CY Q4 2022

State Medicaid Integration Tracker©

Welcome to the State Medicaid Integration Tracker©

The **State Medicaid Integration Tracker©** is published bimonthly by ADvancing States. 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://www.advancingstates.org/publications/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:
   - Medicaid State Plan Amendments under §1915(i)
   - Community First Choice Option under §1915(k)
   - Medicaid Health Homes

ADvancing States uses many information sources to learn what is happening across the country in these areas. ADvancing States' 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 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. ADvancing States 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:	AR, AZ, CA, DE, FL, HI, IA, ID, IL, KS, MA, MI, MN, NC, NJ, NM, NY, PA, RI, TN, TX, VA, WI
Medicare-Medicaid Care Coordination Initiatives: All states, except Minnesota, are operating a CMS-approved Financial Alignment Initiative (FAI) demonstration program. Pursuant to Final Rule CMS-4192-F, states must phase out or transition their FAIs no later than December 31, 2025. For a links to transition plans, please see the chart at the bottom of the tracker. **: Pursuing alternative initiative	CA, IL, MA, MI, MN**, OH, RI, SC, TX, WA

State	Update
Arizona	**Managed Long-Term Services and Supports** On October 14, the Arizona Health Care Cost Containment System (AHCCCS), the state's Medicaid agency, announced CMS approval of Arizona's request for a five-year extension of its 1115 waiver. In addition to renewing authority for its integrated managed long-term services and supports system "Arizona Long Term Care System (ALTCS)," the 1115 will extend the Targeted Investments (TI) program. Through TI, managed care plans have provided financial incentives to eligible Medicaid providers who meet certain benchmarks for integrating and coordinating physical and behavioral health care. Under the waiver extension, TI 2.0, more providers will be made eligible, and incentives continued for further integration efforts, including a range of initiatives aimed at addressing social drivers of health (SDOH). Additionally, CMS approved the new Housing and Health Opportunities (H20) project to further address health-related social needs for vulnerable populations and ensure their access to health care. AHCCCS will be able to reimburse for up to six months of medically necessary transitional housing (for example, for individuals leaving health care or correctional settings, or emergency shelters who need supports to remain medically stable) and enhance those services that support a member's success in housing, like tenant rights education, eviction prevention, and medically necessary home modifications. (Source: AHCCCS General News; 10-14-22)
California	**Managed Long-Term Services and Supports** On November 4, California submitted an amendment to the CalAIM 1115 waiver demonstration that would limit choice of Medicaid managed care plans in metro, large metro, and urban counties. The state is proposing this limit to allow counties to participate, or continue participating, in County Organized Health System (COHS) or Single Plan managed care models. (Source: Medicaid Bulletin; 11-18-2022) On December 13, the California Medical Association reported that effective January 1, 2023, the California Department of Health Care Services (DHCS) will transition 325,000 dual-eligible beneficiaries in 31 of the state's 58 counties to Medi-Cal managed care. Only dual-eligible beneficiaries not already enrolled in a managed care plan will be affected. More than 70% of dual-eligible Californians are already enrolled in a managed care plan; after January 2023, all such individuals statewide will be enrolled in a managed care plan. Transition to managed care will include coordinated care for long-term services and supports (LTSS), health-related transportation needs, and special medical equipment and supplies.

