January 11, 2016

State Medicaid Integration Tracker©

NASUAD
National Association of States United for Aging and Disabilities

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) or **Adam Mosey** (amosey@nasuad.org)

DISCLAIMERS. This document is provided on an "as is" basis, and is made available without representation or warranty of any kind. NASUAD makes no commitment to update the information contained herein, and may make modifications and/or changes to the content at any time, without notice. While NASUAD strives to provide accurate and timely information, there may be inadvertent technical/factual inaccuracies and typographical errors in this document. If the user finds any errors or omissions, please report them to **Adam Mosey** at amosey@nasuad.org

Overview

Managed LTSS:	AZ, CA, DE, FL, HI, IA, ID, IL, KS, LA, MA, MI, MN, NC, NE, NH, NJ, NM, NY, OK, PA, RI, TN, TX, WA, WI
Medicare-Medicaid Care Coordination Initiatives: *: Financial Alignment (FA) demonstration proposal approved by CMS **: Pursuing alternative initiative	CA*, CO*, CT, FL**, IL*, MA*, MI*, MN**, NH**, NJ**, NY*, OH*, OK, RI, SC*, TX*, VA*, WA*
Other LTSS Reform Activities: *: Approved by CMS	
• **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):** SPA withdrawn:	AR, CA*, CO*, CT*, DE, DC, FL*, ID*, IN*, IA*, LA*, MD*, MI*, MN, MS*, MT*, NV*, OR*, SC, WI* TX, WA
• **Community First Choice option under §1915(k):** SPA withdrawn:	AR, CA*(2), CO, CT, MD*, MN, MT*, NY*, OR*, TX, WA, WI AZ, LA
• **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
Arkansas	**Managed LTSS Program** Questions are being raised regarding Arkansas' proposed shift to managed care for certain segments of its Medicaid population, as recommended in a report from the Stephen Group, a consultant hired by the state, and the Health Reform Legislative Task Force. The report estimated that Arkansas could realize savings as significant as $2 billion over five years by switching to managed care. What's at issue is a potential carve-out for long-term care providers, more specifically nursing homes. Other high-cost populations such as behavioral health, and developmental disabilities, would be enrolled into managed care under the program being discussed, while some are claiming that long-term care providers have arranged a special deal with the governor and are promising, essentially, to reform themselves. On December 29, 2015, Arkansas expressed intent to continue the "private option" (Arkansas' Medicaid expansion program), albeit with alterations, and plans on submitting a formal request in the spring of 2016. (Source: Arkansas Times 12/16/2015; Arkansas Online 1/5/2016)
Iowa	**Managed LTSS Program** Iowa's transition to Medicaid managed care (Iowa Health Link) has led to a significant amount of administrative review and judicial action over the past several months. Court filings in November alleged inappropriate communication between the State Medicaid Director and a private consultant, which was followed by a lawsuit from the Iowa Hospital Association and 11 leaders of hospitals to halt the shift to managed care. More recently, an administrative judge recommended that the state withdraw its contract with one of the four winning bidders for the Iowa Health Link program, WellCare. Following a review by a high-level Iowa Medicaid official, the contract was terminated. WellCare has filed suit challenging this decision. Other managed care plans who were not selected in the procurement have also appealed, arguing that the process was flawed and the bids should be resolicited and rescored. On December 17, 2015, CMS wrote to the Iowa Medicaid Director delineating concerns about the proposed transition timeline, and requiring that Iowa delay the start of the IA Health Link program to March 1, 2016. In order to exhibit proper readiness by March 1, Iowa must address 16 key actions, including: developing comprehensive communication mechanisms and call center capacities; address provider network deficiencies; establish a fully functioning LTSS Ombudsman, and; ensure all MCOs have proper

