Achieving Integrated Care: Policy Challenges and Opportunities

ADVancing States HCBS Conference

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Agenda

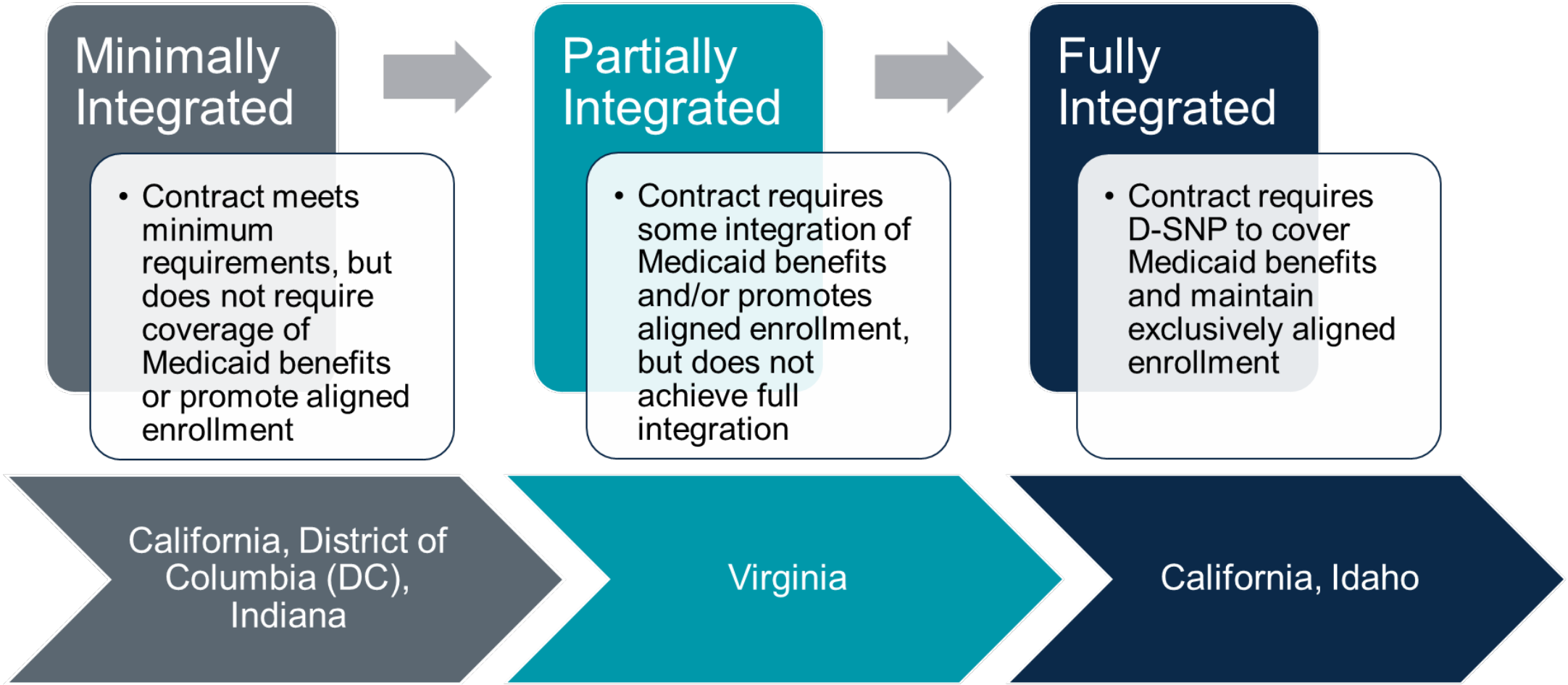
- **Brief overview of Mathematica study conducted for MACPAC on state D-SNP contracting strategies to promote integration**
  - Study introduction and methods
  - Continuum of integration in state D-SNP contracts
  - State D-SNP contracting strategies
  - Key findings
- **Discussion of key challenges and opportunities for states**
  - Restricting D-SNP enrollment to full-benefit dually eligible individuals
  - Fee-for-service Medicaid benefits
  - Requiring D-SNPs to operate with exclusively aligned enrollment
  - Requiring D-SNPs to implement state-specific care coordination requirements
  - Addressing overlapping Medicare and Medicaid benefits

