April 7, 2017

State Medicaid Integration Tracker©

NASUAD
National Association of States United for Aging and Disabilities

Welcome to the State Medicaid Integration Tracker©

The **State Medicaid Integration Tracker©** is published each month by the National Association of States United for Aging and Disabilities (NASUAD). It is intended to provide a compilation of states' efforts to implement integrated care delivery-system models. Only publicly available and documented activities are included in this tracker.

This tracker includes new updates for each state that occurred during the most recent month. For comprehensive information on each state, as well as archived versions of the tracker, please visit: http://nasuad.org/initiatives/tracking-state-activity/state-medicaid-integration-tracker

The **State Medicaid Integration Tracker©** focuses on the status of the following state actions:

1. Managed Long Term Services and Supports (MLTSS)

2. State Demonstrations to Integrate Care for Dual Eligible Individuals and other Medicare-Medicaid Coordination Initiatives

3. Other LTSS Reform Activities, including:
   - Balancing Incentive Program
   - Medicaid State Plan Amendments under §1915(i)
   - Community First Choice Option under §1915(k)
   - Medicaid Health Homes

NASUAD uses many information sources to learn what is happening across the country in these areas. NASUAD's sources include: the CMS website on Managed Long Term Services and Supports (link), the CMS website on State Demonstrations to Integrate Care for Dual Eligible Individuals (link), the CMS Balancing Incentive Program website (link), the CMS website on Health Homes (link), the CMS list of Medicaid waivers (link), state Medicaid Agency websites, interviews with state officials, and presentations by state agencies. NASUAD lists sources for each update, as well as hyperlinks to related CMS and state documents and materials.

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Overview

Managed LTSS Programs:	AZ, CA, DE, FL, HI, IA, IL, KS, MA, MI, MN, NC, NJ, NM, NY, RI, TN, TX, WI
Medicare-Medicaid Care Coordination Initiatives: All states, except Minnesota, are operating a CMS-approved Financial Alignment (FA) demonstration program **: Pursuing alternative initiative # : Planning to terminate FA in December 2017	CA, CO, IL, MA, MI, MN**, NY, OH, RI, SC, TX, VA#, WA
Other LTSS Reform Activities approved by CMS: **NOTE: For clarity, designation of approved and pending state actions have been modified. Pending actions ONLY are noted with an asterisk. Otherwise, all states listed have approved programs.** *: Pending CMS approval	
○ **Balancing Incentive Program:**	AR, CT, GA, IL, IN, IA, KY, LA, ME, MD, MA, MS, MO, NE, NV, NH, NJ, NY, OH, PA, TX
○ **Medicaid State Plan Amendments under §1915(i):**	AR*, CA, CO, CT, DE*, DC*, FL, ID, IN, IA, LA, MD, MI, MN*, MS, MT, NV, OR, SC*, WI
○ **Community First Choice option under §1915(k):**	AR*, CA(2), CO*, CT, MD, MN*, MT, NY, OR, TX, WA, WI*
○ **Medicaid Health Homes:**	AL, AZ*, AR*, CA*, CT*, DE*, DC*, ID, IL*, IN*, IA(3), KS, KY*, ME(2), MD, MI, MN*, MS*, MO(2), NV*, NH*, NJ*, NM*, NY(3), NC, OH(2), OK, OR, RI(3), SD, VT(2), WA, WV*, WI(2)

State Updates

State	State Updates
Alabama	**Regional Care Organizations** On February 14, 2017, AL.com reported on how a growing number of Alabama's largest hospitals have begun pulling out of plans to establish regional care organizations, or RCOs, under the state's ongoing Medicaid program reforms. Major hospitals that have withdrawn plans include UAB and the University of South Alabama. While some health systems have expressed skepticism with the ongoing reforms, others such as Alabama Community Care remained committed to working toward the October 1, 2017, deadline to implement the program. If the state is unable to rollout the program on October 1, the state will lose its waiver approval as well as over $700 million in potential additional waiver funds. (Source: AL.com 2/14/2017)
Arizona	**Managed LTSS Program** On March 3, 2017, the Arizona Health Care Cost Containment System (AHCCCS) announced awards for the three managed care organizations (MCOs) that have been selected to provide all medical and long-term services and supports (LTSS) to Medicaid individuals that are elderly or have a physical disability through the Arizona Long Term Care System (ALTCS). Contracts break down by health plan and Geographic Service Area (GSA) as follows: Central GSA: o Banner-University Family Care; o Southwest Catholic Health Network Corporation dba Mercy Care Plan; and o UnitedHealthcare Community Plan. South GSA: o Banner-University Family Care; o Southwest Catholic Health Network Corporation dba Mercy Care Plan. North GSA: o UnitedHealthcare Community Plan. The new contracts become effective on October 1, 2017, and will include over 26,000 AHCCCS members. (Source: Award Announcement 3/3/2017)

