Advancing Medicare & Medicaid Integration

Supporting States to Improve Care for Dually Eligible Individuals

The Advancing Medicare & Medicaid Integration Initiative

December 8, 2021

ADvancing States
Home and Community-Based Services Conference

Arnold Ventures

CHCS Center for Health Care Strategies

Meet the Speakers

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Advancing Medicare &
Medicaid Integration

Agenda

- Welcome and Introductions

- Overview of the Advancing Medicare & Medicaid Integration Initiative

- Prioritizing Integration: An Indiana LTSS Reform Story

Advancing Medicare & Medicaid Integration

Overview of the Advancing Medicare & Medicaid Integration Initiative

Arielle Mir, Arnold Ventures

Advancing Medicare & Medicaid Integration

Who Are Dual-Eligible Individuals?

- **Over 12 million people in the U.S. are eligible for both Medicare and Medicaid**
  - Often have complex health and social needs

    55% live below the poverty line

    54% have limitations that impact daily living

    40% use long-term services and supports (LTSS)

    38% are Black or Latino

    26% have one or more inpatient stays per year

  - Frequently receive fragmented, uncoordinated care that contributes to poor outcomes and avoidable costs

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What Is Medicare-Medicaid Integration?

Integrated care describes systems in which Medicare and Medicaid program administrative requirements, financing, benefits, and/or care delivery are aligned
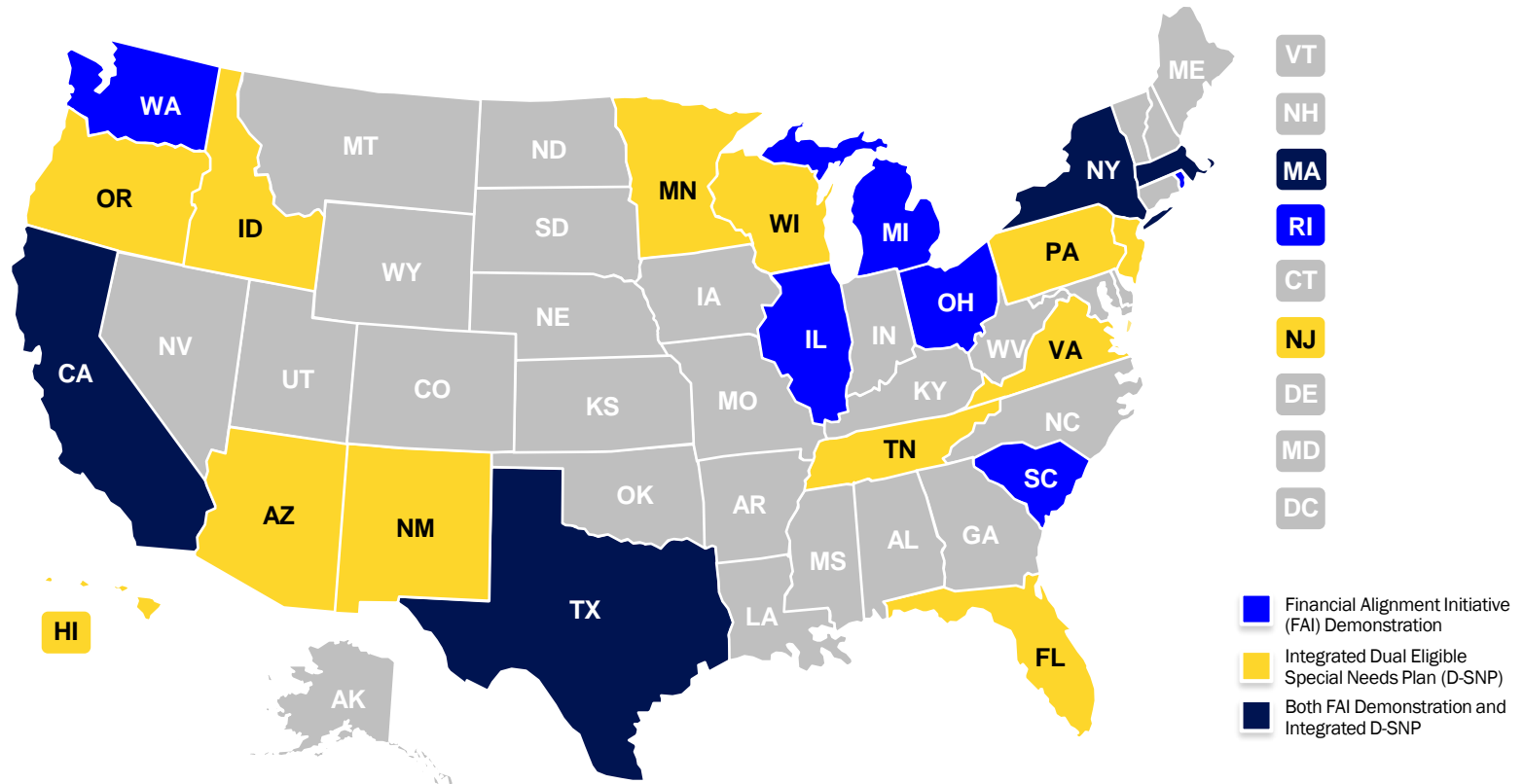
- Common features
  - Person-centered care planning
  - Multi-disciplinary care teams and a care manager
  - Comprehensive provider networks
  - Enhanced use of home- and community-based long-term care services
  - Strong consumer protections
  - Robust data-sharing and communication
  - Financial alignment that blends Medicare and Medicaid funding

