

Duals Demonstration 2.0 Listening Session #2

Executive Office of Health & Human Services

MassHealth

One Care and Senior Care Options (SCO)

August 7, 2018

DRAFT – FOR POLICY DEVELOPMENT PURPOSES ONLY

Agenda

- Updates
- Medicare Bidding Approach
- Risk Sharing
- Provider Payments
- Value-Based Payment for Plans and Providers
- Measuring and Incenting Quality
- Next Steps

Updates - Status and Timeline

- Request for Information on High Utilizers - May 25, 2018
- Draft Concept Paper - June 13, 2018
- One Care Implementation Council/MassHealth Duals Demonstration 2.0 Meeting - June 14, 2018
- Listening Session #1 - July 27, 2018
- Listening Session #2 - August 7, 2018:
 - Medicare bidding approach
 - Risk sharing
 - Provider payments
 - Value-Based Payments for plans and providers
 - Measuring and incenting quality
- Listening Session #3 - August 20, 2018:
 - Continuity of care
 - Passive enrollment
 - Enrollment churn
 - Fixed Enrollment/Special Enrollment Periods
 - HCBS Waiver participant access to integrated care in the future
- One Care Plan Procurement Release August 2018 (tentative)

Anticipated Procurement Timeline for One Care Plans

August 2018 (tentative)

- One Care Plan Procurement Release

September 2018 (tentative)

- Letters of Intent Requested by MassHealth

October 2018 (tentative)

- Bidder Responses Due

November 2018

- Medicare Notice of Intent to Apply (NOIA) Due*

January 2019 (tentative)

- One Care Plan Selection

February 2019

- Medicare Applications Due*

March 2019

- Network Submissions Due for Validation**

February – July, 2019 (tentative)

- Joint Readiness Reviews**

June 3, 2019

- Medicare Bids Due*

January 1, 2020

- First Enrollment Effective Date

* Milestone is a part of CMS' annual Medicare application and contracting process

** Joint MassHealth and CMS/Medicare process

MassHealth will post updates about the One Care procurement process:

- On COMMBUYS: www.commbuys.com
- On the One Care and Duals Demo 2.0 websites: www.mass.gov/service-details/information-for-organizations-interested-in-serving-as-one-care-plans

Medicare Bidding Approach – Background

- One Care and SCO plans receive capitated payments from both MassHealth and Medicare for each dual eligible enrollee
- One Care and SCO Medicare capitation rates are experience-based and risk-adjusted
- SCO plans participate in the Medicare Advantage bidding process; where they bid against Medicare benchmark rates in each county they cover

Medicare Bidding Approach – Proposal

The Medicare Advantage bidding methodology combined with experience-based, risk-adjusted, right-size Medicaid rates would ensure fiscal sustainability.

Medicare Financial Methodology

One Care

- Would align with **SCO methodology**
- Plans would **participate in the D-SNP bidding process**, while maintaining demonstration status
- Proposed access to **frailty adjuster** (if applicable)
- Proposed continued access to **bad debt adjustment**

SCO

- Will **remain largely the same as today**
- Plans would continue to participate in the **D-SNP bidding process**
- Advantage benchmark for their capitation
- Would continue to have access to **frailty adjuster** (if applicable)
- Proposed access to **bad debt adjustment**

Medicaid Capitation Rates

- Medicaid rates will be increasingly **experience-based**
- Continue to develop **risk adjustment methodology** based on **functional status** and **social determinants**

- Medicaid rates will be increasingly **experience-based**
- Continue to develop **risk adjustment methodology** based on **functional status** and **social determinants**

Medicare Bidding – Draft Concept Paper Comments

- General interest in using the Medicare Advantage bidding process for One Care
- Considerations:
 - Want to fully understand how changes to the SCO bidding instructions may impact finances
 - How to transition One Care to Medicare Advantage financial methodology (e.g. Stars rates, bidding relative to other Medicare Advantage products)

Medicare Bidding – Discussion Questions

- What should MassHealth consider in transitioning from the current One Care Medicare financial methodology to the Medicare Advantage bidding methodology?
- How would this change impact plans, plan enrollees, network providers, or others?
- What should MassHealth consider in adding risk adjustment to the Medicaid rate-setting methodology for One Care and SCO?

