

## Integrated Care Updates

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### CMS Issues Final Rule on Contract Year 2024 MA and Part D Policy and Technical Changes

On April 5, the Centers for Medicare & Medicaid Services (CMS) issued a [final rule](#) for the Medicare Advantage (MA) and Part D programs (CMS-4201-F). The rule strengthens beneficiary protections and takes steps to improve access to behavioral health care and promote equity for millions of Americans with MA and Part D. While this rule does not directly create new state obligations or opportunities, states seeking to better integrate and coordinate care for their dually eligible populations may want to review the provisions summarized in ICRC's April 17 [Spotlight e-alert](#). A more detailed description of the rule is available in the official [CMS fact sheet](#).

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### New Evaluation Reports for Financial Alignment Initiative Demonstrations

On April 12, CMS posted online additional evaluation and actuarial cost reports for five demonstrations under the Medicare-Medicaid Financial Alignment Initiative (FAI), including the: [seventh Medicare actuarial report for Washington State](#), [fifth \(preliminary\) report for Massachusetts](#), [third \(preliminary\) report for California](#), [third report for Illinois](#), and [second brief report on Integrated Appeals and Grievances for New York](#). Key findings include:

- The Washington State actuarial savings analysis shows a reduction in gross Medicare Parts A and B expenditures of \$59.1 million and \$39.0 million for calendar years 2019 and 2020, respectively. The 2020 finding is preliminary as the evaluator will incorporate additional data in the next report. Gross Medicare Parts A and B savings from 2013-2020 are now estimated to total \$332.1 million. Based on these actuarial results, CMS has made an interim performance payment to Washington of \$11.4 million for 2020 (Demonstration Year 7). Interim performance payments to Washington now total \$98.7 million.
  - The California, Illinois, and Massachusetts reports show mixed results despite some favorable findings. For example, beneficiary satisfaction in all three demonstrations generally increased from 2015-2021, though 2020 data were not collected due to the COVID public health emergency. However, the California and Massachusetts reports indicate unfavorable Medicare and Medicaid cost impacts. While evaluators found unfavorable Medicare cost impacts in Illinois, they were unable to calculate Medicaid impact estimates due to data issues. The California demonstration transitioned to integrated dual eligible special needs plans (D-SNPs) in January 2023, with Massachusetts and Illinois scheduled to make similar transitions in 2026.
  - The report for the New York Integrated Appeals and Grievances demonstration describes the implementation of a unified process for Medicare and Medicaid appeals. Evaluators found that the demonstration was viewed favorably by beneficiary advocates and the state, and it did not appear to increase or decrease the Medicare costs of adjudicating appeals in either 2020 or 2021. However, feedback from interviews with participating plans and beneficiaries was mixed.
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All FAI evaluation reports and select *At A Glance* report summaries are available on CMS' website: <https://innovation.cms.gov/innovation-models/financial-alignment>.

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## April 2023 Enrollment in Medicare-Medicaid Plans

Between March and April 2023, total Medicare-Medicaid Plan (MMP) enrollment in the eight states (IL, MA, MI, NY, OH, RI, SC, and TX) with capitated model demonstrations under the Financial Alignment Initiative increased from 309,045 to 315,733 as shown in ICRC's table [Monthly Enrollment in Medicare-Medicaid Plans by Plan and by State, April 2022 to April 2023](#).

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## April 2023 Enrollment in PACE Organizations

Program of All Inclusive Care for the Elderly (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, [PACE Total Enrollment by State and by Organization](#), PACE organizations were operating in 31 states in April 2023. Between March and April 2023, the total number of Medicare beneficiaries enrolled in PACE increased from 56,316 to 56,548.

## New Resources on the ICRC Website

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- [Leveraging Dual Eligible Special Needs Plan \(D-SNP\) Models of Care to Enhance Enrollee Care Coordination](#) (April 2023): This webinar provides an overview of federal D-SNP care coordination and MOC requirements, describes state options for incorporating care coordination requirements into state Medicaid agency contracts (SMACs) with D-SNPs and/or requiring D-SNPs to incorporate state-specific information into MOCs, and discusses key considerations for states when implementing state-specific care coordination requirements.
- [Selectively Contracting with Medicare Advantage Dual-Eligible Special Needs Plans \(D-SNPs\) to Promote Alignment with Medicaid Managed Care Plans](#) (February 2023): This webinar explains the potential benefits for states of selectively contracting with D-SNPs, key building blocks for selective contracting, considerations for states when deciding to selectively contract with D-SNPs, and steps that states can take when implementing selective contracting.

## Key Upcoming Dates

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- **May 2023-** Release of CY2024 model templates for MA plan Annual Notice of Change (ANOC), Evidence of Coverage (EOC), Low-Income Subsidy (LIS) rider, Part D Explanation of Benefits, formularies, transition notice, provider directory, pharmacy directory, and member identification cards. Plans are able to begin uploading these documents into the Health Plan Management System (HPMS) for CMS review in July.
  - **May-July 2023-** Release of final state-specific MMP and D-SNP CY2024 models in selected states, which may include: ANOC/EOC (Member Handbook), Summary of Benefits, Formulary, Provider and Pharmacy Directory, Member ID card, and other integrated member material models.
  - **May- August 2023-** MA organizations with D-SNP look-alike plans submit CY2023 transition plans to CMS on May 5. CMS issues preliminary approval/rejection of these transitions on May 26. MA organizations then notify CMS of
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their transitions via HPMS in June, and CMS issues approval letters for transitions and Plan Submitted Rollover (POVER) process in mid-August.

- **June 2023-** CMS conducts triennial provider network adequacy reviews for active MA plans, including D-SNPs.
- **June 1, 2023-** Submission period begins for plans to submit CY2024 marketing materials to CMS for review via the HPMS Marketing Module.
- **June 5, 2023-** Deadline for all Medicare plans (MA and Part D) to submit CY2024 bids and formulary files; plans (including MMPs) deciding not to renew their contracts must notify CMS in writing.
- **June 6-7, 2023-** Initial submission period begins for MA organizations to request crosswalk exceptions for CY2024.
- **June 7, 2023-** CMS releases CY2024 D-SNP module for D-SNPs to upload required State Medicaid Agency Contracts (SMACs) and Contract Matrices in HPMS. D-SNPs must upload CY2024 SMACs into HPMS by July 3.

#### **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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