CHCS Center for Health Care Strategies, Inc.

Advancing innovations in health care delivery for low-income Americans

Using D-SNP Contracting as a Pathway to MLTSS

MLTSS Intensive – 2020 HCBS Conference

December 3, 2020

Agenda

- Welcome and Introductions
- D-SNP Contracting as a Pathway to MLTSS
- Idaho's Path to Integration and MLTSS
- Q&A

Today's Presenters

Alexandra Kruse, Associate Director,
Medicare-Medicaid Alignment, CHCS

Alexandra Fernandez, Chief, Bureau of Long Term Care,
Idaho Department of Health & Welfare

Chris Barrott, Program Manager,
Idaho Department of Health & Welfare

D-SNP Contracting as a Pathway To MLTSS

Growth of MLTSS

- States have increasingly developed MLTSS programs to:
  - Deliver robust care coordination that offers person-centered care for individuals in need of LTSS
  - Promote greater access to HCBS by incenting rebalancing from institutional care to community options
  - Reduce fragmentation of care delivery both within the Medicaid program and across Medicare and Medicaid
- Considerable state resources and the right climate are needed to first obtain buy-in and then design, implement, and oversee MLTSS programs.

New D-SNP Integration Standards

- D-SNPs must meet at least one of the following criteria effective CY 2021:

  1) Cover Medicaid behavioral health services and/or LTSS to be either:
     - » A Fully Integrated Dual Eligible SNP (FIDE SNP), or
     - » A Highly Integrated Dual Eligible SNP (HIDE SNP) or
  2) Notify state and/or its designee(s) of Medicare hospital and skilled nursing facility (SNF) admissions for group of high-risk enrollees to improve coordination during transitions of care

On November 24, 2020, CMS released a comprehensive list of D-SNP integration status based on CY 2021 State Medicaid Agency Contract reviews. Available at: https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/D-SNPs

Source: CMS. "Medicare and Medicaid Programs; Policy and Technical Changes to the Medicare Advantage, Medicare Prescription Drug Benefit, Programs of All-Inclusive Care for the Elderly (PACE), Medicaid Fee-For-Service, and Medicaid Managed Care Programs for Years 2020 and 2021." *Federal Register*, April 16, 2019, pp.15710-15718 and *42 CFR 422.107(d))* p. 15828. Available at: https://www.govinfo.gov/content/pkg/FR-2019-04-16/pdf/2019-06822.pdf;

Direct Capitation to D-SNPs

- Direct capitation to D-SNPs offers an alternative path for coordination of Medicare, LTSS, and other Medicaid benefits.
- Particularly relevant for states that:
  - Do not have or plan to develop an MLTSS program
  - See value of benefit integration coupled with overlay of care coordination to reduce fragmentation of care
  - Have a considerable segment of LTSS eligible individuals already enrolled in D-SNPs

Direct Capitation to D-SNPs

- Offers states flexibility to determine the scope of benefits that would be integrated and to expand that scope overtime.
- State approaches vary from directly capitating D-SNPs for coverage of beneficiary cost sharing alone, to capitation for Medicaid "wrap around" benefits, and/or LTSS and behavioral health.
- In parallel, states can leverage the D-SNP care management model and use their contract authority to address Medicaid program goals and requirements.

Idaho's Path to Integration and MLTSS

IDAHO DEPARTMENT OF HEALTH & WELFARE

Idaho's Path

2011 – Legislative mandate

Late 2013 – Unable to participate in Capitated Financial Alignment Demonstration after plan withdrew

June 2014 – Launched D-SNP offering MLTSS benefits with one plan and voluntary enrollment

January 2018 – Second D-SNP joined the market

November 2018 – Launched companion Medicaid-only MLTSS program with mandatory enrollment structure

Using the D-SNP as a pathway to the MLTSS

- Broad legislative mandate to transition duals into a managed care delivery system.
- Benefits of starting with a direct D-SNP contract included:
  - Initially very small enrollment gave us a good “test environment” to work through operational or contract issues with LTSS benefits.
  - Stability of the MA side permitted us to focus our efforts on integrating the LTSS benefits into an already solid framework.
  - Supported stakeholder engagement by broaching the concept of managed LTSS with a population oriented to Medicare Advantage.
  - As a state in its infancy of managed care, leveraging the existing capacity and structure of the D-SNP platform minimized the risk of program failure or launch problems (e.g., medical or pharmacy benefits)

Challenges

- Medicare expertise among state staff was relatively low.
- Network provider challenges, particularly among atypical Medicaid providers, and including claims system enrollment.
- Medicare cost-sharing and allocation for medical loss ratio reporting purposes.
- Coordination of benefits/reimbursement calculations.

Solutions

- Coordination with internal state SMEs regarding behavioral health services, HCBS services, and nursing facility care to ensure continuity between care delivery systems and contracts.
- Partnering with D-SNP contractors to address challenges
  - Participating plans have been very amenable to coordinated problem-solving.
  - State's corrective action process has been relied on to work through issues building credibility and transparency with stakeholders.

Question & Answer

Visit CHCS.org to…

- **Download** practical resources to improve the quality and cost-effectiveness of Medicaid services
- **Learn** about cutting-edge efforts to improve care for Medicaid's highest-need, highest-cost beneficiaries
- **Subscribe** to CHCS e-mail, blog and social media updates to learn about new programs and resources
- **Follow** us on Twitter @CHCShealth