Risk Sharing – Background

- One Care – losses and gains exceeding a certain level are shared between the plans, Medicare, and MassHealth
- SCO – has a bidding process, with rebates and quality bonuses and no risk corridors
- MassHealth proposes high-utilization risk corridors would share losses and gains between the plans, Medicare, and MassHealth for costs associated with the delivery of care to members with extraordinarily high utilization
- Other risk mitigation strategies, such as stop-loss, also could be used to protect against program instability that might occur as a result of the delivery of services to members with extraordinarily high utilization
- MassHealth also proposes two-sided risk corridors applicable to both One Care and SCO to protect plans against financial instability

Risk Sharing – Draft Concept Paper Comments

- General support for a high-utilizer stop-loss program
- Some prefer maintaining the existing financial methodology for SCO (bid process, rebates, and quality bonuses – with no risk-corridor)
- Considerations:
 - The impact of adding two-sided risk corridors to the SCO program
 - Construct a high-utilizer stop-loss program to be budget neutral to rate-setting process

Risk Sharing – Discussion Questions

- What (if any) downsides should MassHealth consider in including a two-sided risk corridor in SCO?
- What other financial methodologies should MassHealth consider to assure the stability of One Care and SCO products until member enrollment reaches a minimum level for sustainability?
- What other approaches should MassHealth consider so that plans, CMS, MassHealth, and providers share in both risks and potential gains?

