Integrated Care Network: Program Overview

Wednesday, January 18th

9:00-10:30AM

Goals of Today's Overview

Review national landscape for MLTSS implementations and review coordination for Dual-Eligible ICN members

Describe Integrated Care Network model and target population

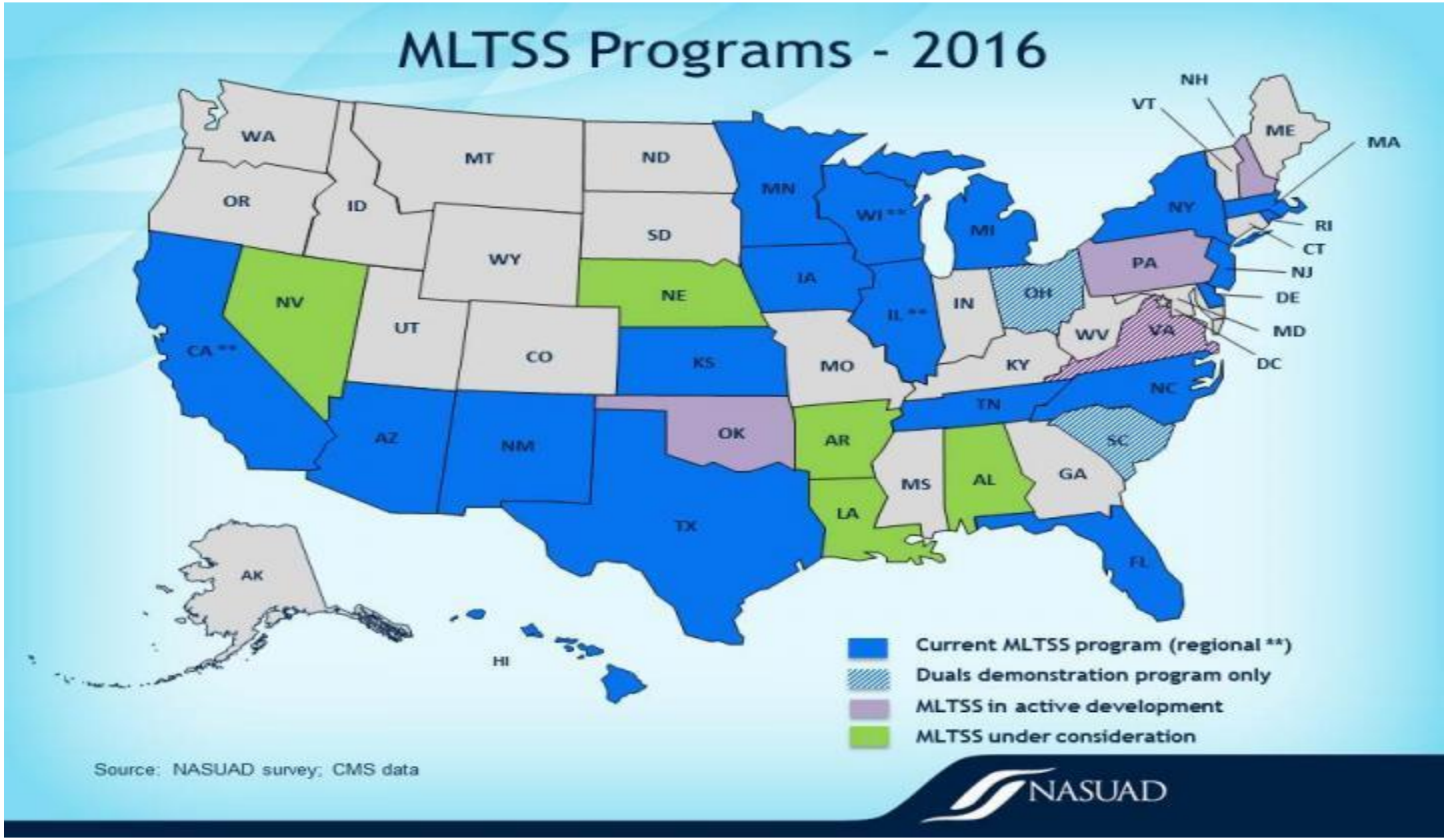
Review intended goals of ICN implementation

Summarize external reasons why LTSS reform is needed in Alabama

Overview of Next Steps

National and State Landscape for MLTSS

National Landscape: MLTSS Implementation



Managed Long-Term Services and Supports (MLTSS)

Moves delivery of Medicaid funded LTSS to a **capitated payment model** for both State-Plan and waiver funded services.

