UPDATE

Highlights of federal and state integrated care initiatives, Medicare and Medicaid news, and new ICRC resources

March 30, 2018

IN THIS ISSUE

Integrated Care Update

New Resources on the ICRC Website

News and Key Upcoming Dates

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

Data Analytic Tools to Help States Address Opioid Misuse among Dually Eligible Beneficiaries

The Medicare-Medicaid Data Integration (MMDI) contractor, which provides technical assistance to states participating in the Financial Alignment Initiative and the Innovation Accelerator Program, has released two new opioid use cases. These use cases are available through the State Data Resource Center's (SDRC) website along with other tools to help states successfully understand and analyze Medicare data as well as integrate those data with Medicaid and other data on the state's IT platform.

The first use case is Profiling the Provider Role in Opioid Prescribing Among Dual Eligible Beneficiaries. Research shows that excessive and inappropriate prescribing of opioids is a widespread problem among providers and is largely responsible for the observed trends in opioid misuse. This use case will provide guidance to assist state Medicaid Agencies (SMAs) on how to leverage Medicare Part D Prescription Drug (PDE) data, along with other publicly available data sources to profile providers who prescribe opioids to dually eligible beneficiaries. This will enhance SMAs' abilities to identify opportunities to implement programs and policies that result in safer prescribing of opioids.

The second use case is Profiling Potential Opioid Misuse Among Dual Eligible Beneficiaries. Prescription opioid misuse has emerged as a growing epidemic. To address prescription opioid misuse among dual eligible beneficiaries, SMAs must understand prescription filling patterns and factors associated with opioid misuse within this population. This use case shows SMAs how to use Medicare Part D PDE data, with other Medicare and Medicaid data sources, to examine opioid prescription fills among dually eligible beneficiaries and identify potential misuse.

For more information, please contact SDRC via the support line, (877) 657-9889 or email sdrc@econometricainc.com.

Dual Eligible Special Needs Plan Entries and Departures in 2018

Using the SNP Comprehensive Reports published by the Centers for Medicare & Medicaid Services, ICRC created a table of New and Departing Dual Eligible Special Needs Plans (D-SNPs) in Calendar Year 2018 that lists D-SNPs entering or leaving state markets.

Between 2017 and 2018, the number of D-SNPs grew slightly, from 377 to 412, with plans now operating in 39 states, the District of Columbia, and Puerto Rico. In 2018, D-SNPs are offered in two new states (Iowa and Oklahoma), but are no longer available in Illinois, where eligible D-SNP enrollees were passively enrolled into Medicare-Medicaid Plans. Twenty-three Medicare Advantage contracts include new D-SNPs, and 11 contracts have one or more departing D-SNPs. There are nine large

(affecting more than 50 D-SNP enrollees) service area reductions. Of the 2.2 million D-SNP enrollees as of March 2018, less than one percent (12,704) are in departing D-SNPs, and another less than one percent (3,228) will be affected by service area reductions. In several instances, existing contracts were consolidated into other contracts operated by the same company under a Consolidated Renewal Plan. Some of these changes are not shown in the table. In those cases, the D-SNP enrollees are automatically enrolled in the D-SNP under the consolidated contract if they live in the D-SNP service area.

Overall, the D-SNP market remained stable from 2017 to 2018, with no major changes in entries and departures in CY2018. However, this may change in the next few years as states and health plans begin responding to the D-SNP integration requirements in the Bipartisan Budget Act of 2018.

MedPAC and MACPAC Reports to Congress: Issues Related to Integrated Care

The Medicare Payment Advisory Commission (MedPAC) and the Medicaid and CHIP Payment and Access Commission (MACPAC) released their Reports to Congress on March 15. Each report includes chapters that may be of interest to states operating or considering programs to improve coordination of Medicare and Medicaid services for dually eligible individuals.

MedPAC's report focuses primarily on Medicare payment for specific Medicare fee-for-service (FFS) benefits as well as the Medicare Advantage (MA) managed care program. The report includes several chapters that cover Medicare services that overlap with Medicaid services for dually eligible beneficiaries, and the MA program includes D-SNPs that contract with states for coordination or integration of Medicaid services. States may want to look in particular at the following chapters:

- **Chapter 13: The Medicare Advantage program.** This chapter discusses: (1) trends in enrollment, plan availability, and payments; (2) MA risk adjustment and coding intensity; and (3) quality measurement in the MA program and the effect of contract consolidations.
- **Chapter 8: Skilled nursing facility services.** The Commission reiterates its view that the aggregate level of Medicare's payments for these services remains too high, noting that SNF Medicare margins have been above 10 percent each year since 2000, and Medicare FFS payments are substantially higher than what MA plans pay (21 percent higher in 2017 for three large publicly held SNF companies). The Commission recommends that Congress provide no Medicare payment increases for fiscal years 2019 and 2020. (Payments are estimated to increase under current law by 2.0 percent in 2019 and 2.1 percent in 2020.) The chapter also includes a discussion of Medicaid nursing facility trends on pp. 231-232.
- **Chapter 9: Home health care services.** The Commission concludes that Medicare payments for home health care services are also too high, noting that payments have consistently and substantially exceeded costs for more than a decade. The Commission recommends that Congress reduce Medicare home health payments by 5 percent in calendar year 2019, and implement a two-year rebasing of the payment system beginning in calendar year 2020.
- **Chapter 12: Hospice services.** The Commission recommends that Congress should not increase hospice payments in fiscal year 2019. (Payments are estimated to increase by 1.7 percent under current law.) The Commission also repeated its 2014 recommendation that the hospice benefit be included in the Medicare Advantage benefit package (p. 328).

MACPAC's report has chapters on Medicaid managed care, telehealth, and disproportionate share hospital allotments to states, but the chapter on managed care has most relevance to integrated care:

- **Chapter 1: Streamlining Medicaid managed care authority.** In this chapter, the Commission discusses the evolution of Medicaid managed care authority under Sections 1115, 1932(a), and 1915(b) and (c), and makes three recommendations to streamline these statutory authorities. One recommendation is that Congress amend Section 1932(a)(2) to allow states to require all beneficiaries – including those dually eligible for Medicare and Medicaid – to enroll in Medicaid managed care programs under state plan authority.

Webinar on Commonwealth Care Alliance's Experiences in the One Care Demonstration

Our February 16, the National Academy of Medicine held the first in a series of webinars on providing effective care for high-need patients. This webinar shared the experiences of Commonwealth Care Alliance, a not-for-profit, community-based health plan participating in One Care, the Financial Alignment Initiative demonstration in Massachusetts for dually eligible individuals under age 65 with complex medical, behavioral health, and social needs. The webinar discussed practical challenges the plan faced in implementing the demonstration, its impact on patient outcomes, and opportunities for scaling and spreading the plan's approach. The webinar slides and recording are available on the National Academy of Medicine's website.

March 2018 Enrollment in Medicare-Medicaid Plans

Between February and March 2018, total Medicare-Medicaid Plan (MMP) enrollment in the nine states (CA, IL, MA, MI, NY, OH, RI, SC, and TX) currently implementing capitated model Financial Alignment Initiative demonstrations decreased slightly from 382,933 to 382,132 as shown in ICRC's table Monthly Enrollment in Medicare-Medicaid Plans by Plan and by State, March 2017 to March 2018.

March 2018 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, in March 2018 there were 124 PACE organizations operating in 31 states. Between January and February 2018, total PACE enrollment increased from 41,304 to 41,427.

New Resources on the ICRC Website

- Medicare 101 and 201 – Key Issues for States (ICRC/February 2018) This webinar covers Medicare program basics, including: (1) Medicare-Medicaid enrollee characteristics; (2) Medicare eligibility pathways; (3) an overview of Medicare managed care and state contracting with D-SNPs; (4) overlapping benefits and other Medicare coverage issues; and (5) Medicare policy updates, key dates, and resources relevant for state Medicaid staff. Recording

- Enrollment Processing and Strategies to Grow Enrollment for States Participating in the Capitated Model Financial Alignment Initiative (ICRC/February 2018) This webinar reviews strategies to increase and sustain enrollment into Medicare-Medicaid Plans, including on-going passive enrollment

of newly dually eligible individuals and deeming and rapid-re-enrollment strategies to retain coverage for short-term loss of Medicaid. Recording

News and Key Upcoming Dates

Recent Integrated Care News	
February 14	Medicare Advantage (MA), Part D, and Medicare-Medicaid Plan (MMP) applications due for CY 2019. Also, Model of Care submission period ends for Special Needs Plans with approvals ending as of 12/31/18.
Mid-March	MedPAC and MACPAC reports to Congress released.

Key Upcoming Dates	
April 2	Final announcement of MA capitation rates and Part D payment policies for CY 2019 released.
April 6	CMS launches the plan benefit package (PBP) module in the Health Plan Management System (HPMS); organizations interested in offering a MA, Prescription Drug Plan, or MMP product must submit a PBP that accurately describes the coverage details and cost-sharing for all covered benefits by June 4.
April 12	Comments due on Dual Eligible Special Needs Plan-related provisions of the Bipartisan Budget Act of 2018.