September 28, 2011

Melanie Bella
Director, Medicare-Medicaid Coordination Office
Centers for Medicare and Medicaid Services
[Submitted Electronically to Melanie.Bella@cms.hhs.gov]

Dear Ms. Bella:

The Commonwealth of Massachusetts Executive Office of Health and Human Services is pleased to submit this Letter of Intent to pursuant to the July 8, 2011 State Medicaid Director letter regarding Financial Models to Support State Efforts to Integrate Care for Medicare-Medicaid Enrollees. As one of the fifteen states awarded a design contract by CMS in April to pursue integration of services for this population, Massachusetts appreciates the opportunities offered by these financial models.

Massachusetts intends to pursue the capitated three-way contract model for procuring, contracting, and financing entities to provide integrated care to dual eligible members ages 21-64. These integrated care entities will provide all Medicare services, all Medicaid State Plan services, and additional behavioral diversionary health and community support services. They will be built on a foundation of primary care practices with person-centered medical home core competencies, and have highly developed acute, primary care, behavioral health, and long term support services provider networks. Massachusetts sees administrative integration, clear accountability, and shared financial contributions to prospective blended global payments as innovations critical to the success of this demonstration, and will be seeking significant flexibility to achieve these alignment features. Massachusetts intends to implement this demonstration statewide, and will be considering its applicability to other Massachusetts groups, such as the Medicaid-only disabled group ages 21-64, and individuals ages 65+ who may enroll in the SCO program. The target timeframe for releasing the solicitation for bidders is early 2012, with a goal of implementing the demonstration by December 2012.

The point person for this effort is:

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Massachusetts remains committed to creating new options for Medicare-Medicaid members to receive care in a seamless and coordinated way that improves their experience and their outcomes, and that uses both state and federal dollars more effectively. Thank you for the opportunity to continue this partnership.

Sincerely,

[Signature]

Dr. Julian J. Harris, M.D., M.B.A., M.Sc.
Medicaid Director