

# MassHealth Payment Policy Advisory Board and Medical Care Advisory Committee

Executive Office of Health and Human Services

October 2, 2018

# Agenda

- Welcome and Introductions
- MassHealth ACO updates
- Updates from MassHealth and CMS:
  - Duals Demonstration 2.0 concepts and status
  - Stakeholder feedback to date and updates to concept paper proposal
  - Expected development process and implementation timeline
- Discussion

# Current Landscape

- Since March 1, 2018, MassHealth has transitioned more than 850,000 members to Accountable Care Organizations (ACOs), and more than 200,000 to two Managed Care Organizations (MCOs).
- MassHealth's top priority during the transition has been member continuity.
- Since launching, ACOs have been actively engaging with their membership to understand their needs, and addressing them through a variety of programs (e.g. disease management, complex care management, community base supports).
- As of July 1, 2018, Community Partners are working with ACOs and MCOs to provide specialized wraparound supports and care coordination for members with complex long-term medical and/or behavioral health needs.

Product	Plan	Total Enrollment as of 7/21
ACOs	BMC HealthNet Plan Community Alliance	107,447
	BMC HealthNet Plan Mercy Alliance	28,275
	BMC HealthNet Plan Signature Alliance	18,003
	BMC HealthNet Plan Southcoast Alliance	16,152
	Berkshire Fallon Health Collaborative	15,513
	Fallon 365 Care	30,241
	Wellforce Care Plan	52,941
	BeHealthy Partnership	37,538
	My Care Family	31,754
	Tufts Health Together with Atrius Health	31,761
	Tufts Health Together with Boston Children's ACO	83,623
	Tufts Health Together with BIDCO	34,267
	Tufts Health Together with CHA	26,253
	Community Care Cooperative (C3)	113,653
MCOs	Partners Healthcare Choice	105,821
	Steward Health Choice	123,651
MCOs	MCO-BMC	70,398
	MCO-TUFTS	103,396
PCC	PCC	119,055
<b>Total</b>		<b>1,149,742</b>

Note: This table shows enrollment for members under age 65 with MassHealth as their primary insurance, who are eligible to enroll in ACOs, MCOs and the PCC Plan. Members who are over age 65 or who have Medicare or private insurance are not eligible for these enrollment options.

# MassHealth Accountable Care Organizations: Treating the Whole Person

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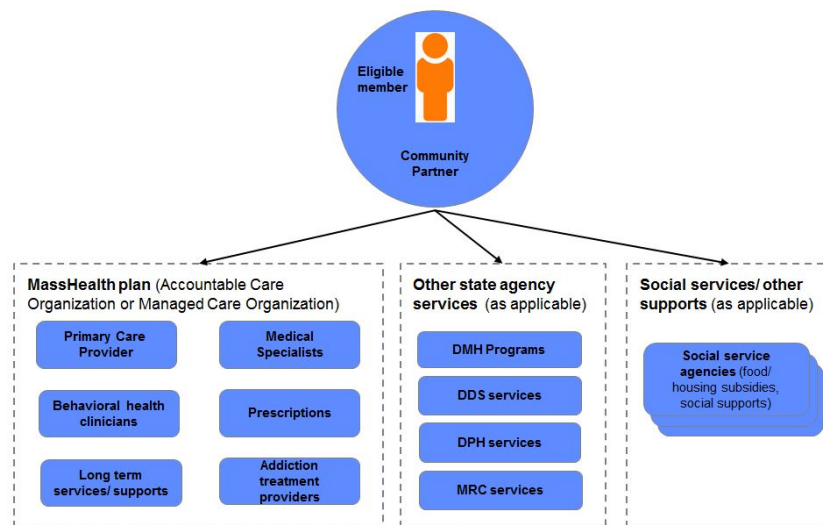
**MassHealth engaged extensively with hundreds of health care providers, advocates and other stakeholders** throughout the ACO design and transition process. This has included the creation of a Delivery System Reform Implementation Advisory Council, three Technical Advisory Groups, and a monthly advocates forum.

ACOs are rewarded for *value* – **better health outcomes and lower cost**– not volume. ACOs:

- Are a network of primary care providers who work in partnership with hospitals and specialists to coordinate all of a member's medical and behavioral health care.
- **Strengthen members' relationship with their primary care provider**, who engage members in their care and coordinate to help them navigate all the services they need.
- Focus on **better coordinating care** and **engaging members in their care** to improve health outcomes and reduce preventable costs (e.g., avoidable hospitalizations).
- **Integrate all care a person needs, including behavioral health and physical health care**, especially in the primary care setting, as well as **long-term services and supports**.
- Develop **innovative approaches to address social needs** (e.g., housing, food insecurity) that impact health.
- Are **accountable for the quality, member experience and cost of care** for members.

# Community Partners (CP) Launch

- MassHealth has contracted with 27 community-based health care and human service organizations to provide specialized wraparound supports and care coordination for MassHealth members with complex long term medical and/or behavioral health needs who are enrolled in ACOs, MCOs, or the Adult Community Clinical Services (ACCS) program. Over time, CPs are expected to serve ~60,000 MassHealth members.
- CPs will:
  - Actively outreach and engage individual/ families
  - Assess needs, provide options and refer to services
  - Coordinate with individual and providers to develop and maintain a care plan
  - Help navigate medical, behavioral health, disability, social services
- Members will be identified for CP supports by MassHealth, ACOs, MCOs, and providers. All MassHealth members participating in the Department of Mental Health's redesigned ACCS program are also eligible for CP supports.
- CPs are receiving funds through the state's innovative five-year 1115 Medicaid waiver:
  - ~\$400 million over five years to BH CPs
  - ~\$145 million over five years to LTSS CPs
- CPs are financially accountable for meeting quality measures such as initiating treatment for substance use, follow-up after a behavioral health hospitalization, and maintaining members with disabilities living in the community.