	pharmacy systems in place before the transition takes place. (Source: Iowa Letter 12/17/2015; The Des Moines Register 12/22/2015)
Michigan	**Medicaid Health Homes** On October 21, 2015, the Michigan Department of Health and Human Services announced the MI Care Team health homes pilot program, which will commence in April 2016. The health home initiative will coordinate and manage behavioral and physical health care services for both Medicaid beneficiaries and Healthy Michigan Plan members—who are the newly eligible Medicaid expansion group—that have anxiety, depression, and at least one chronic condition from the following: asthma, heart disease, hypertension, diabetes, or chronic obstructive pulmonary disease. Federally Qualified Health Centers (FQHCs) and Tribal Health Centers (THCs) are eligible to apply to become providers. The pilot program is expected to run for two years. Interested bidders must have submitted all materials by December 8, 2015. (Source: Michigan.gov 10/21/2015; OpenMinds 11/30/2015)
New Jersey	**Managed LTSS Program** On October 19, 2015, the Director of New Jersey's Division of Aging Services updated the Medical Assistance Advisory Council (MAAC) on the states' MLTSS enrollment numbers. Currently, approximately 42,000 are receiving long-term services and supports in NJ, 43 percent of which are enrolled in managed care. Since implementation of MLTSS, the states' nursing home population has fallen by 2,800, and individuals receiving HCBS has increased by over 2,700. (Source: HMA Roundup 10/28/2015) The New Jersey Department of Human Services, Division of Medical Assistance and Health Services (DMAHS) released a notice to providers and MCOs of a new policy change that will provide LTSS to beneficiaries who are eligible for NJFamilyCare's Alternative Benefit Plan (ABP). The affected population is the newly eligible individuals under the state's Medicaid expansion, or those between the ages of 19 and 64 that are childless, and have incomes up to 133 percent of the Federal Poverty Level (FPL). The change is effective as of July 1, 2015. (Source: DMAHS 12/2015; HMA Roundup 12/2/2015)
New York	**State Demonstration to Integrate Dual Eligible Individuals** On November 5, 2015, CMS and New York announced a second initiative to coordinate care for dual eligible individuals with intellectual and developmental disabilities. The program, Fully Integrated Duals Advantage for Individuals with Intellectual and Developmental Disabilities (FIDA-IDD), will work alongside with New York's original duals demonstration, Fully Integrated Duals Advantage (FIDA). An estimated 20,000 dual eligibles with

	IDD will be eligible to participate. The demonstration will be a capitated program, will only serve the downstate region of New York—New York City, Long Island, Rockland and Westchester Counties—and will not passively enroll beneficiaries as FIDA did. Opt-in enrollment will begin no earlier than April 1, 2016. (Source: CMS.gov 11/5/2015) **Community First Choice Option** On October 23, 2015, New York received approval for its Community First Choice option (CFCO) 1915(k) to provide home and community-based attendant services and support with a July 1, 2015 effective date (Medicaid policy allows for retroactive approval of state plan changes). The CFCO provides a 6 percentage Federal Medical Assistance Percentage (FMAP) increase for any expenditures on these HCBS services, which New York plans on using to pursue its Olmstead initiatives. New York's program includes a number of services and supports, including congregate meals, home health, and consumer-directed personal care. (Source: SPA Approval Letter 10/23/2015)
Pennsylvania	**Managed LTSS Program** Pennsylvania's Department of Health Services (DHS) released a draft request for proposals (RFP) for the state's MLTSS program, Community HealthChoices (CHC), on November 16, 2015. Comments were due December 11, 2015. On December 14, DHS released a draft MLTSS contract, with comments due January 8, 2016. DHS is expected to release the final RFP for CHC in January 2016. Pennsylvania will operate MLTSS under the joint authority of 1915(b) and 1915(c) waivers, approval of which is required by CMS. The program will operate in five geographic areas—Northwest, Southwest, Northeast, Lehigh/Capital, and Southeast. CHC-MCOs are expected to provide services to all of the counties in the geographic zone they are selected to operate in. (Source: Draft RFP 11/16/2015)
Texas	**Managed LTSS Program** The Texas Health and Human Services Commission (HHSC) has requested CMS approval, through a section 1115 amendment, of the addition of STAR+PLUS HCBS Program slots that were newly appropriated by the 84th Texas Legislature, as well as a new electronic process for assessing the STAR+PLUS HCBS Program individual service plans. (Source: Medicaid.gov 11/30/2015)

Virginia	Managed LTSS Program
	Virginia's Section 1115 demonstration waiver is currently posted for public review and comment through January 6, 2015. The waiver seeks to implement two programs, a Medicaid MLTSS program, and a Delivery System Reform Incentive Payment (DSRIP) initiative. If approved, the Section 1115 waiver would operate from January, 2017 through December, 2022. The proposed MLTSS program would be fully integrated, including physical, behavioral and substance use, as well as LTSS benefits. The MLTSS program will be statewide but executed at the regional level. The VA MLTSS program will incorporate three 1915(c) HCBS waivers: the Alzheimer's waiver, the technology assisted waiver, and the elderly and disabled with consumer direction waiver. ID/DD individuals and day support waivers will not be included. The MLTSS program will mandatorily enroll an estimated 46,000 dual eligibles excluded from Commonwealth Coordinated Care (CCC), the state's financial alignment demonstration; 18,000 members in nursing facilities; and 66,000 dual eligibles that have enrolled or opted out of CCC. VA plans to issue an RFP in the spring of 2016, and a phased implementation schedule commencing in January 2017. (Source Public Comment Document; HMA Roundup 12/16/2015)