Brief overview of Mathematica study conducted for MACPAC on state D-SNP contracting strategies to promote integration

Study introduction and methods

- **Goal: understand state use of D-SNP contracting strategies that facilitate integration of Medicare and Medicaid benefits**
- **16 semi-structured interviews**
  - Representatives from states, health plans, beneficiary advocacy organizations, and other key stakeholders
- **Selected states that contract with D-SNPs but have different degrees of integration and vary in their use of Medicaid managed care to serve dually eligible individuals**

Continuum of integration in state D-SNP contracts



Note: At the time of this study, California's D-SNP contracts were mostly of the "minimally integrated" type, but they did have a couple of fully integrated D-SNPs that operate with exclusively aligned enrollment, as well.

State D-SNP contracting strategies

Possible in all states:

- Limiting D-SNP enrollment to full-benefit dually eligible individuals or requiring D-SNPs to use separate Plan Benefit Packages (PBPs) to serve full- and partial-benefit dually eligible individuals
- Capitating D-SNPs to cover Medicaid benefits
- Requiring D-SNPs to operate with "exclusively aligned enrollment" (*D-SNP only enrolls individuals who receive Medicaid benefits through the same parent company)*
- Requiring D-SNPs to use enhanced care coordination methods and/or meet Medicaid care coordination requirements
- Requiring D-SNPs to send data or reports to the state for oversight purposes
- Reviewing Medicaid information in certain D-SNP marketing/communication materials
- Partnering with D-SNPs to develop supplemental benefits packages that complement Medicaid benefits
- Incorporating Medicaid quality improvement priorities into D-SNP contracts
- Setting up automated crossover claim processes for Medicaid payment of Medicare cost sharing

Only possible in states with Medicaid managed care programs for dually eligible individuals:

- Selectively contracting only with D-SNPs that offer affiliated Medicaid plans (and/or vice versa)
- Requiring complete service area alignment between D-SNPs and affiliated Medicaid plans
- Aligning Medicaid procurement cycles with Medicare timelines
- Using Medicaid enrollment algorithms to automatically assign D-SNP enrollees to affiliated Medicaid managed care plans
- Allowing (or requiring) D-SNPs to use default enrollment *(an automated enrollment process by which Medicaid managed care enrollees are enrolled into a D-SNP through the same parent company when they become dually eligible)*

Key findings: Context matters

State adoption of specific strategies can depend on several contextual factors, including:

- Whether the state already contracts with D-SNPs
- Whether dually eligible individuals receive Medicaid benefits through managed care and whether certain benefits (for example, behavioral health and LTSS) are carved in or out of managed care coverage
- State use of/preference for other integrated models (for example, demonstrations under the Financial Alignment Initiative)
- Challenges with expanding D-SNPs/managed care into rural areas
- Trade-offs between increasing levels of integration and increasing enrollment

Key findings: State resources matter, too

- **Challenges to leveraging State Medicaid Agency Contracts with D-SNPs to better integrate Medicare and Medicaid coverage**
  - Lack of Medicare expertise
  - Limited state experience using managed care for dually eligible individuals
  - Staff turnover
  - Competing state priorities

Key findings: Tradeoffs

- **States must often consider potential trade-offs between the level of integration achieved and the number of individuals enrolled in D-SNPs when designing their D-SNP contracting strategies. For example:**
  - Restricting D-SNP enrollment to full-benefit dually eligible individuals means that partial-benefit dually eligible individuals cannot enroll in D-SNPs (but allowing partial-benefit dually eligible individuals to enroll in the same D-SNPs as full-benefit dually eligible individuals means those D-SNPs cannot offer fully integrated benefits or streamlined materials)
  - Requiring D-SNPs to operate with exclusively aligned enrollment may result in dually eligible individuals choosing not to enroll in a D-SNP when they do not wish to receive Medicaid benefits from the same parent company as the D-SNP.
  - Selectively contracting only with D-SNPs that offer Medicaid managed care plans in the same service area can sometimes lead to beneficiaries losing their D-SNP coverage if a D-SNP parent company does not win a Medicaid re-procurement contract.

