

November 13, 2017

State Medicaid Integration Tracker[©]

Welcome to the State Medicaid Integration Tracker[®]

The **State Medicaid Integration Tracker[®]** is published bimonthly 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.

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Overview

Managed LTSS Programs:	AZ, CA, DE, FL, HI, IA, IL, KS, MA, MI, MN, NC, NJ, NM, NY, RI, TN, TX, VA, WI
<p>Medicare-Medicaid Care Coordination Initiatives:</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 2017</p>	CA, CO, IL, MA, MI, MN**, NY, OH, RI, SC, TX, VA#, WA
<p>Other LTSS Reform Activities approved by CMS:</p> <p>NOTE: Pending actions ONLY are noted with an asterisk. Otherwise, all states listed have approved programs.</p> <p>*: Pending CMS approval</p>	
○ Balancing Incentive Program:	AR, CT, GA, IL, IN, IA, KY, LA, ME, MD, MA, MS, MO, NE, NV, NH, NJ, NY, OH, PA, TX
○ Medicaid State Plan Amendments under §1915(i):	AR*, CA, CO, CT, DE*, DC*, FL, ID, IN, IA, LA, MD, MI, MN*, MS, MT, NV, OR, SC*, WI
○ Community First Choice option under §1915(k):	AR*, CA(2), CO*, CT, MD, MN*, MT, NY, OR, TX, WA, WI*
○ Medicaid Health Homes:	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)

State Updates

State	State Updates
Delaware	<p>Managed LTSS Program</p> <p>On September 29, 2017, the Delaware Department of Health and Social Services (DHSS) announced it has selected AmeriHealth Caritas and Highmark Health Options Blue Cross Blue Shield to operate the state’s Medicaid managed care program (Diamond State Health Plan/Diamond State Health Plan Plus) which includes long-term services and supports (LTSS). Highmark Health Options Blue Cross Blue Shield is an incumbent health plan, while AmeriHealth Caritas is new to the Delaware market, and will replace United HealthCare. Roughly 200,000 of Delaware’s 230,000 Medicaid population are served under managed care. (Source: DHSS Press Release 9/29/2017)</p>
Florida	<p>Managed LTSS Program</p> <p>On October 6, 2017, a bill was filed in the Florida Senate that would create a Florida Veterans Care Program. The bill, SB 440, would create the Florida Veterans Care Program within the Agency for Health Care Administration (AHCA), which would utilize the state’s Medicaid managed care system to serve eligible veterans who choose to opt-in to the program. The bill would instruct AHCA to negotiate with relevant federal agencies to pursue a waiver that would allow implementation of the program, and doing so only utilizing federal funds; state funds are prohibited from being used for the program. If implemented, eligible veterans would receive all medical and LTSS services through the Medicaid managed care, including HCBS. The bill would not affect individuals’ eligibility for the state’s Medicaid program. If the bill passes the legislature, and AHCA was able to secure a waiver, the program would go into effect July 1, 2018. On November 7, 2017, SB 440 was unanimously approved by the Senate Health Policy Committee (Source: SB 440 10/6/2017; News4jax 11/7/2017)</p> <p>On October 11, 2017, CBS Miami reported that Florida’s AHCA has increased rates paid to MCOs managing LTSS in the state’s Medicaid program by 2.4 percent. AHCA is reducing rates for other MCOs not responsible for LTSS by 3.7 percent. The state recently added approximately 14,000 individuals into its MLTSS program, bringing the total to over 98,000 enrollees. Florida is currently undertaking a re-procurement of its Medicaid managed care program. (Source: CBS Miami 10/11/2017)</p>

