

Duals Initiative FAQ, May 11, 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) from organizations interested in serving as ICOs. 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.

SOLVENCY AND LICENSURE

1. Does MassHealth have any guidance regarding the CMS application requirements for State licensure and certification?

MassHealth is working to finalize instructions regarding state certification for organizations interested in serving as ICOs. MassHealth has informed CMS that work is ongoing in this area. An interested organization that is licensed by the Division of Insurance (DOI) to bear risk can request a certification letter from DOI to include in the May 24 CMS application submission. An interested organization that is not currently licensed by DOI should submit the CMS application without this certification. MassHealth will issue further guidance when available.

DATA

2. Will MassHealth share person-level data regarding enrollee service utilization? Will MassHealth share data about the current providers serving the cohort of potential enrollees?

MassHealth is exploring whether to share any person-level data. For some information on the current providers serving the target population, please see the additional file titled, "Duals Demonstration – Target Population LTSS Current Providers." This file lists providers of long-term services and supports (LTSS), by service, who delivered services to at least one member in the target population in CY2010. Providers are listed in decreasing order of the number of duals served.

This list is provided for informational purposes only; inclusion on this list does not imply that ICOs are required to include specific providers in their network.

PHARMACY

3. Will cost-sharing for the pharmacy benefit be permitted in this Demonstration?

Please note that the response below represents new guidance from MassHealth on cost-sharing requirements under this Demonstration. Since communicating

with interested organizations on this matter in April, MassHealth has determined that there is a need to ensure that members in the Demonstration do not experience higher copays than they do currently.

In this Demonstration, ICOs will be permitted to charge copays for covered pharmacy products. The ICO may charge copays equal to no more than the lesser of:

- the applicable amounts for brand and generic drugs established yearly by CMS under the Part D Low Income Subsidy; OR
- the applicable MassHealth copay amounts.

For 2013, the Part D Low-Income Subsidy copay amounts are established by CMS are:

- For members $\leq 100\%$ FPL: \$1.15 for generics, \$3.50 for brands;
- For members $> 100\%$ FPL: \$2.65 generics and \$6.60 brands;
- For institutionalized members: \$0.

Copay amounts in the MassHealth program currently are as follows for all members, regardless of income:

- \$1 for certain covered generic drugs and over-the-counter drugs mainly used for diabetes, high blood pressure, and high cholesterol: antihyperglycemics (such as metformin), antihypertensives (such as lisinopril), and antihyperlipidemics (such as simvastatin);
- \$3.65 for each prescription and refill for all other generic, brand-name, and over-the-counter drugs covered by MassHealth.

MassHealth copay amounts may change during the Demonstration period.

In addition, ICOs must institute a cap on a member's out-of-pocket pharmacy copay expenses for a calendar year, consistent with MassHealth policy. For 2013, the cap will be \$250. This cap may change during the Demonstration period. All pharmacy copays paid by the member under the ICO pharmacy benefit will count toward this cap.

An ICO has discretion to establish a more generous copay policy that reduces costs to the enrollee. ICOs are encouraged to establish lower cost-sharing for pharmacy products than the maximum allowed.

No other cost-sharing will be permitted in the Demonstration.