

Helping states develop integrated programs for individuals who are dually eligible for Medicare and Medicaid

July 27, 2022

## **Integrated Care Updates**

#### **MACPAC June Report to Congress**

The Medicaid and CHIP Payment and Access Commission (MACPAC), which advises Congress on Medicaid and related issues, recommends in its June report to Congress that it should authorize the U.S. Department of Health and Human Services (HHS) to require all states to develop a strategy to integrate Medicaid and Medicare coverage for dually eligible individuals, and provide additional federal funding to assist states with their integration efforts.

Chapter 5 of the report Raising the Bar: Requiring State Integrated Care Strategies makes this recommendation:

Congress should authorize the Secretary of the U.S. Department of Health and Human Services to require that all states develop a strategy to integrate Medicaid and Medicare coverage for full-benefit dually eligible beneficiaries within two years with a plan to review and update the strategy, to be specified by the Secretary. The strategy should include the following components—integration approach, eligibility and benefits covered, enrollment strategy, beneficiary protections, data analytics, quality measurement—and be structured to promote health equity. To support states in developing the strategy, Congress should provide additional federal funding to states to assist with these efforts toward integrating Medicaid and Medicare coverage for full-benefit dually eligible beneficiaries.

The chapter elaborates on the elements that state strategies should include on pp. 116-120. States may also want to look at Appendix Tables 5A-1 and 5A-2, which contain state-by-state summaries of current state use of integrated models, and the level of integration in D-SNPs in states that use that integration model.

#### **MedPAC June 2022 Report to the Congress**

The Medicare Payment Advisory Commission (MedPAC), which advises Congress on Medicare issues, includes in its June report an analysis of access to Medicare services by dually eligible individuals that states may find useful. In Chapter 2, Congressional request: Vulnerable Medicare beneficiaries' access to care (final report), MedPAC responds to a congressional request for information on access to care for dually eligible individuals comparing their use of Medicare services to that of Medicare-only beneficiaries. On pp. 38-42 and in Tables 2-9 and 2-10, the Commission reports on Medicare primary care clinician encounters, hospital inpatient admissions, skilled nursing facility days, and home health episodes per beneficiary in 2018. The tables break down service use by type of county (urban, rural micropolitan, rural adjacent, rural nonadjacent, and frontier).

The Commission notes that, given the higher health care needs of dually eligible individuals, "we cannot rule out the possibility that dual-eligible beneficiaries needed more care than they received or faced difficulties in accessing the care they did receive."

#### MedPAC Publishes July 2022 Data Book on Medicare Spending

On July 19, the Medicare Payment Advisory Commission (MedPAC) released its <u>July 2022 Data Book on Health Care Spending and the Medicare Program</u>, which provides data on Medicare spending, demographics of the Medicare population, beneficiaries' access to care, and Medicare program quality, among other information.

Section 4 (pages 31-38) covers dually eligible individuals and includes information on the percentage of Medicare spending for this population, demographic data, health status, and service use. Within this section, states may wish to review in particular:

 Chart 4-4: Demographic differences between dual-eligible beneficiaries and non-dual-eligible beneficiaries, 2019, which includes survey-based data on activities of daily living (ADL) limitations, living arrangements, and education level that are not available from other sources.

Section 9 (pages 115-130) covers Medicare Advantage (MA) and includes

- Chart 9-4: MA and cost plan enrollment by state and type of plan, 2022 which shows the percentage of MA-eligible beneficiaries in each state enrolled in different MA plan types (HMO, PPO, PFFS, and Cost).
- Chart 9-6: Average monthly rebate dollars, by plan type, 2017–2022, providing data on the recent growth in average monthly rebate dollars, which plans can use to provide supplemental benefits.
- Chart 9-8: Number of special needs plan enrollees, 2013-2022.
- Chart 9-9: Number of SNPs and SNP enrollment rose from 2021 to 2022.
- Chart 9-14: MA enrollment patterns, by age, full or partial dual eligibility status, and ESRD status