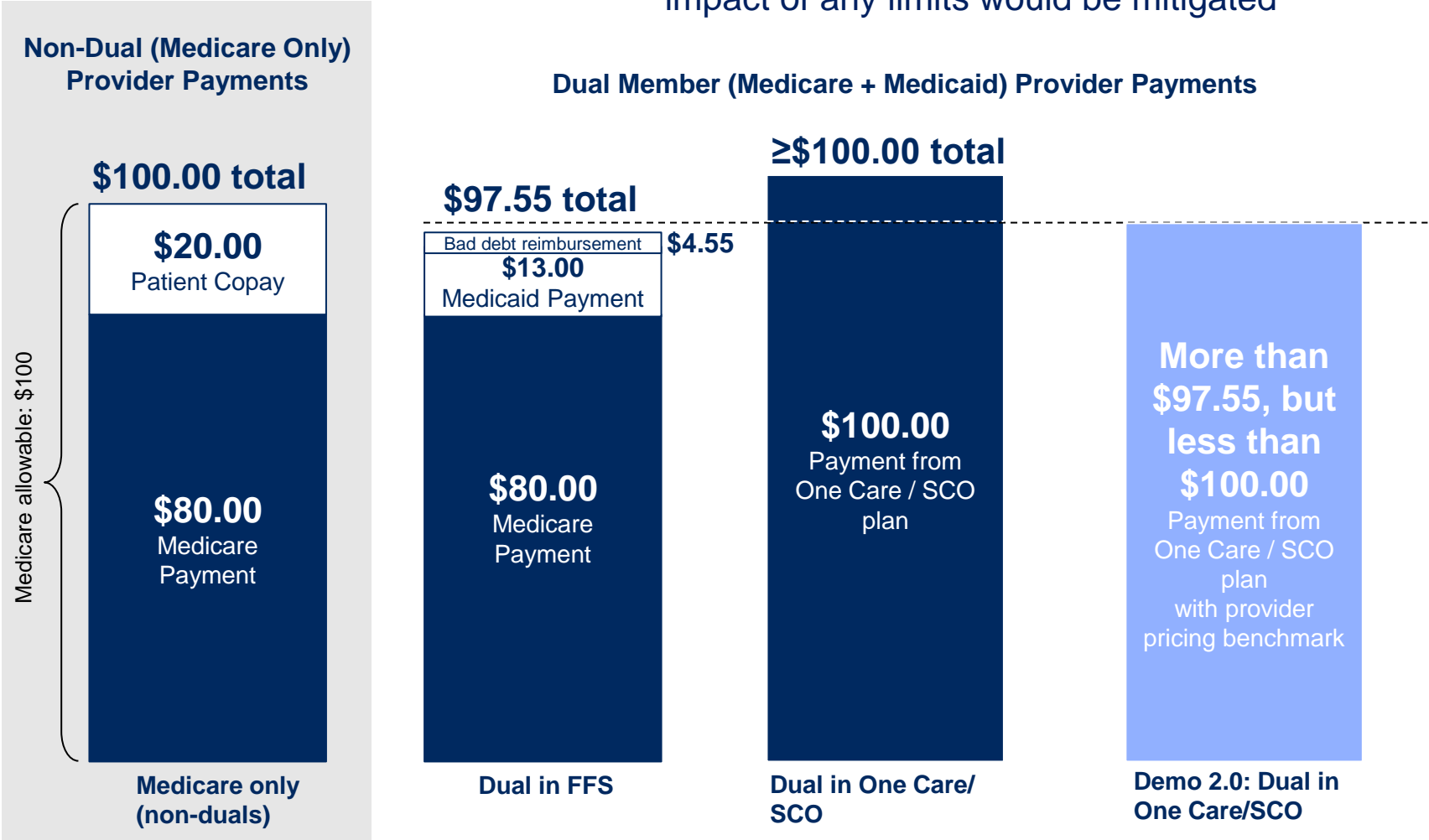
Provider Payments – Background

- For dual eligibles in Massachusetts who do not participate in One Care and SCO, providers receive MassHealth fee-for-service rates from their combined Medicare primary and MassHealth secondary payments
- We understand that One Care and SCO plans often pay hospitals and physicians at least the Medicare allowable amount, and in some circumstances, they pay those providers significantly higher amounts
- MassHealth proposes limiting the Medicaid wrap portion of provider payments for One Care and SCO

Provider Payments – Background: Hospital Illustrative Example

Potential limits on Medicaid wrap payments in One Care and SCO

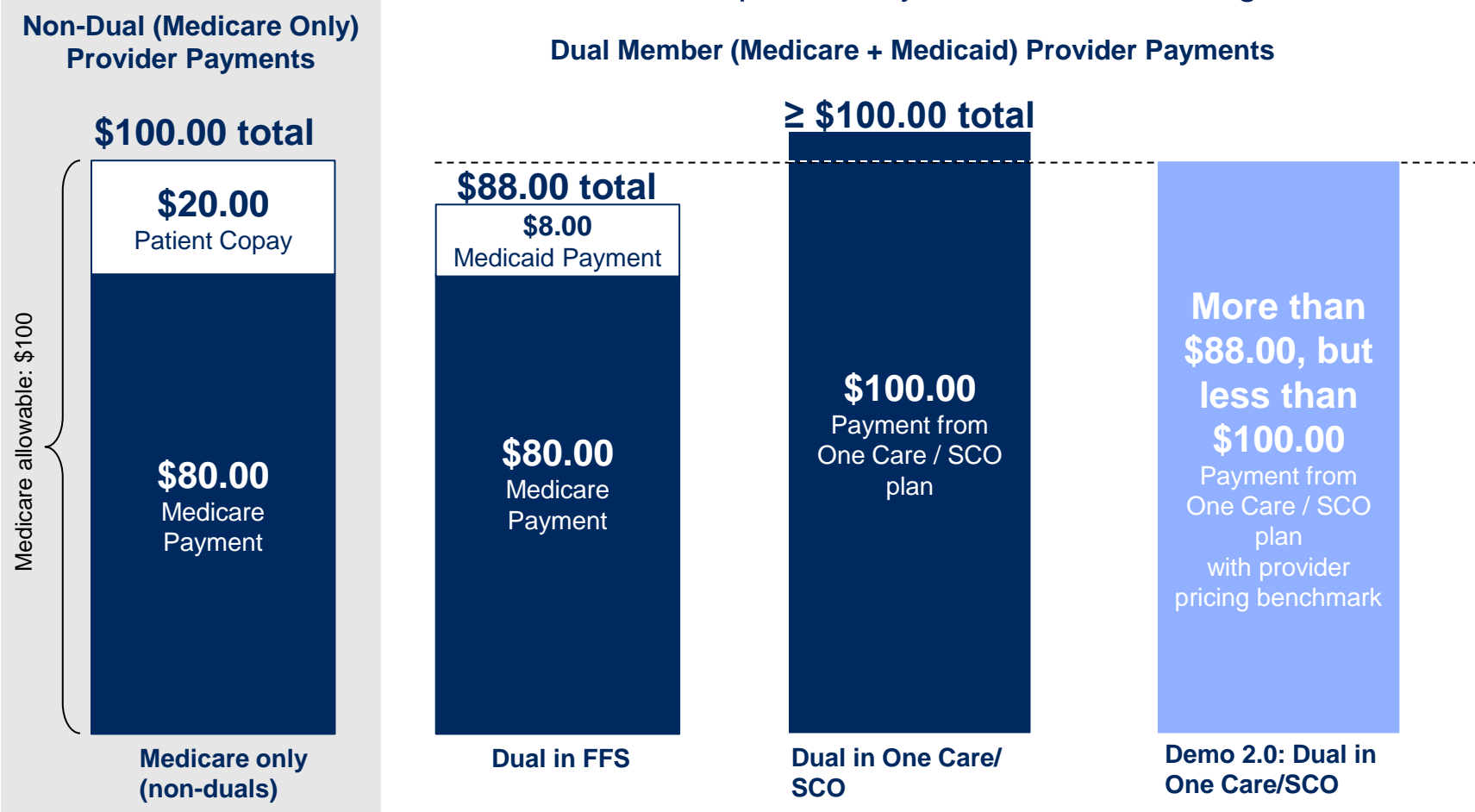
As enrollment volume shifts from FFS to One Care/SCO, impact of any limits would be mitigated



