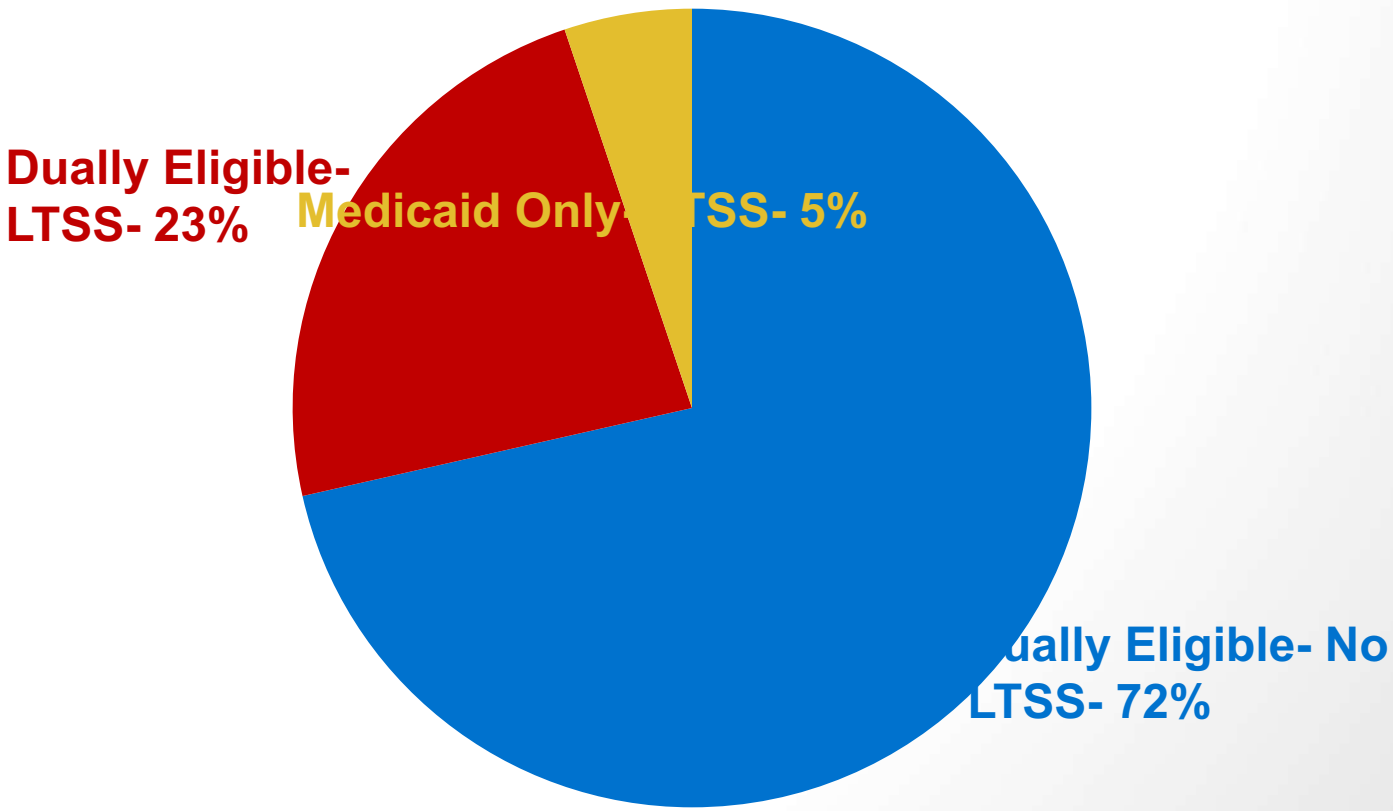
Coordination of Medicaid and Medicare for Dually Eligible Beneficiaries

MLTSS Subcommittee – March 2, 2016

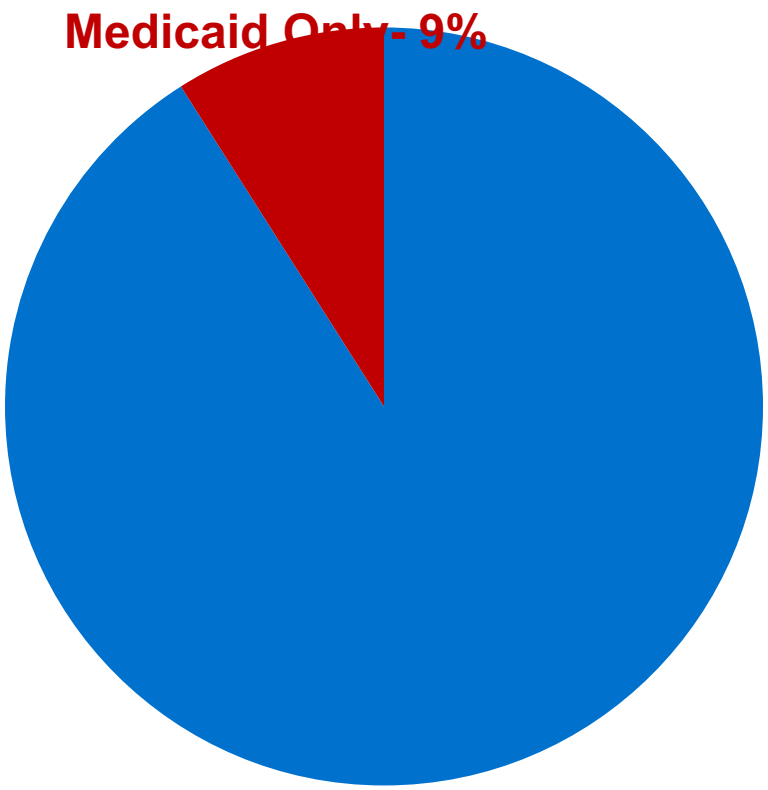
Paul Saucier, Truven Health Analytics

Approximately 450,000 People are Eligible for CHC. 95% of Them are "Full" Dual Eligibles, which Means they have Full Medicaid Benefits and Medicare.