Florida	**Managed LTSS Program** Florida's Agency for Health Care Administration (AHCA) has released a list of companies that submitted non-binding letters of intent to bid on the state's upcoming Medicaid managed care reprocurement. Included on the list are major Medicaid managed care players such as Amerigroup, Aetna, Humana, Molina Healthcare, United Healthcare, and WellCare, as well a plethora of smaller entities. (Source: AHCA List 2/13/2017) On March 21, 2017, Florida Politics reported that an analysis conducted by AHCA on a proposed bill (SB 682) that would carve out nursing facilities from the states' Medicaid managed care program, found that it would add an additional $200 million to the state's annual operating costs. This is largely due to the fact that MCOs in Florida have been successful at transferring and keeping members in their homes and communities, which is cheaper than institutional care received in a facility, such as a nursing home. (Source: Florida Politics 3/21/2017)
Illinois	**Managed LTSS Program** On February 27, 2017, the Illinois Department of Healthcare and Family Services (HFS) posted a request for proposals (RFP) for MCOs that are interested in providing services for the state's Medicaid managed care program, which includes MLTSS. HFS is seeking between four and seven MCOs to operate contracts statewide. MCOs will be responsible for providing the full spectrum of Medicaid services under this contract. This procurement aims to enhance population health, the experience of the Medicaid consumer, and lower costs. In that vein, the RFP has the following themes: o Preventative care and population health; o Paying for value rather than volume; o Rebalancing away from institutions and towards the community; o Improving data integration and predictive capabilities; and o Bettering education and outreach efforts to improve self-sufficiency. Beginning in 2014, Illinois transitioned two million of its 3.1 million Medicaid enrollees into managed care, or approximately 65 percent, surpassing the states' initial goal of 50 percent. Under the RFP, HFS now aims to enroll 80 percent of Medicaid members into managed care. In order to reduce administrative burden,

Illinois

HFS will combine the states' current three managed care programs: Integrated Care Program (ICP), Family Health Plans/ACA Adults (FHP/ACA), and Managed Long Term Services and Supports. The state's dual eligible financial alignment demonstration does not fall under this RFP, but the state reserves the right to include it at a later date.

The RFP includes two major changes to the current program. For the following populations, enrollment in managed care will now be mandatory and also be statewide (increasing the footprint from the current 30 counties to all 101 in Illinois):

- Families and children eligible for Medicaid through Title XIX or Title XXI;
- Affordable Care Act (ACA) expansion adults;
- Medicaid-eligible adults with disabilities who are not eligible for Medicare;
- Medicaid-eligible older adults who are not eligible for Medicare;
- Dual eligible adults receiving institutional or HCBS LTSS aside from those receiving partial benefits, or those enrolled in the Illinois Medicare-Medicaid Alignment Initiative; and
- Special needs children.

There are three service packages that pertain to the RFP. Service Package I includes all Medicaid-eligible services unless excluded in the Model Contract or included in Service Packages II or III. Service Package II includes nursing facility services and services provided under the state's HCBS waivers, except for waivers designated for individuals with developmental disabilities. Service Package III includes developmental disability waiver services and intermediate care facility providers for developmental disabilities (ICF/DD). Illinois does not intend to include Service Package III under the current RFP, but MCOs should be prepared to implement such services within 180 days if HFS chooses to do so.

The new Medicaid managed care program will encompass five geographic regions.

