Tips to Improve Medicare-Medicaid Integration Using D-SNPs:

Promoting Aligned Enrollment

By Erin Weir Lakhmani, Mathematica Policy Research and Alexandra Kruse, Center for Health Care Strategies

States are increasingly seeking ways to better integrate care for people dually eligible for Medicare and Medicaid, who are among the highest need and most expensive populations in either program due to a high prevalence of multiple chronic conditions, physical and behavioral health disabilities, and need for long-term services and supports (LTSS).[1] A good option for states looking to integrate care for dually eligible beneficiaries is to use contracting strategies that maximize the opportunity for Medicare Advantage Dual Eligible Special Needs Plans (D-SNPs) and Medicaid managed care (MMC) plans to have aligned enrollment—the beneficiary is enrolled in a D-SNP and MMC offered by the same parent company in the same geographic area (aligned plans).

When a beneficiary is enrolled in aligned plans, one entity is responsible for substantially all Medicare and Medicaid benefits, and therefore has a financial stake in ensuring that enrollees receive high-quality, cost-effective care and avoid unnecessary hospitalization and institutionalization. An aligned enrollment model is simpler for beneficiaries and providers to navigate, as service payments are administered by a single payer, and plan communications can be integrated, making them easier for beneficiaries and providers to understand. Care coordination has greater potential in aligned enrollment models, as information about inpatient stays, care transitions, and service needs can be shared more efficiently and effectively when all benefits are administered by the same entity.

Policies for Achieving Aligned Enrollment

States can create opportunities for D-SNPs and aligned MMC plans to integrate delivery of Medicare and Medicaid services by establishing specific policies for D-SNPs and MMCs to maximize enrollment in aligned plan options. These policies (detailed in the Appendix) include:

- **Managing market participation**
  - Using Medicaid procurement to require contracted MMCs to offer companion D-SNPs in the same service area
  - Limiting D-SNP contracting to organizations contracted as MMCs
- **Focusing enrollment choices toward alignment and integrated benefits**
  - Limiting D-SNP enrollment to individuals enrolled in aligned Medicaid plans
  - Limiting all D-SNP enrollment to full-benefit dually eligible beneficiaries to allow delivery of a unified Medicare-Medicaid benefit package
  - Limiting MMC enrollment to individuals enrolled in aligned D-SNPs or requiring MMCs to offer separate integrated coverage plans for dually eligible individuals enrolled in aligned plans

- **Maximizing integration through auto-assignment**
  - Requiring D-SNPs to seek CMS approval for default enrollment of MMC members in aligned D-SNPs when they become Medicare eligible[2]
  - Periodically reassigning beneficiaries to MMC plans that align with their D-SNPs (when they have enrolled in non-aligned D-SNP and MMC plans)
- **Promoting opportunities for aligned enrollment through D-SNP marketing**
- **Engaging enrollment counselors to maximize aligned enrollment**

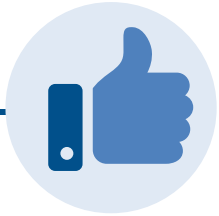
By limiting D-SNP enrollment to full-benefit dually eligible beneficiaries also enrolled in an aligned MMC, the aligned plans can coordinate delivery of Medicare and Medicaid benefits for all D-SNP members and use beneficiary materials to describe a unified package of integrated Medicare and Medicaid benefits.

In addition to establishing these policies for state-contracted D-SNPs and MMCs, states can also promote the benefits of aligned enrollment through outreach campaigns directed at beneficiaries, providers, and/or key stakeholders, as well as through training for state/enrollment broker enrollment counseling staff and State Health Insurance Assistance Program (SHIP) counselors to ensure they can assist beneficiaries with understanding and enrolling in aligned plan options.[3] Because dually eligible beneficiaries are allowed to obtain their Medicare benefits from fee-for-service Medicare or other available Medicare Advantage plans as alternatives to D-SNPs, states committed to achieving aligned enrollment need to develop ongoing beneficiary education strategies that explain the benefits of a more integrated system of care.

Idaho, Massachusetts, Minnesota, and New Jersey all use aligned D-SNP/MMC enrollment models to integrate care for dually eligible beneficiaries, which they have achieved using the policies described above.