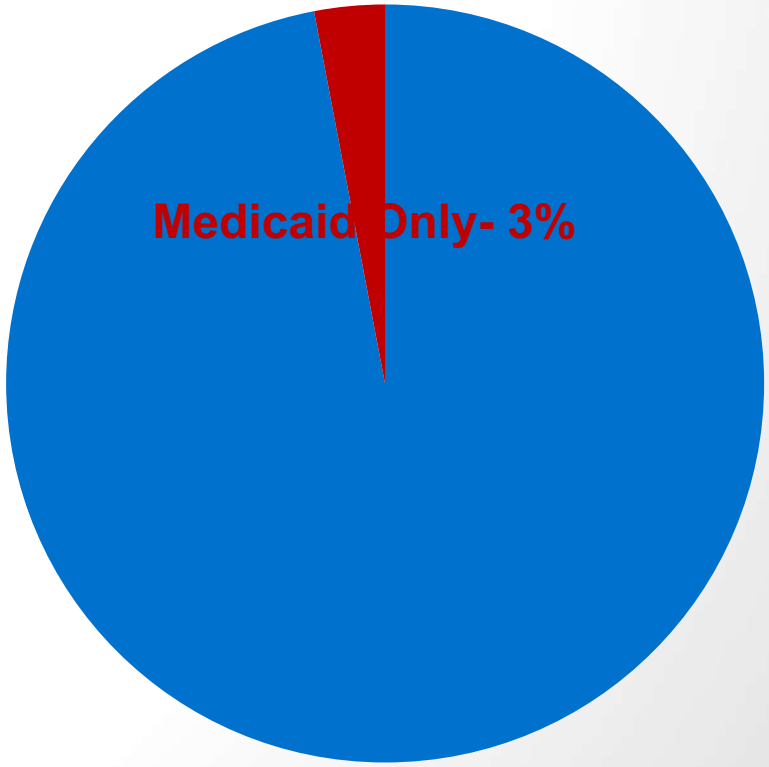


TRUVEN HEALTH ANALYTICS

CHC Group
Under 60 Years



CHC Group
60 Years & Older



TRUVEN HEALTH ANALYTICS

One of CHC's Goals is to Improve Coordination for Dually Eligible Beneficiaries

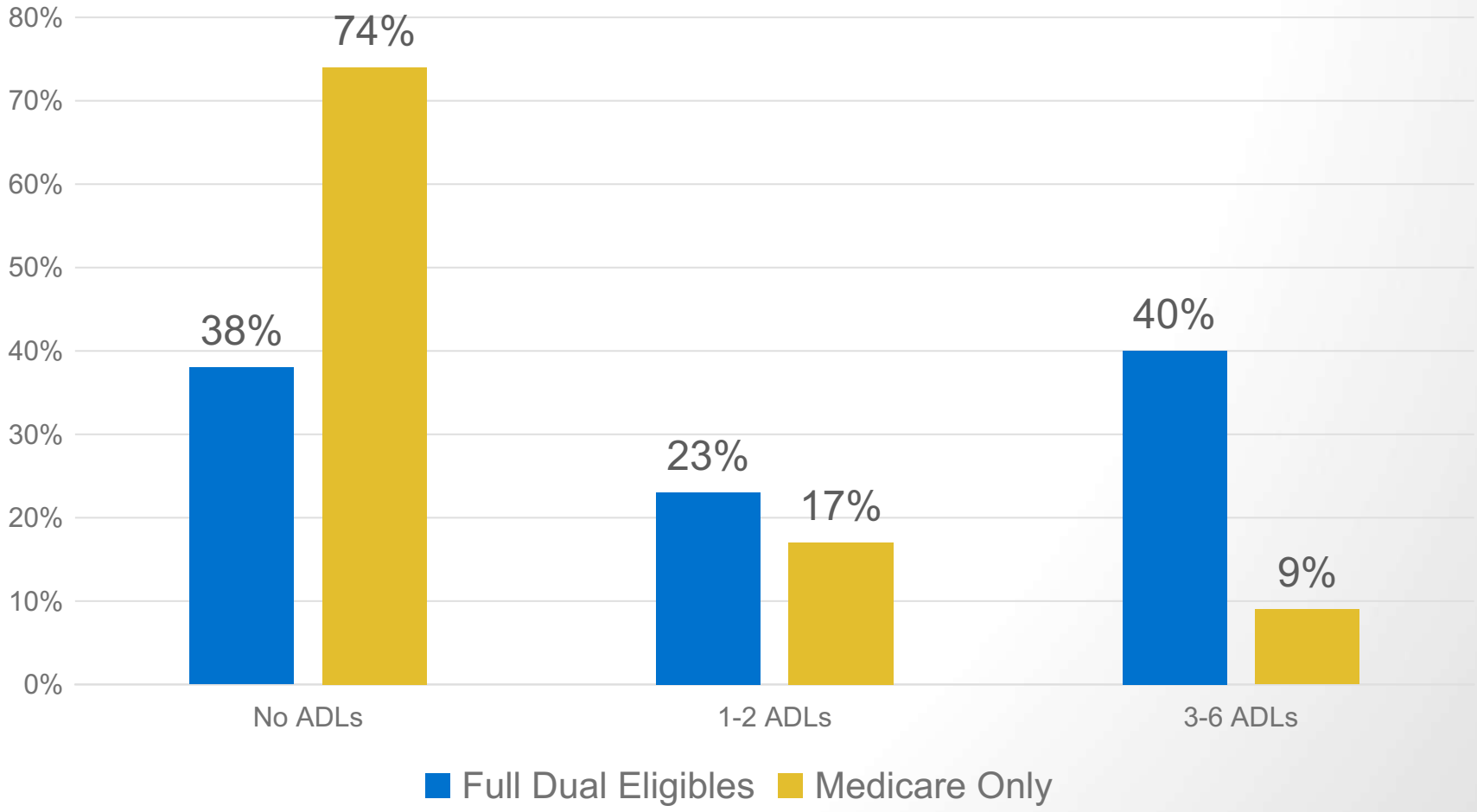
Goal 2: Strengthen coordination of LTSS and other types of health care, including all Medicare and Medicaid services for dual eligibles.