Eight states incorporate a "comprehensive" menu of services – including healthcare and LTSS services in one package.

Twelve states offer an MLTSS program that is separate from its Managed medical care package.

Only **five** states have included the ID/DD population in their programs to-date.

Key focus areas tend to include: driving long-term care rebalancing, improved care coordination, reducing preventable expenses

Dual Eligible Special Needs Plan (D-SNP)

- D-SNPs are Medicare Advantage plans that provide a coordinated Medicare and Medicaid benefit package and offer a higher level of integration than regular Medicare Advantage plans or traditional Medicare fee-for-service.
- As of December 2015, 305 contracts (541 plans) in 38 states, the District of Columbia, and Puerto Rico, with a total enrollment of 2,150,380

D-SNPs and Enrollment by State, December 2016 – Source: CMS Health Plan Management System

Contract Name	Plan Name	Plan Type	Plan Geographic Area	Plan Enrollment	Special Needs Plan Type
Healthspring of Alabama, Inc.	Cigna-Healthspring Total Care (HMO SNP)	HMO	Select Alabama Counties	21,184	Dual Special Needs Plan
Viva Health, Inc.	Viva Medicare Extra Value (HMO SNP)	HMO	Central Alabama and Mobile areas	17,871	Dual Special Needs Plan
UnitedHealthcare of Alabama, Inc.	UnitedHealthcare Dual Complete (HMO SNP)	HMO	Select Alabama Counties	9,144	Dual Special Needs Plan
Humana Health Plan, Inc.	Humana Gold Plus SNP-DE H2012-070 (HMO SNP)	HMO	Greater Alabama	2,364	Dual Special Needs Plan
United Healthcare Insurance Company	UnitedHealthcare Nursing Home Plan (PPO SNP)	Local PPO	Select Alabama Counties	490	Institutional Special Needs Plan

https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPartDEnrolData/Special-Needs-Plan-SNP-Data-Items/SNP-Comprehensive-Report-2016-12.html?DLPage=1&DLEntries=10&DLSort=1&DLSortDir=descending

Key Concept: Coordination of Duals

- Roughly 80% of the projected ICN population are dually eligible
- For this group – the large majority of their healthcare expenditure will be paid by Medicare
- Regardless of payer, proper coordination of member's healthcare services plays a significant role in driving LTSS needs and expenditure, and close to 100% of their LTSS is paid for by Medicaid.
- **Key Concept Decision:**

Dual Eligible Individuals and Dual Eligible Special Needs Program (D-SNP)	
6.	**Issue**: Are dual eligible populations included in the ICN program? **Proposed Dual Eligible Population Decision**: The Agency is considering including dual eligible individuals who meet the nursing facility level of care in the ICN program but only to the extent currently covered by Medicaid – not Medicare.
7.	**Issue**: What is the role of D-SNPs in the ICN program? **Proposed D-SNP Role Decision**: A D-SNP may contract with an ICN subject to Agency approval.

- **NOTE: the Agency does NOT plan to REQUIRE an ICN to contract with a D-SNP.** The agency anticipates requiring bidders to attest to their plans and ability to coordinate Medicare services for dual-eligible, and will evaluate these plans accordingly.

The ICN “Model”

Integrated Care Network (ICN) Legislation: Key Elements

- Allows for one or more ICNs
- Provider sponsored
- At risk for comprehensive Medicaid services
- ICNs to operate statewide
- Competitive procurement process
- Profit or nonprofit
- Applies to recipients not covered by RCOs

Who: Target Population – Individuals Receiving LTSS

- Populations either in a nursing home long-term or HCBS waivers that have nursing home as their institutional equivalent
- HCBS Waivers include the following
  - Alabama Community Transition (ACT)
  - Elderly & Disabled
  - HIV/AIDS
  - State of Alabama Independent Living (SAIL)
  - Technology Assisted
- RCO and ICN programs are mutually exclusive in membership
  - RCOs exclude individuals in nursing facility or HCBS waivers
  - Individuals transitioning from RCO to ICN when they meet level of care

The ICN-Eligible Population

Medicaid Eligible Long-Term Stay Nursing Home Residents:

Total Statewide Beds: 27,006

FY15 average recipients: 16,189

Medicaid Home and Community Based Service Waiver Participants:

Total Waiver Slots: 10,255

Enrollment as of January 2016: 7,136

Enrollment as of October 2016:

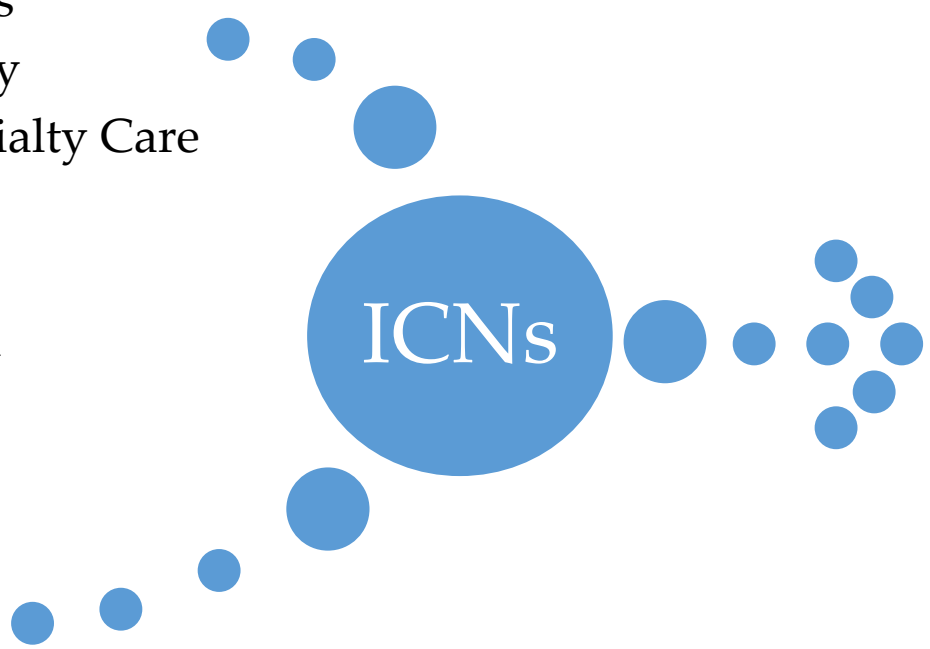
8,972

Total Statewide Capacity (Available Beds + Waiver Slots) = **37,261 members**
Estimated Membership at Go-Live = **Approximately 25,000**

Health and Long-Term Care in Alabama

Medicaid Healthcare[1]

- Hospitals
- Emergency Rooms
- Lab and Radiology
- Primary and Specialty Care
- Home Health
- Hospice
- Behavioral Health
- Eye care



GOAL:

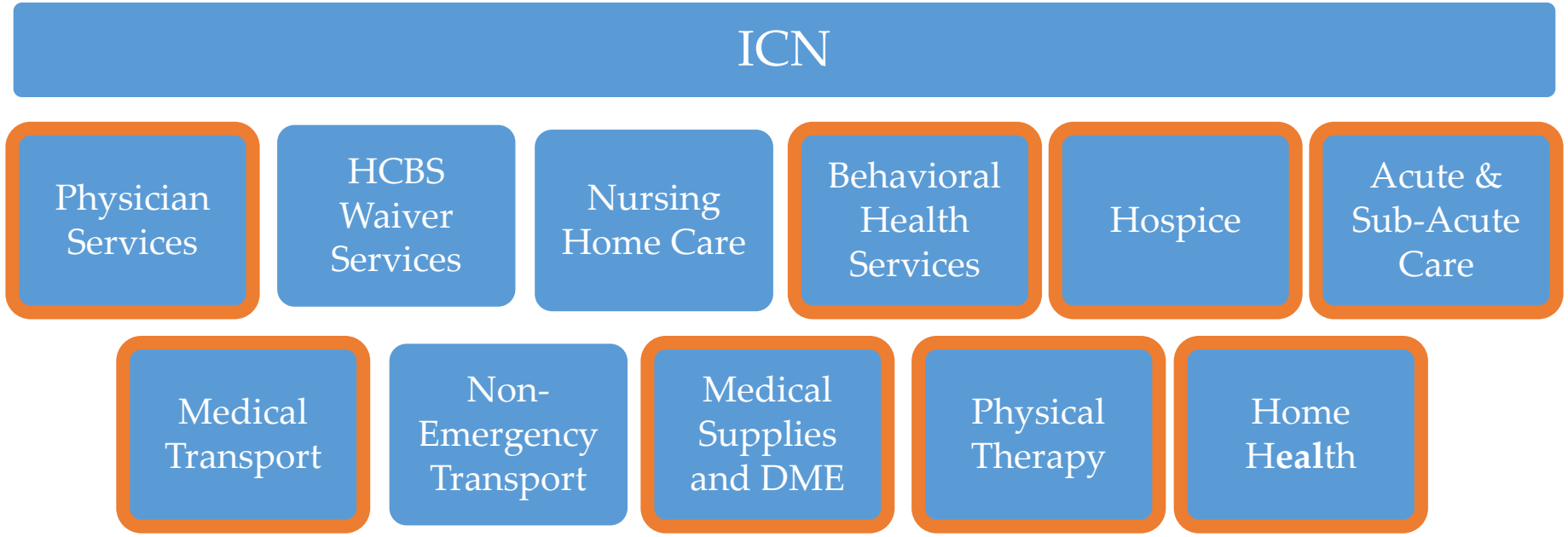
Improved, Quality, Access, Sustainability

