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## ABOUT THE INTEGRATED CARE RESOURCE CENTER

The Integrated Care Resource Center (ICRC) is a national initiative of the Centers for Medicare & Medicaid Services to help states improve the quality and cost-effectiveness of care for Medicare-Medicaid enrollees.

The state technical assistance activities are coordinated by Mathematica Policy Research and the Center for Health Care Strategies. For more information, visit the ICRC website.

## Integrated Care Update

### CMS Proposes Revisions and Updates to PACE Regulations

CMS invites comments on proposed revisions and updates to the regulations governing Programs of All-Inclusive Care for the Elderly (PACE). The [proposed rule](#), which appears in the August 16, 2016 *Federal Register*, is the first revision in the PACE regulations since 2006. Among other changes, the proposed rule would allow interdisciplinary care team members to perform more than one role on the care team, and would allow non-physician primary care practitioners to provide some services in the place of primary care physicians. A [CMS fact sheet](#) on the proposed rule summarizes other provisions.

Of particular interest to states, the proposed rule would:

- **Clarify and firm up the role of states in reviewing initial PACE applications and applications to add sites or expand service areas (Section 42 CFR §460.12(b)).** A state would need to provide assurances that it considers the applicant entity to be qualified to be a PACE organization, and that the state is willing to enter into a PACE program agreement or amend an existing agreement in the case of expansion applications.
- **Require that Medicaid PACE payment rates be “sufficient and consistent with efficiency, economy, and quality of care,” and allow the PACE agreement to specify the Medicaid rate methodology instead of the actual Medicaid rate (Section 460.182).** CMS notes that the PACE statute does not set a lower bound for the Medicaid rate, and that the proposed revision would do so. Allowing the agreement to include the methodology rather than the actual rate would reflect the fact that Medicaid rate-setting methodologies in many states may not result in a single rate, and that rates may change frequently. While CMS is not proposing changes to the Medicaid capitation payments in this rule, it is soliciting comments on other rate-setting methodologies it could consider requiring. (*Federal Register*, pp. 54689-54690)

Comments on the proposed rule must be submitted to CMS no later than **5 PM on October 17, 2016**.

### Updates on the Financial Alignment Initiative

In June, the Medicare-Medicaid Coordination Office released an [update on the Financial Alignment Initiative](#) that provided a snapshot of enrollment in the capitated model demonstrations and data on the age of enrollees and health plan experience completing health risk assessments. In August, the Kaiser Family Foundation published the fact sheet [Health Plan Enrollment in the Capitated Financial Alignment Demonstrations for Dual Eligible Beneficiaries](#) that presents data on demonstration enrollment by state, participating health plans, enrollee age, and the percentage of dually eligible beneficiaries enrolled in each state.

## **Rate-Setting in Managed Long-Term Services and Supports Programs Resource Center**

The Center for Health Care Strategies has developed a [Rate-Setting in Managed Long-Term Services and Supports Programs Resource Center](#) to give states tools for developing or refining rate-setting methods for Medicaid managed long-term services and supports (MLTSS) or Medicare-Medicaid integrated care programs. This resource center, a product of CHCS' [Medicaid Managed Long-Term Services and Supports Rate-Setting Initiative](#) supported through the West Health Policy Center includes briefs providing foundational concepts, federal and professional guidance, information on risk adjustment for functional status, and state and operational best practices. These resources will help states to set MLTSS capitation rates that address the diverse needs of the populations enrolled and establish incentives to promote higher quality services and more cost-effective care.

### **New Issue Brief Reviews Medicaid Options for Coverage of Social Interventions**

A July 2016 issue brief by [Manatt Health](#) outlines ways in which state Medicaid programs can facilitate access to and sometimes cover social support services such as social services programs, housing, employment, and peer and community supports. For states using capitated managed care models to link services for Medicare-Medicaid enrollees, the discussion on pp. 8-9 of the brief on options for covering social support services in managed care may be of special interest.

### **August 2016 Enrollment in Medicare-Medicaid Plans**

Between July and August, total Medicare-Medicaid Plan enrollment in the ten states (CA, IL, MA, MI, NY, OH, RI, SC, TX, and VA) currently implementing capitated model financial alignment demonstrations decreased from 373,127 to 368,365 as shown in ICRC's table [Monthly Enrollment in Medicare-Medicaid Plans by Plan and by State, August 2015 to August 2016](#).

### **Enrollment in PACE Organizations**

PACE organizations provide comprehensive medical and social services to frail, community-dwelling individuals age 55 and older, most of whom are Medicare-Medicaid enrollees. As shown in ICRC's table [Program of All Inclusive Care for the Elderly \(PACE\) Total Enrollment by State and by Organization](#), there were a total of 36,208 individuals enrolled in 120 PACE organizations in August 2016, operating in 32 states.

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## **New Resources on the ICRC Website**

- [State Trends in the Delivery of Medicaid Long-Term Services and Supports](#) (Center for Health Care Strategies/July 2016) This brief outlines current trends in MLTSS innovations and LTSS reforms in seven states and describes trends including: increasing Medicare and Medicaid alignment for dually eligible individuals; leveraging housing resources and other social services to keep people in the community; and advancing value-based purchasing with LTSS providers; among others.
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## News and Key Upcoming Dates

### Recent Integrated Care News

<b>July 29</b>	Part D national average monthly bid amount (NAMBA) released.
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### Key Upcoming Dates

<b>Mid-September</b>	CMS executes MA and PDP contracts with plans.
<b>Late September</b>	D-SNPs that requested review for FIDE SNP determination notified as to whether they meet required qualifications.
<b>October 1</b>	MA and Medicare Part D marketing begins for CY 2017.
<b>October 13</b>	Medicare Advantage Part C and Part D Star Ratings go live on medicare.gov.
<b>Mid-October</b>	CMS releases Notice of Intent to Apply (NOIA) for new contracts or contract extension for the 2nd CY after their release.