TRUVEN HEALTH ANALYTICS

Why is there Interest in Dual Eligibles?

- Consumers with both Medicaid and Medicare navigate two parallel systems that are not coordinated.
- Medicare is the first payer for doctors, hospitals and skilled therapies; Medicaid is the payer for LTSS.
- Most people transition through hospitals and/or skilled therapies on their way to receiving LTSS. When coordination is lacking, the transitions can be difficult and ineffective.
- One consequence of ineffective transitions is people getting stuck in nursing homes. Dual eligibles are more than 4 times as likely to live in a nursing home as Medicare-only beneficiaries.

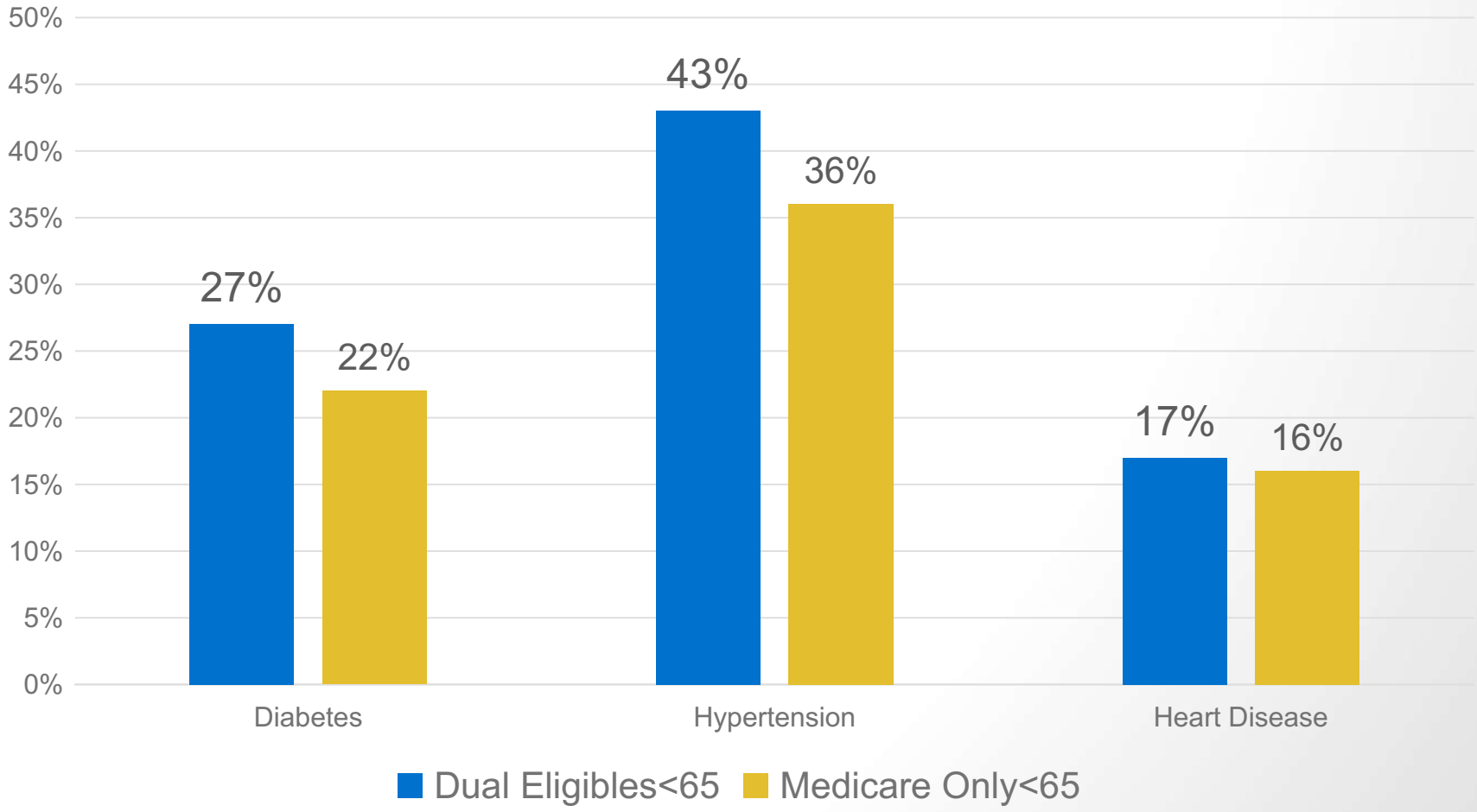
Percent of Beneficiaries with Limitations in Activities of Daily Living, U.S., 2011