	<p>On November 2, 2017, AHCA released the list of respondents to the state’s invitation to negotiate (ITN) that was released this past July regarding the re-procurement of its statewide Medicaid managed care program. Respondents included: Clear Health Alliance; Aetna Better Health of Florida; Florida Community Care; Coral Care; Magellan Complete Care; Prestige Health Choice Florida; Humana Medical Plan; Health Advantage Florida; Lighthouse Health Plan; Molina Healthcare of Florida; Miami Children’s Health Plan; Our Children PSN of Florida; Simply Healthcare Plans; Sunshine State Health Plan (Centene); UnitedHealthcare of Florida; and Staywell Health Plan of Florida (WellCare). (Source: ITN Respondents 11/2/2017)</p>
<p>Illinos</p>	<p>Managed LTSS Program</p> <p>On October 13, 2017, U.S. News reported that Illinois’ governor vetoed a bill that would have required a lengthier and more stringent procurement process for the recently-awarded managed care organizations (MCOs) tasked with managing care for the majority of the states’ Medicaid population. The governor believed that the five-month procurement process was adequate, and that forcing the state to go through the Illinois Procurement Code process would be duplicative. (Source: U.S. News 10/13/2017)</p>
<p>Iowa</p>	<p>Managed LTSS Program</p> <p>On October 31, 2017, the Iowa Department of Human Services (DHS) announced that AmeriHealth Caritas, one of the three managed care organizations (MCOs) providing and coordinating services for the state’s Medicaid managed care program (IA HealthLink), is withdrawing from the program effective November 30, 2017. The other two MCOs, UnitedHealthcare and Amerigroup, will continue to provide care through fiscal year 2018, and will absorb AmeriHealth Caritas’ members. AmeriHealth Cartias, during a legislative hearing, stated that their reason for exiting the program was that they were not able to come to terms with the Iowa Department of Human Services (DHS) regarding future capitation rates. In addition to being one of three MCOs in the Iowa Medicaid managed care market, AmeriHealth also had the highest proportion of beneficiaries receiving LTSS. Some Iowa lawmakers are proposing to carve out LTSS from managed care and return it to fee-for-service (FFS). (Source: IA DHS Press Release 10/31/2017)</p> <p>On the same day, the Iowa DHS released a request for proposals (RFP) for one or more MCOs to operate in IA Health Link. Eligible bidders must currently deliver Medicaid managed care services in at least one other state or have a parent company that has experience which can be substituted for this requirement. Iowa</p>

	<p>DHS anticipates awarding contracts for an initial three years and three months, with the possibility of an additional two-year extension. Interested bidders must submit proposals by January 5, 2018, and DHS intends to announce awards February 27, 2018. Contracts would begin July 1, 2018. (Source: RFP 10/31/2017)</p>
Kansas	<p>Managed LTSS Program</p> <p>On October 16, 2017, Modern Healthcare reported that CMS has approved a temporary 12-month extension of Kansas' comprehensive 1115(a) demonstration waiver, KanCare. KanCare provides statewide Medicaid managed care to nearly all populations, including LTSS. Kansas must continue to illustrate progress with the states corrective action plan issued by CMS in May 2017. During the extension, the state also will continue to receive Delivery System Reform Incentive Payment (DSRIP) and Uncompensated Care (UC) pool funding, which comes to approximately \$80 million per year. (Source: Modern Healthcare 10/16/2017; CMS Approval Letter 10/13/2017)</p> <p>On November 2, 2017, Kansas released a request for proposals (RFP) to procure MCOs for KanCare 2.0, with contracts beginning January 1, 2019, and running through December 31, 2023. KanCare 2.0 will continue to enroll nearly all Medicaid recipients as well as all CHIP beneficiaries in managed care, and provides services across the continuum of physical and behavioral health, as well as LTSS. MCO respondents will be required to submit proposals that cover all regions of the state, all populations, and all services. Kansas is also seeking MCOs with innovative strategies to address social determinants of health, value based purchasing (VBP), and increasing access to housing and employment opportunities. Currently the state contracts with three MCOs, Centene, UnitedHealthcare, and Amerigroup (Anthem). Proposals are due January 5, 2018. (Source: RFP 11/2/2017; HMA Weekly Roundup 11/8/2017)</p>
Massachusetts	<p>Managed LTSS Program</p> <p>On October 3, 2017, MassHealth announced it has awarded contracts with two MCOs, Boston Medical Center Health Plan and Tufts Health Public Plans, to care for nearly 200,000 Medicaid recipients. The contracts are valued at \$1 billion a year, and run through 2020. The MCOs will be responsible for managing primary, behavioral, pharmacy and specialty care. Eligible members with complex behavioral health or LTSS needs will also be able to receive care coordination from Community Partners. (Source: MassHealth Release 10/3/2017)</p>