Medicaid LTC

- Nursing Homes
- HCBS

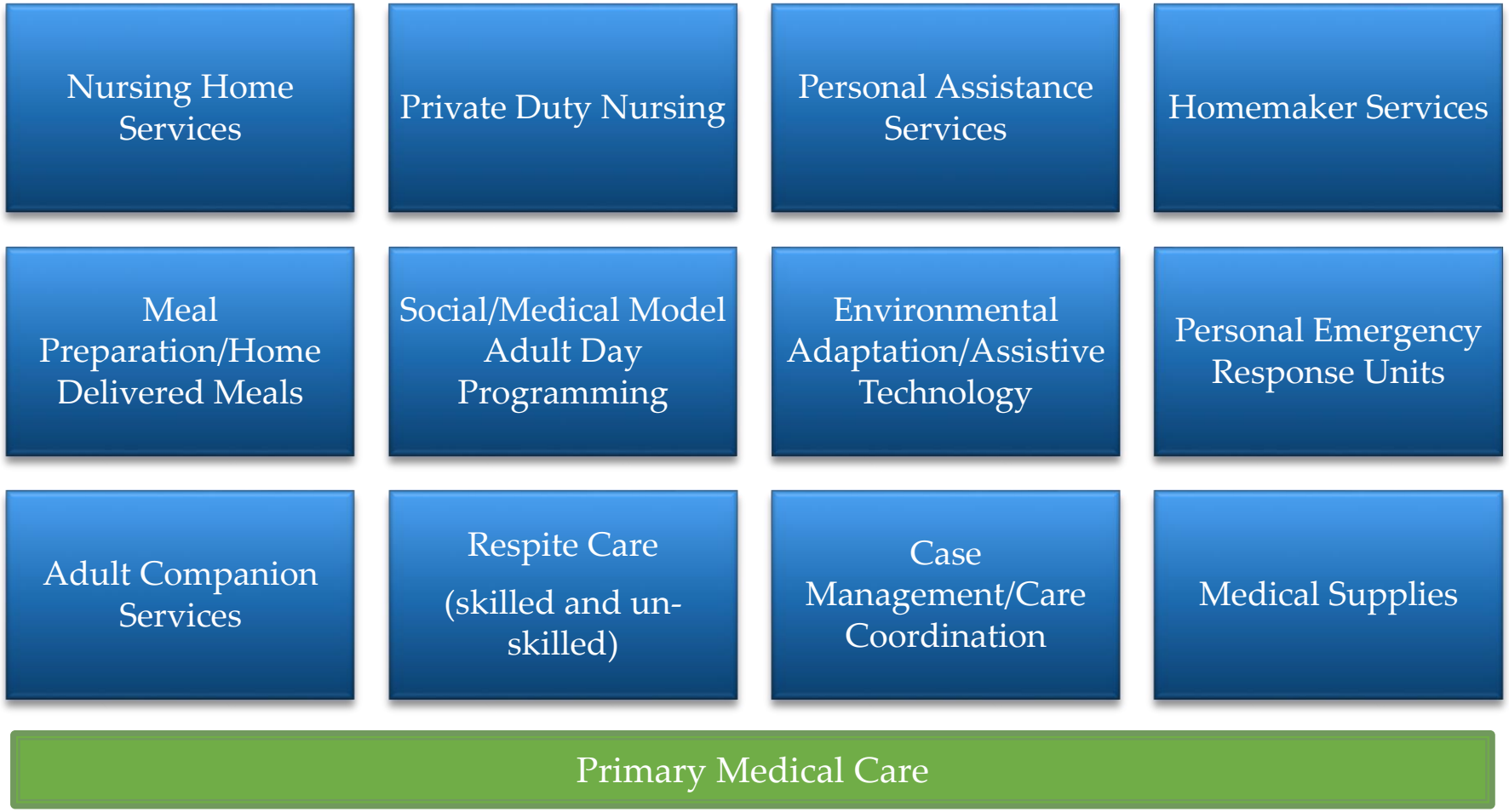
Note:
(1) Pharmacy will remain a covered benefit under Medicaid FFS, ICNs will be expected to coordinate this service with members, but will not be at-risk for this.