Source: MedPAC and MaCPAC. Data Book: Beneficiaries Dually Eligible For Medicare and Medicaid. January, 2016.

TRUVEN HEALTH ANALYTICS

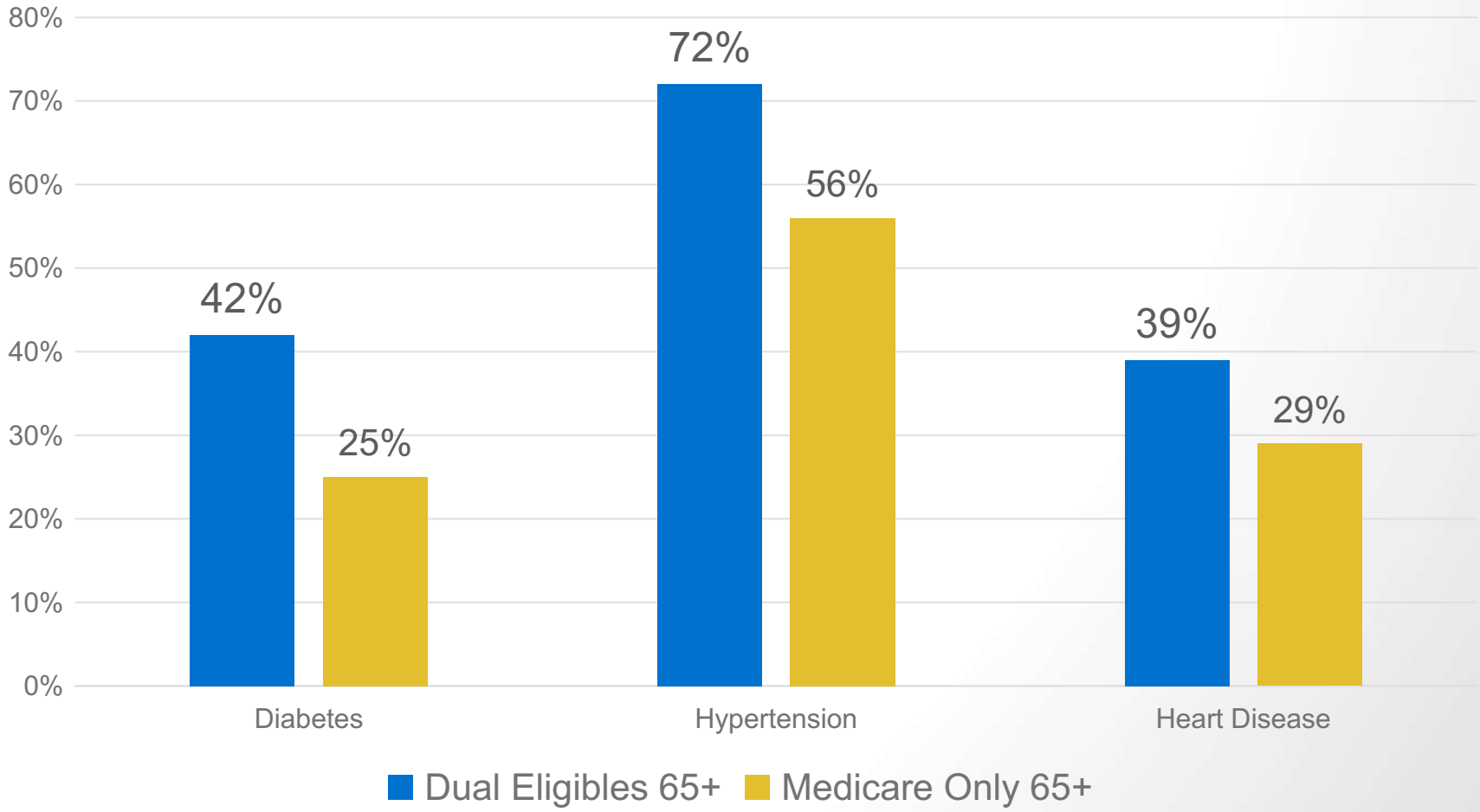
Percent of Beneficiaries Under 65 with Chronic Physical Conditions, U.S., 2014



CMS Medicare Chronic Conditions Dashboard: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/CCDashboard.html

