

## Integrated Care Updates

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### CMS Issues CY 2023 Medicare Advantage and Part D Proposed Rule

On January 6, 2022, the Centers for Medicare & Medicaid Services (CMS) issued a [proposed rule](#) that would make updates to the Medicare Advantage (MA) and Medicare Part D programs, including proposals to improve experiences for dually eligible individuals who are enrolled in Dual Eligible Special Needs Plans (D-SNPs). The proposed rule seeks to incorporate into D-SNPs and the broader MA program many elements of the Financial Alignment Initiative that have improved experiences for dually eligible individuals.

States may want to comment on the proposed rule, as the CMS proposals lay out a number of pathways by which states can achieve improved coordination of Medicare and Medicaid benefits through both integrated D-SNPs and D-SNPs that are not currently contracted to deliver Medicaid benefits. CMS has also specifically requested public comments on several topics that may be of interest to states within the document.

For more details, see the text of the proposed rule that was published in the January 12, 2022 Federal Register: <https://www.govinfo.gov/content/pkg/FR-2022-01-12/pdf/2022-00117.pdf> and also ICRC's e-alert summarizing major provisions of the proposed rule: <https://www.integratedcareresourcecenter.com/e-alert/update-announcing-cms-cy-2023-medicare-advantage-and-part-d-proposed-rule-cms-4192-p>.

**CMS will accept comments on the proposed rule received by March 7, 2022. To submit comments electronically, go to <http://www.regulations.gov> and follow the "Submit a comment" instructions referencing "CMS-4192-P."**

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### New Evaluation Reports for Financial Alignment Initiative Demonstrations

CMS has posted [additional evaluation reports](#) for three demonstrations under the Financial Alignment Initiative (FAI). These reports highlight ongoing FAI demonstrations, including the [fifth report for Washington State](#), the [second report for South Carolina](#), and a [first and second combined report for Rhode Island](#). Key takeaways from these reports include:

- **Beneficiary satisfaction in all three demonstrations was high.** Washington respondents reported high levels of satisfaction with care coordination services. In Rhode Island and South Carolina, over two-thirds of respondents rated their health plan at the highest levels.
  - Over the first 6 years (through 2019), **the Washington demonstration reduced gross Medicare Parts A and B expenditures by \$385 million.** These evaluation results are consistent with the findings of a separate actuarial analysis. Other declines during this period included skilled nursing facility admissions, the annual probability of any long-stay nursing facility use, and the probability of a 30-day follow-up visit after a mental health discharge.
  - **The South Carolina demonstration led to a decline in inpatient admissions** through 2018 with no impact on Medicare costs, but also an increased probability of any long-stay nursing facility use and an unfavorable effect on Medicaid costs.
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- **The Rhode Island demonstration significantly reduced emergency department (ED) use through 2018.** The probability of an ED visit and the count of preventable ED visits declined over this period, though the evaluation did not find evidence of Medicare savings.

CMS will share additional reports as they become available.

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## January 2022 Enrollment in Medicare-Medicaid Plans

Between December 2021 and January 2022, total Medicare-Medicaid Plan (MMP) enrollment in the nine states (CA, IL, MA, MI, NY, OH, RI, SC, and TX) currently implementing capitated model demonstrations under the Financial Alignment Initiative decreased from 438,161 to 424,423 as shown in ICRC's table [Monthly Enrollment in Medicare-Medicaid Plans by Plan and by State, January 2021 to January 2022](#). However, publicly available data on January enrollment in MMPs does not include all of the enrollment changes that took place on January 1. More refined enrollment data is expected in the February data release.

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## January 2022 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 dually eligible. As shown in ICRC's table, [Program of All Inclusive Care for the Elderly \(PACE\) Total Enrollment by State and by Organization](#), PACE organizations were operating in 31 states in January 2022. Between December 2021 and January 2022, the total number of Medicare beneficiaries enrolled in PACE decreased from 52,836 to 52,459. Note that this table includes a new PACE plan, contract number H3991 for ConcertoHealth of Northern Virginia, which had less than 10 enrollees as of January.

## Key Upcoming Dates

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- **February 16** – Medicare Advantage and Part D plan applications due for CY 2023.
- **March 7** – Comments due on CY 2023 Medicare Advantage and Part D Proposed Rule

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### ABOUT THE INTEGRATED CARE RESOURCE CENTER

The Integrated Care Resource Center is a national initiative of the Centers for Medicare & Medicaid Services to help states improve the quality and cost-effectiveness of care for individuals dually eligible for Medicare and Medicaid. The state technical assistance activities are coordinated by Mathematica and the Center for Health Care Strategies. For more information, visit [www.integratedcareresourcecenter.com](http://www.integratedcareresourcecenter.com).

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