What Services will an ICN be At-Risk for?



Boxes outlined in Orange represent benefits co-managed between Medicare and Medicaid for dual-eligible beneficiaries.

Examples of Long-Term Services and Supports



Trends in Alabama LTSS: Expenses

- Total Medicaid Paid by FY

Population		2010	2011	2012	2013	2014	2015
Dual	Nursing Facility	$ 774,126,587	$ 806,164,791	$ 819,602,249	$ 802,129,446	$ 821,868,310	$ 838,089,550
Non-Dual	Nursing Facility	$ 98,916,141	$ 118,563,148	$ 128,004,308	$ 132,186,206	$ 137,007,837	$ 140,142,819
Dual	Waiver	$ 93,118,067	$ 91,813,806	$ 76,186,333	$ 61,716,862	$ 67,384,616	$ 71,860,321
Non-Dual	Waiver	$ 53,970,821	$ 62,141,112	$ 56,349,120	$ 51,998,826	$ 58,846,478	$ 56,800,059
Dual	Hospice	$ 37,071,098	$ 40,244,109	$ 43,567,232	$ 46,380,606	$ 44,740,418	$ 47,036,393
Non-Dual	Hospice	$ 9,203,842	$ 13,337,249	$ 15,264,540	$ 16,714,266	$ 14,047,233	$ 11,207,158
Total		**$ 1,066,406,556**	**$ 1,132,264,215**	**$ 1,138,973,783**	**$ 1,111,126,213**	**$ 1,143,894,891**	**$ 1,165,136,299**

- PMPM by FY

Population		2010	2011	2012	2013	2014	2015
Dual	Nursing Facility	$ 4,245	$ 4,502	$ 4,629	$ 4,627	$ 4,674	$ 4,825
Non-Dual	Nursing Facility	$ 5,914	$ 6,994	$ 7,416	$ 7,443	$ 7,540	$ 7,502
Dual	Waiver	$ 1,274	$ 1,276	$ 1,136	$ 960	$ 993	$ 1,075
Non-Dual	Waiver	$ 2,442	$ 2,888	$ 2,871	$ 2,729	$ 2,774	$ 2,672
Dual	Hospice	$ 3,558	$ 3,743	$ 3,921	$ 3,937	$ 3,943	$ 4,011
Non-Dual	Hospice	$ 4,516	$ 6,195	$ 6,571	$ 7,103	$ 7,282	$ 6,332
Total		**$ 3,477**	**$ 3,744**	**$ 3,868**	**$ 3,850**	**$ 3,860**	**$ 3,964**

** All years except FY 2010 include hospital access payments.*

Goals of ICN Implementation

Shifting to Managed LTSS: Defining Goals

Quality – The shift to an ICN model will:

- Promote maximum community inclusion for the adult and allow "aging in place";
- Include person-centered approaches that address both the needs and wishes of the beneficiary;
- Reflect the values of dignity, respect and quality of life for the beneficiary;
- Demonstrate the use of clinical best practices in service delivery across the continuum.

Access – The shift to an ICN model will:

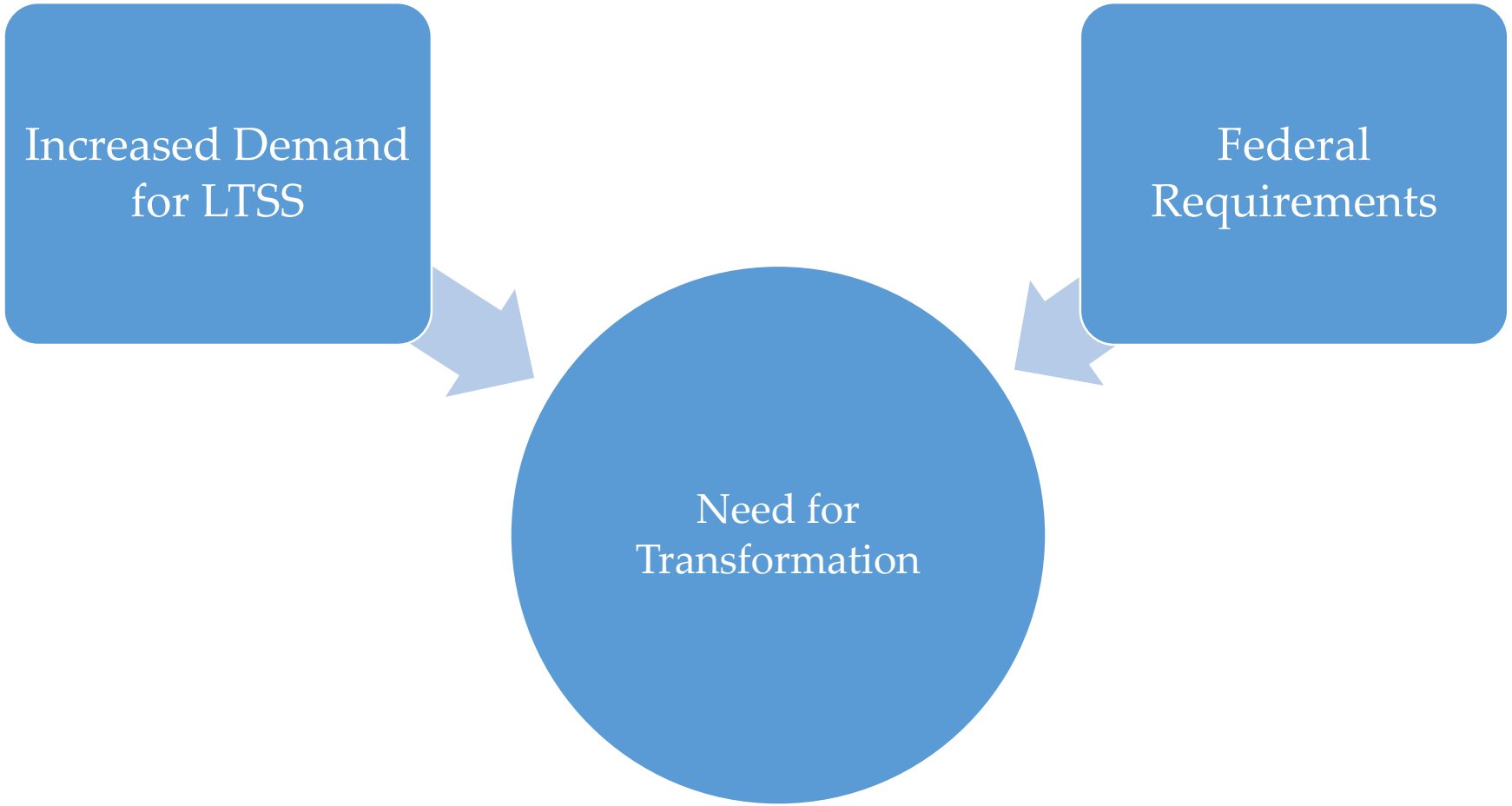
- Include high-quality care coordination that liaisons beneficiaries to the care and services they need;
- Drive enhancement of the provider network to establish comprehensive services available throughout Alabama;
- Increase access to preventative services and early interventions, reducing utilization of acute, sub-acute and premature institutional care, which in turn increases access for beneficiaries who require the nursing home level of care.

Cost Containment– The shift to an ICN model will:

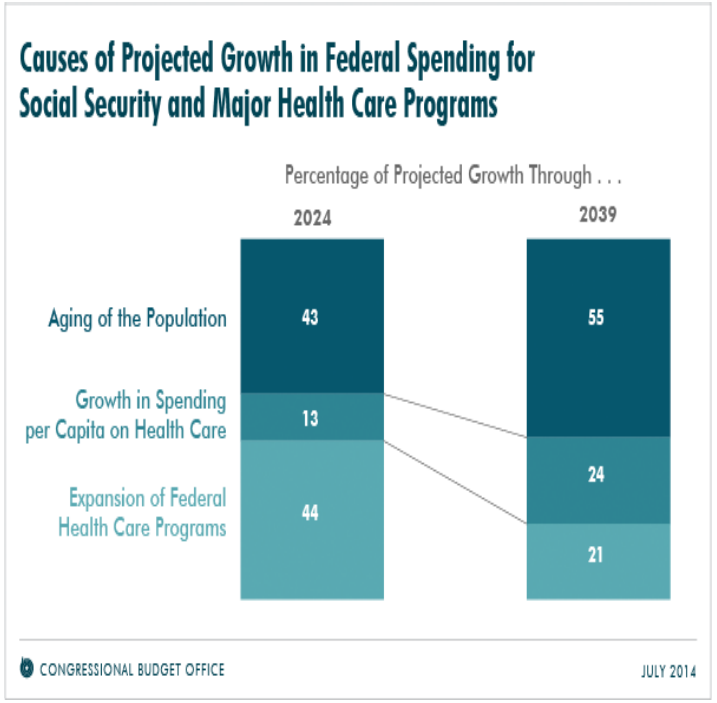
- Contain costs through the reduction of preventable utilization of high-cost care;
- Contain costs through value-driven care that effectively manages the health of beneficiaries to contain spending resulting from progressed or exacerbated chronic conditions;
- Contain costs using a team approach that drives collaboration across providers, ensuring members needs are met by the healthcare system, while reducing duplication and curtailing preventable episodes of healthcare utilization.