	(Source: California Medical Association; 12-13-2022)
Florida	**Managed Long-Term Services and Supports** On November 22, the Florida Agency for Health Care Administration (AHCA) released the Medicaid data book, signaling that managed care procurement is officially underway. Florida law requires the data book be released at least 90 days before issuing the Intention to Negotiate (ITN) for the statewide managed care program. Florida's managed care contracts expire December 31, 2024, and the AHCA wishes to begin the process of soliciting new contracts. The state received 54 responses to its Request for Information (RFI) sent out to managed health care and managed long-term services and supports (LTSS) in May. The RFI requests innovative ideas and best practices to improve Medicaid for both patients and providers. (Source: Florida Politics; 11-18-2022)
Illinois	**Medicare-Medicaid Integration** On September 30, in accordance with the CY 2023 Medicare Advantage Final Rule CMS-4192-F, Illinois submitted its plan to CMS to transition from a Medicare-Medicaid Alignment Initiative (MMAI) to a Fully Integrated Dual Eligible Special Needs Plan (FIDE-SNP) by December 31, 2025. In its letter to CMS, the Illinois Department of Healthcare and Family Services (HFS) expressed disappointment that the MMAI will not be extended. To meet its goals of ensuring smooth transitions to FIDE-SNP, the state is exploring requiring FIDE-SNPs to: • cover all Medicaid benefits in exchange for a monthly Medicaid capitation payment. • Participate in HealthChoice Illinois, the statewide Medicaid managed care program. • Provide care in either the whole state or in Cook County only, in alignment with their HealthChoice Illinois service area. • Create a single Medicare and Medicaid FIDE-SNP contract. • Integrate HealthChoice and FIDE-SNP Illinois account management oversight. • Align quality metrics. • Provide comprehensive coordinated benefit packages, single ID cards, and dedicated staff trained in Medicare and Medicaid. • Provide integrated notices in alignment with current MMAI program. (Source: Letter to CMS; 09-30-22)
Massachusetts	**Medicare-Medicaid Integration** On September 30, in accordance with the CY 2023 Medicare Advantage Final Rule CMS-4192-F, Massachusetts submitted to CMS its transition plan to convert its Medicaid Alignment Initiative (MMAI) —One Care— to a Fully Integrated Dual Eligible Special Needs Plan (FIDE-SNP), effective January 1, 2026. The state is committed to

	pursuing coverage of all current One Care services and will seek to address the known gap areas between the more advanced integration of the current One Care program and D-SNP requirements. The state plans to explore all available State Plan, waiver, and demonstration authorities to secure One Care's continued operation and will engage hold regular public transition meetings, convene meetings with advocates, health plans, and enrollees, and may convene work groups and RFIs to ensure a smooth transition. (Source: Letter to CMS; 09-30-2022)
Michigan	**Medicare-Medicaid Integration** On September 30, in accordance with the CY 2023 Medicare Advantage Final Rule CMS-4192-F, Michigan submitted its plan to CMS to transition from a Medicare-Medicaid Alignment Initiative (MMAI) to an Integrated Special Needs Plan (SNP) by January 1, 2026. The state hopes to build off the successes of its demonstration, MI Health Link, and is currently exploring transitioning to a highly integrated or fully integrated D-SNP. Core aspects of MI Health Link the state wishes to preserve in its transition are coverage of all benefits, $0 copayments and deductibles for all covered services, access to care coordination, and a single card for Medicare and Medicaid services. Michigan will submit a 1915(b/c) waiver renewal application for MI Health Link to gain an extension through at least 2025, as the current authority ends in December 2024. It is not yet determined whether the State will allow the waiver to sunset or use another waiver after the transition. On November 17, CMS released an updated Michigan Three-Way Contract Amendment (executed January 1, 2022) for Michigan's Financial Alignment Initiative (FAI) —Michigan MI Health Link (MHL). The contract changes added or adjusted include: • Updated the demonstration end date to December 31, 2023. • Reflected changes to Medicare requirements. • Reflected changes to enrollee appeals, including Medicare Part B drug appeal timeframes. • Added language to reflect the importance of the social determinants of health, health disparities and health equity. • Adjusted care coordination requirements. (Source: Letter to CMS; 09-30-2022, Updated Three-Way Contract; 01-01-2022)
Minnesota	**Managed Long-Term Services and Supports** On October 5, Minnesota awarded Medicaid managed care contracts, including coverage for older adults and individuals with disabilities statewide. The contracts for the Minnesota Senior Health Options, Minnesota Senior Care Plus, and Special Needs BasicCare programs were awarded to Blue Plus, HealthPartners, Itasca Medical Care,