Region 1	Northwestern counties
Region 2	Central counties
Region 3	Southern counties
Region 4	Cook county
Region 5	Collar counties

Proposals are due by May 15, 2017. HFS hopes to make award announcements on June 30, 2017, with an effective date for the new contracts of January 1, 2018. (Source: RFP 2/27/2017)

Illinois

HFS has posted an attendee list from the mandatory offeror conference for statewide Medicaid managed care that took place on March 10, 2017. The list of potential bidders included:

Addus HomeCare	Aetna Better Health of Illinois
Agilon Health	AltaStaff, LLC
Anthem, Inc.	Beacon Health Options
BlueCross BlueShield of Illinois	Canary Telehealth
Cigna HealthSpring	Community Cary Alliance of Illinois
CountyCare/CCHHS	Engaging Solutions, LLC
Family Health Network	Fineline Printing Group
FoCoS Innovations	Harmony/WellCare
Humana	Illinicare Health
MCNA insurance Co.	Molina Healthcare
Meridian Health Plan	NextLevel Health Partners Inc.
Trusted Health Plan	United Healthcare Community & State
United Health Care & Community/State Optum	Valence Health/Evolent Health

(Source: Attendee List 3/21/2017)

Iowa

Managed LTSS Program

On March 10, 2017, Iowa Health Link released the most recent quarterly report for State Fiscal Year (SFY) 2017, which contains data on the states' comprehensive managed care program. As of January 31, 2017, enrollment stands at 567,943 enrollees.

In terms of LTSS enrollment, as of January 2017 Iowa has 13,858 (37.2 percent) receiving facility-based services. 62.8 percent of beneficiaries, or over 23,000, receive home and community-based services (HCBS). The LTSS managed care enrollment of 37,219 breaks down by health plan as follows:

Plan	Total LTSS Enrollment	Percent in institutional settings	Percent in HCB settings
Amerigroup	7,633	57.9	42.1
AmeriHealth Caritas	23,310	25.4	74.6
UnitedHealthcare	6,276	56.2	43.8

Iowa	Iowa estimates it will accrue $118 million in savings this year from the shift to managed care. (Source: IA MCO Report 3/10/2017) Iowa has implemented a risk corridor agreement with the three MCOs that will be in effect through June 30, 2017. This means that the state – and federal – government will share in the losses (and profits if applicable) incurred by the MCOs. The state has asked CMS to cover all but $10 million of the estimated losses under the risk corridor; the remaining $10 million would be the state's responsibility but would not be incurred until 2019. (Source: KMA Land 3/28/2017, Des Moines Register 3/29/17)
Nebraska	**Managed LTSS Program** On March 7, 2017, the Nebraska Department of Health and Human Services (DHHS) released a draft long-term care (LTC) system redesign plan. The plan is a follow up to a concept paper released on January 22, 2016. The draft redesign plan was prepared for DHHS by Mercer Government Human Services Consulting and the National Association of States United for Aging and Disabilities (NASUAD). . The redesign plan encourages DHHS to build upon the states' current Heritage Health managed care program, which was implemented on January 1, 2017, and integrates services for behavioral and physical health, and pharmacy benefits by expanding the scope of existing MCOs to include coverage for LTC – e.g., LTSS – for individuals currently enrolled in Nebraska's existing Medicaid HCBS programs. The states' current MCOs are Nebraska Total Care (Centene), UnitedHealthcare, and WellCare. DHHS' existing HCBS programs are as follows: o Aged and Disabled Waiver; o TBI Waiver; o Children's Developmental Disabilities Waiver; o Adult Day HCBS Waiver; and o Developmental Disabilities Adult Comprehensive Waiver. The draft redesign plan also recommends including individuals in nursing facilities and assisted living homes under MLTSS in order to avoid creating any financial disincentives for HCBS. Implementing MLTSS can be achieved through amendments to the states' existing 1915(b) and 1915(c) waivers.