	<p>On October 17, 2017, WBUR reported on a multifaceted health care bill introduced in the Massachusetts State Senate. The bill seeks additional savings from MassHealth, the state’s Medicaid program, and also broader changes to the state’s health care system. Included in the bill are provisions targeted at some specific reforms to one of Massachusetts’ MLTSS programs, the Senior Care Options (SCO) program. Specifically, section 128 of the bill would:</p> <ul style="list-style-type: none"> ○ Instruct the Massachusetts Executive Office of Health and Human Services to seek a federal waiver to allow for passive enrollment of dual eligible (under the age of 55) into the program; ○ Allow EOHHS to seek an additional waiver that would let Medicare beneficiaries who do not meet current Medicaid financial eligibility but do not have adequate income or assets to pay for 135 days in a skilled nursing facility (SNF) to prospectively enter SCO program utilizing Medicare or alternative funding; and ○ Obtain federal medical assistance percentage (FMAP) for Medicare beneficiaries enrolled in the Executive Office of Elder Affairs home care program who are not yet eligible for Medicaid but have insufficient income or assets to pay for 135 days in a SNF. <p>The bill’s sponsor estimates that the overall proposed changes could save MassHealth \$114 million for fiscal year 2020; more near-term savings would depend on when the reforms are implemented. (Source: WBUR 10/17/2017; Senate Bill)</p>
<p>New Jersey</p>	<p>Managed LTSS Program</p> <p>On October 19, 2017, the director of the Division of Aging Services provided an update on Medicaid LTSS in New Jersey. As of August 2017, New Jersey has 52,344 Medicaid beneficiaries receiving LTSS. Of these, 37,586 individuals are enrolled in MLTSS, and that population breaks down by setting as follows:</p> <ul style="list-style-type: none"> ○ 20,328 individuals receiving HCBS; ○ 3,067 individuals in assisted living; and ○ 13,928 individuals in nursing facilities (NF). <p>New Jersey has experienced success with rebalancing the state’s LTSS away from institutions and towards more community-based care. In 2014, at the start of New Jersey’s MLTSS program, 27 percent of LTSS spending was on HCBS. In 2017, however, the state now spends 45 percent on HCBS. In a report published by</p>

	<p>NASUAD in May 2017, rebalancing LTSS systems was cited as a key goal for states that choose to implement an MLTSS program. (Source: NJ Slidedeck 10/19/2017; HMA Weekly Roundup 10/25/2017)</p>
New York	<p>Managed LTSS Program</p> <p>On September 22, 2017, the New York Department of Health (DOH) established standards for managed long-term care (LTC) plans that are transitioning due to a planned closure, a service area reduction, or a merger or acquisition. Effective immediately, managed LTC plans must submit a formal request to DOH to withdraw from the market or take other similar actions. LTC plans must also provide notices to all plan members; members will have 60 days to select a new plan before being auto-assigned to a new one. These new standards come as New York has seen a number of plans exit its Medicaid managed care market. (Source: DOH 9/22/2017)</p>
North Carolina	<p>Managed LTSS Program</p> <p>On October 10, 2017, the Winston-Salem Journal reported that North Carolina's Health secretary informed state lawmakers that the state is on track to submit a waiver request to CMS that will substantially alter the state's Medicaid program by enrolling as much as 90 percent of the Medicaid population in managed care. The plan, released in August of 2017, was detailed in depth in the September edition of the State Medicaid Integration Tracker.© (Source: Winston-Salem Journal 10/10/2017)</p>
Pennsylvania	<p>Managed LTSS Program</p> <p>On October 4, 2017, Philly.com reported that UnitedHealthcare of Pennsylvania lost its appeal of the state's MLTSS awards. UnitedHealthcare had been seeking to re-compete for the state's incipient MLTSS program, Community HealthChoices (CHC), per a ruling from Pennsylvania Commonwealth Court. The state recently awarded management of the program to Centene, AmeriHealth Caritas, and UPMC Health Plan (owned by the University of Pittsburgh Medical Center). UnitedHealthcare came in fourth, but disputed the grading criteria and process the state utilized. (Source: Philly.com 10/4/2017)</p> <p>On November 6, 2017, the Pennsylvania Department of Human Services (DHS) announced the delay of Phase 2 and Phase 3 implementation for CHC. Phase 2 (southeastern PA) will now commence January 1, 2019 as opposed to July 1, 2018; Phase 3 (rest of state) will begin January 1, 2020, instead of January 1, 2019. DHS intends to use this additional to allow for the flexibility to make adjustments and</p>