TRUVEN HEALTH ANALYTICS

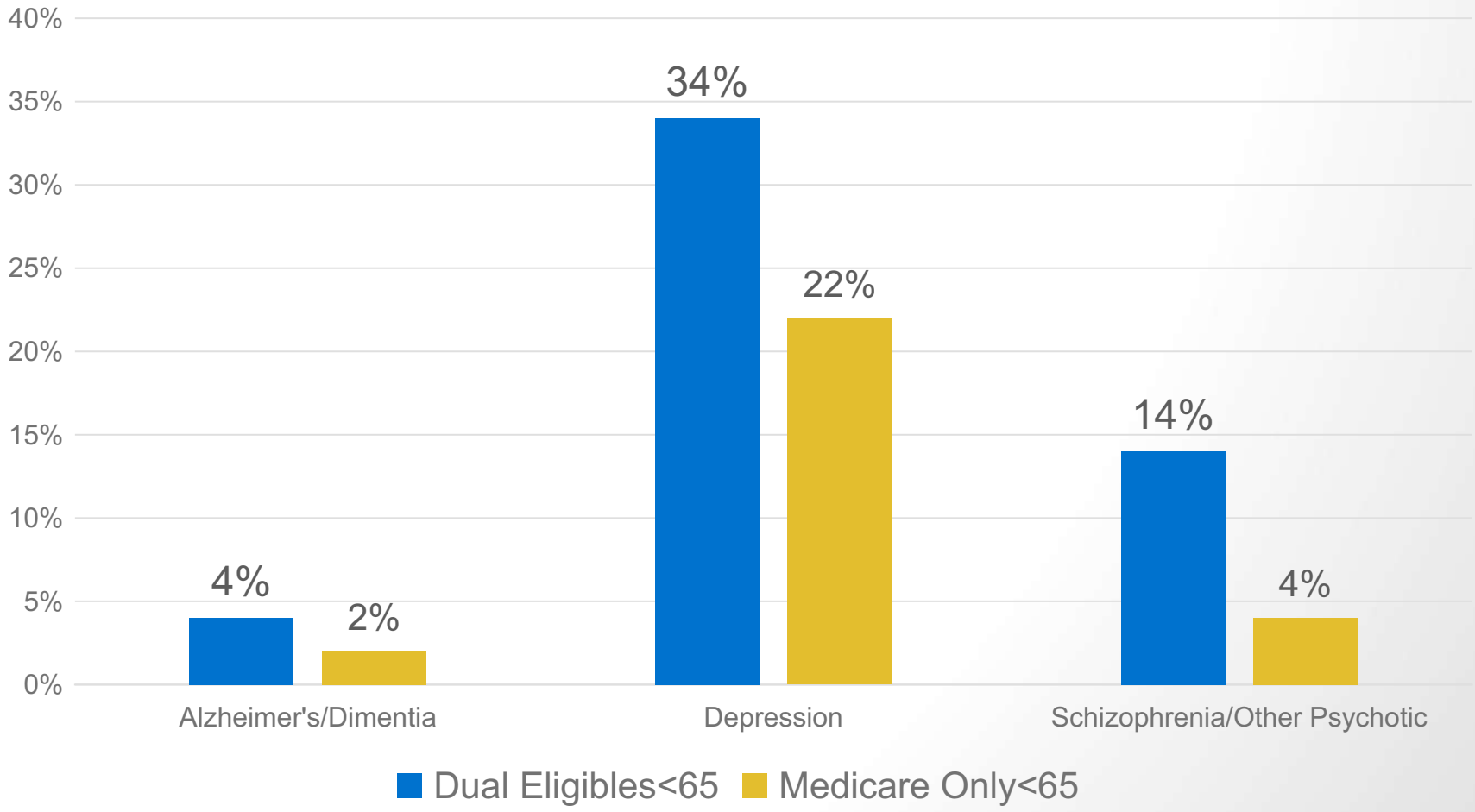
Percent of Beneficiaries 65 and Older with Chronic Physical Conditions, U.S., 2014



CMS Medicare Chronic Conditions Dashboard: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/CCDashboard.html