# Ombudsman Program Support for MassHealth Members


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- The foundational work done by MassHealth and Disability Policy Consortium (DPC) through the One Care (dual eligible) program has established the ombudsman program as a critical support for members, serving as a trusted resource in the community to ensure all One Care enrollees have access to integrated, person-centered care and are able to access the benefits they need to live independently.
- As of July 1, MassHealth and DPC expanded ombudsman services to members enrolled in a range of health plans, including ACOs, MCOs, Senior Care Organizations, Program of All-Inclusive Care for the Elderly (PACE) organizations, as well as individuals enrolled in the Community Partners program.
- *My Ombudsman* provides free assistance to help members connect to community-based resources, identify and address access concerns, and support members seeking behavioral health and long term support services.
- Members can contact *My Ombudsman* by phone at 855-781-9898 (TTY users can use MassRelay at 711 to call 855-781-9898), by email at [info@myombudsman.org](mailto:info@myombudsman.org), online at [www.myombudsman.org](http://www.myombudsman.org) or at the *My Ombudsman* office at 11 Dartmouth Street, Suite 301 Malden, MA 02148 by appointment or during walk-in hours on Mondays from 1 pm–4 pm and Thursdays 9 pm–12 pm.
- Members are also encouraged to visit [www.masshealthchoices.com](http://www.masshealthchoices.com) or call MassHealth customer service center at 1-800-841-2900.



# ACO and CP Quality and Integration Performance Measures

- ACOs and CPs are financially accountable for meeting specific quality measures and forfeit a portion of their funding if those measures are not met.
- Quality metrics include:
  - Providing **preventive care**
  - Managing **chronic diseases** like diabetes and heart failure
  - **Screening for behavioral health conditions** and initiating appropriate treatment for mental health, addictions, and co-occurring disorders
  - Ensuring appropriate **follow-up care** after a medical or behavioral health hospitalization
  - Maintaining **members with disabilities living in the community** rather than in nursing facilities
- Part of ACOs' quality score will be based on **member experience surveys conducted starting in early CY 2019** by Massachusetts Health Quality Partners (MHQP) an independent, objective 3<sup>rd</sup> party.



## ACO Quarterly Performance Report

<ACO Name (ID#)> Q3: 01/01/2018 – 09/30/2018

The delivery date of this report is 06-30-2019, and the time periods referenced throughout the report are as follows:

**Performance period** (rolling 12 months):  
Service dates 10-01-2017 – 09-30-2018, paid through 12-31-2018

**Most recent year-to-date (YTD):**  
Service dates 01-01-2018 – 09-30-2018, paid through 12-31-2018

**Comparison period** (rolling 12 months):  
Service dates 10-01-2016 – 09-30-2017, paid through 12-31-2017

**Prior year's year-to-date (YTD):**  
Service dates 01-01-2017 – 09-30-2017, paid through 12-31-2017

**Report Contents:**

Page 1	Overall Performance Summary
Page 2	Cost Performance
Page 3-4	Key Population and Utilization Measures
Page 5-6	Cost Breakdown by Categories of Service
Page 7-8	Quality Measure Performance
Page 9	Community Partner and Community Service Agency Enrollment
Page 10	Additional Payment Breakdown

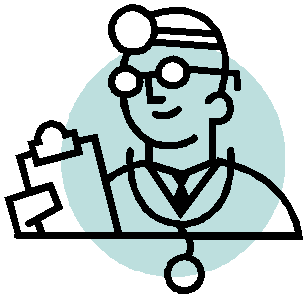
**Excel Supplement Contents:**

Tab 1	Risk Score, by Region and Rating Category
Tab 2	Categories of Service, by Region and Rating Category
Tab 3	Cost Performance, by Region and Rating Category
Tab 4	Care Delivery Patterns (Inpatient)

# Strengthening the Health Care System Statewide

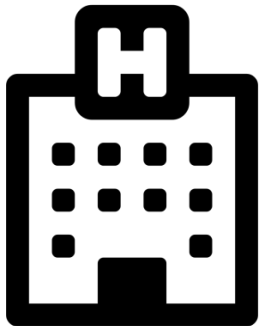
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- Over the next five years, **MassHealth will allocate \$115 million of its \$1.8 billion Delivery System Reform Incentive Payment (DSRIP) funding to support initiatives that will strengthen the health care system statewide.**
- MassHealth is partnering with the Mass League of Community Health Centers and the Association for Behavioral Healthcare to bolster the primary care and behavioral health care workforce.



## **Student Loan Repayment/Behavioral Health Workforce Development Programs**

- Approximately 300 applications received for the Student Loan Repayment Program and Behavioral Health Workforce Development Program. A total of 110 awardees.
- Over two years, MassHealth will disburse nearly \$4 million.
- Anticipated award sizes: ~\$50,000 for MDs and ~\$30,000 for NPs, PAs, APRNs, and masters-prepared BH providers.



## **Community Health Center-based Residency Training**

- ~5 slots for MD residents and ~12 slots for NP residents in year one. The actual number of MD v. NP slots funded will depend on the number and quality of applications received.
- Over one year, MassHealth will disperse nearly \$2 million.



# Strengthening the Health Care System Statewide

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- MassHealth will also partner with the Executive Office of Labor and Workforce Development and Commonwealth Corporation on a series of workforce development initiatives for the frontline and extended healthcare workforce valued at a projected \$12 million over the next five years.
- Initial initiatives include:

**Expansion of community health worker (CHW), CHW supervisor, and Peer Specialist training capacity** to increase the number of well-trained CHWs and Peer Specialists working in ACOs and CPs.

