



# Dual Eligibles and State Innovations in Care Management

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# Caring for Dual Eligibles - Costs

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- 7.5 million adults are dually eligible for Medicaid and Medicare services
- Dual eligible population 18% of Medicaid beneficiaries, yet drives 46% of total spending
- Dual eligibles have lower incomes and are sicker than other Medicare beneficiaries
- Dual eligibles have significant medical, behavioral, long-term care, and social needs

# Challenges in Integrating Care

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- States need more flexibility to integrate acute and long-term care benefits for dual eligibles
- States need stronger fiscal incentives
- State need tools to enroll dual eligibles into an integrated care management plan
- States often don't see large portion of overall savings
- Senate Finance Committee's health reform policy paper includes a proposal to improve integration

# Considerations for Integrating Care

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- Special Needs Plans
- Gain sharing programs
- Medicaid Duals “Demonstrations” which would be authorized under health care reform
- Research & Demonstration Projects - 1115

# Strategies for Reducing Cost of Care



- Disease management programs
- Chronic care management
- Care coordination
- Managed care programs
- Medical home model
- Integrated health care delivery systems

# States – Laboratories for Innovation



- Over half of the Nation's States have implemented Medicaid care management programs
- Washington and Tennessee are among the states that have innovative approaches with care management

# Washington - Chronic Care Management

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- Disease Management program pilot in 2002
- Launched Washington Medicaid Integration Partnership in 2005
- Introduced Medicare-Medicaid Integration Project in 2005
- Medicaid Disease Management pilot ended in 2006 and Washington began developing the Chronic Care Management Program
- The Chronic Care Management Program was launched in Jan 2007

# Washington- Chronic Care Management

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- Pairs techniques refined from Disease Management program with a predictive modeling tool that identifies high risk beneficiaries
- Provides case management, education and support, and assistance accessing health resources
- Contract with two vendors: A local care management program that provides medical home and care management services in a limited area and a statewide vendor responsible for the modeling tool who also provides telephonic disease management and care management services



# Care Management Activities

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- Screening/Assessment of risk factors including health status, compliance with treatment plan and medications, and individual needs
- Development of personalized care plans that include a focus on self-management skills
- Linkage to a medical home
- Referrals to medical, mental health and substance use service providers as needed
- Referrals to other social services as needed

# Washington- Successful Approach



- Washington has experienced early success with program implementation
- Washington's efforts continue to evolve
- State remains flexible and is open to exploring additional program options
- Interested in expanding the local care management model to other areas

# Tennessee – TennCare Managed Care

- All Full Benefit Dual Eligibles (FBDEs) are enrolled in a TennCare managed care plan that offers primary care, acute care, and behavioral health care
- There are two fully capitated, at risk plans that serve each of the three grand divisions of the state
- Medicare benefits are provided by Medicare
- TennCare benefits that are not covered by Medicare (e.g., hospital days in excess of the Medicare limit) are provided by a TennCare managed care contractor (MCC)
- Medicare crossover payments are handled by the state

# Tennessee – Disease/Care Management

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- All MCOs are required to offer 9 separate Disease Management programs (diabetes, congestive heart failure, major depression, coronary artery disease, etc.)
- Programs must use evidence-based clinical practice guidelines
- Enrollees are identified for Disease Management according to diagnoses, then risk-stratified to determine intensity of interventions

# Tennessee – New CHOICES Program

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- Tennessee has requested permission to integrate long-term care for elderly and disabled individuals into its Section 1115 managed care program which will be called “CHOICES”
- TennCare enrollees who qualify for long-term care, including dual eligibles, will have access to more community-based options under the “CHOICES” program
- The state has been in discussions with CMS about this program since July 2008
- Implementation is scheduled to begin in one region of the state within 6 months after CMS approval

# Tennessee – Looking Ahead

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- When CHOICES is implemented, Tennessee will be the only state in the country to have its physical health care, mental health care, and long-term care (for elderly and disabled persons) integrated into one program
- Enrollees will be served by a single MCO for all services except pharmacy
- Tennessee has just been approved to receive duals' Part A and Part B claims data for quality improvement activities—data will be delivered as part of a new COBA agreement with CMS