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Integrated Care Models

Integrated care models include:

- ☑ The Program for All-Inclusive Care for the Elderly (PACE)

- ☑ Demonstrations under the Financial Alignment Initiative

- ☑ Dual Eligible Special Needs Plans (D-SNPs) closely aligned with Medicaid managed long-term services and supports (MLTSS) plans, including Fully Integrated Dual Eligible Special Needs Plans (FIDE SNPs)

- **Only about 10% of dual-eligible individuals receive care through integrated programs**, even though better integration between Medicare and Medicaid can improve the quality and cost of care

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States with Integrated Medicare-Medicaid Models

Legend:
- **Financial Alignment Initiative (FAI) Demonstration** (blue)
- **Integrated Dual Eligible Special Needs Plan (D-SNP)** (yellow)
- **Both FAI Demonstration and Integrated D-SNP** (dark navy)

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Why Integrate Medicare and Medicaid?

Growth in population and costs: Dual-eligible individuals comprise about 15 percent of the enrollment in both Medicare and Medicaid, but account for more than one-third of spending

COVID-19's impact: Dual-eligible individuals experience approximately 2.5 times the rate of diagnosis or hospitalization than their Medicare-only counterparts

Renewed investment in community-based care: More than 40 percent of dual-eligible individuals have long-term care needs, necessitating alternatives to institutional care and better access to integrated care models

Focus on health equity: Integrated models present a key opportunity to advance health equity and address the needs of Black and Latino individuals who are disproportionately represented within the dual-eligible population

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- **New funding opportunity** made possible by Arnold Ventures and coordinated by the Center for Health Care Strategies (CHCS)

- **Developed to help state policymakers** take advantage of key opportunities to improve care for low-income older adults and people with disabilities

- **Targeted to states ready to make meaningful transformations** in care delivery for individuals eligible for both Medicare and Medicaid

  - Increase integration between Medicare and Medicaid through existing or new models

  - Increase enrollment in integrated coverage options

  - Ensure that dual-eligible individuals receive services that lead to better patient experiences, higher quality of care, and reduced health care costs

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The Initiative

- **Who Can Apply**
  - States, including Medicaid agencies and/or state disability and aging agencies
  - Technical assistance partners may apply on behalf of a state, with state approval and participation

- **Funding Amount**
  - Varies based on project size and scope
  - Typical awards will be between $500,000 and $1,000,000

- **Timing**
  - State projects will be reviewed and awarded on a rolling basis
  - Project duration should not exceed 36 months

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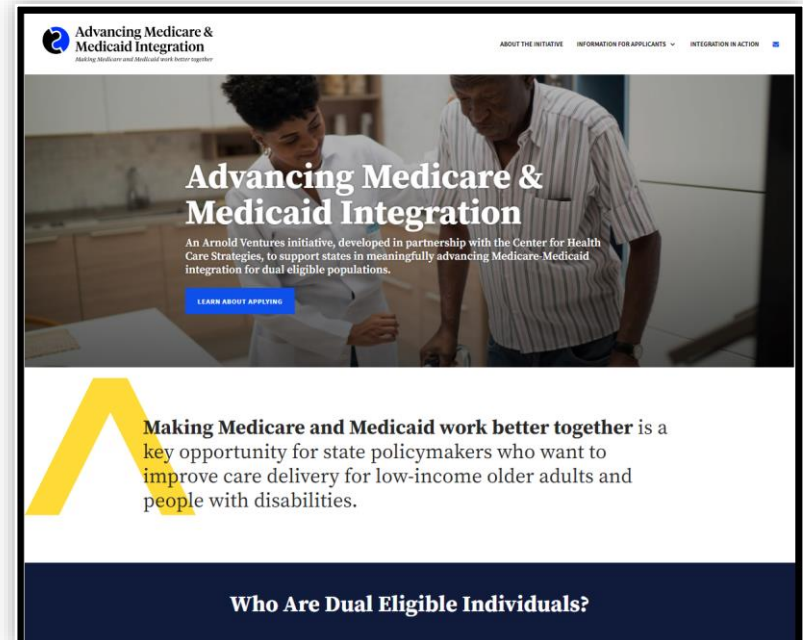
Examples of Potential Projects

Meaningful improvements in Medicare and Medicaid integration will be measured by the degree of integration achieved and/or the share of the dual eligible population impacted

- **Potential project activities:**
  - Capacity assessment
  - Model implementation
  - Evaluation and improvement
  - Outreach and education
  - Data analytics
- **Accounting for state circumstances:**
  - Capitated or fee-for-service Medicaid delivery systems
  - Include all of a state's dual eligible population or a subset
  - Include Medicaid benefits consistent with state policies

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Application Process

Step 1. Submit a Letter of Interest (LOI)

- CHCS will provide no-cost assistance to support applicants prior to submitting LOIs and/or preparing a full proposal

Step 2: LOIs are reviewed by Arnold Ventures and CHCS on an ongoing basis

Step 3: Applicants whose LOIs are favorably reviewed will be invited to submit a full proposal

- Potential applicants can submit questions about the application process to medicare-medicaid@chcs.org

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Prioritizing Integration:

An Indiana LTSS Reform Story

Allison Taylor, Indiana Medicaid Director

Andrew Bean, Medicare and Medicaid Coordination Manager

Indiana Family and Social Services Administration

Why Reform Indiana's LTSS System?

