



ACAP Medicare Special Needs Plans

October 16th, 2006
Avalere National Medicare Congress
Washington, DC

ACAP

Association for Community Affiliated Plans

ACAP Medicare SNP Plans

ACAP Medicare SNP plans are also heavily invested in the Medicaid program

ACAP Membership	ACAP SNP Plans	ACAP SNP Plan Statistics	
<ul style="list-style-type: none"> • 25 not-for-profit Medicaid managed care plans • 15 states • plans cover almost 4 million Medicaid lives • mission: to improve the health of vulnerable populations 	<p>Ten plans offering SNPs as of early 2007</p> <ul style="list-style-type: none"> • Affinity Health Plan • AlohaCare • CareOregon • Colorado Access • Commonwealth Care Alliance • Community Health Plan of Washington • Contra Costa Health Plan • Mercy Care • Neighborhood Health Plan of Rhode Island • Santa Clara Family Health Plan 	<p>2007 Projected enrollment</p>	<p>~42,000</p>
		<p><u>Size Range</u></p>	
		<p>Boutique Plans</p>	<p>~100</p>
		<p>Largest Plan</p>	<p>~18,000 (9th largest in US)</p>
		<p>ACAP plans also offering MA plans</p>	<p>2 plans</p>
	<ul style="list-style-type: none"> • 2-4 more in 2008 		

ACAP Plans' Strategic Rationale

Core reasons ACAP plans start SNPs include mission, fit and vision

Some key strategic reasons ACAP plans have started SNPs:

Mission

- Mission driven to improve the health of vulnerable populations

Fit

- Depth of experience with Medicaid and Medicaid SSI
- Experience with care management of vulnerable populations

Vision

- Belief that fully integrated care is critical for dually eligible beneficiaries

Growth

- Medicare SNP market provides a growth opportunity beyond Medicaid

Diversification

- Diversify the payer base

Mission to Serve Vulnerable Population

Medicare SNP population is more vulnerable than MA population

While the characteristics of ACAP plans' populations vary, they generally find:

- High prevalence of chronic conditions and co-morbidities
- High prevalence of persistent mental health diagnoses
- Higher proportion of people under 65
 - Generally, Medicare population
 - 85% aged
 - 15% disabled
 - Many ACAP plans experience
 - 50% aged
 - 50% disabled

Plan Example #1

On conducting their health risk assessments, plan found:

- 50% of enrollees had a persistent mental health condition, such as schizophrenia or bi-polar disorder
- 80% qualified for immediate enrollment in intensive care management

Plan Example #2

On conducting their health risk assessments, plan found:

- 2800 members returned HRAs
- 2500 required some form of case management

Fit with Core Strengths

Plans leverage Medicaid experience when designing and running Medicare SNPs

- Experience with care management of vulnerable populations
 - Although the management models must be further developed to meet the needs of the SNP population
- Knowledge of and ability to assist with non-medical issues that provide barriers to care
 - Homelessness, literacy issues, lack of social supports, transportation issues
- Understanding of the access to care issues experienced by this population

Vision of Integrated Care

Plans view integration of care as critical for dual eligible population

Current Medicare/Medicaid arrangements with states

- Fully integrated dual demonstration
- Medicare managed care paired with Medicaid managed care
 - although the plans may be provided by two different organizations
- Medicare managed care paired with Medicaid FFS
- Medicare managed care paired with Medicaid FFS
 - duals were removed from Medicaid managed care with the introduction of Part D



Future Vision

Fully integrated care for persons eligible for Medicare and Medicaid

Plans' Perspectives on Integration

Integrated model of care allows plans to best meet beneficiaries needs

In integrated models, plans have...

- comprehensive view of beneficiaries' clinical condition and benefit package to coordinate care
- maximum flexibility in care delivery to offer the right combination of benefits to the beneficiary
- Least administrative restraints and barriers to move quickly to prevent complications and keep people at home
- Ability to channel savings from efficiencies to provide more care

Plan Examples

Plan experiences highlight the inefficiencies of non-integrated products

Case of the Catheters

Issue: Beneficiary needs more catheters than Medicare covers; Medicaid FFS covers additional catheters

Coverage: Plan must go through states pre-approval process:

- explain patient's condition
- explain patient's benefit
- wait for approval

Outcome: Inefficient process where focus of conversation is on # of catheters instead of how to keep patient well and at home

Case of the Missing Rx

Issue: Beneficiaries were originally in a Medicare SNP with Medicaid managed care, but plan forced to discontinue Medicaid managed care plan

Coverage: The integrated product generated savings which allowed the plan to cover prescriptions not covered by Part D or Medicaid

- Barbiturates and benzodiazepines
- Step therapies

Outcome: Plan forced to discontinue coverage of non-covered prescriptions outlined above

Benefits of Integrated Care

Integrated care benefits other stakeholders as well

Beneficiaries

- One comprehensive, integrated set of benefits
- One medical home
- One fully accountable entity - the plan

State Medicaid Agency

- Savings from reduced nursing home and other costs
- Finite, capitated costs
- One fully accountable entity – the plan
- Lower administrative costs
- Fewer entities with which to negotiate and manage

Challenges to Integration

Plans have identified a number of challenges to providing integrated care

Policy Issues

State support for Medicare/Medicaid integration

- Medicaid managed care program for duals
- Actuarially sound rates

Eligibility and enrollment

- Two different qualification standards
- Two different start dates
- Data issues

Model Language documentation

- Not reflective of Medicare and Medicaid services
- Not at appropriate comprehension levels for population

Duplication of effort by regulatory bodies

- Both CMS and state review marketing materials

HEDIS Requirements

- HEDIS measures don't necessarily reflect quality for this population

Related Operational Issues

Identifying dual eligible beneficiaries that are eligible for a Medicare SNP

Training staff and keeping them current on Medicare and Medicaid regulation

Developing claims systems for three or four programs

- Medicare
- Medicaid
- Part D
- Long term care

Opportunities to Improve Integration

Examples of some opportunities to improve integration in the short run

Three way coordination between CMS, the state, and the plan

- policy document that defines clinical as well as administrative and operational responsibilities
- can be in the form of a contract, memorandum of understanding, etc

CMS enforcement of the development of actuarially sound Medicaid rates

Development of model language targeted to this population

Development of quality measures targeted to dual eligible beneficiaries

Continued work with CMS and the state on the development of integrated marketing and other plan materials

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- For more information:

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APPENDIX

25 ACAP Members Serving Close to 4 Million Medicaid Beneficiaries

Affinity Health Plan
Alameda Alliance for Health
AlohaCare
Boston Medical Center HealthNet
CareOregon
CareSource
Colorado Access
Commonwealth Care Alliance
Community Choice Health Plan
Community Health Network of
Connecticut
Community Health Plan of
Washington
Contra Costa Health Plan
Health Plus
Health Right, Inc

Hudson Health Plan
LA Care Health Plan
MDWise
Mercy Care Plan
Monroe Plan for Medical Care, Inc.
Neighborhood Health Plan of
Massachusetts
Neighborhood Health Plan of
Rhode Island
Network Health
Santa Clara Family Health Plan
Total Care
Virginia Premier Health Plan, Inc.