

Duals Initiative FAQ, April 27, 2012

The Massachusetts Executive Office of Health and Human Services, Office of Medicaid (EOHHS) anticipates issuing a Request for Responses (RFR) from Integrated Care Organizations (ICOs) for the Duals Demonstration in the near future. The EOHHS and the Centers for Medicare and Medicaid Services (CMS) in the U.S. Department of Health and Human Services will jointly select ICOs to participate in this Duals Demonstration.

EOHHS has prepared the below responses to questions (FAQs) that were asked prior to the informational meeting held on April 20, 2012, that are relevant to organizations interested in participating as ICOs in the Massachusetts Duals Demonstration. These FAQs are provided for informational purposes only and are not binding on EOHHS; to the extent there is any inconsistency or ambiguity between the RFR and the FAQs, it shall be resolved in favor of the RFR terms and provisions.

Please note that as EOHHS continues to work with CMS and other parties, changes, refinements, and additional information regarding these FAQs may occur.

I. TARGET POPULATION

What is the target population for this Demonstration that ICOs will be required to serve? Do ICOs have the option to serve only certain sub-populations within the target population?

RFR respondents will be required to serve the entire eligible Demonstration population, which is:

- **Massachusetts residents eligible for full Medicaid benefits under MassHealth Standard or CommonHealth, and enrolled in Medicare Part A and Part B;**
- **Between ages 21 and 64 at the time of enrollment;**
- **Without any other comprehensive coverage;**
- **Not in an HCBS waiver; and**
- **Not residing in an Intermediate Care Facility for the Mentally Retarded.**

II. SERVICE AREAS

What are the services areas for the Demonstration? How many ICOs is MassHealth looking for in each area?

The service areas for the Demonstration are counties. Potential ICOs should submit bids by county, or by partial county if they wish to cover only certain ZIP codes in a given county. MassHealth will not select any partial-county proposal in any county where there is at least one qualifying full-county proposal.

MassHealth may indicate in the RFR that we intend to select no more than a certain number of ICOs for each county. We would like to offer beneficiaries at least 2 ICOs to choose from in each county. MassHealth may restrict the maximum number of ICOs in each county.

III. BENEFITS

Please clarify which services/benefits ICOs are *required* to cover when medically necessary, versus those which ICOs have *flexibility* to cover, based on the Care Plan developed with the member, under the global payment.

Please see the additional posted document titled, “Massachusetts Duals Demonstration Covered Benefits.”

IV. PHARMACY and COPAYS

1. What are the requirements for ICOs to provide drug coverage?

For members enrolled in an ICO, the ICO will function as the member’s Medicare Part D plan. ICOs will be required to offer a pharmacy benefit that meets all the requirements of Part D. This means that ICOs are not required to cover the entire MassHealth drug list.

However, in addition to meeting Part D requirements, ICOs will be required to cover certain other drugs that are covered by MassHealth, including OTC drugs (beyond the options plans have to cover these products under Part D), barbiturates and certain miscellaneous drugs (for indications other than those covered by Part D), and prescription vitamins and minerals.

Beyond these requirements, MassHealth may consider as a favorable factor responses that propose a more inclusive, broader formulary. ICOs must submit all their formulary information through CMS’s HPMS system and meet the associated deadlines. These include:

- **April 30: Submit Part D Base Formulary, if the ICO does not intend to use a formulary previously submitted for a non-demonstration plan for 2013.**
- **May 14: Submit Request to Crosswalk to Existing Formulary, if the ICO intends to use a previously submitted non-demonstration plan formulary for 2013.**
- **June 8: Submit Supplemental Formulary Files, including the Excluded Drug File, and the Over the Counter Drug File and others as appropriate.**
- **June 15: Submit the Additional Demonstration Drug (ADD) file as appropriate.**

Please see CMS guidance for detailed information on these requirements. In addition, MassHealth expects to issue additional guidance on this topic shortly.

2. Will members still be required to pay the current MassHealth co-pays and \$250 pharmacy cap in the initiative?

Please note that MassHealth is continuing to gather and process additional information about pharmacy copays.

V. PROVIDER NETWORKS

What provider network adequacy standards are ICOs required to meet?

CMS is requiring Demonstration plans to show that they meet network adequacy requirements as part of their May 24 application. Please refer to instructions available in HPMS. All respondents should be prepared to meet the Medicare standards and submit the required information to CMS.

MassHealth may set out additional network adequacy requirements in the RFR for certain services, especially those currently covered only by MassHealth. In the RFR, we will ask for information about respondents' current contracts with and intentions to contract with providers of these services. We do not anticipate requiring respondents to have networks fully defined and provider contracts executed as part of the RFR submission.

VI. MODEL OF CARE

Does MassHealth have any guidance to provide potential ICOs on how to complete the CMS Model of Care (MOC) so that it meets State expectations as well as CMS's?

MassHealth understands that the MOC submission being required by CMS is the same as what is typically required of Medicare Advantage Special Needs Plans, and will be evaluated by CMS reviewers in the same way. It is important that potential ICOs complete the MOC per CMS's instructions and keep in mind how CMS evaluators will score the responses.