From 2010 to 2030 the proportion of Hoosiers over 65 will grow from 13% to 20%. Indiana's disjointed system must be reformed to meet growing demand and to ensure Choice, drive Quality and manage Cost.

Choice: Hoosiers want to age at home

- 75% of people over 50 prefer to age in their own home – but only 45% of Hoosiers who qualify for Medicaid are aging at home*
- The risk of contracting COVID and impact of potential isolation drives an even increased desire to avoid institutional settings

Cost: Developing long-term sustainability

- Indiana has about 2% of the U.S. population, but over 3% of nursing facilities
- LTSS members are 4% of Medicaid enrollment, yet 28% of spend - only ~ 19% of LTSS spend goes to home and community-based services (HCBS)
- For next ten years, population projections show 28% increase in Hoosiers age 65+ and 45% increase in Hoosiers age 75+

Quality: Hoosiers deserve the best care
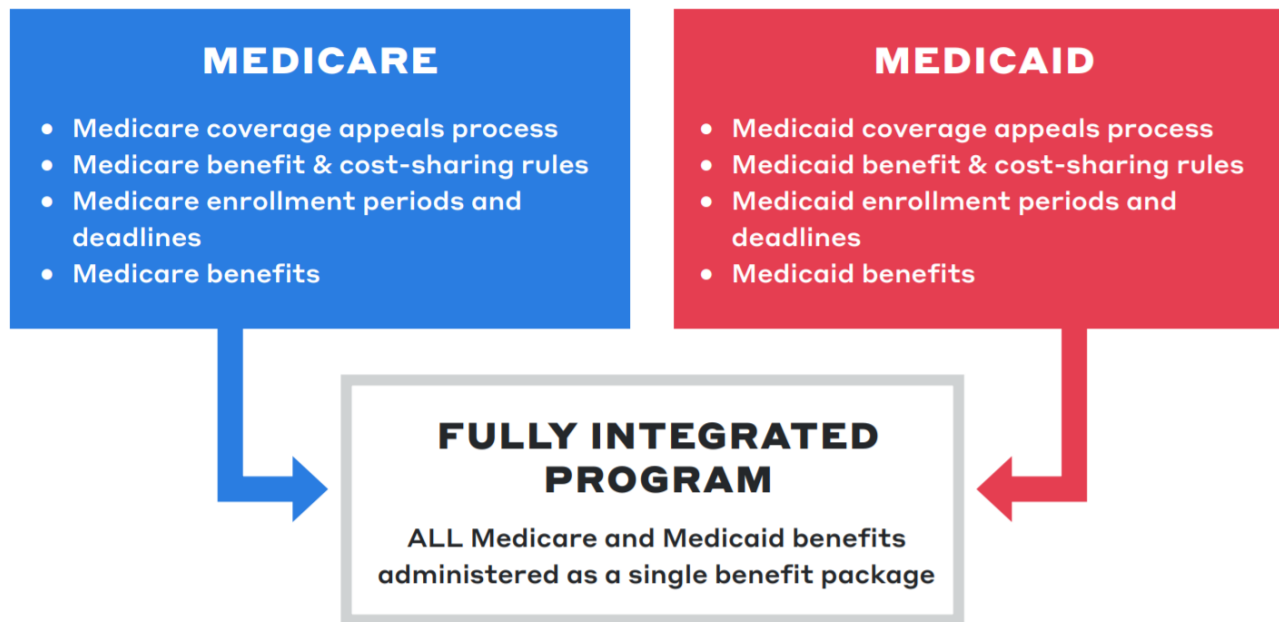
- AARP's LTSS Scorecard ranked Indiana 44th in the nation
- LTSS is uncoordinated and lacks cultural competency
- Payment for LTSS services is poorly linked to quality measures and not linked to outcomes

*Accurate as of January 2020

Medicare and Medicaid Integration*

Dual eligible individuals in non-integrated plans may experience fragmented care, as they must navigate Medicare and Medicaid separately.

MEDICARE

- Medicare coverage appeals process
- Medicare benefit & cost-sharing rules
- Medicare enrollment periods and deadlines
- Medicare benefits

MEDICAID

- Medicaid coverage appeals process
- Medicaid benefit & cost-sharing rules
- Medicaid enrollment periods and deadlines
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FULLY INTEGRATED PROGRAM

ALL Medicare and Medicaid benefits administered as a single benefit package

Integration provides a seamless beneficiary experience through alignment of administrative processes, financing, and benefits.