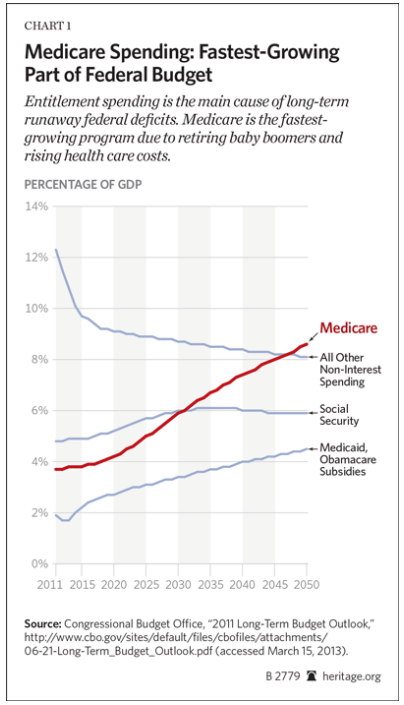
Why Change the System?

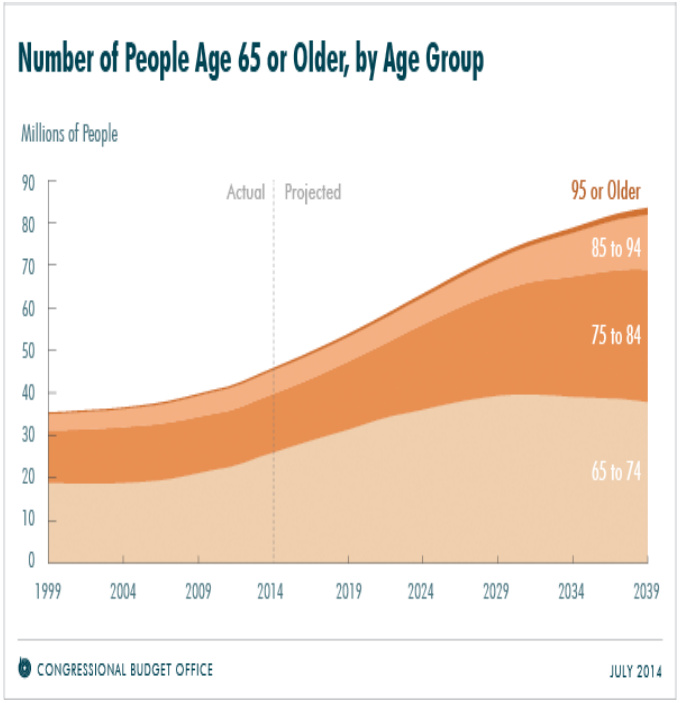
Overview of Top Reasons



Trends in National Data

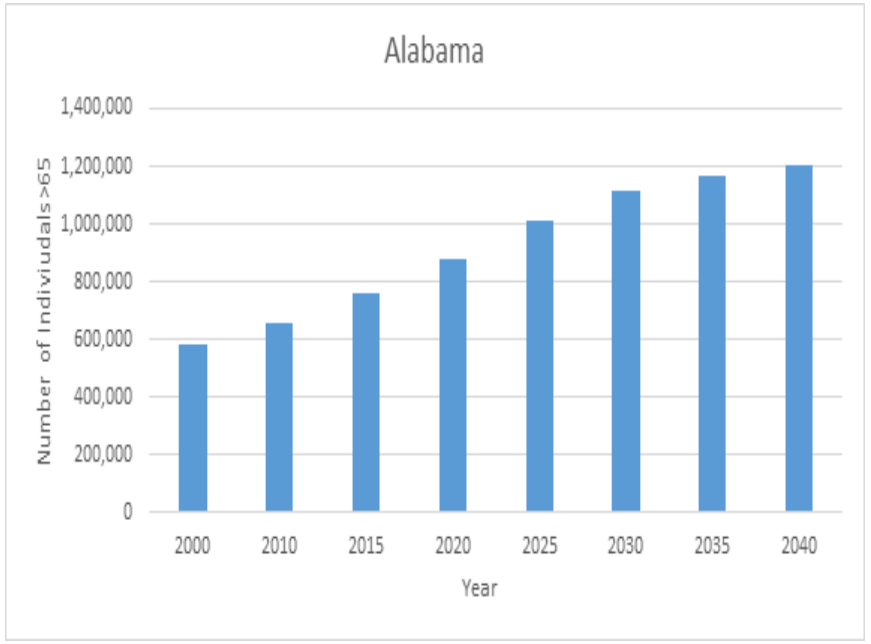


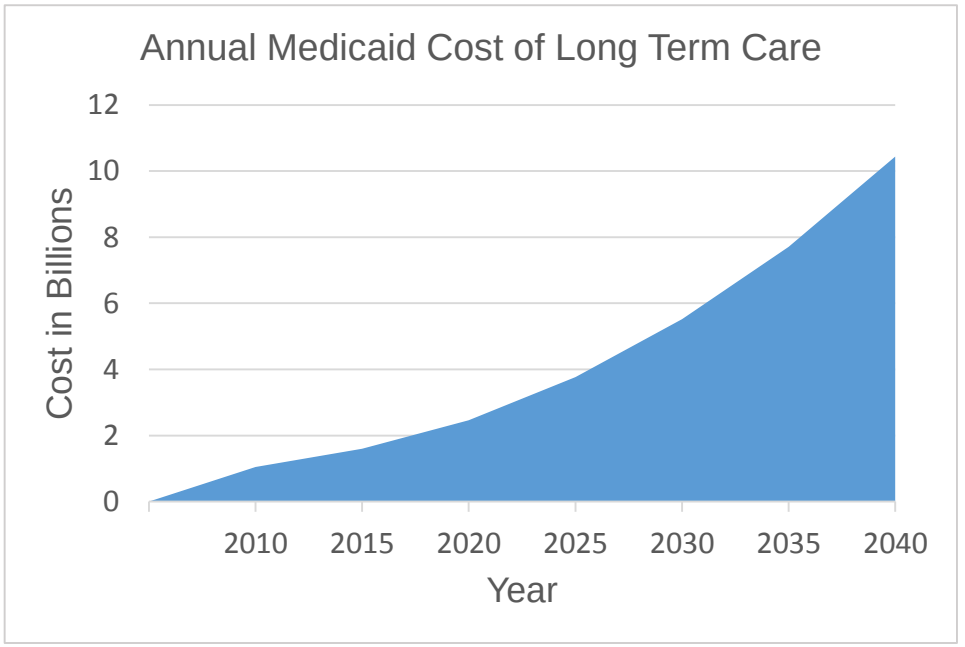




Projected Population Growth Vs. Growth in LTSS Expenditure: 2010-2040

Factoring projected growth of the 65+ population in Alabama, coupled with the CMS-projected annual healthcare inflation rate of 5.8%, Alabama's total Medicaid spend for the current LTSS system would increase **10x**, from approximately **$1.05B** in 2010 to approximately **$10.4B** in 2040.





Population Projections Source: U.S. Census Bureau and Center for Business and Economic Research, The University of Alabama, March 2015
Healthcare Inflation Rate Source: Health Affairs, "National Health Expenditure Projections, 2014–24: Spending Growth Faster Than Recent Trends." 07/15. Available online: http://content.healthaffairs.org/content/early/2015/07/15/hlthaff.2015.0600

Federal Influences on LTSS Reform

- Americans with Disabilities Act, 1990
- Olmstead vs. L.C., 527 U.S. 581, 1999
- 1915 (c) and (i) waiver authorities

ICN Implementation Time Frame

Indicates legislation milestones

*Disclaimer: Subject to change

Next Steps

- Ensure that your designated Quality Assurance Committee members attend the third QAC meeting to be held **Tuesday, January 24th** from **1-4PM** in the Medicaid Agency auditorium. **NOTE:** Specific measures will be chosen, and members must be physically present to vote. If a QAC member needs additional information please contact drew.nelson@Medicaid.Alabama.gov
- Join the ICN email list for updates by visiting the Alabama Medicaid website.
- Watch for the coming **Concept Paper**, anticipated to be released in February. Public comment is requested and encouraged following released.
- Submit certificate for collaboration requests at the Alabama Medicaid website, **NOTE:** your collaboration certificate for the RCO program does NOT apply to the ICN program.
- Submit all ICN questions and requests for additional information to:

ICNinfo@medicaid.alabama.gov

Questions?