- MassHealth will award grants to existing CHW core competency training programs to expand the number of training cycles they provide.
- MassHealth will work with the Transformation Center to expand the number of Peer Specialist trainings available to peer specialists.
- MassHealth will award a grant to a single CHW core competency training program to design and implement a CHW supervisor training program.

**Competency-based training program** available to support frontline staff in ACOs and CPs.

- The training will focus on health care literacy, consumer engagement, critical thinking, and communication, among other critical health care and professional development topics.

# DSRIP Investments for Year 1

## ACO Investments

ACO DSRIP Investment Category	Amount*	% of Total
Care Coordination & Care Management	\$124.1M	39%
Clinical Integration	\$34.M	11%
Community-Based Care Initiatives	\$8.3M	3%
Culturally & Linguistically Appropriate Services	\$2.9M	1%
Data and Population Health Analytics	\$19.6M	6%
Health Information Technology	\$36.5M	12%
Health-Related Social Needs	\$4.9M	2%
Organizational Integration	\$43.4M	14%
Workforce Development	\$6.1M	2%
Other	\$37.3M	12%
<b>TOTAL</b>	<b>\$317.1M</b>	<b>100%</b>

## Examples of innovative ACO investments:

- An Ambulatory Intensive Care Unit (ICU) Program that will care for members with serious medical conditions in their homes.
- Cell phones for members with complex medical and behavioral health care needs who need to keep in touch with their providers to help them follow treatment plans, which can reduce hospitalizations from poorly managed chronic disease.
- An intensive care management program that surrounds frequent ER users with a team dedicated to managing their health, wellness, and social needs.
- Implementing an Opioid Prescription Management Program that supports providers in facilitating safe and appropriate prescription of opioids and other pain management drugs.

## CP Investments

Entity	Amount**
Behavioral Health Community Partners	\$30.9M
Long Term Services and Supports Community Partners	\$11.0M
CSA	\$5.3M
<b>TOTAL</b>	<b>\$47.2M</b>

## Statewide Investments (SWI) – Key Contracts for CY18

Category	Vendor	Purpose	Amount
Capacity Building	Abt Associates	TA Program for ACOs, CPs, and CSAs	\$9.6M
Workforce Development: Capacity Increase	MassLeague	Community-focused workforce development programs	\$6.8M
Workforce Development: Training	Commonwealth Corporation	Workforce development programs focused on CHWs, peer specialists, and frontline healthcare workers	\$1.7M

\* Prep Budget period funding of \$106.4M already disbursed, Performance Year 1 funding of \$210.7M being disbursed throughout 2018

\*\* Infrastructure funding for Preparation Budget Period of \$15.8M already disbursed; PY1 funding of \$31.4M (Jun to Dec '18) under review

## Related Investments: Community Health Centers

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- **Community Health Centers (CHCs) are critical to MassHealth's restructuring efforts underway, and MassHealth is committed to supporting CHCs as they build relationships with ACOs and CPs. Along with their partner ACOs, participating CHCs collectively are expected to receive \$190M over 5 years in Delivery System Reform Incentive Program funding.**
- MassHealth is dedicated to ensuring ACO members have robust access to the community-based medical and behavioral health services that CHCs provide.
- As a result, **effective January 1, 2019, MassHealth will modify its CHC reimbursement, resulting in approximately \$50M of new investments in CHCs over 5 years (\$10M annually).** These changes include:
  - Increase the CHC global medical visit rate by 2% to \$162.10 per visit (\$2.1M annual increase)
  - Add new global rates for adult psychiatry and child psychiatry services provided in a CHC (\$7.5M annual increase)
    - Adult Psychiatry rate = \$135.00 per visit (vs. ~\$80 today)
    - Child Psychiatry rate = \$162.10 per visit (vs. ~\$100 today)
  - In total, this \$10M annual investment represents an 8.5% increase above current CHC global medical and psychiatry reimbursements.

## Related Investments: Behavioral Health Provider Rates

- **Strengthening the behavioral health system is vital to achieving the goals of MassHealth's ACO/CP restructuring**, including improving care coordination and better integrating of physical health, behavioral health, and long term services and supports. To this end, the Commonwealth is making up to **\$1.165 billion in new investments in the behavioral health system from 2016-2022.**
- The funding will ensure access to a **more complete continuum of behavioral health and substance use disorder care** for MassHealth members, including strengthening the community-based provider system. Investments include:
  - A set of capacity-building investments in substance use disorder services through MassHealth's 1115 waiver (see next slide)
  - **\$100M in rate increases** for a range of behavioral health and substance use disorder services. This includes \$42.8-\$44.8M in outpatient and inpatient rate increases in FY16 and FY17, and the following new rate increases in FY18 and FY19:

Amount	Service	Description
\$34-35M	Inpatient and Outpatient Behavioral Health Services	Increase rates for outpatient behavioral health services, psychiatry in community health centers*, community mental health center services, Children's Behavioral Health Initiative services, acute treatment services/ community stabilization services, and outpatient SUD services.
\$18-20M	Inpatient Psychiatric Services & Diversionary/ Mobile Crisis Services	Increase rates to improve access to behavioral health providers and alleviate boarding in hospital Emergency Departments.
\$2M	Community Support Program for Chronically Homeless Individuals	Expand access and improve care for chronically homeless individuals.