Nebraska	Finally, the plan recommends a phased implementation approach for MLTSS. A tentative timeline proposes to implement for the elderly and disabled populations on January 1, 2019, and July 1, 2019 for the I/DD populations. DHHS is currently in the process of an extensive stakeholder engagement process. After the comment period ends in May 2017, a final redesign plan will be developed that incorporates public comments and feedback. (Source: Draft LTC Redesign Plan 3/7/2017; Concept Paper 1/22/2016)
New Hampshire	**Managed LTSS Program** A bill was introduced in the New Hampshire State Senate that would affect implementation of Step 2 of the states' Medicaid managed care program, which implements MLTSS. Senate Bill (SB) 155 would require that the nursing facility services and services included under the Choices for Independence waiver be carved into the state's existing managed care program starting on January 1, 2019. Additionally, services provided under New Hampshire's developmental disability waiver would not be carved in before July 1, 2019. (Source: SB 155 3/30/2017)
New York	**Community First Choice Option** New York has delayed implementation of the 1915(k) Community First Choice Option (CFCO) from July 2017 to January 2018. Both the Nursing Home Transition and Diversion and the Traumatic Brain Injury waivers will have their transitions to Medicaid managed care pushed back from January 2018 to April 2018. (Source: HMA Weekly Roundup 3/1/2017) **State Demonstration to Integrate Care for Dual Eligible Individuals** New York's demonstration to integrate care for dual eligibles, Fully Integrated Duals Advantage (FIDA), has been extended until December 2019. FIDA is set to expand into Region 2—which encompasses Suffolk and Westchester Counties—in March 2017. Enrollment in Region 2 is voluntary and will not include passive enrollment. New York also plans to launch a new stakeholder engagement process that will review FIDA. (Source: HMA Weekly Roundup 3/1/2017) **Managed LTSS Program** The Home Care Association of New York (HCA) is out with a report on the financial status of New York's home care providers, which makes extensive reference to the

New York	state's Managed Long-Term Care (MLTC) program. The report argues that, due to insufficient reimbursement rates from the state, 61 percent of participating MLTC health plans were in the negative in terms of premium incomes in 2015, and 72 percent of Certified Home Health Agencies (CHHAs) and Long Term Home Health Care Programs (LTCHHCPs) had negative margins in 2014. The report also notes that underpayment can lead to delays in service provision, and is also compounded by the impact of minimum wage standards, such as changes to the Fair Labor Standards Act (FLSA). However, the state discussed, at a recent Medicaid Managed Care Advisory Review Panel meeting, how it intends to increase reimbursement for home care agencies to account for changes in the minimum wage, and is also convening a workgroup on minimum wage oversight and education. (Source: HCA Report 2/2017; HMA Weekly Roundup 2/22/2017; HMA Weekly Roundup 3/1/2017)
Ohio	**Managed LTSS Program** On January 30, 2017, Governor Kasich of Ohio submitted his proposed budget for fiscal years (FY) 2018-2019. The proposed budget includes appropriations of $28.1 billion for the state's Medicaid program in FY2018, and $28.8 billion in FY2019. The budget includes proposals to improve care coordination for all of the remaining Medicaid populations that are not currently enrolled in managed care plans. Additional populations that will be required to enroll into managed care under the proposed budget are: o Medicaid beneficiaries receiving both home and community-based services as well as those receiving care in a facility; o Beneficiaries in the state's Medicaid Buy-In Program for workers with disabilities; o Dual eligibles that currently are not participating in the state's dual eligible financial demonstration, My Care Ohio; and o Eligible beneficiaries in the refugee medical assistance program. Individuals served through the Department of Developmental Disabilities (DODD) will continue to be carved out of managed care and their services will remain under fee-for-service (FFS), although they will have the option to enroll in an acute care health plan. Moving forward, Ohio will hold a procurement with the intent to select at least three MCOs to implement a new managed long-term services and supports (MLTSS)

<table>
<tr><td>Ohio</td><td>program. (Source: Budget Proposal 1/30/2017; Budget Overview 1/30/2017; Care Coordination Overview 1/30/2017)</td></tr>
<tr><td>Pennsylvania</td><td>Managed LTSS Program

On March 3, 2017, the Pennsylvania Department of Human Services (DHS) announced changes to the timeline for implementation of two major Medicaid programs: the Physical HealthChoices program, and the Community HealthChoices (CHC) program (the state's new MLTSS initiative). The updated timelines for the two programs is as follows:

<table>
<tr><th>Region</th><th>Physical Health Start Date</th><th>CHC Start Date</th></tr>
<tr><td>Southwest</td><td>January 2018</td><td>January 2018</td></tr>
<tr><td>Northwest</td><td>January 2018</td><td>January 2019</td></tr>
<tr><td>Northeast</td><td>March 2018</td><td>January 2019</td></tr>
<tr><td>Southeast</td><td>July 2018</td><td>July 2018</td></tr>
<tr><td>Lehigh/Capital</td><td>January 2019</td><td>January 2019</td></tr>
</table></td></tr>
<tr><td>Virginia</td><td>Managed LTSS Program