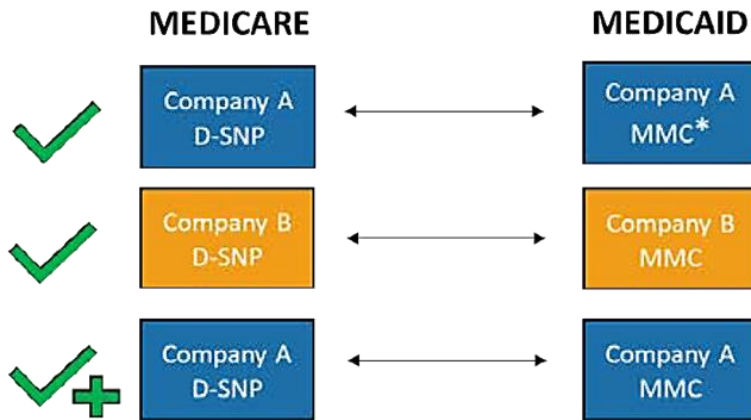*From Bipartisan Policy Center, Integrating Care for Dual Eligible Individuals
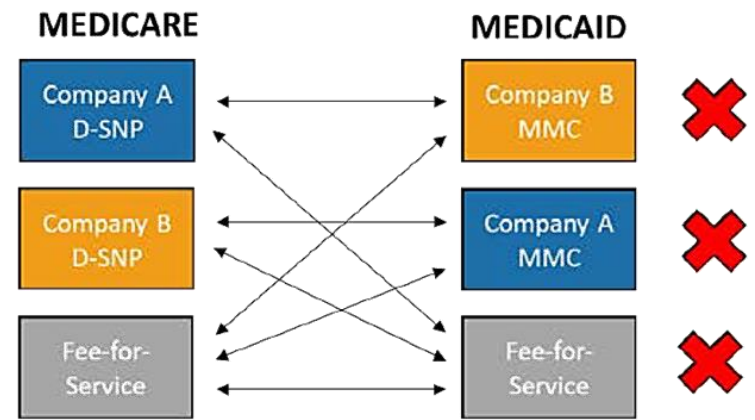
Aligned Enrollment in mLTSS

From Integrated Care Resource Center, State Guide to Identifying Aligned Enrollees: How to Find Medicare Plan Enrollment for Dually Eligible Individuals in Medicaid Managed Care Plans

The Current State of Integration in Indiana

- ✓ **~230,000** dually-eligible members currently enrolled with Indiana Medicaid

- ✓ **72%** are full-benefit and **28%** are partial-benefit

- ✓ Indiana dually-eligibles are enrolled in **Traditional Medicaid (Fee-for-Service)**

- ✓ Dually-eligible members **experience a high level of care fragmentation** with little coordination between Medicare and Medicaid

- ✓ Many aging Hoosiers who are dually-eligible receive care in either a **long-stay nursing facility** or in the community through **home and community-based services (HCBS)** waivers

- ✓ Indiana **spends disproportionately more** for its dually-eligibles in institutional LTSS than those in the community despite the growing benefits and preferences for aging at home

- ✓ In 2019, Indiana began to place **higher priority on implementing duals policies** that positively impact quality and outcomes

- ✓ Even with increased focus, Indiana still achieves only **low-level integration of Medicare and Medicaid** and has **only have just begun to increase internal capacity** to advance integration

Indiana Dually-Eligibles and Managed Care:

By Medicare service delivery type*

Medicare Placement	Medicaid MCE	Medicaid FFS**	% of Total
Medicare Managed Care	0	103,531	45%
Medicare FFS	0	124,918	55%
Totals	**0**	**228,449**	**100%**