	Medica, PrimeWest Health, South Country Health Alliance, Curare, and United Healthcare Community Plan of Minnesota, to begin January 1, 2023. (Source: HMA; 10-05-2022, MN Department of Human Services; 10-05-2022)
New Mexico	**Managed Long-Term Services and Supports** On September 30, New Mexico released an RFP for its new managed care program, Turquoise Care. Building upon the current Centennial Care 2.0 program through a new Section 1115 waiver demonstration, Turquoise Care will launch in 2024; contracts will run through December 31, 2026, with optional one-year renewals, not to exceed eight years total. The state plans to award contracts to three MCOs. The state will submit the Section 1115 demonstration waiver for Turquoise Health to the Centers for Medicare & Medicaid Services (CMS) for approval by December 2022. Included in the RFP are requests for innovative payment reforms, value- based initiatives, and strategies to close health disparities for historically and intentionally disenfranchised groups. Also included in Turquoise Care will be a 90% Medical Loss Ratio (MLR), expanded reporting requirements and penalties for MCO non-compliance, more stringent provider network requirements, and enhanced MCO staffing requirements. Turquoise Care will serve more than 800,000 New Mexicans. (Source: HMA Roundup; 10-05-2022, RFP; 09-30-2022)
Ohio	**Medicare-Medicaid Integration** On September 30, in accordance with the CY 2023 Medicare Advantage Final Rule CMS-4192-F, Ohio submitted to CMS its transition plan to convert its Medicare Medicaid Alignment Initiative (MMAI) —MyCare—to a FIDE-SNP, by no later than January 1, 2026. The plan addresses the four CMS required elements of stakeholder engagement, maximizing integration, ombudsman program sustainability, and specific policy and/or operational steps required for conversion. The state intends to offer FIDE-SNP in a companion Medicaid managed care plan (MMC) with the same package of benefits and in the same geographic areas as MyCare. The new program will be subject to the same requirements as Next Generation, Ohio's Medicaid managed care plans. (Source: MyCare Conversion Briefing; 11-01-2022)
Rhode Island	**Medicare-Medicaid Integration** On November 30, in accordance with the CY 2023 Medicare Advantage Final Rule CMS-4192-F, Rhode Island submitted to CMS its transition plan to convert its Medicaid Medicare Alignment Initiative to a Fully Integrated Dual Eligible Special Needs Plan (FIDE-SNP) by no later than December 31, 2025. The plan addresses the four CMS required elements of stakeholder engagement, maximizing integration,

	ombudsman program sustainability, and specific policy and/or operational steps required for conversion. In order to transition successfully, the state proposes: • bringing LTSS as an in-plan benefit for all populations including for full benefit dually eligible (FBDE) beneficiaries; • requiring all Medicaid contracted health plans to offer a fully integrated dual eligible special needs plan (FIDE-SNP) for FDBEs; • implementing a member choice and enrollment model for FBDEs that leverages unbiased enrollment counseling. As only one health plan participates in the MMAI as of June 2022, 60% of Dual Eligibles are not enrolled in managed care. The state intends to the future FIDE-SNP contract to mirror the current listing of benefits offered by the MMP, and to include certain services offered in Rhode Island Medicaid but excluded from the MMP. These include: • residential services for I/DD enrollees, non-emergency transportation services, dental services, and home stabilization services; • experimental procedures, abortion services, private hospital rooms (unless medically necessary), cosmetic services, infertility treatment, and medications for sexual or erectile dysfunction. On November 17, CMS released Beneficiary Experience Results for Rhode Island's Medicare-Medicaid Alignment Integrated Care Initiative Demonstration (ICI Demonstration). Since 2016, the ICI Demonstration has sought to provide Medicare-Medicaid enrollees with a more person-centered experience through increased access and improved care coordination. Beneficiary experience research conducted in early 2022 found that the closer enrollees were connected to a care coordinator, the more satisfied they were with their experience and had fewer unmet needs than less connected enrollees. Beneficiaries, regardless of level of connection to care coordinators reported generally being able to access needed services; researchers also found that almost all beneficiaries who needed behavioral health services reported being able to access them. (Source: Letter to CMS; 09-30-2022, Beneficiary Experience Research; 10-01-2022)
South Carolina	**Medicare-Medicaid Integration** On September 27, in accordance with the CY 2023 Medicare Advantage Final Rule CMS-4192-F, the South Carolina Department of Health and Human Services released its draft plan to transition its FAI to an enhanced HIDE-SNP. To complete transition of dual-eligible individuals, the state will implement a standardized health risk assessment (HRA) for all full benefit dual eligible members; institute aligned enrollment of contracted Medicaid MCOs and Medicare dual special needs plans; leverage model materials such as handbooks and member-facing materials; and require participating plans to institute avenues for enrollees to participate in plan

