

# UPDATE

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

#### May 23, 2016

### 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

### LTQA Report on Key Components of Integrated LTSS in Five "Exemplar" Plans

In an <u>April 2016 report</u>, the Long-Term Quality Alliance (LTQA) analyzes the key components that affect integration of medical care and long-term supports and services (LTSS) for Medicaid and Medicare-Medicaid enrollees in managed care plans. Based on case studies of five experienced plans in Arizona, California, Massachusetts, New York, and Texas, the report concludes that:

- Care management is at the heart of what integrated programs do and is key to achieving results.
- Targeting high-cost, high-need enrollees is key to achieving positive outcomes and savings.
- Significant statutory and regulatory barriers exist to integrating medical services and LTSS, including:
  - Medicare requirements for enrollee choice of plans and providers that can limit health plan enrollment and care management;
  - Administrative complexities posed by the separation of Medicare and Medicaid payments for services;
  - The siloed structure of the service delivery system, especially the separation between medical care and LTSS, can impede integration, but health plans can break down some of the barriers through more effective care management and communication and payment incentives for providers; and
  - Better integration of financing and payment is needed to take advantage of opportunities to manage medical risk and LTSS in a more integrated way.

The report summarizes in its concluding section (pp. 93-104) how the five featured plans have addressed these challenges and opportunities. The case studies are part of a larger LTQA project aimed at measuring the impact of LTSS integration on cost and quality outcomes in health plans compared to fee-for-service, using a population model to be developed from CMS claims records and population surveys.

## CMS Value-Based Purchasing and Quality Reporting Initiatives for Skilled Nursing Facilities Can Provide a Model for States and Health Plans

In response to 2014 statutory requirements, the Centers for Medicare & Medicaid Services (CMS) is developing a value-based purchasing (VBP) approach to paying Medicare skilled nursing facilities (SNFs), to be implemented in FY 2019. It is also developing a quality reporting program (QRP) for SNFs beginning with FY 2018. States and health plans that are paying for Medicaid nursing facility services and/or Medicare SNF services may want to consider building elements of these VBP and QRP initiatives into their payment systems. The VBP program includes a measure of potentially preventable hospital readmissions, and the QRP includes measures of pressure ulcers, falls, functional assessments and care plans, and proposed measures of discharges to the community, per-beneficiary spending, preventable readmissions, and drug regimen reviews. For more information, see the CMS <u>fact sheet</u> with summaries of the VBP and QRP initiative and the <u>April 25, 2016 Federal Register</u> for more details on the CMS proposed rule for SNF reimbursement in FY 2017.

### New Kaiser Family Foundation Report on Medicare Advantage Enrollment by State

A May 2016 Kaiser Family Foundation report, <u>Medicare Advantage 2016</u> <u>Spotlight: Enrollment Market Update</u>, provides an overview of Medicare Advantage (MA) enrollment by state and by firm, including discussions of overall enrollment trends and penetration rates by state, star quality ratings, and Special Needs Plans (SNPs). States participating in the CMS financial alignment demonstrations and/or contracting with Dual Eligible Special Needs Plans will the following state-by-state tables to be useful:

- Table 1. MA Enrollment and Penetration Rate, by State, 2015-2016;
- Table A6. Market Share of the Top Three MA Firms, by State, 2016;
- Table A7. MA Market Share by Firm, by State, 2016;
- Table A8. Enrollment in SNPs, by Plan Type and State, 2016; and
- Table A9. Enrollment in Dual Eligible Special Needs Plans and Financial/Administrative Alignment Demonstrations, by State, 2016.

### May 2016 Enrollment in Medicare-Medicaid Plans

Between April and May, total Medicare-Medicaid Plan (MMP) enrollment in the ten states (CA, IL, MA, MI, NY, OH, RI, SC, TX, and VA) currently implementing capitated model financial alignment demonstrations decreased slightly from 368,408 to 364,863 as shown in ICRC's table <u>Monthly Enrollment in Medicare-Medicaid Plans by Plan and by State</u>, <u>May 2015 to May 2016</u>. Although RI launched its demonstration program this month, it is not yet reporting enrollment. Of note, the MMP participating in NY's demonstration for individuals with intellectual/developmental disabilities reported enrollment of 110 people in May.

### **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 <u>Program of All Inclusive Care for the Elderly (PACE)</u> <u>Total Enrollment by State and by Organization</u>, there were a total of 35,318 individuals enrolled in 119 PACE organizations in May 2016, operating in 32 states.

### New Resources on the ICRC Website

 Medicare and Medicaid Nursing Facility Benefits: The Basics and Opportunities for Integrated Care (Integrated Care Resource Center/April 2016) This presentation provides an overview of: (1) similarities and differences between Medicare and Medicaid nursing facility benefits; (2) nursing facility quality and performance measurement; (3) Medicare and Medicaid payment methods, amounts, and incentives; and (4) opportunities for quality and care improvement through integrated care.

# News and Key Upcoming Dates

Recent Integrated Care News	
April 4	Final Call Letter and announcement of MA capitation rates and Part D payment policies for CY 2017 released.
April 7	Mid-year Medicare Star ratings released.
April 8	CMS launched the plan benefit package (PBP) module in the Health Plan Management System (HPMS); organizations interested in offering a MA, PDP, or Medicare-Medicaid Plan (MMP) should have submitted a PBP that accurately describes the coverage details and cost-sharing for all covered benefits by the first Monday in June.
Key Upcoming Dates	
June 6	Deadline for plans to submit CY 2017 MA, MA-PD, MMP, and PDP bids; plans deciding not to renew their MA contracts must notify CMS in writing.
June 6	Organizations interested in offering a MA, PDP, or MMP product must submit a PBP that accurately describes the coverage details and cost-sharing for all covered benefits.
Mid-June	MedPAC and MACPAC reports to Congress released.