That said, potential ICOs' MOCs should also reflect the integrated, coordinated approach to care and care delivery being undertaken in this Demonstration, as discussed in MassHealth's final Demonstration proposal to CMS. The MOC narrative responses will be one way that potential ICOs indicate their understanding of and proposed approach to achieving the overall aims of the Demonstration, and making use of the flexibilities it is providing to deliver person-centered care.

Outside the MOC, the RFR may ask respondents to provide information on how they will provide care that is consistent with the distinguishing goals and features of this Demonstration. For example:

- How ICOs will accomplish integration of primary care and behavioral health care**
- How ICOs will ensure providers are trained in providing culturally competent care to people with disabilities**
- How ICOs will provide Independent LTSS Coordinators and facilitate integration of medical, BH, and LTSS care**

- **How ICOs will use the flexibilities of the global payment to provide access to non-traditional services and professionals (e.g., Community Health Workers, peer specialists)**

VII. PAYMENT

1. Will ICO payment rates be provided in the RFR? If not, what information about payment is expected to be provided?

MassHealth does not expect to provide actual payment amounts in the RFR. We anticipate including in the RFR a description of the methodology being used to establish payment rates.

2. How many rating categories will there be, and what are they? What assessment tool will be used to determine rating category?

Information about the rating categories that will be used to set the Medicaid portion of the ICO payment rates will be provided in the RFR. We expect that there may be 4 rating categories. We are still working to define, finalize, and name the rating categories, but we anticipate that they will generally focus on the following four populations:

- **Long-term Institutional**
- **High Community LTSS Needs**
- **High Behavioral Health Needs**
- **Community Other**

We expect that the assessment tool that will be used for purposes of establishing the appropriate rating category for members will be the MDS-HC, with some specific instructions.

VIII. SOLVENCY and LICENSURE

1. What are the financial solvency requirements for ICOs in this Demonstration?

As indicated in CMS's March 29 guidance to organizations interested in participating as ICOs, applicants will be required to provide documentation to demonstrate that they meet State licensure and solvency requirements, as well as CMS standards for fiscal soundness, consistent with federal regulation.

2. How will respondents demonstrate that licensure/certification/solvency requirements are met?

MassHealth will provide more information about this in the near future.

IX. BID EVALUATION

How will EOHHS decide between otherwise qualified plans?

The following is provided for informational purposes only and provides some, but not all, of the criteria EOHHS may use to evaluate and rank proposals. The Request for Responses will contain the controlling provisions with regard to the evaluation and selection of bidders.

EOHHS will evaluate the extent to which the respondent demonstrates that it meets requirements identified in the RFR. EOHHS will evaluate the quality of responses to the questions in the RFR and assign each response an overall rating. If necessary due to the number of proposals in any county, the following identifies the criteria by which EOHHS may rank each response for selection as an ICO on a county-by-county basis:

- **the quality of the responses to the questions in the RFR in accordance with criteria set forth in the RFR;**
- **the extent to which the proposed provider network offers more choices of providers than required to meet CMS (Medicare) network adequacy standards, or network adequacy standards established by EOHHS;**
- **the extent to which the proposed formulary exceeds the minimum required; and**
- **the extent to which the proposed pharmacy cost-sharing requirements are lower than the maximum permitted.**

X. DATA

1. Will MassHealth be producing a Data Book for respondents?

Yes, MassHealth will be producing a Data Book that is expected to include:

A. 2009 and 2010 Medicare (A/B) and Medicaid data by:

- **Calendar year**
- **County**
- **Level of care status (e.g., institutionalized, nursing home level of care, etc.)**
- **Age group**
- **Gender**
- **Metrics: member months, unique utilizers, units, claim dollars, utilization per 1000, unit cost, PMPM**
- **Eligibility duration distribution**

B. Statewide Medicare (A/B) and Medicaid data by CY and LOC status:

- **Disease prevalence by major disease condition**
- **Inpatient, ER, and nursing facility expenditure distribution**

2. Is it possible to provide the prospective ICOs with minimal information on the providers currently servicing these individuals?

MassHealth is exploring what information we can make available about providers currently servicing these individuals.

3. Will you be amending the data that was presented on April 9 to exclude the HCBS beneficiaries?

It is unlikely that those data will be updated. We did try to structure the presentation so that in many instances the waiver enrollment and spending could be extracted/isolated. Also, these waiver participants remain potential Demonstration enrollees (either in the future or if they disenroll from a waiver), so these data remain relevant.

4. Within the 7,300 individuals identified as recipients of these HCBS waivers, do you have a breakdown by type of waiver for this population?

Please note that while participants in the HCBS waivers will not be included in the initial implementation of this Demonstration, MassHealth is working with CMS to develop terms that may allow this population to enter the Demonstration at a later time.

Using updated data (from end of January 2012), the number of people in each waiver is as follows:

1915(c) HCBS Waiver Enrollment on Jan 31, 2012	Number of target duals 21-64 years old
Adult Supports Waiver (DDS)	1,120
Community Living Waiver (DDS)	993
Adult Residential Waiver (DDS)	4,155
DDS Waiver to be assigned (DDS)	303
Traumatic Brain Injury Waiver (MRC)	64
ABI –Non-Residential Waiver (MRC)	17
ABI –RH Waiver (MRC)	11
Frail Elder Waiver (EOEA)	422
Total	7,085