	governance. Under CMS-4192-F, the state is required to present a plan to sustain its Ombudsman program without extension of federal funding, as well as a communications and stakeholder engagement plan. The state anticipates completion of the transition by the end of calendar year 2025. (Source: SC Duals Transition Letter; 09-27-2022)
Texas	**Medicare-Medicaid Integration** On December 1, 2022, CMS, the Texas Health and Human Services Commission, and STAR PLUS+MMP amended their Three-Way Contract to extend the demonstration one year, until December 31, 2023. The amendment also updated the aggregated savings percentage for Demonstration Year 8 to 5.5%. The one-year extension is in accordance with CY 2023 Medicare Advantage Final Rule CMS-4192-F, which requires states to phase out their demonstrations. Texas announced in August of 2022 its intention to submit a transition plan to CMS by November 11, 2022. (Source: Texas Contract Amendment; 12-01-2022, Transition of the Dual Demonstration, 08-01-22)
Virginia	**Managed Long-Term Services and Supports** On November 30, the *Richmond Times-Dispatch* reported the state's two Medicaid managed care programs — Medallion 4 and Commonwealth Coordinated Care Plus — would merge as of January 1, 2023, to form a single entity — "Cardinal Care." Medallion 4 serves children, pregnant women, and adults; dual-eligible individuals, children and adults with disabilities, and individuals in long-term care are served under Commonwealth Coordinated Care Plus. The Department of Medical Assistance Services (DMAS) reports that coverage will not be changed or reduced under Cardinal Care. DMAS plans to begin negotiations on a new five-year contract in 2023, which will succeed the current contract when it expires in 2026. DMAS contends the unification of the two programs under Cardinal Care will make it easier to managed gaps in care and simplify contracting and credentialing processes for providers. (Source: Richmond Times-Dispatch; 11-30-2022)

State Updates

STATE TRACKER FOR DUALS DEMONSTRATIONS
(Updated as of: 12/31/2022)

	States	Proposed Financing Model	Status	Anticipated End Date
1	California	Capitated	TRANSITIONED on 01/01/2023	N/A
2	Colorado	Managed FFS	TERMINATED on 12/31/2017	N/A
3	Illinois	Capitated	INTENDS TO TRANSITION Link to Transition Plan	12/31/2023
4	Massachusetts	Capitated	INTENDS TO TRANSITION Link to Transition Plan	12/31/2023; Duals Demo 2.0 pending
5	Michigan	Capitated	INTENDS TO TRANSITION	12/31/23
6	Minnesota	Admin. Alignment	Admin. Alignment MOU Signed (9/12/2013)	12/31/2023
7	New York	Capitated[1]	TERMINATED on 12/31/2019	N/A
8	Ohio	Capitated	INTENDS TO TRANSITION Link to Transition Plan	12/31/2023
9	Rhode Island	Capitated	INTENDS TO TRANSITION Link to Transition Plan	12/31/2023
10	South Carolina	Capitated	INTENDS TO TRANSITION	12/31/2023

	States	Proposed Financing Model	Status	Anticipated End Date
11	Texas	Capitated	INTENDS TO TRANSITION	12/31/2023
12	Virginia	Capitated	TERMINATED on 12/31/17	N/A
13	Washington	Managed FFS	MOU Signed 10/25/2012	12/31/2023

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