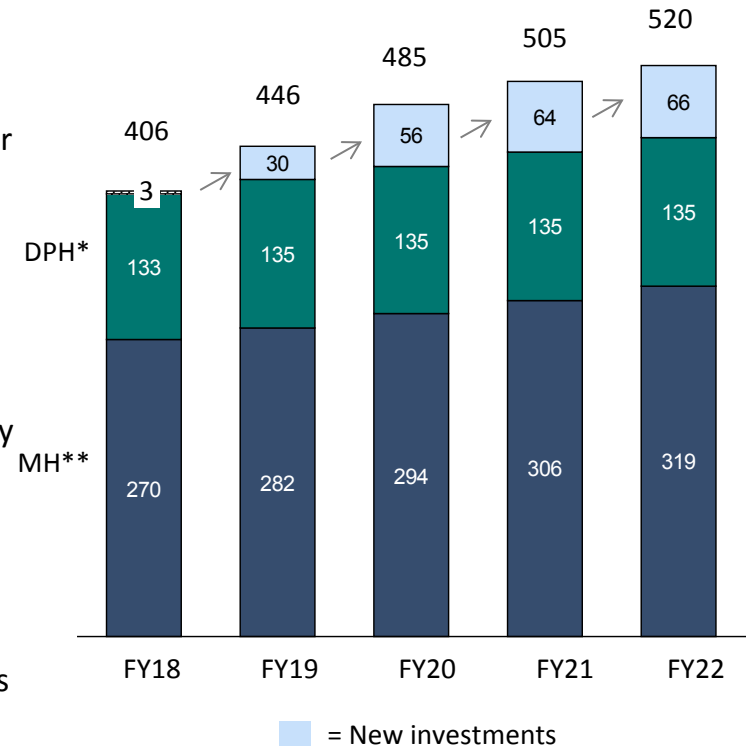
*\*note: discussed on previous slide*

# Related Investments: Substance Use Disorder (SUD) Waiver

Through the 1115 waiver, **MassHealth will invest \$219M in SUD treatment over 5 years.** Funds will enhance SUD treatment system capacity and support the care coordination and integration work of new ACOs/CPs:

- **Bringing residential rehab services (RRS) into the MH benefit.**
  - Closes the problematic “donut hole.” Brings in federal funds for services financed by the state alone to date.
  - \$122M gross/\$61M net
  - 500 new beds over 5 years
- **Additional funding and incentives for providers to increase utilization of Medication Assisted Treatment (MAT).**
  - Supplemental rate add-ons and payment incentives for primary care providers and 24-hour services to provide MAT, starting January 2019.
  - \$44.3 gross/\$22.2M net
- **Implementation of a statewide assessment tool for SUD.**
  - Adoption of a standard tool will help the various state agencies working with SUD patients align on assessments and referrals.
  - \$14.6M gross/ \$7.3M net
- **Addition of Recovery Coaches (RCs) and Recovery Support Navigators (RSNs) to the MassHealth benefit.**
  - On July 1, 2018, all members in ACOs/MCOs and the PCC plan gained coverage for RC and RSN services. MassHealth will also provide salary replacement and training funds to encourage RC supervisors to complete supervisor training programs.
  - \$38.6M gross/ \$19.3M net

MassHealth & DPH SUD Spending



\*Bureau of Substance Abuse Services account (4512-0200), excludes additional SUD funding from other accounts and does not account for any projected rate increases

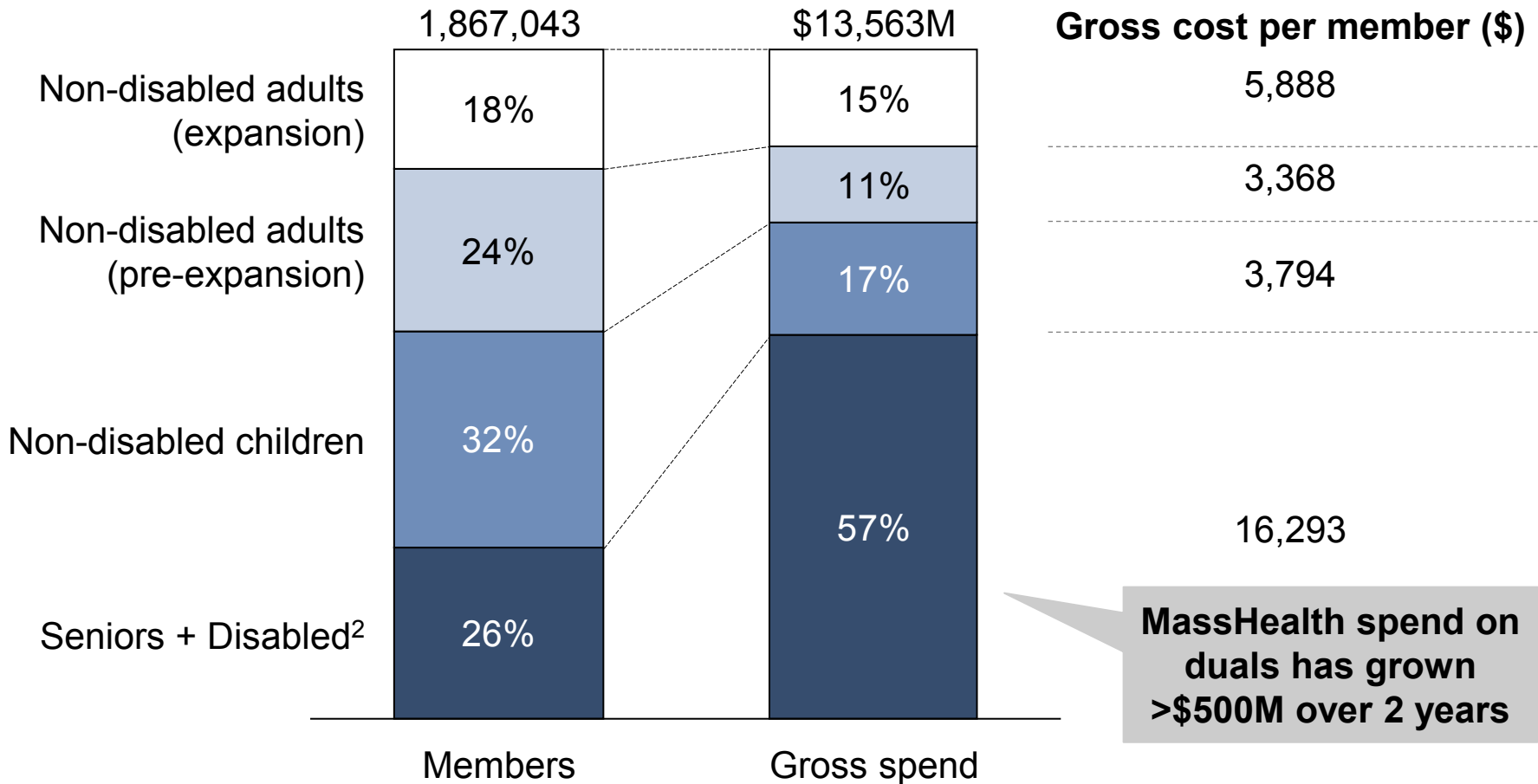
\*\*Includes spending on Acute Treatment Services (ATS), Clinical Support Services, Inpatient Detoxification, Medication Assisted Treatment, etc. Also assumes annual growth of approximately 4% based on historical utilization and enrollment growth

