National
MLTSS
Health Plan Association

Advancing Integration for Dual Eligible Beneficiaries
Proposal Overview
May 17, 2019

Today only 9 percent of "full Duals" (beneficiaries who have full coverage in both Medicare and Medicaid) are enrolled in managed care plans that integrate their Medicare and Medicaid coverage. The remaining "full Duals" are enrolled in separate Medicare and Medicaid coverage and must navigate a complex and confusing world of overlapping coverage and disconnected services.

In 2018, Congress enacted several significant changes in requirements for Medicare Advantage (MA) Duals Special Needs Plans (D-SNPs) as part of the Balanced Budget Act of 2018 (PL 115-124) that were aimed at advancing integration with Medicaid coverage for long-term services and supports (LTSS). While these provisions create a pathway for states to advance toward full integration, they do not do enough to accelerate the move toward integration. Many challenges and impediments to integration remain in place.

This paper proposes regulatory and legislative changes to address barriers to integration and improve the integrated model for dually eligible beneficiaries, and recommends a strategy for advancing and growing the enrollment of dually eligible individuals in an integrated model.

Recommendations

An Improved Integrated Model

A Common Framework

A Common Statutory and Regulatory Framework

A uniform set of rules governing different types of integrated plans – with room for different modalities (Medicare-Medicaid Plans (MMPs), FIDE-SNPs, HIDE-SNPs, aligned D-SNPs, PACE). Regulation under a single authority

A Tightened Definition of Integrated Plans

A higher CMS standard for coordination that a D-SNP that contracts with a state Medicaid agency must meet to be considered "integrated."

A Three-Way Contract

A single contract signed by CMS, the State, and the Plan, and administered through regular three-way calls and meetings to enable greater administrative flexibility and solve problems quickly.

Effective Advance Communication

More effective communication by CMS, the state, and the participating plans with beneficiaries, caregivers, medical and community service providers well in advance of initial enrollment to increase understanding and support for integrated plans.

Medicare and Medicaid Alignment

Encourage alignment of Medicare and Medicaid coverage for duals

- Encourage states to move toward integrated models that provide for enrollment in a single integrated plan (e.g., MMP, FIDE-SNP, and PACE).
- Increase funding for technical assistance to better equip states to make the move to more integrated models.
- Fund more extensive outreach to educate beneficiaries with dual eligibility on the advantages of enrolling in and remaining in aligned options.
- Advise dis-enrolling members of the consequences of losing alignment and alternative plan options.
- Encourage states to require organizations with a Medicaid contract that covers beneficiaries with dual eligibility to offer a D-SNP that meets CMS integration standards.
- Enforce and tighten restrictions on the ability of MA-only plans that design benefits to look like D-SNPs, that do not meet D-SNP requirements and CMS integration standards (so-called "look-alikes"), to market to dual-eligible beneficiaries in areas served by integrated plans.
- Work with states on ways to keep coverage aligned (including changing Medicaid plan enrollment) and encourage beneficiaries to remain in aligned models.
- Work with states to eliminate incentives for brokers to enroll dual eligible beneficiaries in MA-only plans.

Increased Enrollment in Integrated Plans

More tools for states to increase integrated plan enrollment

- Allow states to adopt passive enrollment for highly- or fully-integrated plans. Enrollees opting out of an assigned plan should have choice of another integrated plan.
- Limit churning by limiting the use of special enrollment periods in MA – allow annual open enrollment, with dis-enrollment at any time for cause.

- Encourage States without MLTSS or integrated plan options to develop an integrated option and encourage dual beneficiary enrollment in a D-SNP meeting the CMS standard for integration.
- States moving to MLTSS and integrated models or re-procuring MLTSS contracts should allow adequate "ramp up" time to enable competing organizations to "stand up" a D-SNP and develop an integrated option.
- CMS should provide separate authority through MMCO for "off-cycle" launches of D-SNPs to enable creation of a HIDE-SNP or other integrated plan option prior to responding to a state procurement.

Improved Financial Incentives for States and Plans

Greater state incentives to adopt integrated models

- Revise rate-setting approach for integrated plans to enable states to share a substantial portion of the Medicare savings generated by the operation of an integrated plan – modeled on the federal-state coordinated approached used for MMP (FFS model).
- Consider increasing the FMAP for the Medicaid share of fully-integrated plan payment, to offset the higher administrative state burden of coordinating with Medicare.

Uniform rate-setting

- Adopt a uniform approach to rate-setting for integrated plans that builds from the MMP and PACE models for coordinating federal and state payments.

Improved risk adjustment

- Reduce the risk and improve the rewards for plans that specialize in attracting and serving a high-acuity, complex-care population.
- Develop an improved risk adjuster that more fully accounts for functional limitations and social risk factors of plan members that play a significant role in health care costs.

Flexibility and Accountability

Flexibility of benefits

- Allow all integrated plans the flexibility that PACE has to provide appropriate services and supports that meet the needs of the beneficiary regardless of Medicare and Medicaid coverage limitations.

Reporting for integrated care plans

- Change reporting to focus on progress with person-centered goal attainment.

- Eliminate requirements for encounter reporting that requires integrated plans to disaggregate services provided into Medicare-covered and Medicaid-covered units of service for reporting purposes.

Quality measurement focused on outcomes

- Hold integrated plans accountable for member quality of life and satisfaction in addition to health outcomes and accelerate CMS-led quality metrics development on home- and community-based process and outcome measures.
- Revisit HITECH Act exclusion of LTSS information needs and provide funding for LTSS system information infrastructure.
- Modify the MA STAR rating system to account for socio-economic factors and the proportion of dual eligible members in the plan. Insure quality rewards for integrated plans are based on metrics that account for non-medical and qualitative factors relevant for members receiving LTSS.

A Larger Proportion of Dual-Eligible Individuals Enrolled in Integrated Care

Expanding State Adoption of Medicaid Managed LTSS

Increased incentives for state adoption of managed LTSS

- More effective financial incentives to encourage states with Medicaid fee-for service (FFS) to adopt managed LTSS as a step toward integration.
    - Financial incentives for managed LTSS through an increased FMAP.
    - Financial incentives for meeting integration goals through greater shared Medicare savings with the states.

Advancing Integrated Models as Preferred Coverage for Dual Eligible Beneficiaries

Incentivize enrollment of dual beneficiaries in integrated plans and phase-out other options

- More aggressive effort to measure and communicate the value of integration for dual eligible beneficiaries.
- More effectively engagement of physicians in supporting integrated models.
- Greater incentives for states to adopt fully-integrated models
- A plan to encourage plans to move up the ladder of integrated care.

- Tightened state integration/coordination requirements for states without MLTSS
- An alternative SNP model for partial duals.

Annual Reporting on Progress Toward Full Integration

Adopt a target for full integration and annual reporting on progress

- An Annual Report on progress toward full integration for dual-eligible beneficiaries, including five- and ten-year targets for enrollment, annual statistics on progress, update on key legislative and regulatory changes, compilation of state data on enrollment in different types of plans, quality metrics, and options for legislative and regulatory changes.