



Integrating Care For Duals: An Arizona Plan's Experience

National Medicaid Congress

May 30, 2013



A plan operator's perspective on the study

Observations

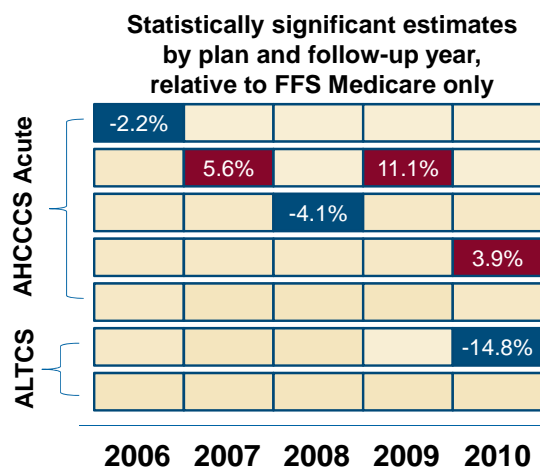
- Unclear quantitative outcome may have been inevitable given the practical realities of the study
 - Arizona's unique penetration of managed care impacts baseline
 - High penetration of managed care blurs distinction between groups
 - Similar management practices applied to members of both groups in many cases

Lessons

- Dual alignment enables truly coordinated care
- Hard won experience coordinating care matters for this population
- Our experience is that managed care done well, unambiguously improves outcomes and cost drivers

Quantitative results unclear

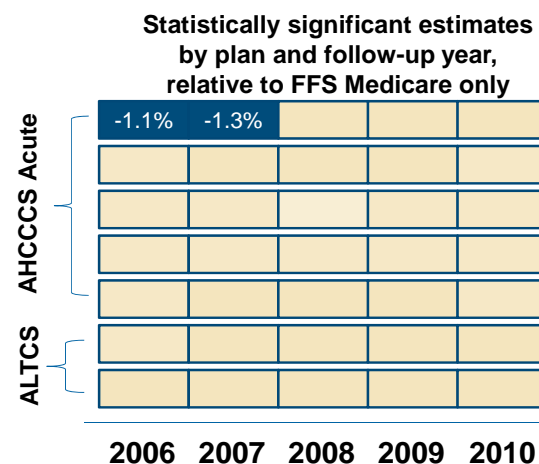
Effects of Alignment on Probability of Hospitalization



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MATHEMATICA
Policy Research

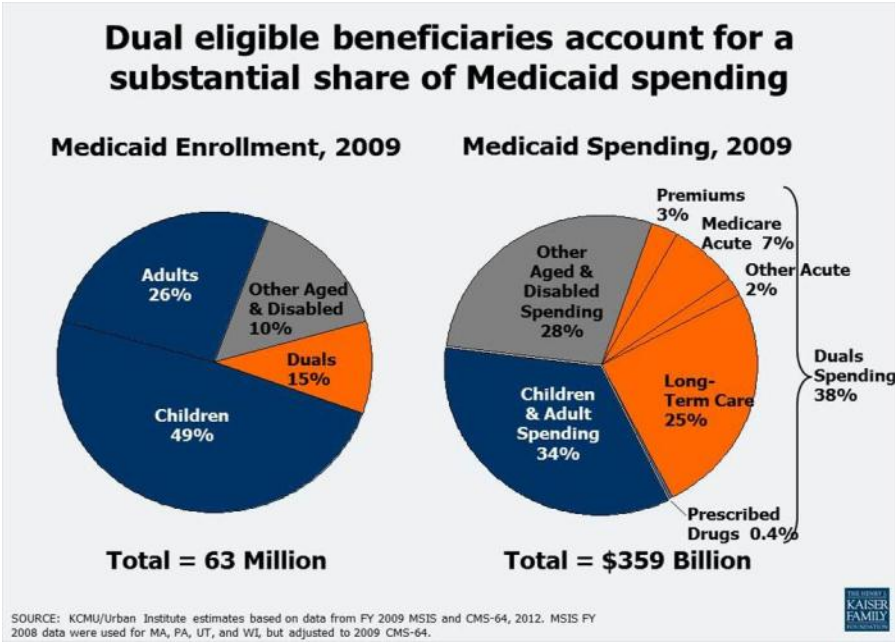
Effects of Alignment on Probability of Readmission