## Duals Demonstration 2.0: Context

- Individuals who **qualify for both Medicare and Medicaid**, known as “dual eligibles,” have among the most **complex care needs** of any population served by either Medicaid or Medicare
- Members may be dual eligible either because they are **have a disability** or because they are **over age 65 and have low income**
- Many dual eligible members utilize a **broad range of health care services**, including **medical services**, **behavioral health services**, and **long-term services and supports** that maintain their ability to live independently in the community or in a nursing facility
- MassHealth currently serves approximately **312,000 dual eligible members**
- **Combined Medicare and Medicaid costs** for the dual eligible population in Massachusetts are **estimated to exceed \$9 billion**, with MassHealth and Medicare each bearing about half of these costs

# Seniors and disabled populations represent 26% of MassHealth membership and drive >55% of gross state spending

MassHealth membership and program spending<sup>1</sup> by population, SFY 2016



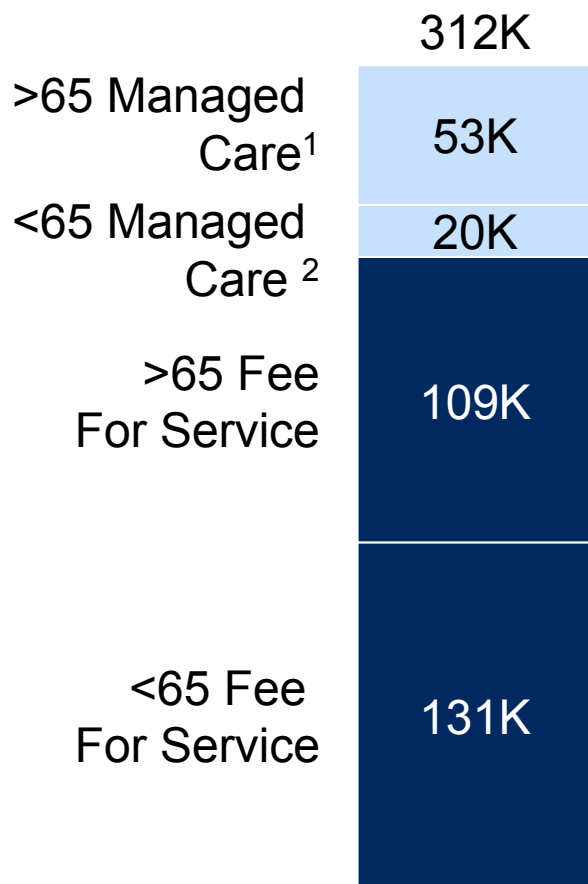
<sup>1</sup> Based on Date of Service (DOS) spending, which excludes Medicare payments, premium assistance payments, supplemental payments to hospitals, and MassHealth spending at other state agencies; figures are estimates

<sup>2</sup> Seniors + Disabled includes all seniors, disabled adults and children, beneficiaries of One Care, PACE, or Special Kids/Special Care, and individuals <65 receiving long term care

# Most of the 312,000 dual eligibles in the Commonwealth currently receive care through Medicaid fee-for-service

## Total dual eligibles members on MassHealth, January 2018

Managed Care Fee for Service (FFS)



80%+ of Dual Eligibles in FFS

- Historically, most dual eligible members have received their care on a **fee-for-service basis** from both Medicare and Medicaid
- Fee-for-service system often delivers **fragmented care**, as no single health plan or provider has responsibility to coordinate care for members
- The lack of care navigation and a single organizational partner results in **significant challenges**, particularly given the complex care needs of the dual eligible population

