based services (HCBS). The LTSS managed care enrollment population of 36,825 breaks down by health plan as follows:</p> <table border="1" style="margin: 10px auto; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #1a3d4d; color: white;"> <th style="padding: 5px;">Plan</th> <th style="padding: 5px;">Total LTSS Enrollment</th> <th style="padding: 5px;">Percent in institutional settings</th> <th style="padding: 5px;">Percent in HCBS settings</th> </tr> </thead> <tbody> <tr style="background-color: #ffffcc;"> <td style="padding: 5px;">Amerigroup</td> <td style="padding: 5px;">7,556</td> <td style="padding: 5px;">60</td> <td style="padding: 5px;">40</td> </tr> <tr style="background-color: #ffffcc;"> <td style="padding: 5px;">AmeriHealth Caritas</td> <td style="padding: 5px;">23,102</td> <td style="padding: 5px;">26</td> <td style="padding: 5px;">74</td> </tr> <tr style="background-color: #ffffcc;"> <td style="padding: 5px;">UnitedHealthcare</td> <td style="padding: 5px;">6,167</td> <td style="padding: 5px;">58</td> <td style="padding: 5px;">42</td> </tr> </tbody> </table> <p>An article from the Quad-City Times notes that recent financial filings from two of the MCOs, Amerigroup Iowa and AmeriHealth Caritas, show that they are losing significant sums, in excess of \$100 million dollars each. However, statements from the Iowa governor’s office as well as the MCOs push back on the reported losses, claiming that they are simply start-up costs and will abate as the MCOs further adjust to the Iowa market (Source: <a href="#">IA MCO Report 11/30/2016</a>; <a href="#">Quad City Times 11/30/2016</a>; <a href="#">KCRG.com 12/2/2016</a>)</p>	Plan	Total LTSS Enrollment	Percent in institutional settings	Percent in HCBS settings	Amerigroup	7,556	60	40	AmeriHealth Caritas	23,102	26	74	UnitedHealthcare	6,167	58	42
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<p><b>Kansas</b></p>	<p><b>Managed LTSS Program</b></p> <p>In November 2016, Leavitt Partners (LP) released a report on KanCare, Kansas’ managed care system that includes management of LTSS for the state. The report was sponsored by the Kansas Hospital Association, the Kansas Medical Society, and the Kansas Association for the Medically Underserved.</p> <p>The report notes a number of challenges with the MLTSS portion of the program, including:</p> <ul style="list-style-type: none"> <li>○ Issues surrounding MLTSS network adequacy;</li> <li>○ Access to non-emergency medical transportation; and</li> <li>○ Issues with eligibility and enrollment.</li> </ul> <p>The report also provides data relevant to the delivery of LTSS in either institutional or HCBS settings:</p> <ul style="list-style-type: none"> <li>○ From 2012-2015, the state saw a 5 percent decrease in the number of beneficiaries residing in nursing facilities, and a 6.3 percent decrease in the number in public ICF/IDDs;</li> <li>○ In 2013, 858 beneficiaries with physical disabilities were placed into HCBS from a waiting list; in 2014, 461 beneficiaries; in 2015, 1,025 beneficiaries, and; in August 2016 it was reported that the waiting list for physical disabilities waiver was essentially eliminated, although some interviewees for the report contested this fact.</li> <li>○ In terms of LTSS expenditures, the percentage going to HCBS has trended slightly down when looking at data from the period of 2009-2014, which is contrary to national trends.</li> </ul> <p>The report provides a number of different recommendations including: MCO administrative simplification and standardization; adjusting the medical loss ratio for KanCare; reinstating pay-for-performance standards; increased oversight, transparency, and communication of MCOs and; increased benefit education for enrollees. (Source: <u>LP Report 11/16</u>; <u>Kansas Health Institute 11/17/2016</u>)</p>
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<p><b>New Hampshire</b></p>	<p><b>Managed LTSS Program</b></p> <p>On November 18, 2016, the New Hampshire Office of Medicaid Services (OMS) released a request for proposals (RFP) for technical assistance with the implementation of MLTSS. Responses to the RFP must be received by December 21, 2016, and officials hope to award the contract by February 1, 2017. A second RFP was issued on November 22, 2016, seeking assistance for the state’s reprocurement of its Medicaid Care Management MCOs. Responses to that RFP must be received by January 11, 2017, and officials hope to award this contract as well by February 1, 2017. The MLTSS consultant is expected to work collaboratively with the reprocurement consultant on the MLTSS-specific aspects of the RFP and contract. (Source: <a href="#">MLTSS TA RFP 11/18/2016</a>; <a href="#">Reprocurement RFP 11/22/16</a>)</p>
<p><b>New Jersey</b></p>	<p><b>Managed LTSS Program</b></p> <p>On November 18, 2016, the New Jersey Division of Medical Assistance and Health Services (DMAHS) submitted a letter to CMS to request an amendment to the Special Terms and Conditions (STCs) of the state’s section 1115 waiver, which is the operating authority for New Jersey’s MLTSS program. The amendment, which totals three pages, would allow the state to clarify enrollment and level of care (LOC) requirements for adults and children that may be eligible for MLTSS. The federal comment period for the amendment runs from December 1, 2016, through January 2, 2017. (Source: <a href="#">Waiver Application 11/18/2016</a>)</p>
<p><b>New York</b></p>	<p><b>Community First Choice Option</b></p> <p>The New York Department of Health (DOH) announced that New York will begin implementation of the Community First Choice Option (CFCO) on April 1, 2017, for both the fee-for-service (FFS) and Medicaid managed care populations. The CFCO, which required an amendment to the State’s Medicaid Plan, was first approved by CMS on July 1, 2015. New York CFCO State Plan services and supports include:</p> <ul style="list-style-type: none"> <li>○ Assistive technology beyond the scope of Durable Medical Equipment;</li> <li>○ ADL and IADL skill acquisition, maintenance, and enhancement;</li> <li>○ Community Transitional Services;</li> <li>○ Moving Assistance;</li> <li>○ Environmental Modifications;</li> <li>○ Vehicle Modifications;</li> <li>○ Non-Emergent Transportation; and</li> <li>○ Congregate and/or Home Delivered Meals.</li> </ul> <p>CFCO services must be approved through a Person Centered Service Plan (PCSP). A</p>