*Population numbers from February 2021 Indiana Medicaid Administrative Data
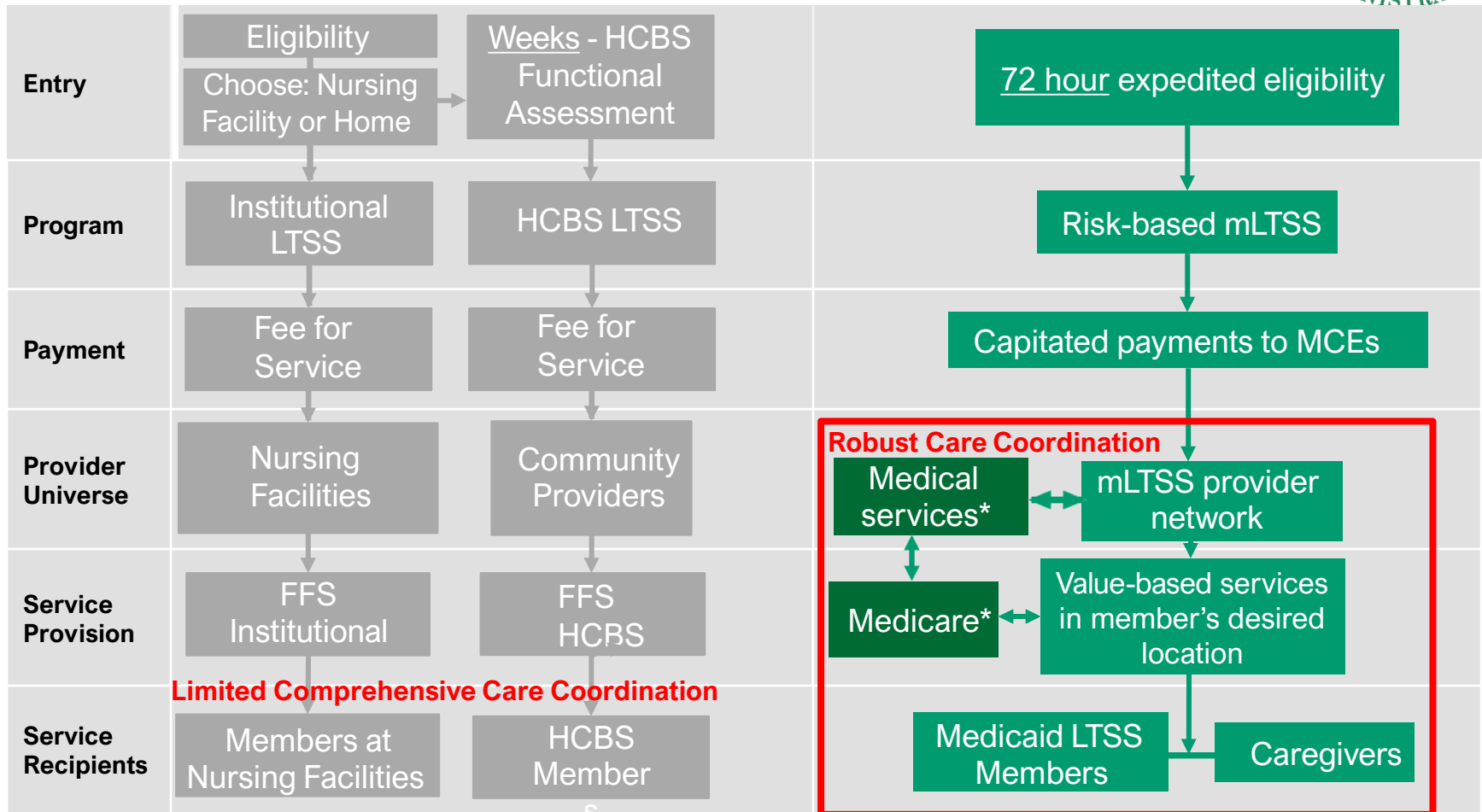
Current State vs Future State

Currently, Hoosiers must navigate a complex system of care resulting in fragmented care, inefficiencies, unnecessary costs, and lost savings. Future reforms, including mLTSS, will simplify the process and improve administrative and service coordination between Medicaid and Medicare and increase monitoring and evaluation activities.

Current State

Entry	Eligibility / Choose: Nursing Facility or Home	Weeks - HCBS Functional Assessment
Program	Institutional LTSS	HCBS LTSS
Payment	Fee for Service	Fee for Service
Provider Universe	Nursing Facilities	Community Providers
Service Provision	FFS Institutional	FFS HCBS
Service Recipients	Members at Nursing Facilities	HCBS Members

Limited Comprehensive Care Coordination

Future State

- 72 hour expedited eligibility
- Risk-based mLTSS
- Capitated payments to MCEs

Robust Care Coordination
- Medical services*
- mLTSS provider network
- Medicare*
- Value-based services in member's desired location
- Medicaid LTSS Members
- Caregivers

*Dark green: Future state inclusive of coordination with Medicare

Indiana Project Objectives & Key Activities

Objective #1: Design a Medicare-Medicaid integration strategy for dually eligible individuals enrolled in the state's planned Medicaid managed long-term services and supports (mLTSS) program

Key Activities:

✓ Developing a Comprehensive LTSS reform plan that incorporates system design elements that support the increased integration of Medicaid and Medicare

✓ Supporting provider rate strategy development that focuses on quality, outcomes, and sustainability

Indiana Project Objectives & Key Activities (cont.)

Objective #2: Engage providers in program development process, provide continued educational support around program design, and acclimate them to mLTSS plan networks.

Key Activities:

✓ Providing stakeholder education activities and capacity-building for providers of home- and community-based services (HCBS)

✓ Supporting business acumen training for LTSS providers

✓ Facilitating discussion between managed care entities and community-based organizations for smoother transition to mLTSS

Identifying the Opportunity

How to find meaningful pathways to achieve State vision

Full Integration

Low Integration

Medicare Placement	Medicaid MCE	Medicaid FFS**	% of Total
Medicare DSNP with Medicaid Contract Aligned*	0	0	0%
Medicare DSNP with Medicaid Contract Not Aligned*	0	64,476	28%
Medicare Advantage Excluding DSNPs	0	39,055	17%
Medicare FFS	0	124,918	55%
Totals	**0**	**228,449**	**100%**