	<p>examine lessons learned from Phase 1 implementation, which kicks off January 2018. (Source: Philly.com 11/6/2017)</p>
Texas	<p>Managed LTSS Program</p> <p>On September 15, 2017, the Texas Health and Human Services Commission (HHSC) released a draft request for proposals (RFP) for the STAR+PLUS Medicaid managed care program that includes LTSS. HHSC is seeking to re-procure two MCOs for each service area, which are: Bexar; Central Texas, Dallas, El Paso; Harris; Hidalgo; Jefferson; Lubbock; Northeast Texas; Nueces; Tarrant; Travis; and West Texas. The draft RFP was open through October 14, 2017, and HHSC was seeking input and ideas to improve and expand support services for STAR+PLUS. The final RFP is expected in November 2017, with services commencing in September 2019. (Source: Draft RFP 9/15/2017)</p>
Virginia	<p>Managed LTSS Program</p> <p>A new Medicaid spending projection from the Virginia Department of Medical Assistance Services (DMAS) estimates that the implementation of the state's new MLTSS program, Commonwealth Coordinated Care Plus (CCC Plus), will help bend the state's cost growth curve. DMAS projects that the Medicaid spending growth rate will be 2.5 percent for the first year of the program, and 3.4 percent for the second—down from a rate of 7.8 percent for this fiscal year. Implementation of the program is expected to be complete by January 2018. (Richmond Times-Dispatch 11/6/2017)</p>

STATE TRACKER FOR DUALS DEMONSTRATION

(Updated as of: 11/2/2017)

	States	Proposed Financing Model	Submitted to CMS	Status	Implementation Date ¹	Anticipated End Date
1	California	Capitated	5/31/2012	MOU Signed 3/27/2013	Fully implemented in 7 counties	12/31/2019
2	Colorado	Managed FFS	5/2012	MOU Signed 2/28/2014	Fully implemented statewide	12/31/2017
3	Illinois	Capitated	4/6/2012	MOU Signed 2/22/2013	Fully implemented in greater Chicago and central Illinois areas	12/31/2019
4	Massachusetts	Capitated	2/16/2012	MOU Signed 8/23/2012	Fully implemented statewide	12/31/2018
5	Michigan	Capitated	4/26/2012	MOU Signed 4/2014	Fully implemented in 10 counties and the Upper Peninsula	12/31/2020
6	Minnesota	Admin. Alignment	4/26/2012	Admin. Alignment MOU Signed (9/12/2013)	Fully implemented	12/31/2018
7	New York	Capitated ²	5/25/2012	MOU Signed 8/26/2013	Fully implemented in NYC, Nassau, Westchester and Suffolk counties	12/31/2019
8	Ohio	Capitated	4/2/2012	MOU Signed 12/12/2012	Fully implemented in 29 counties	12/31/2019
9	Rhode Island	Capitated	5/31/2012	MOU Signed	Three phases of opt-in enrollment:	12/31/2018

¹ 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.

² 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 ¹	Anticipated End Date
					7/2016; 8/2016; and 9/2016	
10	S. Carolina	Capitated	5/25/2012	MOU Signed	Fully implemented	12/31/2017
11	Texas	Capitated	5/2012	MOU Signed	Fully implemented in 6 counties	12/31/2018
12	Virginia	Capitated	5/31/2012	MOU Signed 5/21/2013	Fully implemented in 104 localities	12/31/2017
13	Washington	Managed FFS	4/26/2012	MOU Signed 10/25/2012	Fully implemented in 36 counties	12/31/2018



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