STATE TRACKER FOR DUALS DEMONSTRATION
(Updated as of: 12/23/2015)

	States	Proposed Financing Model	Submitted to CMS	Status	Target Implementation Date[1]
1	**Arizona**	~~Capitated~~	~~5/31/2012~~	**Withdrew**	~~1/2014~~
2	**California**	Capitated	5/31/2012	**MOU Signed** 3/27/2013	4/2014, 7/2015 (opt-in); 8/2014, 10/2014, 1/2015, 8/2015 (passive), Org. Cnty. LTC after 11/2015
3	**Colorado**	Managed FFS	5/2012	**MOU Signed** 2/28/2014	9/2014 (passive)
4	**Connecticut**	Managed FFS	5/31/2012		N/A
5	**Hawaii**	~~Capitated~~	~~5/25/2012~~	**Withdrew**	~~1/2014~~
6	**Idaho**	~~Capitated~~	~~5/2012~~	**Withdrew**	~~1/2014~~
7	**Illinois**	Capitated	4/6/2012	**MOU Signed** 2/22/2013	3/2014 (opt-in); 6/2014 (passive)
8	**Iowa**	~~Managed FFS~~	~~5/29/2012~~	**Withdrew**	~~N/A~~
9	**Massachusetts**	Capitated	2/16/2012	**MOU Signed** 8/23/2012	10/2013 (opt-in); 1/2014, 4/2014, & 7/2014 (passive)
10	**Michigan**	Capitated	4/26/2012	**MOU Signed** 4/2014	3/2015 (opt-in); 7/2015 (passive)

[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.

	States	Proposed Financing Model	Submitted to CMS	Status	Target Implementation Date[1]
11	**Minnesota**	Admin. Alignment ~~Capitated~~	~~4/26/2012~~	**Admin. Alignment MOU Signed** (9/12/2013) **Withdrew Capit.**	9/2013 (opt-in) ~~12/2012~~
12	**Missouri**	~~Managed FFS~~	~~5/31/2012~~	**Withdrew**	~~10/2012~~
13	**New Mexico**	~~Capitated~~	~~5/31/2012~~	**Withdrew**	~~1/2014~~
14	**New York**	Capitated[2]	5/25/2012	**MOU Signed** 8/26/2013	1/2015 (opt-in); 4/2015 (passive)
15	**North Carolina**	~~Managed FFS~~	~~5/2/2012~~	**Withdrew**	~~1/2013~~
16	**Ohio**	Capitated	4/2/2012	**MOU Signed** 12/12/2012	5/2014 (opt-in); 1/2015(passive)
17	**Oklahoma**	Both	5/31/2012		N/A
18	**Oregon**	~~Capitated~~	~~5/11/2012~~	**Withdrew**	~~1/2013~~
19	**Rhode Island**	Capitated	5/31/2012	**MOU Signed**	12/2015(opt-in); (passive TBD)
20	**S. Carolina**	Capitated	5/25/2012	**MOU Signed**	1/2015 (opt-in); 4/2015 (passive)
21	**Tennessee**	~~Capitated~~	~~5/17/2012~~	**Withdrew**	~~1/2014~~
22	**Texas**	Capitated	5/2012	**MOU Signed**	3/2015 (opt-in); 4/2015 (passive)
23	**Vermont**	~~Capitated~~	~~5/10/2012~~	**Withdrew**	~~Jan 2014~~
24	**Virginia**	Capitated	5/31/2012	**MOU Signed** 5/21/2013	5/2014 (opt-in); 8/2014 (passive)
25	**Washington**	~~Both~~ Managed FFS	4/26/2012	**2 MOUs Signed** MFFS (10/25/2012) ~~Capit. (11/25/2013)~~ **Withdrew**	MFFS (7/2013) ~~Capit. (7/2015)~~
26	**Wisconsin**	~~Both~~	~~4/26/2012~~	**Withdrew**	~~1/2013~~

[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.

National Association of States

United for Aging and Disabilities

1201 15th Street NW, Suite 350

Washington, DC 20005

Phone: 202-898-2578

www.nasuad.org