TRUVEN HEALTH ANALYTICS

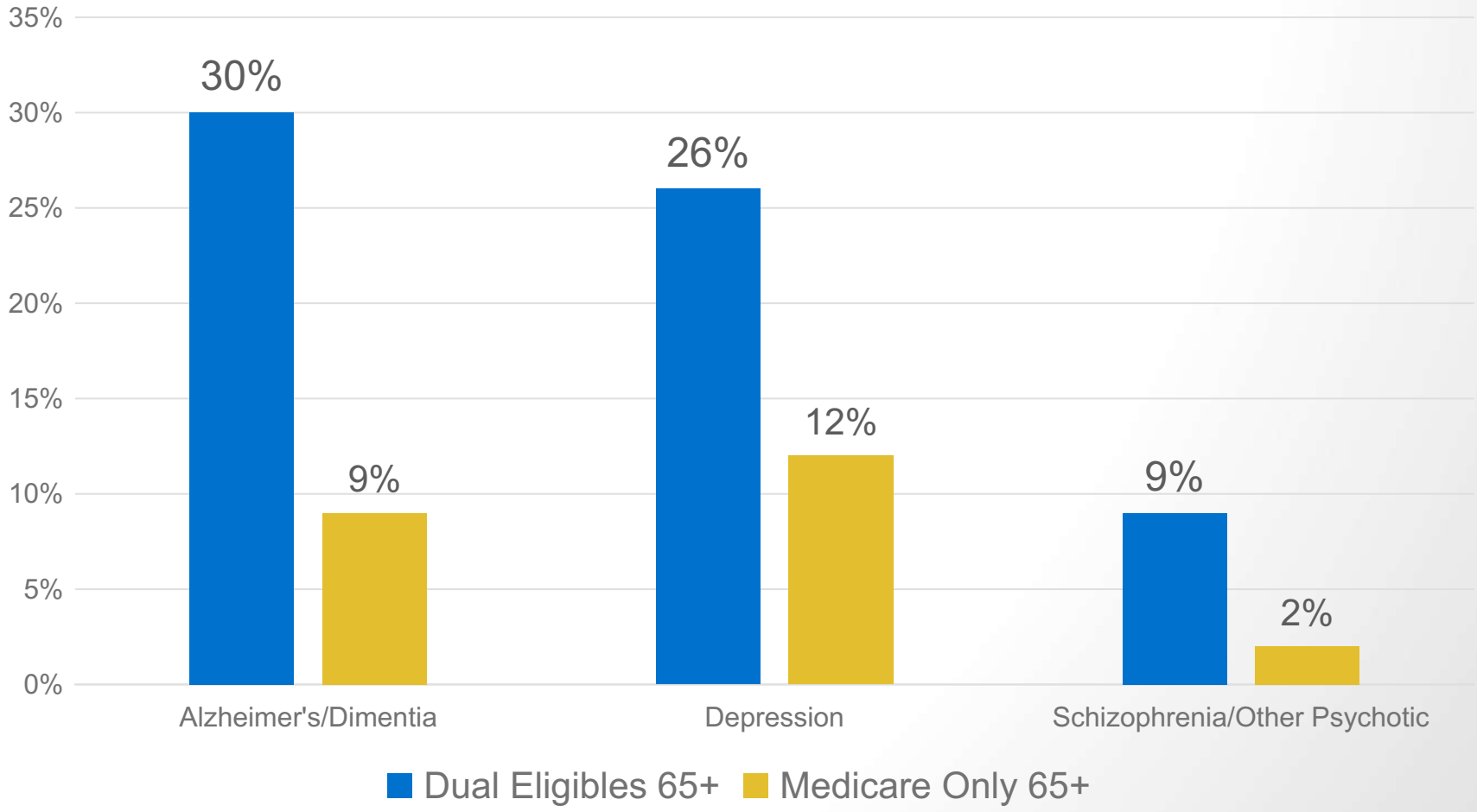
Percent of Beneficiaries Under 65 with Mental Conditions, U.S., 2014



CMS Medicare Chronic Conditions Dashboard: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/CCDashboard.html

TRUVEN HEALTH ANALYTICS

Percent of Beneficiaries 65 and Over with Mental Conditions, U.S., 2014



CMS Medicare Chronic Conditions Dashboard: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/CCDashboard.html

TRUVEN HEALTH ANALYTICS

Impact of Early MLTSS/Duals Programs on Service Use and Quality Was Encouraging (First Wave 1989-2004)

Nursing Facility Use Declined	• NF use was reduced in most programs where studied • NF increased in one program where NF services were provided outside the program
Hospital Use Declined	• Hospital use was reduced in all but one program • Hospital increased in one program where hospital and other acute services were provided outside the program
Physician Services Increased	• Primary care visits increased in all programs where studied
Quality Improved	• Slower rate of functional loss • Lower mortality

See slide 19 for list of studies summarized.