Policy	Idaho	Massachusetts	Minnesota	New Jersey
State uses mandatory Medicaid managed care (MMC) for target population	No	No	Yes	Yes
State uses Fully Integrated Dual Eligible Special Needs Plans (FIDE SNPs)[4] to provide integrated care to dually eligible beneficiaries	Yes	Yes	Yes	Yes
D-SNP enrollment limited to enrollees in aligned MMC plan	Yes	Yes	Yes	Yes
D-SNP enrollment limited to full-benefit dually eligible beneficiaries	Yes	Yes	Yes	Yes
Other D-SNP enrollment limitations	Must be age 21+	Must be age 65+ (MMPs for <65)	Must be age 65+ (Separate D-SNPs/MMCs for <65)	No
MMC enrollment limited to D-SNP enrollees only	No	Yes	Separate MMCs for individuals age 65+ who are not enrolled in D-SNPs	No

Benefits of Aligned Enrollment



The benefits of aligned enrollment for beneficiaries, providers, and payers include:

- **Aligned incentives and coordinated benefits administration**: In aligned enrollment models, one single entity is accountable for providing all of the beneficiary's health care, including acute and preventive care services, prescription drugs, behavioral health, and LTSS. In addition to simplifying care navigation for beneficiaries, this reduces incentives to shift costs between Medicare and Medicaid. For example, in an aligned enrollment system, the MMC plan has an incentive to provide Medicaid services (e.g., fall prevention, transportation to medical services, behavioral health, and assistance with medication adherence) that prevent unnecessary hospitalizations that increase Medicare costs, because the D-SNP plan covering those acute care costs will be administered by the same entity. Such coordinated, community-based care can also help prevent or delay acute events that result in Medicaid-covered nursing facility care.
- **Streamlined payment of Medicare cost sharing**: In an aligned system, states can utilize the D-SNP/MMC entity as the payer for Medicare cost sharing, which can simplify claims submission for providers, while simultaneously streamlining claims payments for the plans.
- **Facilitation of care coordination**: When a single entity is responsible for all health benefits, that entity has all data on service use, including hospitalizations, LTSS and prescription drugs, which can enable coordination across the full spectrum of care received by the beneficiary. The integrated plan can more easily facilitate communication across different providers (primary care, behavioral health, LTSS, etc.) because all of the providers involved in a beneficiary's care will be part of that single entity's network. (When dually eligible beneficiaries are enrolled in separate, unaligned plans, they have to navigate multiple, separate provider networks that do not necessarily communicate effectively.)
- **Integration of beneficiary materials:** In plans with exclusively aligned enrollment of full-benefit dually eligible beneficiaries only, beneficiaries receive all Medicare and Medicaid benefits from a single entity, enabling that entity to integrate beneficiary materials in ways that makes those materials easier for beneficiaries to read and understand. For example, information about all of the beneficiary's Medicare and Medicaid benefits can be integrated into a single Summary of Benefits document, instead of requiring the beneficiary to read about both programs' benefits separately. Absent aligned enrollment and an exclusive focus on full-benefit dually eligible beneficiaries, integration of beneficiary materials may not be feasible.

Building Knowledge

For more information about contracting with D-SNPs to enhance care integration for dually eligible beneficiaries, see the following Integrated Care Resource Center (ICRC) resources:

- "State Contracting with Medicare Advantage Dual Eligible Special Needs Plans: Issues and Options" (November 2016): www.integratedcareresourcecenter.com/pdfs/icrc_dsnp_issues__options.pdf
- "Key Medicare Advantage Dates and Action Items for States Contracting with Dual Eligible Special Needs Plans" (September 2017): www.integratedcareresourcecenter.com/PDFs/Key_MA_Dates_for_States_Contracting_with_D-SNPs.pdf
- ICRC Webinar on State Contracting with D-SNPs (December 2017): www.integratedcareresourcecenter.com/optionsForMMIntegration/specialNeeds.aspx
- "State and Health Plan Strategies to Grow Enrollment in Integrated Managed Care Plans for Dually Eligible Beneficiaries" (June 2017): www.integratedcareresourcecenter.com/PDFs/ICRC_Growing_Enrollment_in_Integrated_Managed_Care_Plans_FINAL_6-01-17.pdf

ICRC staff are also available to provide technical assistance to states wishing to explore the possibility of aligned enrollment and related integration topics. Requests for ICRC technical assistance can be sent to **ICRC@chcs.org**.

TIPS TO IMPROVE MEDICARE-MEDICAID ALIGNMENT USING D-SNPS SERIES

This tip sheet series describes policy steps states can take to improve the integration of Medicare Advantage Dual Eligible Special Needs Plans (D-SNPs) with their Medicaid behavioral health and managed long-term services and supports programs. Better integration of Medicare and Medicaid helps to promote higher-quality more coordinated care for dually eligible beneficiaries.

