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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.

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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, WI
Medicare-Medicaid Care Coordination Initiatives: All states, except Minnesota, are operating a CMS-approved Financial Alignment (FA) demonstration program **: Pursuing alternative initiative # : Planning to terminate FA in December 2017	CA, CO, IL, MA, MI, MN**, NY, OH, RI, SC, TX, VA#, WA
Other LTSS Reform Activities approved by CMS: **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.** *: Pending CMS approval	
• **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

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Alabama	**Regional Care Organizations** On December 21, 2016, the Alabama Medicaid Agency submitted a letter to the Centers for Medicare and Medicaid Services (CMS) requesting alterations to the Special Terms and Conditions (STCs) of the state's section 1115 waiver. The original waiver would have implemented the Regional Care Organization (RCO) program starting on October 1, 2016; however, the letter requests to change the implementation date to October 1, 2017, to allow the state additional time to prepare. (Source: Letter 12/21/2016)
Arkansas	**Managed LTSS Program** In December 2016, the Arkansas Health Reform Legislative Task Force released a draft final report to the governor that includes recommendations on the future of the state's Medicaid program. Some of the highlights from the report are as follows: ○ The report notes that the state has struggled in the past with rebalancing the states' long-term services and supports (LTSS) system away from institutions and toward community-based care, which is compounded by a lack of a uniform assessment process; ○ The Task Force recognized the importance for the state to implement some form of care coordination strategy for complex populations such as behavioral health, developmental disabilities, Aged, Blind, and Disabled (ABD), and those requiring LTSS; ○ In terms of LTSS savings and investments, the Task Force offered support for the memorandum of understanding (MOU) signed between the Arkansas Department of Human Services (DHS) and the Arkansas Health Care Association on May 20, 2016, which aims for $250 million dollars in savings over five years, as well as increasing opportunities for community-based care in the state; ○ The Task Forces' contractor, the Stephen Group, analyzed the potential cost savings to the state with regard to implementing a fully capitated managed care program for behavioral health and developmental disability populations. The analysis concluded that if DHS concurrently implemented the managed care program along with current programmatic cost savings, then the state could save over $1.2 billion from 2018-2022. (Source: Draft Report 12/2016)

California	**State Demonstration to Integrate Care for Dual Eligible Individuals** On January 10, 2017, California's governor Jerry Brown released his proposed 2017-2018 budget for the state. Included in the budget proposal is the elimination of the Coordinated Care Initiative (CCI), which is required if the initiative does not reach cost-effectiveness targets. CCI includes the state's dual eligible demonstration, Cal MediConnect, which operates in seven California counties. Although the budget would wind down the CCI broadly, it also proposes extending Cal MediConnect through December 31, 2019, due to an estimated General Fund savings of $20 million, as well as improving health outcomes for beneficiaries. (Source: Budget 1/10/2017)
Florida	**Managed LTSS Program** On December 13, 2016, Health News Florida reported that Florida's Senate President is interested in reviewing Florida's MLTSS program. The interest comes as Florida is nearing the end of the state's five-year MLTSS contracts with managed care organizations (MCOs), and there has been pushback from the state's nursing home lobby on renewing mandatory managed care enrollment for individuals residing in nursing facilities. Currently, Florida has over 3 million Medicaid beneficiaries enrolled in managed care, 94,000 of which have LTSS needs. (Source: Health News Florida 12/13/2016; News4Jax 12/14/2016) On December 30, 2016, the Florida Agency for Health Care Administration (AHCA) submitted an application to extend the state's section 1115 waiver, which includes MLTSS in the state. The extension period would be from July 1, 2017 – June 30, 2022. According to AHCA, the managed care waiver has succeeded in improving health outcomes for Floridian Medicaid beneficiaries, while helping to control costs. (Source: Florida Politics 12/30/2016) On January 10, 2017, News4Jax reported that the Florida Health Care Association, which represents nursing facilities in the state, is continuing to push the state to carve out certain older adults from MLTSS—namely, older adults with extended stays in nursing facilities. The nursing home lobby asserts that the state is needlessly paying MCOs an administrative fee to manage beneficiary care but they are not getting any extra services or care because they are in a nursing facility. The state disagrees, however, and an official from AHCA noted the state is committed to keeping the continuum of care needs under a managed care system, and that they have seen many cases of long-term residents of facilities returning home and being successfully cared for in the community. (Source: News4Jax 1/10/2017)

