

New Report Outlines Why and How Medicare Should Take Lead Responsibility for Covering Dual Eligibles

Who has responsibility for improving the effectiveness of care provided to 9 million Americans who receive health benefits from both Medicare and Medicaid? A report released today by the Robert Wood Johnson Foundation says that improving the quality and efficiency of care for “dual eligibles” needs to be Medicare's job. It says that increasing state responsibilities for managing spending on dual eligibles may undermine quality of care for vulnerable beneficiaries.

The paper, prepared by lead author Judy Feder and experts from the Urban Institute, says that 40 percent of both Medicare's and Medicaid's costs are associated with dual eligibles, thus this population must be a key focus of efforts to slow growth in entitlement spending. The authors say that since dollars spent on dual eligibles are overwhelmingly federal -- and potential savings come largely from better management of Medicare-financed acute care services -- policy-makers are relying too heavily on states to find cost solutions. They argue that savings and quality improvement for duals' services are Medicare's to pursue.

The report identifies Medicare's opportunities for improving care for dual eligibles, including:

- Aggressive oversight and "pay for performance" in Medicare Special Needs Plans that serve specialized populations, including 1 million dual eligibles;
- Greater emphasis on dual eligibles in payment and delivery reforms initiated under the Affordable Care Act, especially those who need long-term care; and
- Payment adjustments for skilled nursing facilities to prevent unnecessary hospitalizations for nursing home residents, which shift costs from Medicaid to Medicare.

[Read the report.](#)

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