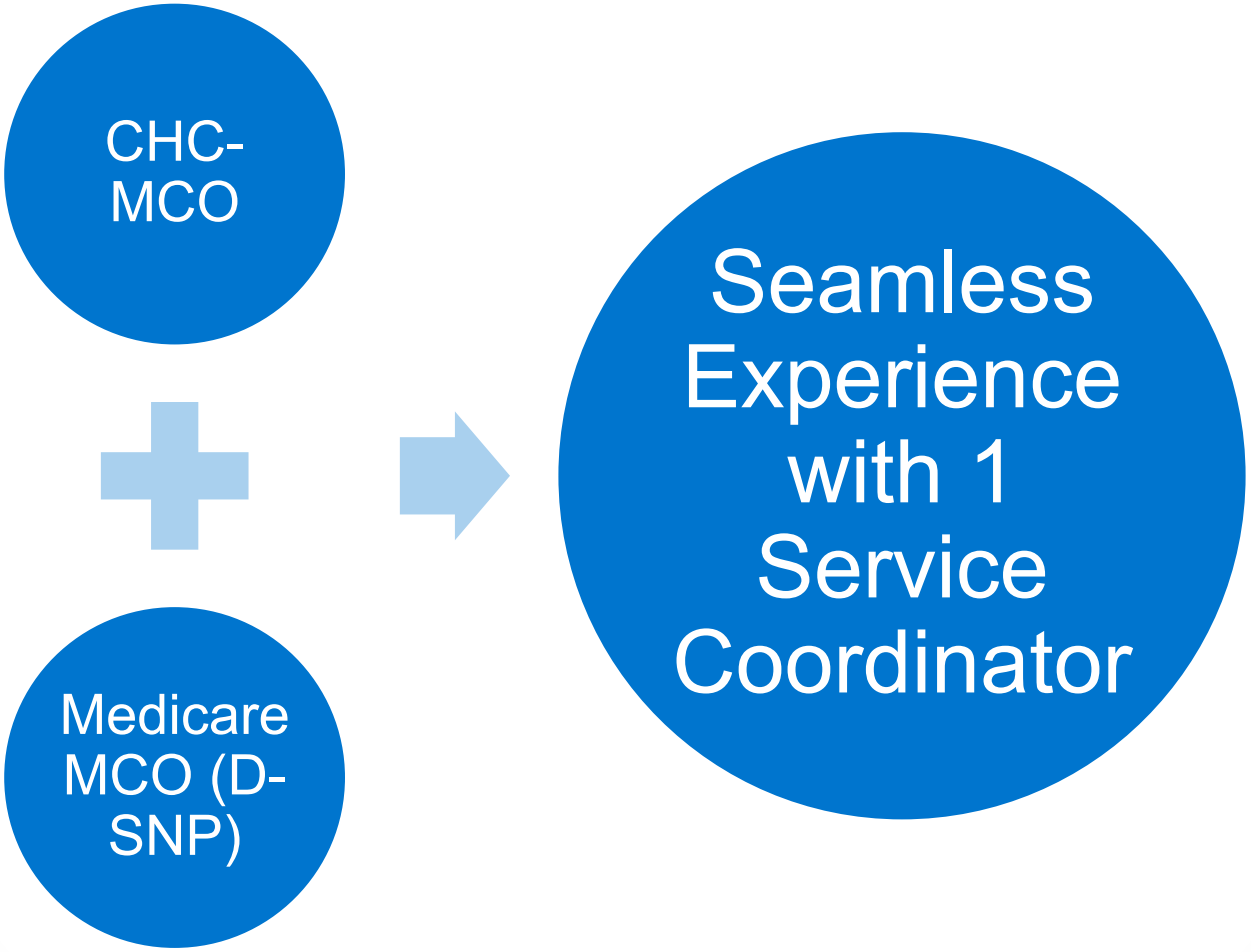
TRUVEN HEALTH ANALYTICS

Federal Developments Accelerated Efforts to Improve Coordination for Dually Eligible Beneficiaries

Balanced Budget Act of 1997	• Authorized the Program of All-inclusive Care for the Elderly (PACE) as a "waiverless" State Medicaid Plan option
Medicare Improvements for Patients and Providers Act of 2008 (MIPPA)	• Required Medicare dual eligible special needs plans (D-SNPs) to have agreements with State Medicaid agencies
Affordable Care Act of 2010 (ACA)	• Created Medicare-Medicaid Coordination Office • Authorized a dual eligible demonstration, called the Financial Alignment Initiative

TRUVEN HEALTH ANALYTICS

CHC Will Use the MIPPA Agreement to Enhance Coordination Options for Dual Eligibles