Iowa	**Managed LTSS Program** On December 21, 2016, the Des Moines Register reported on ongoing discussions between the state and the three managed care organizations (MCOs) responsible for managing care for the state's 500,000-plus Medicaid population. In documents obtained by the Register, the three MCOs argue that the reimbursement rates set by the state significantly underestimated the cost of managing care for the state's Medicaid recipients. In letters from two of the MCOs, Amerigroup and UnitedHealthcare, they recommend a number of courses of action, including: ○ Increased flexibility surrounding prescription drugs; ○ Implementing a risk corridor proposal; and ○ Adjusting reimbursement rates for the Health & Wellness population – the state's Medicaid expansion – to better correspond with MCOs actual experiences. (Source: The Des Moines Register 12/21/2016; Amerigroup Letter 11/10/2016; UHC Letter 11/18/2016)
Kansas	**Managed LTSS Program** On January 19, 2017, the Kansas City Star reported that CMS denied a request for the state to extend operation of KanCare's 1115 waiver, which includes Medicaid managed care, for another year through December 2018. In order to move forward with the approval process, the state must submit a corrective action plan to CMS by February 17, 2017. (Source: Kansas City Star 1/19/2017)

Massachusetts	**Managed LTSS Program** On December 21, 2016, the Massachusetts Executive Office of Health and Human Services (EOHHS) released a request for responses (RFR) from MCOs interested in serving the state's Medicaid program, MassHealth. 1.3 million of the 1.8 million MassHealth beneficiaries are enrolled in one of four managed care programs, including the Primary Care Clinician (PCC) Plan, the MassHealth MCO Program, the OneCare program (which is the state's dual eligible demonstration), and the Senior Care Options (SCO) program. This RFR only pertains to the MassHealth MCO Program enrollees, which number approximately 850,000. The RFR makes two important departures from current MCO contracts. First, MCOs will be responsible for new requirements concerning implementation of the Medicaid ACO models that are a part of the state's recently-approved section 1115 waiver. Second, Massachusetts aims to carve-in LTSS benefits for MassHealth MCO Program beneficiaries by 2020. Health Management Associates (HMA) estimates this may result in between $900 million and $1.3 billion in managed LTSS spending annually. Proposals for the RFR are due March 15, 2017. The anticipated implementation date for the new contracts is December 19, 2017. (Source: RFR 12/21/2016; HMA Weekly Roundup1/4/2017)

New York	**Managed LTSS Program** The New York Department of Health (DOH) released a draft demonstration evaluation for the state's section 1115 waiver, which it will submit to CMS by January 31, 2017. The proposed evaluation will encompass the entire demonstration, and will include a focus on the following areas: ○ Managed long-term care (MLTC); ○ Mainstream Medicaid Managed Care Program (MMMC); ○ Medicaid beneficiaries transitioned from institutional settings to community-based care; ○ Temporary Assistance to Needy Families; ○ Twelve month continuous eligibility period; and ○ Express lanes eligibility. The MLTC program will be evaluated along the following parameters: ○ Improved care coordination for the Medicaid program's highest risk and highest cost populations; ○ Improved patient safety and quality of care; ○ Reduced preventable hospital admissions; and ○ Improved consumer satisfaction. (Source: Draft Evaluation 12/2016) The State of New York's executive budget proposal contains a few changes relevant to managed long-term care (MLTC) in the state. Under the proposed budget, new entrants into MLTC health plans would need to meet nursing facility level of care (LOC). This is in contrast to the current standard, which is over 120 days of community-based long-term care. The budget also incorporates an $18 million dollar reduction in nursing home rates. (Source: Budget Proposal 1/2017; HMA Weekly Roundup 1/25/2017)
Tennessee	**Managed LTSS Program** Following an extended period of negotiations between Tennessee and CMS, the state finally received approval of the state's TennCare II 1115(a) demonstration waiver, which includes approval of the state's uncompensated care (UC) payments through 2018, and is the operating authority for the state's MLTSS program. The extension is effective December 1, 2016, through June 30, 2021. (Source: Waiver 12/16/2016)