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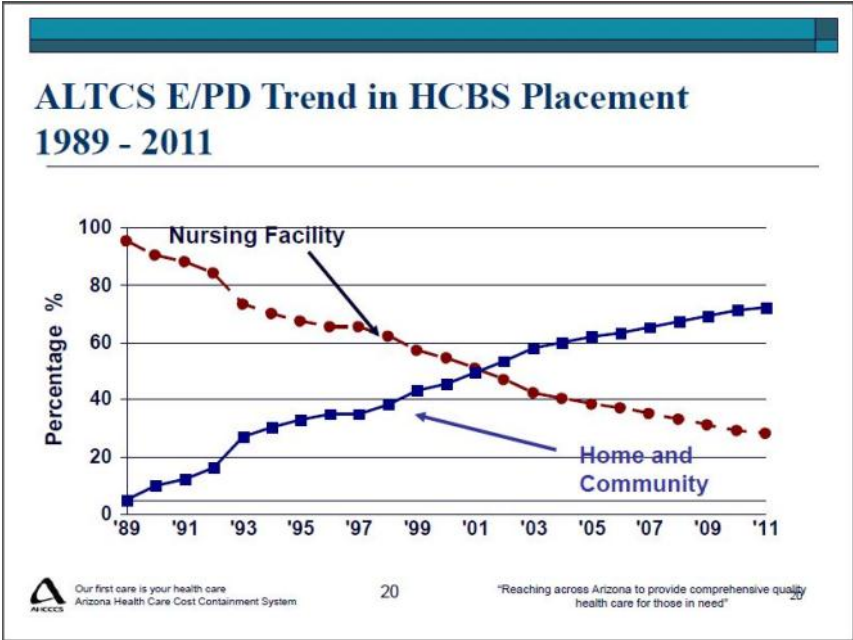
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Well established Medicaid managed care for duals in Arizona can be expected to drive muted impacts in study



LTC costs are a main driver of dual eligibles' Medicaid expenditures

Arizona's LTC population has been successfully managed under the ALTCS program since the 1980's



Contributing factors related to Arizona operating experience

It is difficult to truly isolate managed from unmanaged populations for purposes of control in Arizona duals population

Members of both treatment and comparison groups received similar management techniques for much of observation period

Alignment Status, 2006 & 2010: AHCCCS-Acute

	Treatment		Comparison	
	2006	2010	2006	2010
Sample Size	28,422	18,093	20,987	10,781
Aligned	92.8%	76.2%	10.6%	31.0%
Unaligned				
MA plan	0.7%	14.2%	34.4%	36.0%
FFS Medicare	6.5%	9.6%	54.9%	33.0%

Alignment Status, 2006 & 2010: ALTCS

	Treatment		Comparison	
	2006	2010	2006	2010
Sample Size	2,653	1,099	3,787	1,159
Aligned	96.6%	88.4%	20.4%	31.4%
Unaligned				
MA plan	0.3%	5.4%	39.7%	40.5%
FFS Medicare	3.1%	6.2%	39.8%	28.1%

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Plans experienced operational learning curves during the period of the study

Key Success Factors for Integrating Care for Duals

- Integrated Model of Care principles developed at this time
- Integrated Medicare / Medicaid operations
- DRG based UM strategies
- Risk identification, stratification and adjustment
- Innovation and creativity
- Strong networks and aligned payment practices
- Effective LTSS management strategies

We simplify Medicare / Medicaid beneficiaries' and providers' experience with health care

- Members are issued a single ID card for all services
- Members have access to our consolidated call center 24 hours a day, 7 days a week
- Members' benefits are automatically coordinated between Medicare and Medicaid
- We coordinate benefits with other payer sources
- Consistently high member satisfaction scores and stakeholder enthusiasm
- Providers submit a single claim to get payment from both Medicare and Medicaid

Avalere study found that Mercy Care's integrated approach drove improved cost and quality outcomes

A recent study by Avalere suggests that Mercy Care's integrated model is successful in keeping people out of the hospital and lowering readmissions relative to fee-for-service Medicare

Mercy Care performs better than Medicare FFS in providing care to dual eligibles in four areas:

- Access to preventive / ambulatory service
- Inpatient utilization
- Emergency department utilization
- All-cause readmissions

When compared to the total national Medicare FFS dual eligibles, and risk-adjusted to match FFS duals, the total Mercy Care population exhibited:

- 43% fewer days spent in the hospital
- 31% fewer in-patient discharges
- 19 % lower average length of stay
- 21% lower readmission rate
- 9% fewer Emergency Department visits
- 3% higher proportion of members accessing preventive/ambulatory health services