



**Medicare/Dual Eligible's
Moving Toward a
Managed Care Environment**
Susan Yontz
Long Term Care Division
Michigan Department of Community Health
&
Tim Engelhardt, Stacey Davis, Caroline Farrell
Federal Coordinated Health Care Office
Centers for Medicare and Medicaid Services

**Moderator: Jan Getty
Resource Link of Michigan**





Discussion Agenda

1. Introductions
2. Setting the Stage - Who, Why, When, How
Jan Getty, Resource Link of Michigan, Inc.
3. Michigan's Innovation Grant & Implementation Strategy
Susan Yontz, RDH, MPA, Director, Long-term Care Services Division, Michigan Department of Community Health (MDCH)
4. Federal Coordinated Health Care Office, Centers for Medicare and Medicaid Services
Tim Engelhardt, Stacey Davis, Caroline Farrell
5. Open Dialogue with Participants





Who


- "Duals" –
 - Michigan's population that qualifies for both Medicare (age and/or Dx) and Medicaid.
 - Low-income older adults and younger persons with disabilities.
 - Among the sickest and poorest covered by Medicare and Medicaid.
 - More likely to have mental health needs and to live in nursing homes compared to other Medicare beneficiaries.




Who



- Approximately 220,000 served -
 - Over 1% in hospice programs
 - More than 3% participating in Habilitation Support waiver program.
 - Approximately 4% in MiChoice waiver program.
 - About 15% in Nursing Homes
 - 77% served by standard Medicare and Medicaid Program.




Who




- Approximately 50% reside in five (5) Counties*:
 - Wayne – 54,000
 - Oakland – 19,000
 - Macomb – 14,800
 - Genesee – 12,700
 - Saginaw – 10,300
 - All Other Counties – 6,000 or less in each county.


*Per MDCH Data.




Why



- National data indicates “Duals” account for a large share of Medicare-Medicaid spending:
 - Over 9 million Medicare-Medicaid enrollees.
 - Two-thirds receive full benefits.
 - Represent 27% of Medicare and 39% of Medicaid spending, respectively.
- Integration goals include improving quality of care, access, and cost savings.



When?




- Section 2602 Affordable Care Act established the Federal Coordinated Health Care Office (March 1, 2010)
- May 2011 - In partnership with the Innovation Center, 15 states selected to receive up to \$1 million to design new models for serving dual eligible's → Michigan selected!




Michigan Process Begins with Stakeholder Meetings




- **Gaylord** – Wednesday, 7/20/11
9 AM – 12 PM – Otsego Club
- **Marquette** – Thursday, 7/21/11
9 AM – 12 PM – Ramada of Marquette
- **Grand Rapids** – Monday, 7/25/11
1 – 4 PM – Radisson Grand Rapids Riverfront
- **Southfield** – Wednesday 7/27/11
1 – 4 PM – Hilton Garden Inn Detroit




July 8, 2011 CMS Guidance to States




- Through Innovation Center, two (2) financial alignment models proposed to be tested –
 1. Capitated Approach – CMS, State and eligible health plans enter into a 3-way contract. Participating plans receive a prospective blended payment to provide comprehensive seamless, coverage.




July 8, 2011 CMS Guidance to States (cont'd)




2. Fee-for-Service Approach – CMS and State enter into agreement whereby State would be eligible to benefit from savings resulting from initiatives to improve quality and reduce both Medicaid and Medicare costs.




July 8, 2011 CMS Guidance to States (cont'd)




- Demonstrations limited to no more than 3 years.
- Interested states requested to submit Letter of Intent by 10/1/11.
- Target implementation date by end of 2012.





How?
MAHP Top 10 Pressing Questions





- Based on most recent information, MAHP has developed an initial “Top 10” list of questions.
- Refer to handout.



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Continuing the Dialogue


Open Discussion with Participants
