

# Coordinating Care for Medicare-Medicaid Enrollees

Medicare-Medicaid Coordination Office  
Centers for Medicare & Medicaid Services  
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# CMS VISION

**Better health care:** Improving patients' experience of care within the Institute of Medicine's 6 domains of quality: *Safety, Effectiveness, Patient-Centeredness, Timeliness, Efficiency, and Equity.*

**Better health:** Keeping patients well so they can do what they want to do. Increasing the overall health of populations: address behavioral risk factors; focus on preventive care.

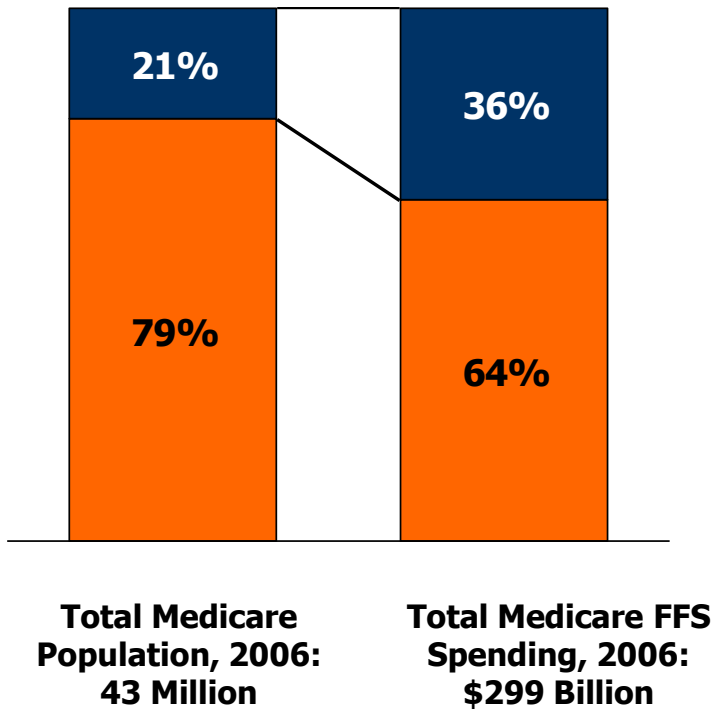
**Reduced costs:** Lowering the total cost of care while improving quality, resulting in reduced expenditures for Medicare, Medicaid, and CHIP beneficiaries.

# CMS Initiatives to Improve Care for High-Cost, High-Need Beneficiaries

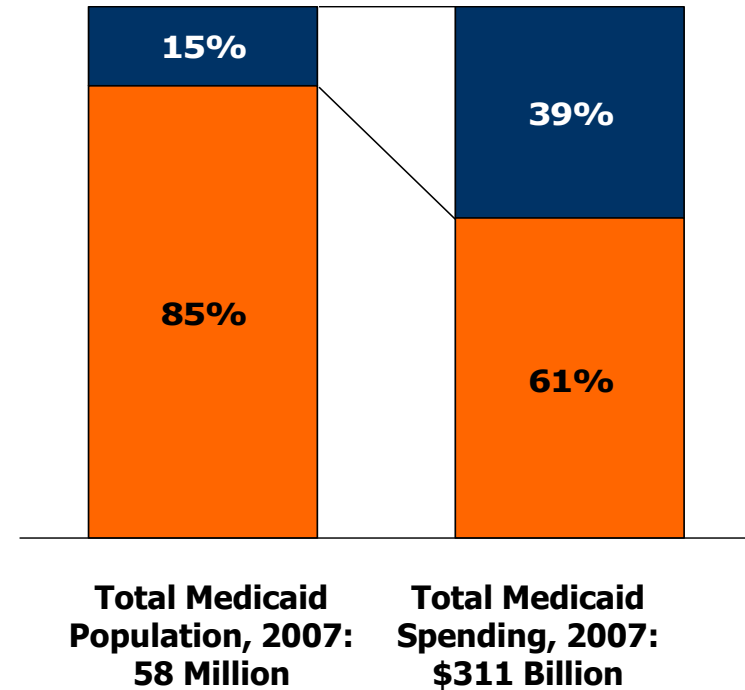
- **Partnership for Patients:** Public-private partnership to improve the quality, safety and affordability of health care for all Americans by reducing hospital readmission rates by 20% by the end of 2013.
- **Community Care Transitions Program:** Provides support for high-risk Medicare beneficiaries following a hospital discharge. 23 sites will work with CMS and local hospitals to provide support for patients as they move from hospitals to new settings, including skilled nursing facilities and home.
- **Independence at Home:** Tests a new service delivery model that utilizes physician and nurse practitioner directed primary care teams to provide services to high cost, chronically ill Medicare beneficiaries in their homes.