<sup>1</sup> Includes SCO, PACE, and One Care

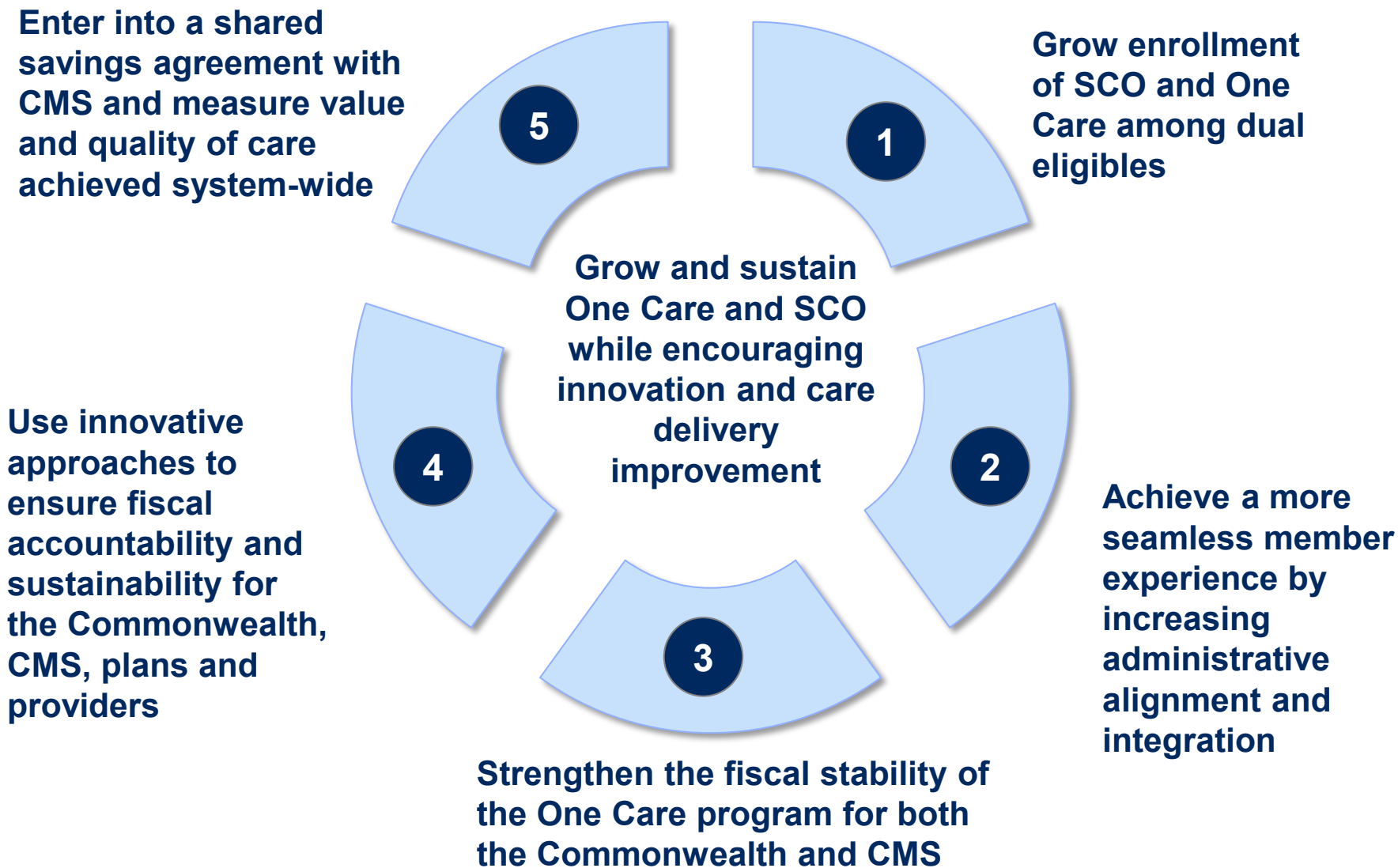
<sup>2</sup> Includes One Care, PACE



## Duals Demonstration 2.0: Context

- To provide **integrated, coordinated, and person-centered care options** to more dual eligible members, MassHealth, with its federal partners and stakeholders, has developed programs designed to **coordinate and integrate all Medicare and Medicaid services**
- The Duals Demonstration 2.0 proposal focuses on **two integrated care programs** provided by health plans specializing in serving dual eligible individuals:
  - **One Care** is an 1115A Duals Demonstration (a Financial Alignment Demonstration and a State Demonstration to Integrate Care for Dual Eligible Individuals) for individuals ages 21-64 at the time of enrollment living with disabilities, currently serving over 20,000 members
  - **Senior Care Options (SCO)** is a program of Fully Integrated Dual Eligible Special Needs Plans (FIDE-SNPs) for individuals ages 65 and older, currently serving over 50,000 members
- Based on the successes of SCO and One Care, MassHealth believes that **integrated care provides the best support, highest quality care, and improved health outcomes for dual eligibles** in the setting of the member's choosing
- **One Care and SCO are high quality vehicles for providing integrated and coordinated care** uniquely suited to the needs of dual eligible members

## MassHealth's proposed Duals Demonstration 2.0 is designed around five key objectives addressing administrative and financial goals



# Overview of Duals Demonstration 2.0 proposal

1

Grow enrollment among dual eligibles in SCO and One Care

- Expanded **passive enrollment** with **fixed enrollment periods**
- **Robust member protections**, including 90-day continuity of care period, fixed enrollment exceptions, SHINE counselor assistance, and thoughtful approach to ensuring sufficient networks

2

Increase administrative alignment and integration

- **Unified communications** and member materials about the Medicare and Medicaid benefits and services provided
- **Streamlined appeals and grievances process**

3

Strengthen fiscal stability

- **Medicaid rate setting** methodology that appropriately **accounts for the enrolled population and their complex service needs**
- **Medicare rate setting** methodology that is **stable and used by Medicare across the country (e.g., Medicare Advantage)**

4

Use innovative approaches to ensure fiscal accountability and sustainability

- **New approaches to protect plans, MassHealth, and CMS from financial instability** including: shared savings and loss arrangements, integrated calculations of plan medical spending, and limits on portions of provider payments