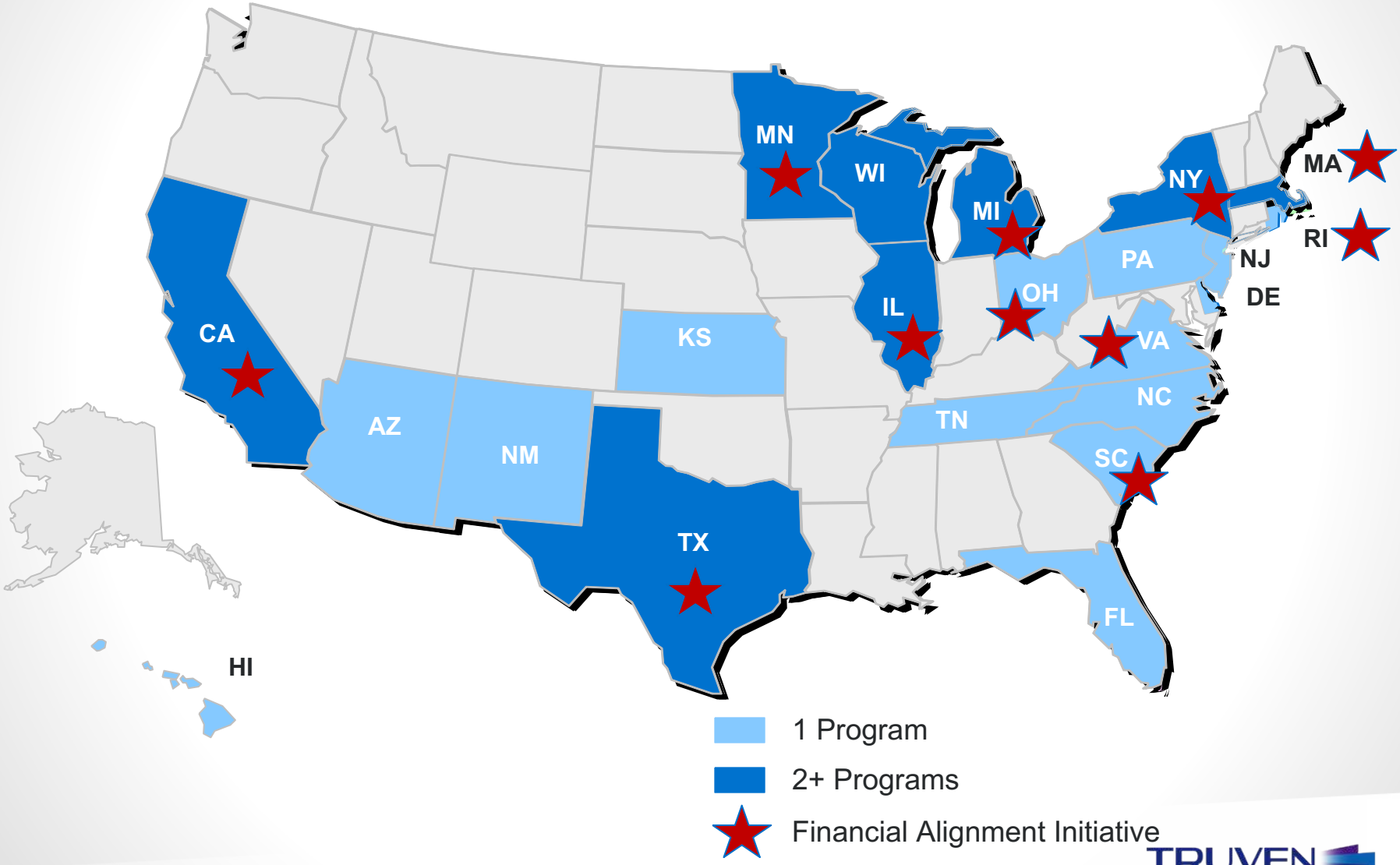


TRUVEN HEALTH ANALYTICS

CHC-MCOs Will Also Work to Coordinate Other Medicare Options

TRUVEN HEALTH ANALYTICS

22 States Operated a Total of 31 MLTSS Programs as of December 2015, Including 11 New Duals Programs



TRUVEN HEALTH ANALYTICS

Preliminary Findings from the Financial Alignment Initiative (FAI) Offer Lessons for Implementation

FAI Lessons	CHC Strategy
Use multiple methods to engage stakeholders	-Multiple methods in place -CHC-MCOs will be required to have member advisory committees
Medicare passive enrollment was confusing for beneficiaries and overwhelmed MCOs	-No Medicare passive enrollment–default Medicare action is *no change*.
Enrollment improved with outreach by community organizations	-Work with community organizations on outreach
Materials were initially confusing and improved with consumer input	-Develop and test enrollment materials with consumers
Service coordinators were not always well trained	-Require adequate training for service coordinators
Service plans not available centrally	-Service plans will be uploaded into the State's system

TRUVEN HEALTH ANALYTICS

Administrative Alignment of Medicare and Medicaid Has Been Challenging

FAI Preliminary Findings: Alignment of Medicare and Medicaid	CHC Strategy
Medicare and Medicaid systems are very difficult to align and take more time and resources than anticipated	-"Go slow" approach to alignment, recognizing that it has taken more time than expected in other states -Step 1: require MCOs to have dual eligible special needs plans as an option for their dually eligible CHC members

Source for FAI Findings: Report on Early Implementation of Demonstrations under the Financial Alignment Initiative. Prepared by RTI for CMS, October 15, 2015

TRUVEN HEALTH ANALYTICS

Learning Over Time: Community HealthChoices Evaluation Conducted by U. of Pittsburgh

Implementation: Stakeholder Views

Key informant interviews and focus groups with stakeholders

Conducted early in Phase 1 in order to inform Phase 2

Impact: Consumer Perspective

Interviews with representative samples of sub-groups over time

-60+ using LTSS
-21-59 using LTSS
-Duals not using LTSS

-Unpaid Caregivers

Impact: Administrative Data Analyses

Analyses of administrative data from multiple sources over time

-Person-centered service plans

-Level of Care determination data

-Medicaid and Medicare claims and encounters

-Nursing Facility Minimum Data Set 3.0 (MDS)

-Other data as available

TRUVEN HEALTH ANALYTICS

Studies Referenced on Slide 11

1. Utilization of Services in Arizona's Capitates Medicaid Program for Long-Term Care Beneficiaries (McCall and Korb, 1997)
2. Medicaid Managed Care Waiver Study: An Independent Assessment of Access, Quality, and Cost-Effectiveness of the STAR+PLUS Program (Borders et al., 2002)
3. Outcomes of Managed Care of Dually Eligible Older Persons (Kane et al., 2003)
4. An Evaluation of Florida's Medicaid Home and Community Based Programs Serving Frail Elders: A Look at Five Outcomes (Mitchell et al., 2003)
5. Multistate Evaluation of Dual Eligibles Demonstration - Final Report : MSHO (Kane and Homyak, 2004)
6. Multistate Evaluation of Dual Eligibles Demonstration - Final Report : WPP (Kane and Homyak, 2004)
7. Family Care Independent Assessment: An Evaluation of Access, Quality and Cost Effectiveness for Calendar Year 2003-2004 (APS Healthcare, 2005)
8. The Relative Benefits and Cost of Medicaid Home- and Community Based Services in Florida (Mitchell et al., 2006)
9. Evaluation of the Medicaid Value Program: Health Supports for Consumers with Chronic Conditions (Esposito et al., 2007)
10. MassHealth Senior Care Options (SCO) Program Evaluation: Nursing Facility Entry Rate in CY 2004-2005 Enrollment Cohorts (JEN Associates, 2009)

TRUVEN HEALTH ANALYTICS