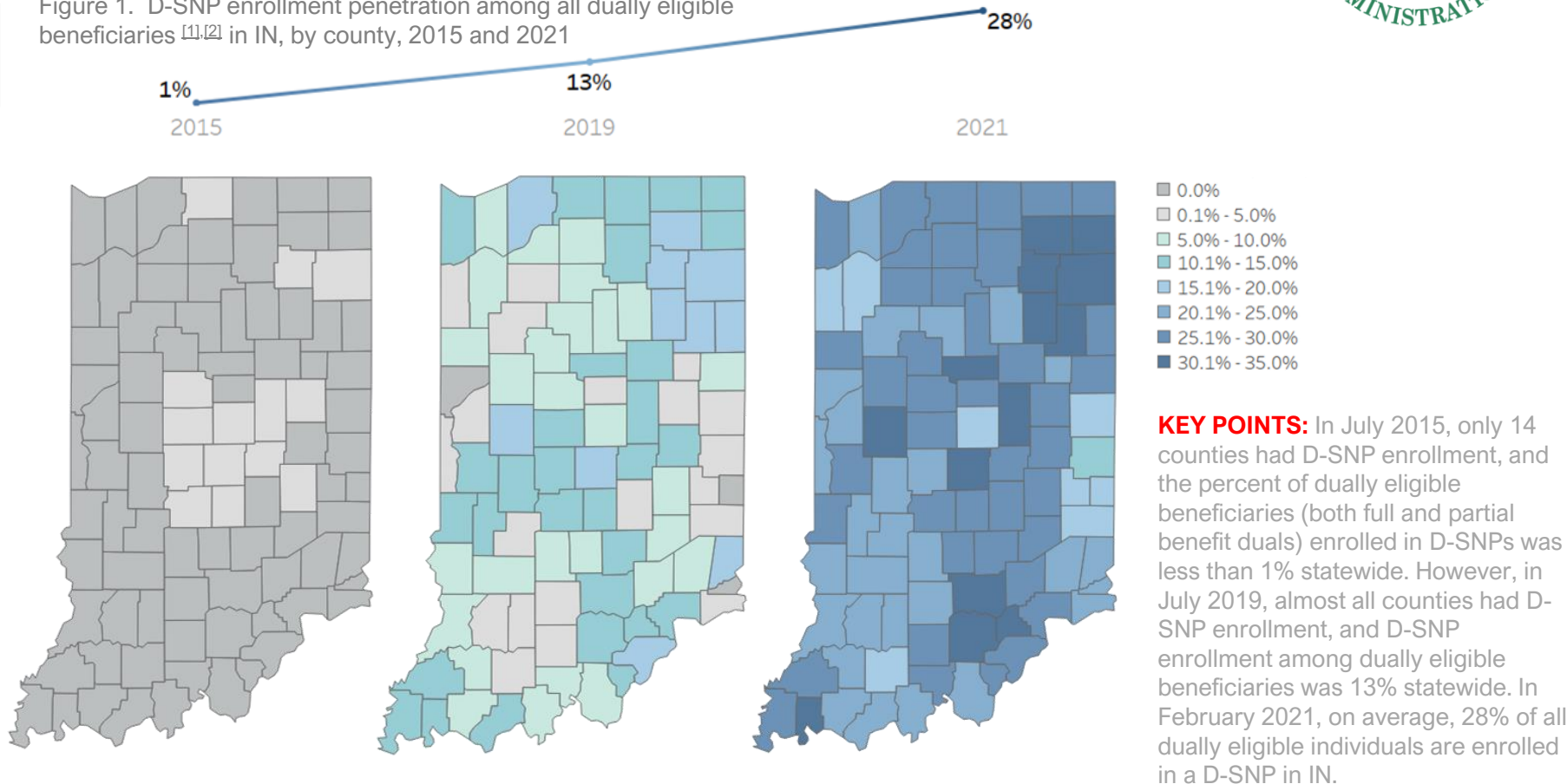*Alignment is being in both Medicare and Medicaid plans with same parent company
**Population numbers from Feb. 2021 Indiana Medicaid enrollment report

Building on State D-SNP Infrastructure

D-SNP Enrollment by County

Figure 1. D-SNP enrollment penetration among all dually eligible beneficiaries [1],[2] in IN, by county, 2015 and 2021

1% 2015
13% 2019
28% 2021

Legend:
- 0.0%
- 0.1% - 5.0%
- 5.0% - 10.0%
- 10.1% - 15.0%
- 15.1% - 20.0%
- 20.1% - 25.0%
- 25.1% - 30.0%
- 30.1% - 35.0%