Provider Payments – Background: Professional Services Illustrative Example

Potential limits on Medicaid wrap payments in One Care and SCO

As enrollment volume shifts from FFS to One Care/SCO, impact of any limits would be mitigated



Provider Payments – Draft Concept Paper Comments

- Some interest in placing limits on the Medicaid crossover portion of provider payments for both One Care and SCO
- Considerations:
 - Concern over the impact of payment caps for hospitals and other providers
 - One response expressed concern with introducing a payment policy where hospitals and other providers are paid the lower rate (due to proposed limits on Medicaid wrap payments)

Provider Payments – Discussion Questions

- How can we balance the need for broader provider networks with the need for greater provider accountability and responsibility (i.e., deeper engagement with care teams)?
- Are there other mechanisms to encourage sustainable plan-provider network contracting that MassHealth should consider?
- How should creating choices in networks be balanced with contracting efficiently, particularly if few providers are geographically available?

Value-Based Payment – Background

- Value-Based Payments (VBP) are encouraged for One Care and SCO
- MassHealth Accountable Care Organizations (ACOs) and Managed Care Organizations (MCOs) have established thresholds for VBP as a percent of total business
- Proposal seeks to align Value-Based Payment strategies across all MassHealth and Medicare programs (ACO, MCO, One Care, and SCO)

Value-Based Payment – Draft Concept Paper Comments

- VBP generally acknowledged to hold potential, with many details to work out before implementation
- Considerations:
 - How can VBP encourage plans to enroll high cost members?
 - How would plans use VBP to improve quality of life, and medical outcomes for enrollees?

Value-Based Payment – Discussion Questions

- How would additional incentives for VBP impact provider networks, both from the plan and provider perspective?
- Are plans and providers interested in VBP methodologies that include shared risk?
- Which (if any) existing Medicare and Medicaid VBP models should be considered to improve One Care and SCO performance?
- What other strategies should we consider to better engage Medicare ACOs in plan networks?

Measuring and Incenting Quality – Background

- For measuring quality, the proposal seeks to:
 - Create a MassHealth quality slate specific to dual eligible populations (e.g., under 65 with disabilities, 65+)
 - Create One Care specific Stars, to be phased in over time
 - Use a reasonable number of measurable metrics
- Plans would also have the opportunity to gain back a quality withhold for high quality scores

Measuring and Incenting Quality – Draft Concept Paper Comments

- General support for a One Care specific “Stars” proposal
- Considerations:
 - Make One Care plans eligible for rebates and quality bonuses
 - In developing and implementing new quality measures:
 - Consider using the CMS rules for adding, updating, or removing measures
 - Allow for a comment period before adopting measure
 - Fully define, test, and validate measures before inclusion in the quality program

Measuring and Incenting Quality – Discussion Questions

- What should MassHealth consider in developing One Care Stars (e.g., quality withhold, slate of quality measures tailored to population) for the population under age 65 with disabilities?
- How could MassHealth further align One Care and SCO quality measurement with the approaches and measures used in MassHealth ACOs, and incentivize improved quality across the MassHealth portfolio of products?

Next Steps

Listening Session #3

Date: August 20, 2018 **Time:** 2:00pm – 4:00pm

Location: 1 Ashburton Place, 21st Floor, Boston, MA

Expected Topics for Discussion

- Continuity of care
- Passive enrollment
- Enrollment churn
- Fixed Enrollment/Special Enrollment Periods
- HCBS Waiver access to integrated care in the future

One Care

MassHealth+Medicare
Bringing your care together



VISIT US ONLINE

www.mass.gov/duals-demonstration-20

EMAIL US

OneCare@state.ma.us