5

Enter into a shared savings agreement with CMS

- **Shared savings between MassHealth and CMS** to reflect system-wide value generated
- **Evaluation of Duals Demo 2.0** for quality of care and value

# Frequently asked questions about the Duals Demo 2.0

Does the proposed Duals Demo 2.0...?	Impact
Change eligibility criteria for One Care or SCO?	No
Change current services (including care delivery model, benefit structure, and care coordination model) available in One Care and SCO today?	No
Change One Care to be a Dual Eligible Special Needs Plan (D-SNP)?	No
Maintain the status of One Care and SCO as separate programs?	Yes
Move SCO under demonstration authority with One Care?	Yes
Maintain voluntary enrollment in One Care and SCO?	Yes
Integrate and improve member communications and materials?	Yes
Maintain members' rights to appeals and grievances?	Yes
Simplify the appeals and grievances process?	Yes
Maintain no copays for members in One Care and SCO?	Yes

# MassHealth will continue to actively engage with stakeholders on the Duals Demo 2.0

Feedback to-date	Proposed Solves
<ul style="list-style-type: none"><li>▪ <b>Passive enrollment</b> should maintain member choice and should not disrupt a member’s care (including those in Nursing Facilities)</li></ul>	<ul style="list-style-type: none"><li>▪ Proposes <b>continued advance noticing</b> (60 days and 30 days) with <b>opt out any time prior to enrollment</b>, and opportunity to disenroll for 90 days after enrollment or for cause</li><li>▪ <b>Proposes extension of SCO continuity of care requirements</b> to match One Care continuity of care of at least 90 days</li></ul>
<ul style="list-style-type: none"><li>▪ <b>Fixed enrollment periods</b> may reduce member choice and experience</li></ul>	<ul style="list-style-type: none"><li>▪ CMS new Special Election Periods for Part D in 2019 will similarly limit ability to change plans</li><li>▪ MassHealth is committed to <b>robust stakeholder engagement to build on liberal exceptions list</b>, using the ACO/MCO opt-out policy as a starting point</li></ul>
<ul style="list-style-type: none"><li>▪ <b>Bad debt reimbursement for hospitals</b> must be considered in proposed payment regulations</li></ul>	<ul style="list-style-type: none"><li>▪ Proposes continuing <b>bad debt adjuster currently in One Care rates</b></li></ul>
<ul style="list-style-type: none"><li>▪ Increasing number of members enrolled in One Care and SCO could <b>impact payment models for providers</b> who traditionally serve mostly fee for service Medicare beneficiaries</li></ul>	<ul style="list-style-type: none"><li>▪ Through procurement and contracting, encourage SCO and One Care plans to enter into <b>value-based and shared savings arrangements with providers</b>, including hospitals and home health agencies, and explore alignment with Medicare ACOs and MassHealth ACOs and MCOs</li></ul>

## Expected next steps for Duals Demo 2.0

Date	Key activities
<b>Summer 2018</b>	<ul style="list-style-type: none"> <li>▪ MassHealth submits draft Concept Paper to CMS</li> <li>▪ One Care extension (through 12/31/2019) finalized</li> </ul>
<b>2018 to 2019</b>	<ul style="list-style-type: none"> <li>▪ CMS reviews Duals Demo 2.0 Concept Paper</li> <li>▪ CMS/MassHealth extensive discussions and negotiations are anticipated to take several months</li> <li>▪ Stakeholder engagement will remain a priority for MassHealth and CMS; MassHealth will update stakeholders on any major changes to proposal as discussions progress</li> </ul>
<b>2019</b>	<ul style="list-style-type: none"> <li>▪ MassHealth and CMS execute a Memorandum of Understanding (MOU) granting authorities for Duals Demo 2.0, which is expected to be in effect no sooner than 2020</li> </ul>
<b>2019 to 2025</b>	<ul style="list-style-type: none"> <li>▪ Anticipate federal involvement in Duals Demo 2.0 development, implementation, and evaluation process moving forward</li> </ul>

# DISCUSSION

# Appendix



## Duals Demonstration 2.0: Context and Summary










- MassHealth offers three integrated programs for members eligible for Medicare and Medicaid (dual eligibles) - One Care (age 21-64 at enrollment), Senior Care Options (SCO) (age 65+) and Program of All Inclusive Care for the Elderly (PACE) (age 55+)
- MassHealth believes these integrated care products provide the best support for dual eligible members and best promote quality care and outcomes in settings of the members' choosing (i.e., moving from nursing homes into the community)
- The Commonwealth's longstanding SCO program has been very successful to-date; however, aspects of the administrative structure and financial methodology need to be updated to fix significant fiscal challenges present today
- Additionally, the Commonwealth's Financial Alignment Demonstration One Care has shown significant success in improving member care since it began; however, federal authority for the program will expire on December 31<sup>st</sup>, 2018
- In order to initiate a request for extension of the One Care program to CMS, the Commonwealth will need to submit a proposal outlining requested authorities and enhancements to both dual eligible products, with the goal of implementation in 2020 and an extension of One Care for 1-2 years to bridge the gap as we work together with CMS on these proposals
- As such, MassHealth is moving forward with a proposal outlining a package of updates to One Care and SCO (Duals Demonstration 2.0) that:
  - **Preserves the approach (i.e., eligibility criteria, care delivery model, benefit structure, and care coordination model) of the existing One Care and SCO programs (i.e., LTS-C, GSSC, etc.)**
  - **Requests new administrative flexibilities from CMS** to better integrate the Medicaid and Medicare components of One Care and SCO (i.e., joint Medicare / Medicaid materials) and improve member experience
  - **Grows and sustains enrollment** in One Care and SCO into the future
  - **Protects against Medicaid cross-subsidization** of Medicare or plans through updated financial arrangements with CMS and other financial protections
  - **Aims to expand the programs state-wide and ensure long-term sustainability** so that dual eligible members can continue to benefit from integrated care
- The overall goal of the Duals Demonstration 2.0 proposal is to improve quality of member care and outcomes and to ensure financial sustainability for all entities involved, including MassHealth, CMS, plans and providers
- MassHealth is committed to a robust stakeholder process as we continue to develop and shape this proposal