	<p>number of these services have cost limitations. (Source: <a href="http://Health.ny.gov">Health.ny.gov</a> 11/10/2016)</p> <p><b>Managed LTSS Program</b></p> <p>On November 23, 2016, Politico New York reported that the state’s largest MLTSS health plan, GuildNet, will cease enrollment of Medicaid beneficiaries in Nassau, Suffolk, and Westchester counties, due to claims of insignificant reimbursement. GuildNet will continue to operate in the New York City market, which makes up the majority of its enrollees. (Source: <a href="#">Politico New York</a> 11/23/2016; <a href="#">HMA Weekly Roundup</a>)</p>
<p><b>Oklahoma</b></p>	<p><b>Managed LTSS Program</b></p> <p>On November 30, 2016, the Oklahoma Health Care Authority (OHCA) issued a request for proposals (RFP) for MCOs to manage care for the SoonerHealth+ Program, which was initiated following the passage of HB 1566 through the state legislature in 2015 and required OHCA to issue an RFP for care coordination for the state’s Aged, Blind and Disabled (ABD) population. The state estimates the current ABD population is, as of June 2016, 154,795 beneficiaries, including adults and children from a number of different HCBS waivers.</p> <p>Oklahoma will be phasing in different populations into managed care under varying timelines. All members of the SoonerCare (Oklahoma’s Medicaid program) Aged, Blind and Disabled population will be enrolled into SoonerHealth+ on a mandatory basis, as well as:</p> <ul style="list-style-type: none"> <li>○ ABD members eligible for Medicaid but not eligible for Medicare;</li> <li>○ Dually eligible ABD members; and</li> <li>○ Children under age 19 receiving services under the Tax Equity and Financial Responsibility Act.</li> </ul> <p>In year one, all ABD members that meet nursing facility (NF) LOC and receiving HCBS will also be enrolled into SoonerHealth+. Native American ABD members will have the option to enroll into SoonerHealth+ if they choose, and can disenroll during any open enrollment period. Additional population considerations are as follows:</p> <ul style="list-style-type: none"> <li>○ SoonerCare members 55 and older deemed eligible for SoonerHealth+ are given the option to enroll in a Program of All-Inclusive Care for the Elderly (PACE) program, if available in their community;</li> <li>○ Individuals with an intellectual disability (ID) eligible for Intermediate Care Facility for Individuals with an Intellectual Disability (ICF-ID) LOC and receiving</li> </ul>



	<p>HCBS services are carved out for year one, but will be mandatorily enrolled in year two; and</p> <ul style="list-style-type: none"> <li>○ ABD members residing in a NF or ICF-ID are carved out for the first two years of the program, but will be enrolled thereafter.</li> </ul> <p>SoonerHealth+ enrollment will be split between two regions, a West Region and an East Region, which contain 46 and 31 counties, respectively. MCOs are able to bid for one or both of the regions under the RFP. OHCA expects to award three contracts per region, although the state may also award as few as two and as many as four if the state so chooses.</p> <p>Interestingly, OHCA notes that the state reserves the right to implement a financial alignment demonstration or Medicare shared savings initiative for dual eligible beneficiaries enrolled in SoonerHealth+, in coordination with CMS and MCOs.</p> <p>Proposals are due to the state on February 28, 2017, by 2:00pm. OHCA intends to commence enrollment of the year one populations starting in January 2018. (Source: <a href="#">RFP 11/30/2016</a>)</p>
<p><b>Pennsylvania</b></p>	<p><b>Managed LTSS Program</b></p> <p>The Pennsylvania Department of Human Services (DHS) posted comment themes and state responses for feedback received on the proposed evaluation plan for Community HealthChoices (CHC), the state’s MLTSS program, which will be a multi-year effort in collaboration with the University of Pittsburgh. The evaluation will provide an independent assessment of the program over time, and will analyze administrative information, enrollment, utilization and cost data from both Medicaid and Medicare. (Source: <a href="#">PA.gov</a> 11/2016)</p> <p>On December 15, DHS announced a six-month delay in implementing CHC. The state cited ongoing bid protests and its impact on MCO payment, network development, readiness assessment and beneficiary education as the reason for the delay. Implementation of CHC will now occur as follows:</p> <ul style="list-style-type: none"> <li>● Phase 1 (Southwest Region) begins January 1, 2018;</li> <li>● Phase 2 (Southeast Region) begins July 1, 2018; and</li> <li>● Phase 3 (rest of state) begins January 1, 2019.</li> </ul>