# Medicare-Medicaid Enrollees Account for Disproportionate Shares of Spending

*Medicare-Medicaid Enrollees as a Share of the Medicare Population and Medicare FFS Spending, 2006:*



*Medicare-Medicaid Enrollees as a Share of the Medicaid Population and Medicaid Spending, 2007:*



# Medicare-Medicaid Coordination Office

## Section 2602 of the Affordable Care Act

**Purpose:** Improve quality, reduce costs, and improve the beneficiary experience.

- Ensure dually eligible individuals have full **access** to the services to which they are entitled.
- Improve the **coordination** between the federal government and states.
- Develop **innovative** care coordination and integration models.
- Eliminate financial **misalignments** that lead to poor quality and cost shifting.

# Medicare-Medicaid Coordination Office

## Major Areas of Work

The Medicare-Medicaid Coordination Office is working on a variety of initiatives to improve quality, coordination and cost of care for Medicare-Medicaid enrollees in the following areas:

- **Program Alignment**
- **Data and Analytics**
- **Models and Demonstrations**

# Opportunity for Care & Cost Improvement: Program Alignment

- **Alignment Initiative:** Initiative to identify and address conflicting requirements between the Medicare and Medicaid programs that are potential barriers to seamless and cost effective care.
  - All comments are publicly available at: [www.regulations.gov](http://www.regulations.gov)
  - Continuing to engage partners and stakeholders in open discussions on specific program alignment opportunities through public listening sessions
- **Alignment Example:** Qualified Medicare Beneficiary (QMB) Initiative
  - Goal: Raise awareness of the prohibition on balance billing of QMBs.
    - Informational Bulletin for States: <http://www.medicare.gov/Federal-Policy-Guidance/downloads/CIB-01-06-12.pdf> ; and
    - Medicare Learning Matters Article for providers : <http://www.cms.gov/MLN MattersArticles/Downloads/SE1128.pdf> .

# Opportunity for Care & Cost Improvement: Data and Analytics

- **Medicare Data to States:** Improve State access to Medicare data to support care coordination and improve quality for Medicare-Medicaid enrollees.

## 22 States actively seeking Medicare Parts A/B data

**Approved:** 17 States

AR, CA, CO, CT, IA, MA, MI, NC, NY,  
OH, OK, OR, PA, SC, TN, TX, VT, WA, WI

**Request in Process:** 0 States

**Drafting Requests:** 3 States  
(IL, IN, MO)

## 20 States actively seeking Medicare Part D Data

**Approved:** 10 States

(CA, CT, MA, NY, OH, OK, OR, VT, WA, WI)

**Request in Process:** 4 States  
(IA, CO, NC, PA)

**Drafting Requests:** 6 States  
(IL, MI, MN, MO, TN, TX)

- **State Profiles:** Provide a greater understanding of the Medicare-Medicaid enrollee population at State and national level. Examine the demographic characteristics, utilization, and spending patterns of Medicare-Medicaid enrollees and the programs that serve them in each State. (Expected May 2012)



# Opportunity for Care & Cost Improvement: Financial Alignment

**Background:** Last July, CMS announced new models to integrate the service delivery and financing of the Medicare and Medicaid programs through a Federal-State demonstration to better serve the population.

**Goal:** Increase access to quality, seamless integrated programs for the 9 million Medicare-Medicaid enrollees.

## Demonstration Models:

- **Capitated Model:** Three-way contract among State, CMS and health plan to provide comprehensive, coordinated care in a more cost-effective way.
- **Managed FFS Model:** Agreement between State and CMS under which States would be eligible to benefit from savings resulting from initiatives to reduce costs in both Medicaid and Medicare.

# Financial Alignment Initiative Vision

## **The Financial Alignment Initiative will promote a more seamless experience for beneficiaries by:**

- Focusing on person-centered models that promote coordination missing from today's fragmented system
- Developing a more easily navigable and simplified system of services for beneficiaries
- Ensuring beneficiary access to needed services and incorporating beneficiary protections into each aspect of the new demonstrations
- Establishing accountability for outcomes across Medicaid and Medicare
- Requiring robust network adequacy standards for both Medicaid and Medicare
- Evaluating data on access, outcomes and beneficiary experience to ensure beneficiaries receive higher quality, more cost-effective care

# Financial Alignment Initiative

## Key Steps and Timeline

- **October 2011 – ongoing:** State Planning & Design Process
- **Spring – Summer 2012:** Demonstration Proposal  
Prior to submission to CMS, State must post for a 30 day public comment period. Upon receipt, CMS will post for a 30 day public comment period. CMS will evaluate each proposal to determine whether it has met the CMS established standards and conditions before the State can enter into negotiation of a formal Memorandum of Understanding (MOU).
- **Summer - Fall 2012:** Memorandum of Understanding  
Once it has been determined that a proposal has met the standards and conditions, CMS will work with States to develop a State-specific MOU based on the templates provided as part of the July 8, 2011 State Medicaid Director letter.
- **October 2012:** (Capitated Demonstration) Medicare Open Enrollment Period, beneficiaries receive notice informing them of the new demonstration program and offering them choice to opt-out
- **January 2013:** (Capitated Demonstration) Enrollment of beneficiaries in new plans will begin