More information

/ **Full Report**

/ **Issue Brief**

/ **Blog**

Erin and Paul – discussion of key challenges and opportunities for states

Challenges and opportunities in restricting D-SNP enrollment to full-benefit dually eligible individuals

/ Opportunity

- Restricting D-SNP enrollment to full-benefit dually eligible individuals can facilitate clearer, simpler D-SNP member materials, benefits administration and care coordination.

/ Challenge

- Some states may not want to restrict D-SNP enrollment in this way – for example, because many partial-benefit dually eligible individuals are already enrolled in D-SNPs or the state has a very small full-benefit dually eligible population.

/ Potential Solution

- Instead of completely restricting D-SNP enrollment to full-benefit individuals, states can require D-SNPs to use separate plan benefit packages (PBPs) to serve full- and partial-benefit dually eligible populations.

Challenges and opportunities in integrating care when Medicaid benefits are provided fee-for-service

Opportunity

- Selectively contracting with D-SNPs offered by parent companies that also offer Medicaid managed care plans for dually eligible individuals can help to facilitate "alignment" in Medicare and Medicaid plan enrollment.

Challenge

- States that do not serve dually eligible individuals through managed care programs can't "align" D-SNPs with managed care plans on the Medicaid side.

Potential Solution

- States that serve dually eligible individuals through fee-for-service Medicaid systems can choose to contract directly with D-SNPs for coverage of certain Medicaid benefits, such as coverage of Medicare cost sharing and/or Medicaid "wrap-around" benefits like dental, vision, or transportation.

Challenges and opportunities in requiring D-SNPs to operate with exclusively aligned enrollment

Opportunity

- Requiring D-SNPs to operate with exclusively aligned enrollment promotes integrated financing and administration of Medicare and Medicaid benefits for all D-SNP enrollees, simplifies member materials and appeal and grievances procedures, and supports holistic care coordination.

Challenges

- This may lead to fewer individuals enrolled in D-SNPs in the short-term (but greater integration for those who do enroll)
- Implementation of exclusively aligned enrollment requires investments at the state Medicaid agency (for example, in IT systems changes to support enrollment alignment).

Potential Solutions

- States can require D-SNPs to use separate PBPs to serve aligned and unaligned enrollees (thereby creating exclusively aligned enrollment in at least some D-SNPs) – Tennessee is doing this in 2021

Challenges and opportunities in requiring D-SNPs to implement state-specific care coordination requirements

Opportunity

- Requiring D-SNPs to implement state-specific care coordination activities (for example, integrating Medicaid functional assessments into the D-SNP health risk assessment process or training D-SNP care coordination staff to navigate Medicaid systems) can promote a more holistic approach to Medicare and Medicaid care coordination.

Challenge

- Monitoring plan compliance with these requirements and evaluating their success can be challenging, particularly with limited resources.

Potential Solution

- States can leverage CMS audit information to help with state monitoring efforts
  - If the state's care coordination requirements are captured in the D-SNPs Model of Care, the CMS audit should capture compliance with those requirements)
- States may be able to leverage the expertise of stakeholders, such as Medicaid HCBS case management agencies and/or long-term care Ombudsman in spotlighting successes and areas for improvement.

Challenges and opportunities in addressing overlapping Medicare and Medicaid benefits

Opportunity

- States can require D-SNPs to collaborate with the state in developing and providing supplemental benefits that complement the benefits already offered under Medicare and Medicaid and expand the types of supports to which D-SNP enrollees have access

Challenges

- State Medicaid agency staff may not possess enough subject matter expertise regarding Medicare benefits to engage skillfully in these conversations
- D-SNPs may be concerned that making changes to supplemental benefits could impact their marketability with their target populations

Potential Solutions

- Ask D-SNPs to provide summaries of the supplemental benefits they currently offer and data on member utilization of those services.
- Third-party liability requirements in D-SNP contracts that demand that the D-SNP exhausts supplemental benefits that overlap with Medicaid benefits (for example, non-emergency medical transportation benefits) before the member utilizes Medicaid benefits
- Leverage data to identify unmet needs and collaboratively identify potential areas for expanded support.
- ICRC and MMCO can offer sample contract language from states exploring these kinds of partnerships with D-SNPs already.

Questions?