#### Updated ICRC Resources on Unified Appeals and Grievances Processes

On April 16, 2019, the Centers for Medicare & Medicaid Services (CMS), released a final rule that implements provisions of the 2018 Bipartisan Budget Act (BBA) requiring greater integration for Dual Special Needs Plans (D-SNP), including integrated plan-level appeal and grievance processes for certain "applicable integrated plans." ICRC has updated two of its resources on the unified appeals and grievances processes:

- A <u>fact sheet</u>, which is intended to help states with applicable integrated plans understand the new integrated appeal
  and grievance processes, the types of D-SNPs that are required to use them, and steps that states can take to help
  ensure effective implementation of the new processes.
- The <u>appeals and grievances comparison resource</u>, which is designed to help states, health plans, and other stakeholders understand the differences between existing Medicare and Medicaid appeal and grievance processes, and the integrated appeal and grievance processes established in 2019.

# American Rescue Plan Spending Deadline Extension for States to Expand and Enhance Home- and Community-Based Services for People with Medicaid

On June 3, the U.S. Department of HHS, through CMS, announced a deadline extension for states to use funding made available by the American Rescue Plan (ARP). States now have through March 31, 2025, to use the ARP funding to enhance, expand, and strengthen home- and community-based services (HCBS) for people with Medicaid who need long-term services and supports (LTSS).

Additional information on states' spending plans — including a recently updated infographic summarizing planned activities and key investments — can be found at <a href="Medicaid.gov">Medicaid.gov</a>.

To review the guidelines for the use of the ARP funds, see: <a href="https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf">https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf</a>.

To review the State Medicaid Director Letter extending the spending deadline, see: <a href="https://www.medicaid.gov/federal-policy-guidance/downloads/smd22002.pdf">https://www.medicaid.gov/federal-policy-guidance/downloads/smd22002.pdf</a>.

#### July 2022 Enrollment in Medicare-Medicaid Plans

Between June and July 2022, total Medicare-Medicaid Plan (MMP) enrollment in the nine states (CA, IL, MA, MI, NY, OH, RI, SC, and TX) with current capitated model demonstrations under the Financial Alignment Initiative increased from 422,586 to 427,559 as shown in ICRC's table Monthly Enrollment in Medicare-Medicaid Plans by Plan and by State, July 2021 to July 2022. The increase is primarily due to increased enrollment in IL and MA. The MA United Contract H9239 increased from 868 to 2,411 enrollees between June and July.

#### **July 2022 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, <u>PACE Total Enrollment by State and by Organization</u>, PACE organizations were operating in 30 states in July 2022. Between June and July 2022, the total number of Medicare beneficiaries enrolled in PACE increased from 53,511 to 54,043.

### New Resources on the ICRC Website

Exclusively Aligned Enrollment 101: Considerations for States Interested in Leveraging D-SNPs to Integrate
 Medicare and Medicaid Benefits (May 2022) This webinar provides an overview of how exclusively aligned
 enrollment promotes integration of Medicare and Medicaid benefits within Dual Eligible Special Needs Plans (D-SNPs) and key considerations for states in designing and implementing exclusively aligned enrollment. A recording
 of this webinar can be found on this page.

# **Key Upcoming Dates**

- **July-August 2022-** Release of state-specific marketing guidance for MMPs.
- Early August 2022- Approval letters sent to D-SNP look-alikes for transitions and POVER process.
- Early-Mid August 2022- CY 2023 contract materials released in HPMS.
- August-September 2022- Plan preview periods of Part C & D Star Ratings in HPMS.
- Late August 2022- D-SNPs notified by CMS of final determinations of integration status and sanctions based on CY 2023 SMACs.

#### **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 <a href="https://www.integratedcareresourcecenter.com">www.integratedcareresourcecenter.com</a>.

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