# Financial Alignment Proposal Update

- **Status:** 27 States are actively pursuing one or both of the models  
(18 States capitated, 6 States managed FFS and 3 States both)
- **State Draft Proposals:**
  - 26 States (AZ, CA, CO, CT, HI, ID, IA, IL, MA, MI, MN, MO, NM, NY, NC, OH, OK, OR, RI, SC, TN, TX, VT, VA, WA, and WI) have posted their draft proposals for public comment.
- **Official Proposal Submission to CMS:**
  - Proposals can be found online: <http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialModelstoSupportStatesEffortsInCareCoordination.html>

Official Proposal Submission to CMS	
<u>State</u>	<u>CMS Comment Period</u>
MA	Closed
OH	Closed
IL	Closed
WA	April 30 <sup>th</sup> - May 30 <sup>th</sup>
MI	April 30 <sup>th</sup> - May 30 <sup>th</sup>
MN	May 1 <sup>st</sup> - May 31 <sup>st</sup>
WI	May 2 <sup>nd</sup> -June 1 <sup>st</sup>
VT	May 11 <sup>th</sup> - June 10 <sup>th</sup>
NC	May 4 <sup>th</sup> – June 3 <sup>rd</sup>
OR	May 14 <sup>th</sup> - June 13 <sup>th</sup>
TN	May 21 <sup>st</sup> - June 20 <sup>th</sup>

# Opportunity for Care & Cost Improvement: Potentially Avoidable Hospitalizations

•Potentially Avoidable Hospitalization rates vary across health care settings. Rates are highest for Medicare-Medicaid enrollees in skilled nursing facilities and lowest for those residing in community settings.

•Five Conditions are responsible for over 80% of the PAHs. These conditions are:

- Congestive heart failure
- COPD, Asthma
- Dehydration
- Pneumonia
- Urinary tract infection

## Summary Statistics on Medicare-Medicaid Enrollees and Potentially Avoidable Hospitalizations

Percentage of hospitalizations that were potentially avoidable	26%
# of Potentially avoidable hospitalizations	699, 818
•Total costs in 2005	\$5.6 billion
•Average length of stay	6.1 days
2011 estimated costs attributable to Medicare-Medicaid enrollees PAHs	\$7-8 billion

# Initiative to Reduce Avoidable Hospitalizations

**Goal:** To reduce preventable inpatient hospitalizations among residents of nursing facilities.

## Areas of Focus:

- Reduce avoidable hospitalizations;
- Support transitions between hospitals and nursing facilities; and
- Implement best practices to prevent falls, pressure ulcers, urinary tract infections and other events that lead to poor health outcomes.

## Key Information:

- Demonstration Proposal Due June 14<sup>th</sup>

## Funding Opportunity Announcement on March 15<sup>th</sup> :

<http://www.innovations.cms.gov/initiatives/rahnfr/index.html>

**Questions:** [NFInitiative2012@cms.hhs.gov](mailto:NFInitiative2012@cms.hhs.gov) .

# Sources and Information

**Alignment Initiative:** <http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/AlignmentInitiative.html>

**Report to Congress:** [http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/MMCO\\_2011\\_RTC.pdf](http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/MMCO_2011_RTC.pdf)

## **Financial Alignment Initiative:**

- **General Information:** <http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialModelstoSupportStatesEffortsinCareCoordination.html>
- **January Financial Alignment Guidance:** <http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/FINALCMSCapitatedFinancialAlignmentModelplguidance.pdf>
- **March Financial Alignment Guidance:** <http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/MarchGuidanceDocumentforFinancialAlignmentDemo.pdf>
- **State Demonstration Proposals:** <http://www.integratedcareresourcecenter.com/icmstateproposals.aspx>

**Integrated Care Resource Center:** <http://www.integratedcareresourcecenter.com/>

**Initiative to Improve Care Quality for Nursing Facility Residents:** <http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/ReducingPreventableHospitalizationsAmongNursingFacilityResidents.html>

**CMS Potentially Avoidable Hospitalizations :** Center for Medicare & Medicaid Services, Center for Strategic Planning, Policy and Data Analysis Group, Policy Insight Report: Dual Eligibles and Potentially Avoidable Hospitalizations: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Insight-Briefs/downloads//PAHInsightBrief.pdf>