Texas	**Managed LTSS Program** On December 22, 2016, the Texas Health & Human Services Commission (HHSC) released a request for information (RFI) regarding the provision of acute care and LTSS through the state's STAR+PLUS managed care program. Responses were due January 30, 2017. HHSC is seeking information on strategies to provide quality, comprehensive acute and LTSS care in a manner that improves beneficiary health; intervention strategies to avoid disparities in health care delivery to diverse populations and; choice of health plans for STAR+PLUS members. Additionally, respondents were asked to respond with innovative, cost-effective, and evidence-based practices and strategies on the following elements: ○ Improvements to current service coordination requirements; ○ New approaches in care coordination for persons with physical, mental, emotion, intellectual, or developmental disabilities; ○ New approaches to the LTSS assessment process; ○ New approaches to person-centered service planning as well as measuring impactful outcomes for individuals; ○ Innovative approaches for improving independence, community involvement, and employment for individuals with disabilities; ○ Cost-effective strategies to improve HCBS services; ○ Improvements to provider and member experience; ○ Innovative methods of providing behavioral health services to individuals with disabilities; ○ Improvements that can be made to facilitate better access to care; and ○ Innovative methods of delivery system reform, such as value-based payments or patient-centered medical homes. (Source: RFI 12/22/2016)
Virginia	**Managed LTSS Program** In December, 2016, the Virginia Joint Legislative Audit & Review Commission (JLARC) released a report on managing spending in Virginia's Medicaid program. The report notes that although per beneficiary spending remained mostly level over the 2011-2015 period, overall general fund expenditures have grown an average of 8.9 percent over the past 10 years. In fiscal year 2015, Virginia spent $2.35 billion on LTSS. JLARC offers a number of legislative and executive recommendations that pertain to LTSS in the state. Legislative recommendations include: ○ Directing the Department of Medical Assistance Services (DMAS) to establish a core training curriculum for screeners of LTSS applicants, and amendment of the Code of Virginia to add a new requirement that all screeners be certified and

	trained; ○ Directing DMAS to look into the LTSS screening process performed by hospitals in order to prevent avoidable institutional placement; and ○ Directing DMAS to establish a stricter profit cap for the Medallion managed care program, as well as the state's upcoming MLTSS program. JLARC also recommends the following executive actions: ○ Development of a consistent LTSS functional screening framework, including testing of its reliability; ○ Implementation of a blended capitation rate for MLTSS; and ○ Utilization of improved data and program analysis in order to enhance MCO oversight. (Source: JLARC Report 12/2016)
Washington	**LTSS Program** On January 9, 2017, the Washington State Health Care Authority (HCA) announced it has received official approval of its section 1115 waiver application from CMS. The waiver, which has been detailed in previous editions of the State Medicaid Integration Tracker©, includes $1.1 billion in DSRIP funding, the implementation of Accountable Communities of Health, and a number of changes to broaden HCBS services for older adults and persons with disabilities aimed to prevent or delay institutionalization. (Source: WA.gov 1/9/2017)
Wisconsin	**Managed LTSS Program** On January 23, 2017, the Wisconsin Department of Health Services (DHS) released the three MCOs selected to provide MLTSS in the Northern expansion counties in the state. The three MCOs are: ○ Community Link, Inc.; ○ Lakeland Care, Inc.; and ○ Care Wisconsin. The expansion will enable the state to reduce wait lists for services and foster independence for beneficiaries. (DHS Announcement 1/23/2017)

STATE TRACKER FOR DUALS DEMONSTRATION

(Updated as of: 1/26/2017)

	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
5	**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	12/31/2017
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: 7/2016; 8/2016;	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
					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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