<p><b>Rhode Island</b></p>	<p><b>Managed LTSS Program</b></p> <p>On October 20, 2016, the Rhode Island Executive Office of Health &amp; Human Services received approval of an amendment to Rhode Island’s section 1115(a) waiver, referred to as the Rhode Island Comprehensive Demonstration. The demonstration aims to advance delivery system reform through the implementation of Accountable Entities (AEs), which are integrated provider organizations that will be responsible for beneficiary experience, quality, and total cost of care for beneficiaries that are enrolled in MCOs. MCOs will enter fully capitated arrangements with certified AEs.</p> <p>In addition to changes in MCO contracts, the state will institute a Hospital and Nursing Home Incentive Program. The program will last nine months, and aims to assist hospitals and nursing homes to participate in AEs, and further advance the state’s MLTSS and rebalancing efforts. (Source: <a href="#">Approval Letter 10/20/2016</a>)</p>
<p><b>Texas</b></p>	<p><b>Managed LTSS Program</b></p> <p>The Texas Health and Human Services Commission (HHSC) announced on November 15, 2016, that it will reprocure contracts for the entire state under STAR+PLUS, which is the state’s MLTSS program. Initially HHSC intended on only reprocurring the Dallas and Tarrant areas. The anticipated implementation date is January 1, 2019. (Source: <a href="#">HHSC 11/15/2016</a>)</p>

**STATE TRACKER FOR DUALS DEMONSTRATION**  
(Updated as of: 12/9/2016)

	States	Proposed Financing Model	Submitted to CMS	Status	Implementation Date <sup>1</sup>
1	California	Capitated	5/31/2012	<b>MOU Signed</b> 3/27/2013	Fully implemented in 8 counties
2	Colorado	Managed FFS	5/2012	<b>MOU Signed</b> 2/28/2014	Fully implemented statewide
3	Illinois	Capitated	4/6/2012	<b>MOU Signed</b> 2/22/2013	Fully implemented in greater Chicago and central Illinois areas
4	Massachusetts	Capitated	2/16/2012	<b>MOU Signed</b> 8/23/2012	Fully implemented statewide
5	Michigan	Capitated	4/26/2012	<b>MOU Signed</b> 4/2014	Fully implemented in 10 counties and the Upper Peninsula
5	Minnesota	Admin. Alignment	4/26/2012	<b>Admin. Alignment MOU Signed</b> (9/12/2013)	Fully implemented
7	New York	Capitated <sup>2</sup>	5/25/2012	<b>MOU Signed</b> 8/26/2013	Fully implemented in NYC, Nassau, Westchester and Suffolk counties
8	Ohio	Capitated	4/2/2012	<b>MOU Signed</b> 12/12/2012	Fully implemented in 29 counties
9	Rhode Island	Capitated	5/31/2012	<b>MOU Signed</b>	Three phases of opt-in enrollment: 7/2016; 8/2016;

<sup>1</sup> Implementation dates are based on demonstration proposals submitted to CMS, Memoranda of Understanding, and Financial and Administrative Alignment Demonstrations for Dual Eligible Beneficiaries Compared: States with Memoranda of Understanding Approved by CMS, 1/6/2016.

<sup>2</sup> New York initially submitted demonstration proposal for both financial models, but later withdrew its Managed FFS model. Please refer to text in New York section.

	States	Proposed Financing Model	Submitted to CMS	Status	Implementation Date <sup>1</sup>
					and 9/2016
10	<b>S. Carolina</b>	Capitated	5/25/2012	<b>MOU Signed</b>	Fully implemented in XX
11	<b>Texas</b>	Capitated	5/2012	<b>MOU Signed</b>	Fully implemented in 6 counties
12	<b>Virginia</b>	Capitated	5/31/2012	<b>MOU Signed</b> 5/21/2013	Fully implemented in 104 localities
13	<b>Washington</b>	Managed FFS	4/26/2012	<b>MOU Signed</b> 10/25/2012	Fully implemented in 36 counties



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