ABOUT THE INTEGRATED CARE RESOURCE CENTER

The ***Integrated Care Resource Center*** is a national initiative of the Centers for Medicare & Medicaid Services Medicare-Medicaid Coordination Office to help states improve the quality and cost-effectiveness of care for Medicare-Medicaid enrollees. The state technical assistance activities provided by the *Integrated Care Resource Center* are coordinated by **Mathematica Policy Research** and the **Center for Health Care Strategies**. For more information, visit **www.integratedcareresourcecenter.com**.

Appendix: Policies for Achieving Aligned Enrollment

✔ *Managing market participation*

To create the environment necessary to achieve aligned enrollment, states can use Medicaid procurement to require contracted MMC plans to offer companion D-SNPs in the same service area as the MMC plans (via provisions in MMC contracts), then limit D-SNP contracting to only organizations with state MMC contracts. This is a key first step to maximizing aligned enrollment options for beneficiaries.

✔ *Focusing enrollment choices toward alignment and integrated benefits*

Focusing beneficiary enrollment choices toward integrated care options involves three steps:

- **Limiting D-SNP enrollment to individuals enrolled in companion Medicaid plans**.[5] Limiting enrollment in D-SNPs to only dually eligible beneficiaries who are already in a companion MMC plan ensures aligned enrollment and integration of coverage. Enrollment limitations must be incorporated into state D-SNP (MIPPA) contracts, and state/D-SNP communication procedures should be established to allow D-SNPs to ensure that beneficiaries enrolling into their plan are also enrolled in the company's aligned MMC plan at the time of D-SNP enrollment, as well as to facilitate targeted marketing and/or default enrollment opportunities.
- **Limiting all D-SNP enrollment to full-benefit dually eligible beneficiaries to allow delivery of a unified Medicare-Medicaid benefit package.** In order to achieve maximum integration and aligned enrollment, states should limit D-SNP enrollment to only full-benefit dually eligible beneficiaries (those who are eligible for full Medicaid benefits delivered by the companion MMC plan). Limiting D-SNP enrollment to full-benefit dually eligible beneficiaries ensures that all beneficiaries enrolled in aligned plans will be eligible for the same, full package of Medicare and Medicaid benefits that aligned enrollment can provide in an integrated fashion. Allowing enrollment of partial-benefit dually eligible beneficiaries means some D-SNP enrollees will not have access to the benefit package under the companion MMC, making it difficult for D-SNP materials and communications to describe an integrated package of Medicare and Medicaid benefits.[6] States can also limit D-SNP/MMC enrollment to particular populations of full-benefit dually eligible individuals, such as the over-65 population, if, for example, the state wants to retain Medicaid FFS delivery for younger populations, such as individuals with intellectual or developmental disabilities.
- **Limiting MMC enrollment to individuals enrolled in companion Medicare plans or requiring MMCs to offer separate integrated coverage plans for dually eligible individuals enrolled in aligned plans.** States can limit enrollment in the MMC to those enrolled in the aligned D-SNP. Individuals not enrolled in the D-SNP could have the option to enroll in a separate plan offered by the MMC.

✔ *Maximizing integration through auto-assignment*

States with aligned enrollment models can implement a few key auto-assignment policies to maximize integration for dually eligible beneficiaries. First, states can require D-SNPs to seek CMS approval for default enrollment of MMC members when they become Medicare-eligible.[7] This ensures that beneficiaries who will remain enrolled with the MMC organization after attainment of Medicare eligibility will also be enrolled in a D-SNP aligned with that MMC plan. Second, states can periodically

reassign beneficiaries to MMC plans that align with their D-SNPs (when they have enrolled in non-aligned D-SNP and MMC plans). Finally, states can use passive enrollment to maintain aligned enrollment with Medicaid managed care re-procurements or D-SNP non-renewals. (For example, if a particular D-SNP chooses not to renew its contract for an upcoming plan year, the state can – under certain circumstances and with CMS approval – utilize passive enrollment authorities to enroll those beneficiaries into another D-SNP and its aligned MMC plan.)

✔ *Promoting opportunities for aligned enrollment through D-SNP marketing*

In order to promote aligned enrollment of dually eligible beneficiaries, states can incorporate policies into D-SNP contracts to require or encourage D-SNPs to market to enrollees in aligned MMC plans. (Similarly, to ensure that current MMC enrollees are aware of aligned enrollment options, states can require MMC plans to conduct outreach to their dually eligible enrollees regarding the benefits of aligned enrollment and the steps they can take to enroll in a companion D-SNP.) States can also incorporate targeted marketing requirements into D-SNP contracts (requiring D-SNPs to market only to enrollees in their aligned MMC plans). To ensure maximum consistency in messaging, states may also require use of standard language and/or materials in these marketing activities. *(Note: If MMCs and/or D-SNPs are also be allowed to market to potential enrollees, states may wish to include additional marketing requirements in D-SNP and/or MMC contracts (e.g., allowed activities, process for obtaining state approval of marketing materials if necessary, required use of certain language in marketing materials (program names or other key phrases) to ensure consistency in messaging)*.

