

Fact sheet: CMS and Michigan Partner to Coordinate Care for Medicare-Medicaid Enrollees

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Overview

On April 3, 2014, the Centers for Medicare & Medicaid Services (CMS) announced that CMS is partnering with the state of Michigan to test a new model for providing Medicare-Medicaid enrollees with a more coordinated, person-centered care experience.

Under the demonstration, CMS and Michigan will contract with health plans that will provide an integrated set of Medicare and Medicaid benefits to Medicare-Medicaid enrollees in Michigan.

Medicare-Medicaid Enrollees

Improving the care experience for low-income seniors and people with disabilities who are Medicare-Medicaid enrollees – sometimes referred to as “dual eligibles” – is a priority for CMS.

Currently, Medicare-Medicaid enrollees navigate multiple sets of rules, benefits, insurance cards, and providers (Medicare Parts A and B, Part D, and Medicaid). Many Medicare-Medicaid enrollees suffer from multiple or severe chronic conditions and could benefit from better care coordination and management of health and long-term supports and services.

The Financial Alignment Initiative – Partnerships to Provide Better Care

Through the demonstrations approved under the Financial Alignment Initiative, CMS seeks to provide Medicare-Medicaid enrollees with a better care experience by offering a person-centered, integrated care initiative that provides a more easily navigable and seamless path to all covered Medicare and Medicaid services.

In July 2011, CMS announced the opportunity for states to partner with CMS through one of two models:

1. **Managed Fee-for-Service Model** in which a state and CMS enter into an agreement by which the state would be eligible to benefit from savings resulting from initiatives designed to improve quality and reduce costs for both Medicare and Medicaid;
2. **Capitated Model** in which a state and CMS contract with health plans or other qualified entities that receive a prospective, blended payment to provide enrolled Medicare-Medicaid enrollees with coordinated care.

Michigan' s demonstration uses the capitated model.

The Michigan Demonstration

In Michigan, an estimated 100,000 Medicare-Medicaid enrollees will be eligible to participate in the demonstration. Michigan and CMS will contract with health plans known as Integrated Care Organizations (ICOs) that will coordinate the delivery of covered Medicare and Medicaid services for enrolled beneficiaries. Michigan and the ICOs will also contract with Prepaid Inpatient Health Plans to administer behavioral health services.

The Michigan demonstration will operate in four regions: the Upper Peninsula, Southwest Michigan, and two regions in the metropolitan Detroit area.

The ICOs were selected through a competitive procurement process. All ICOs must meet core Medicare and Medicaid requirements, state procurements standards, and state insurance rules (as applicable). Every selected ICO must also pass a comprehensive joint CMS-state readiness review.

Enrollment will be phased in over several months. Eligible beneficiaries will begin opting into the demonstration no earlier than January 1, 2015. Beginning no earlier than April 1, 2015, eligible beneficiaries who have not made an active selection will be assigned to an ICO. Beneficiaries have the right to opt-out or disenroll from the demonstration at any time, and receive their Medicare benefits through Original Medicare and a prescription drug plan or through a Medicare Advantage plan.

Behavioral Health Services and Services for Individuals with Developmental Disabilities

In Michigan, behavioral health services and services for individuals with developmental disabilities are currently delivered through Prepaid Inpatient Health Plans (PIHPs). In the demonstration, Michigan will continue to use the PIHP arrangement, and require that ICOs contract with them to provide services.

Care Bridge

The Michigan demonstration will utilize a “ Care Bridge” – a care coordination platform designed to ensure that all members of a beneficiary’ s care and supports team can adequately track the care plans developed for beneficiaries participating in the demonstration, as well as the services provided.

Putting the Beneficiary First

Care Coordination

Under the demonstration, care coordination services will be available to all enrollees. ICOs will offer a multidisciplinary care team to ensure the integration of the member’ s medical, behavioral health, long-term services and supports, and social needs. The team will be person-centered and built on the enrollee’ s specific preferences and needs.

Quality Measures

The new demonstration includes beneficiary protections to ensure that enrollees receive high-quality care. CMS and Michigan have established quality measures relating to the beneficiary overall experience, care coordination, and fostering and supporting community living, among many others. Michigan worked closely with stakeholders to identify measures for the demonstration.

Other Protections

The demonstration also includes continuity of care requirements to ensure that beneficiaries can continue to see their current providers during transitions into the ICOs. Ombudsman services will support individual advocacy and independent systematic oversight for the demonstration, with a focus on compliance with principles of community integration, independent living, and person-centered care.

Comprehensive Evaluation

CMS is funding and managing an external evaluation of each state’ s demonstration. The evaluation for the Michigan demonstration will measure quality, including overall beneficiary experience of care, care coordination, care transitions, and support of community living.

CMS will develop a unique, Michigan-specific evaluation using a comparison group to analyze the impact of the demonstration.

A Transparent Process Supporting Public Input

The Michigan demonstration is the product of an ongoing planning and development process through which the public helped shape the demonstration' s design. Michigan:

- Worked with a diverse group of stakeholders including providers, health plans, nursing facilities, hospitals, state agencies, advocacy groups, associations, and individuals.
- Established public workgroups with external stakeholders to inform demonstration development and policy.
- Created and maintained a website to facilitate public participation in the demonstration design and planning process.
- Posted its draft proposal for public comment and incorporated the feedback into its demonstration proposal before officially submitting it to CMS. The proposal was then posted by CMS for public comment.

Additional Information

Additional information about the Michigan demonstration, including the MOU, is available at:

<http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/Michigan.html>

Additional information about the Financial Alignment Initiative is available at:

www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialModelstoSupportStatesEffortsinCareCoordination.html

Additional information from the state of Michigan is available at:

http://www.michigan.gov/mdch/0,4612,7-132-2945_64077-259203--,00.html