KEY POINTS: In July 2015, only 14 counties had D-SNP enrollment, and the percent of dually eligible beneficiaries (both full and partial benefit duals) enrolled in D-SNPs was less than 1% statewide. However, in July 2019, almost all counties had D-SNP enrollment, and D-SNP enrollment among dually eligible beneficiaries was 13% statewide. In February 2021, on average, 28% of all dually eligible individuals are enrolled in a D-SNP in IN.
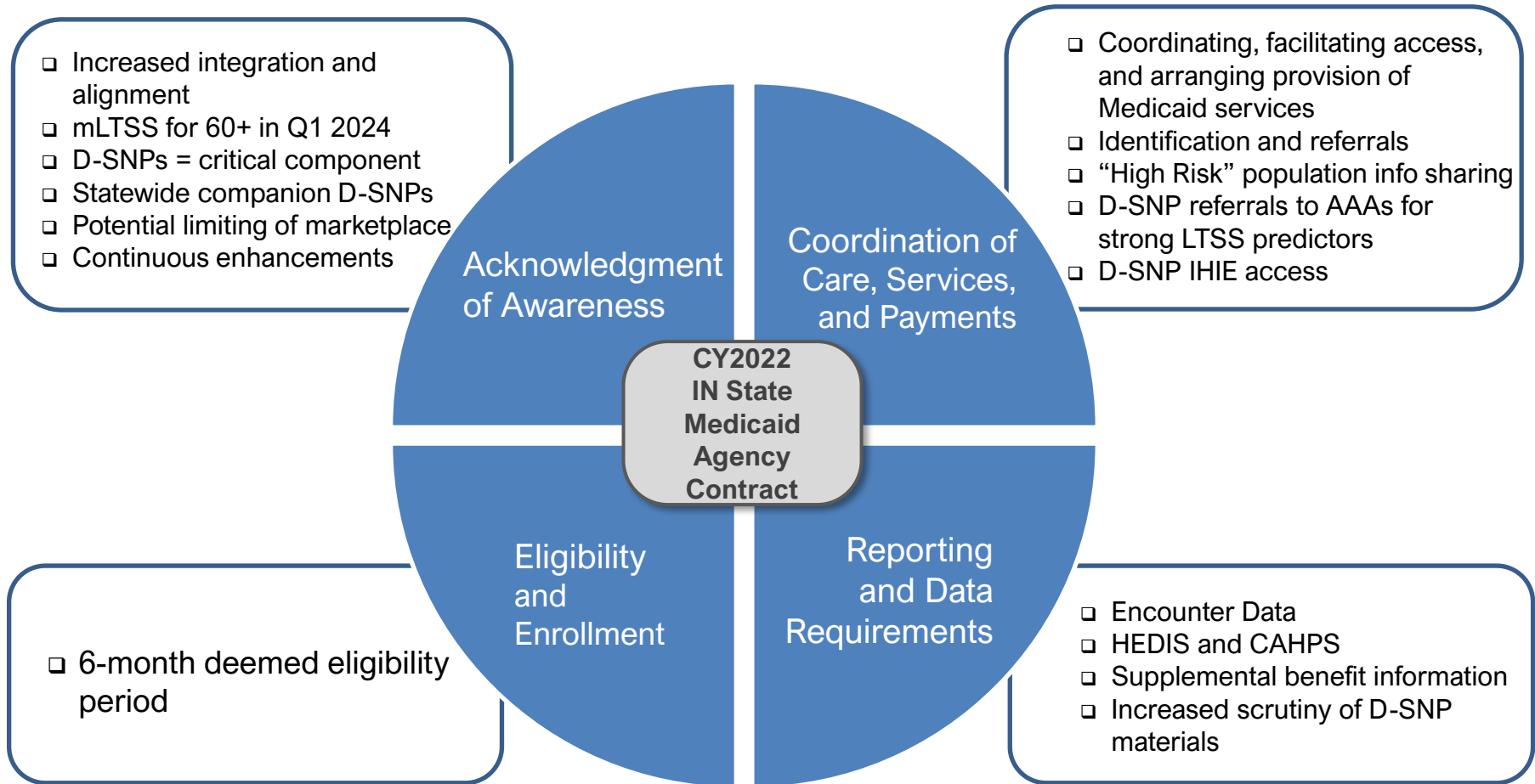
[1] This includes both full benefit and partial benefit dually eligible beneficiaries because both are allowed to enroll in D-SNPs in IN.
[2] The total numbers of dually eligible beneficiaries used as the denominator for percent D-SNP enrollment in 2015 and 2019 are from June 2015 and December 2018, respectively.
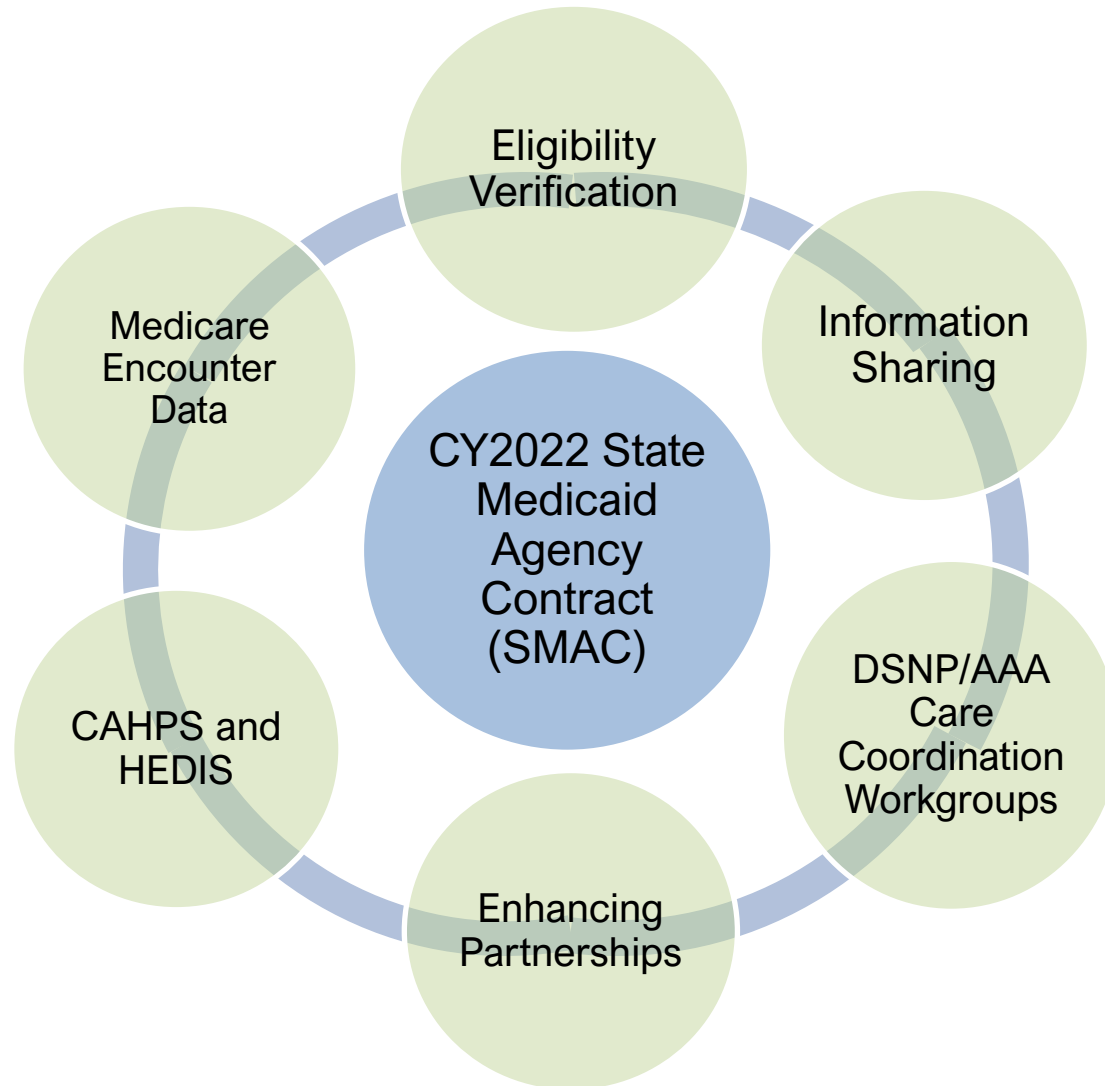
Realizing State Vision:

Expanding Indiana CY2022 SMAC Requirements

- Increased integration and alignment
- mLTSS for 60+ in Q1 2024
- D-SNPs = critical component
- Statewide companion D-SNPs
- Potential limiting of marketplace
- Continuous enhancements

- Coordinating, facilitating access, and arranging provision of Medicaid services
- Identification and referrals
- "High Risk" population info sharing
- D-SNP referrals to AAAs for strong LTSS predictors
- D-SNP IHIE access

Acknowledgment of Awareness

Coordination of Care, Services, and Payments

CY2022 IN State Medicaid Agency Contract

Eligibility and Enrollment

Reporting and Data Requirements

- 6-month deemed eligibility period

- Encounter Data
- HEDIS and CAHPS
- Supplemental benefit information
- Increased scrutiny of D-SNP materials

Realizing State Vision:

Operationalizing CY2022 SMAC Requirements

Indiana Lessons Learned:

- ❑ Taking the time to assess
  - ▪ Population scan/knowledge/data
  - ▪ State policy environment
- ❑ Cleary defining what you want to achieve
  - ▪ Existing vision/goals
  - ▪ Areas for successful intervention
- ❑ Understanding internal needs
  - ▪ Internal capacity
  - ▪ Executive buy-in
- ❑ Awareness of administrative processes
  - ▪ Contracting needs
  - ▪ Procedural barriers
- ❑ Commit to communication

Resources for States

- **Integrated Care Resource Center**
  - [State Pathways to Integrated Care: Exploring Options for Medicare-Medicaid Integration](#)
  - [Glossary of Terms Related to Integrated Care for Dually Eligible Individuals](#)
- **State Data Resource Center**
  - [Medicare–Medicaid Data Integration (MMDI) program](#)
- **Arnold Ventures**
  - [Report: Integrated Care Models are Better for Dual-Eligibles](#)
  - [Home & Community Based Services: Just One Piece of the Puzzle](#)
- **Advancing States**
  - [Starting from Square One: Considerations for States Exploring Medicare-Medicaid Integration](#)

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Thank you

- Please visit medicare-medicaid.org for more information about the initiative and to apply.

- For any additional questions, please email medicare-medicaid@chcs.org

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