On February 9, 2017, the Virginia Department of Medical Assistance Services (DMAS) announced the six companies awarded contracts under the state's MLTSS program, Commonwealth Coordinated Care Plus. All of the MCOs awarded will operate in regions 1-6 for the program. The six MCOs chosen are:

o Aetna Better Health of Virginia;
o Anthem HealthKeepers Plus;
o Magellan Complete Care of Virginia;
o Optima Health;
o United Healthcare; and
o Virginia Premier Health Plan. (Source: Notice of Award 2/9/2017)</td></tr>
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Wisconsin	**Managed LTSS Program** On February 22, 2017, The Wisconsin Department of Health Services (DHS) released request for proposals for interested MCOs to manage care delivery for select Geographic Service Regions (GSRs) under the Family Care and Family Care Partnership programs. Both programs serve frail elders and adults with physical, intellectual, or developmental disabilities Family Care is an LTSS- only program while, Family Care Partnership provides comprehensive acute and LTSS programs for dual eligible through Medicare Special Needs Plans.. This round of proposals would have covered Family Care GSRs 2, 3, 11, and 12, and Family Care Partnership GSRs 3, 11, and 12. Proposals were due by April 13, 2017. However, a few weeks later, DHS cancelled the RFP for these GSRs, and announced that they would be issuing two separate RFPs in the coming weeks instead. On March 23, 2017, DHS released the separate RFPs—one covering GSRs 2, 3, and 11, and the other for GSR 12—for the Family Care and Family Care Partnership programs. MCO proposals for GSRs 2, 3, and 11 are due April 27, 2017, and proposals for GSR 12 are due May 11, 2017/ (Source: Solicitation Announcement 2/22/2017; Link to RFPs 3/23/2017)

STATE TRACKER FOR DUALS DEMONSTRATION

(Updated as of: 3/27/2017)

	States	Proposed Financing Model	Submitted to CMS	Status	Implementation Date[1]	Anticipated End Date
1	**California**	Capitated	5/31/2012	**MOU Signed** 3/27/2013	Fully implemented in 7 counties	12/31/2019
2	**Colorado**	Managed FFS	5/2012	**MOU Signed** 2/28/2014	Fully implemented statewide	12/31/2017
3	**Illinois**	Capitated	4/6/2012	**MOU Signed** 2/22/2013	Fully implemented in greater Chicago and central Illinois areas	12/31/2019
4	**Massachusetts**	Capitated	2/16/2012	**MOU Signed** 8/23/2012	Fully implemented statewide	12/31/2018
5	**Michigan**	Capitated	4/26/2012	**MOU Signed** 4/2014	Fully implemented in 10 counties and the Upper Peninsula	12/31/2020
5	**Minnesota**	Admin. Alignment	4/26/2012	**Admin. Alignment MOU Signed** (9/12/2013)	Fully implemented	12/31/2018
7	**New York**	Capitated[2]	5/25/2012	**MOU Signed** 8/26/2013	Fully implemented in NYC, Nassau, Westchester and Suffolk counties	12/31/2019
8	**Ohio**	Capitated	4/2/2012	**MOU Signed** 12/12/2012	Fully implemented in 29 counties	12/31/2019
9	**Rhode Island**	Capitated	5/31/2012	**MOU Signed**	Three phases of opt-in enrollment: 7/2016; 8/2016;	12/31/2018

[1] Implementation dates are based on demonstration proposals submitted to CMS, Memoranda of Understanding, and Financial and Administrative Alignment Demonstrations for Dual Eligible Beneficiaries Compared: States with Memoranda of Understanding Approved by CMS, 1/6/2016.

[2] New York initially submitted demonstration proposal for both financial models, but later withdrew its Managed FFS model. Please refer to text in New York section.

	States	Proposed Financing Model	Submitted to CMS	Status	Implementation Date[1]	Anticipated End Date
					and 9/2016	
10	**S. Carolina**	Capitated	5/25/2012	**MOU Signed**	Fully implemented	12/31/2017
11	**Texas**	Capitated	5/2012	**MOU Signed**	Fully implemented in 6 counties	12/31/2018
12	**Virginia**	Capitated	5/31/2012	**MOU Signed** 5/21/2013	Fully implemented in 104 localities	12/31/2017
13	**Washington**	Managed FFS	4/26/2012	**MOU Signed** 10/25/2012	Fully implemented in 36 counties	12/31/2018

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