✔ *Engaging enrollment counselors to maximize aligned enrollment*

In order to maximize enrollment into aligned D-SNP/MMC plans, states can engage and train state enrollment counseling staff (or enrollment broker staff), as well as State Health Insurance Assistance Program (SHIP) volunteers,[8] and other relevant benefits counselors to help them understand the goals and benefits of aligned enrollment and how they can assist dually eligible beneficiaries with aligned enrollment considerations and enrollment into aligned plans.

ENDNOTES

[1] "Data Book: Beneficiaries Dually Eligible for Medicare and Medicaid." MedPAC and MACPAC, 2018. Available at https://www.macpac.gov/publication/data-book-beneficiaries-dually-eligible-for-medicare-and-medicaid-3/.

[2] The CY2019 Medicare Advantage and Part D Final Rule published on April 16, 2018 amends CFR §§ 422.66(c)(2), 422.66(d)(1) and (d)(5), and 422.68 to allow for default enrollment into a D-SNP when a dually eligible beneficiary initially becomes eligible for Medicare and is currently enrolled and will remain enrolled in an MMC that offers a D-SNP in the same area. D-SNPs must receive state and CMS approval of default enrollment prior to utilizing the process, and the state must provide the D-SNP with Medicare eligibility information in time for the D-SNP to meet notice requirements. In addition to receiving appropriate notice, beneficiaries must also be offered the opportunity to opt out of the default enrollment. For more information see: http://www.integratedcareresourcecenter.com/PDFs/2018%2004%2009%20Regulatory%20Changes%20Impacting%20MMPs%20and%20DSNPs_FOR%20508.pdf.

[3] Robust beneficiary education is important to increasing enrollment in integrated plans. Without clear education about program benefits, beneficiaries often opt out of integrated care programs due to fear of the unknown. For more information see: PerryUndem. "Experiences with Financial Alignment Initiative Demonstration Projects: Feedback from Beneficiaries in California, Massachusetts, and Ohio." PerryUndem, May, 2015. Available at: https://www.macpac.gov/wp-content/uploads/2015/05/Experiences-with-Financial-Alignment-Initiative-demonstrations-in-three-states.pdf and Ptaszek, A., A. Chepaitis, A.M. Greene, S. Hoover, G. Khatutsky, B. Lyda-McDonald, Q. Roberts, N. Thach, E. Gattine, and S. Holladay. "Beneficiary Experience: Early Findings from Focus Groups with Enrollees Participating in the Financial Alignment Initiative." RTI International, March 2017. Available at https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/Downloads/FocusGroupIssueBrief508032017.pdf.

[4] FIDE SNPs are a special type of D-SNP that receive capitated Medicaid payments for coverage of Medicaid LTSS, have procedures in place for administrative alignment of Medicare and Medicaid processes and materials, and may be eligible to receive additional Medicare Advantage payments that reflect the frailty of the beneficiaries they enroll.

[5] An incremental approach to this step could be to only allow *new* D-SNP enrollment for dually eligible enrollees in aligned plans.

[6] States with D-SNP contracts that include partial-benefit dually eligible beneficiaries can advance aligned enrollment without disrupting current D-SNP enrollment by executing separate contracts with the D-SNP for separate Medicare plans—one limited to full-benefit dually eligible beneficiaries with aligned enrollment in the MMC plan and another D-SNP plan limited to partial benefit dually eligible beneficiaries.

[7] The CY2019 Medicare Advantage and Part D Final Rule published on April 16, 2018 amends CFR §§ 422.66(c)(2), 422.66(d)(1) and (d)(5), and 422.68 to allow for default enrollment into a D-SNP when a dually eligible beneficiary initially becomes eligible for Medicare and is currently enrolled in an MMC that offers a D-SNP in the same area. D-SNPs must receive state and CMS approval of default enrollment prior to utilizing the process, and the state must provide the D-SNP with Medicare eligibility information in time for the D-SNP to meet notice requirements. In addition to receiving appropriate notice, beneficiaries must also be offered the opportunity to opt out of the default enrollment.

[8] More detailed information about opportunities for state Medicaid agency partnership with SHIP programs is included in ICRC's July 2017 Technical Assistance brief, "Medicaid Agency Partnerships with State Health Insurance Programs: Opportunities to Improve Care for Medicare-Medicaid Enrollees." Available at: http://www.integratedcareresourcecenter.com/PDFs/Medicaid%20Partnerships%20with%20SHIPS.pdf.