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 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 has gained significant experience with integrated care models for dual eligibles ages 65 and over though our Senior Care Options (SCO) program, which integrates primary, acute, behavioral health, and long-term supports and services, covering Medicare services, Medicaid state plan services, expanded diversionary behavioral health services, and community-based services inclusive of those available through the commonwealth’s 1915(c) Frail Elder Waiver. The SCO program originated under the Medi-Medi Demonstration, with SCO entities operating under a three-way contract with Medicare and Massachusetts. Since that demonstration ended in 2008, however, the SCO entities have been operating under two contracts, one with Medicare, in which they operate as Medicare Advantage Duals Special Needs Plans (MA-SNPs) and one with Massachusetts, in which they operate as Medicaid Managed Care Organizations (MCOs). Pursuant to this letter of intent, Massachusetts plans to explore returning the SCO program to a capitated three-way contract with the intent of improving integration of Medicare and Medicaid requirements in areas such as marketing and enrollment processes; areas of the program where we believe Members would benefit from better integration of their Medicare and Medicaid benefits. Massachusetts would consider encouraging more plans to participate in SCO in order to provide more SCO coverage. Massachusetts would seek to move the SCO program to three-way contracts 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,

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