# Proposed changes in Duals Demonstration 2.0 to simplify processes for members and encourage adoption of One Care and SCO

 = Achieved





















 = Partially Achieved

 = Not Achieved

Proposal	Current		Duals Demo 2.0	
	One Care	SCO	One Care	SCO
Unified communications and materials				
Integrated appeals and grievances				
Passive Enrollment				
90 Day Continuity of Care period				
Fixed Enrollment period (with exceptions)				

# Proposed changes in Duals Demonstration 2.0 to improve program financing and ensure long term sustainability

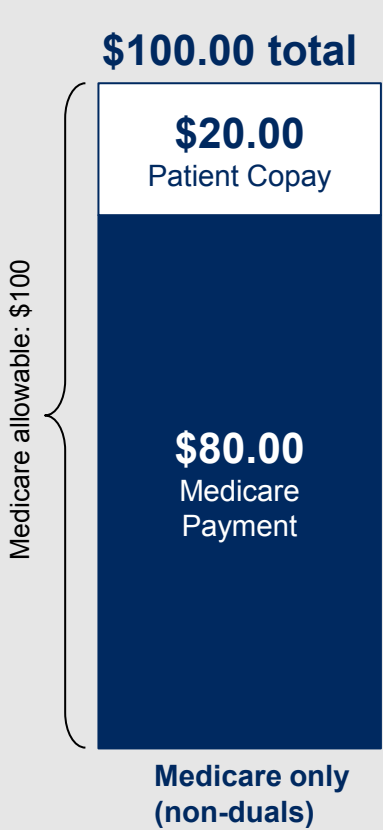
 = Achieved       = Partially Achieved       = Not Achieved

Proposal	Current		Duals Demo 2.0	
	One Care	SCO	One Care	SCO
Medicare Advantage bidding				
Medicare Stars quality payment methodology			 <i>With modified Stars</i>	
Two sided risk corridor				
Blended Medicare Medicaid MLR				
Zero member cost sharing				

# Illustrative example of potential limits on Medicaid wrap payments in One Care and SCO: Hospitals

## ILLUSTRATIVE EXAMPLE

### Non-Dual (Medicare Only) Provider Payments



### Dual Member (Medicare + Medicaid) Provider Payments

In FFS, providers receive less than the total Medicare payment allowable, as Medicaid wrap is less than the traditional patient co-pay



One Care and SCO plans have historically paid providers the full Medicare allowable amount (more in some cases)



Limits on the Medicaid wrap portion of provider payments in One Care and SCO could reduce the amount One Care and SCO plans pay providers; providers would still receive more on average for a Dual in integrated managed care products than in FFS

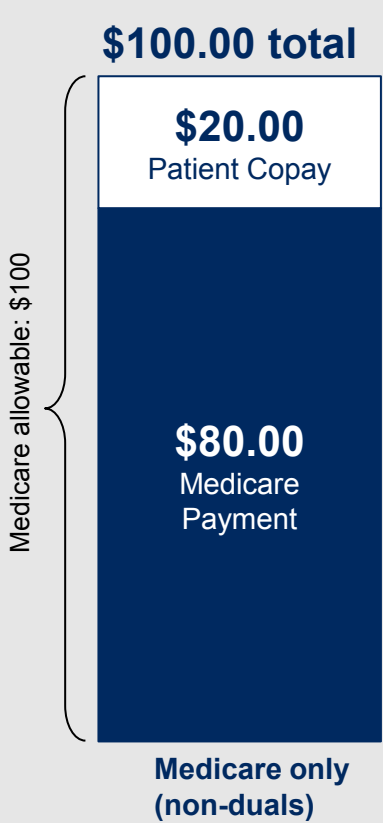


Example Medicaid Wrap Limit in One Care/SCO: 97.5-100% of Medicare allowable

# Illustrative example of potential limits on Medicaid wrap payments in One Care and SCO: Professional Services

## ILLUSTRATIVE EXAMPLE

### Non-Dual (Medicare Only) Provider Payments



### Dual Member (Medicare + Medicaid) Provider Payments

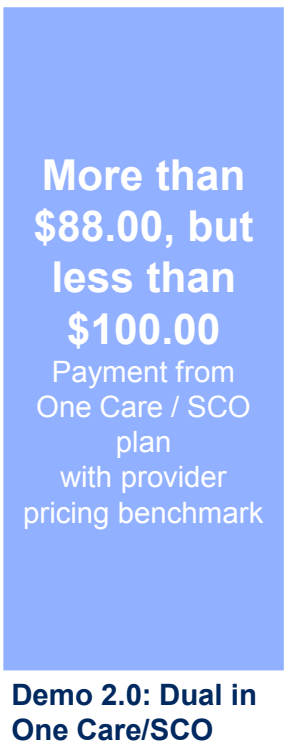
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Limits on the Medicaid wrap portion of provider payments in One Care and SCO could reduce the amount One Care and SCO plans pay providers; providers would still receive more on average for a Dual in integrated managed care products than in FFS



Example Medicaid Wrap Limit in One Care/SCO: 88 -100% of Medicare allowable