



Draft Chapter: Strategies for State Contracts with Dual Eligible Special Needs Plans

Medicaid and CHIP Payment and Access Commission

Kirstin Blom and Ashley Semanskee

April 8, 2021

www.macpac.gov

 [@macpacgov](https://twitter.com/macpacgov)

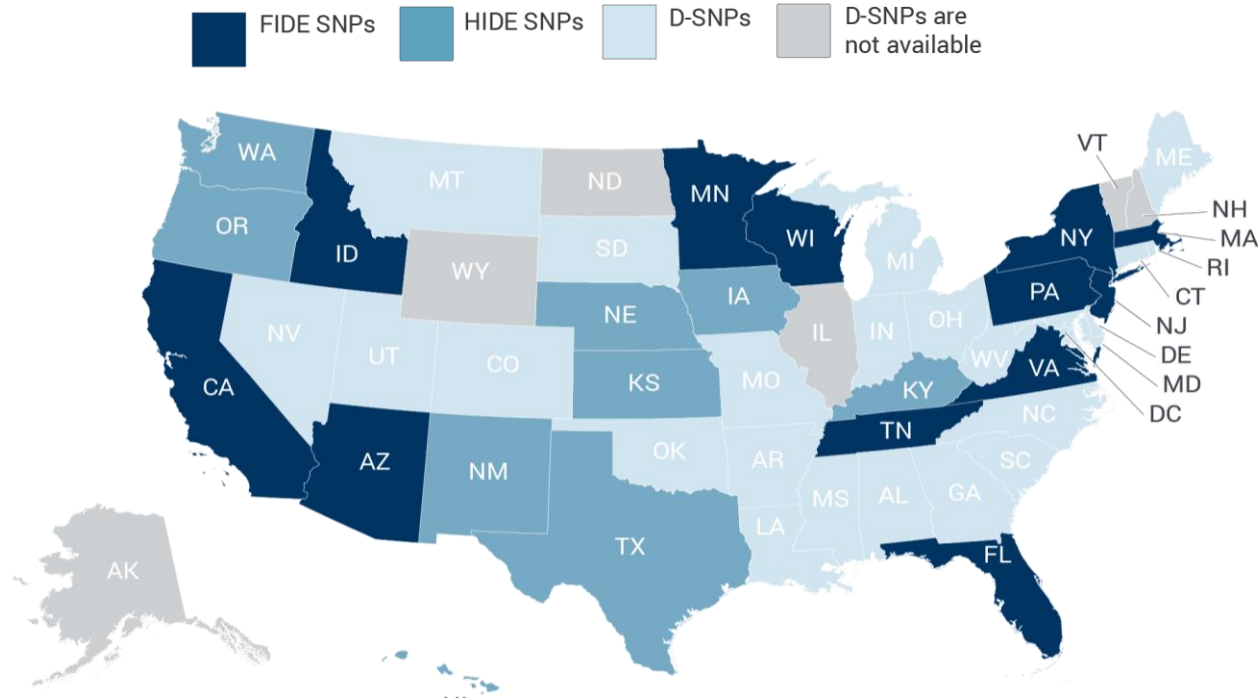
Background

- This continues our work focused on integrating care for 12.3 million dually eligible beneficiaries
- A number of integrated models exist
- Medicare Advantage dual eligible special needs plans (D-SNPs) enroll more dually eligible beneficiaries than other models, about 26 percent of the dually eligible population

Focus on D-SNPs

- D-SNPs are present in 44 states and the District of Columbia
- D-SNPs that meet certain criteria are designated as highly-integrated dual eligible special needs plans (HIDE SNPs) or fully-integrated dual eligible special needs plans (FIDE SNPs)
- States have authority under current law to integrate care through D-SNPs

D-SNP Availability, January 2021



Notes: D-SNP is dual eligible special needs plan. FIDE SNP is fully integrated dual eligible special needs plan. HIDE SNP is highly integrated dual eligible special needs plan. HIDE SNPs were first made available in 2021. This map shows the most highly integrated model available in each state. Plans are not available statewide.

Source: MACPAC, 2021, analysis of Medicare Advantage special needs plan landscape file.

April 8, 2021

Federal Authorities

- Medicare Improvements for Patients and Providers Act of 2008 (MIPPA, P.L. 110-275)
 - Established requirements and strategies for states
- Bipartisan Budget Act of 2018 (BBA 2018, P.L. 115-123)
 - Made D-SNPs permanent
 - Added new requirements regarding coverage of behavioral health and long-term services and supports

Strategies for State MIPPA Contracts

Strategy

All states can use these strategies

1. Limit D-SNP enrollment to full-benefit dually eligible beneficiaries
2. Direct contracting with D-SNPs to cover Medicaid benefits
3. Require D-SNPs to use specific or enhanced care coordination methods
4. Require D-SNPs to send data or reports to the state for oversight purposes
5. Require state review of D-SNP materials related to delivery of Medicaid benefits
6. Partner with D-SNPs to develop supplemental benefit packages that complement Medicaid benefits

Only states with Medicaid managed care can use these strategies

7. Selectively contract with D-SNPs or Medicaid managed care plans that offer affiliated plans
8. Require complete service area alignment
9. Require D-SNPs to operate with exclusively aligned enrollment
10. Allow or require D-SNPs to use default enrollment
11. Automatically assign D-SNP enrollees to Medicaid plans under the same parent organization
12. Incorporate Medicaid quality improvement priorities into the D-SNP contract
13. Automate Medicaid crossover claims payment processes for payment of Medicare cost sharing

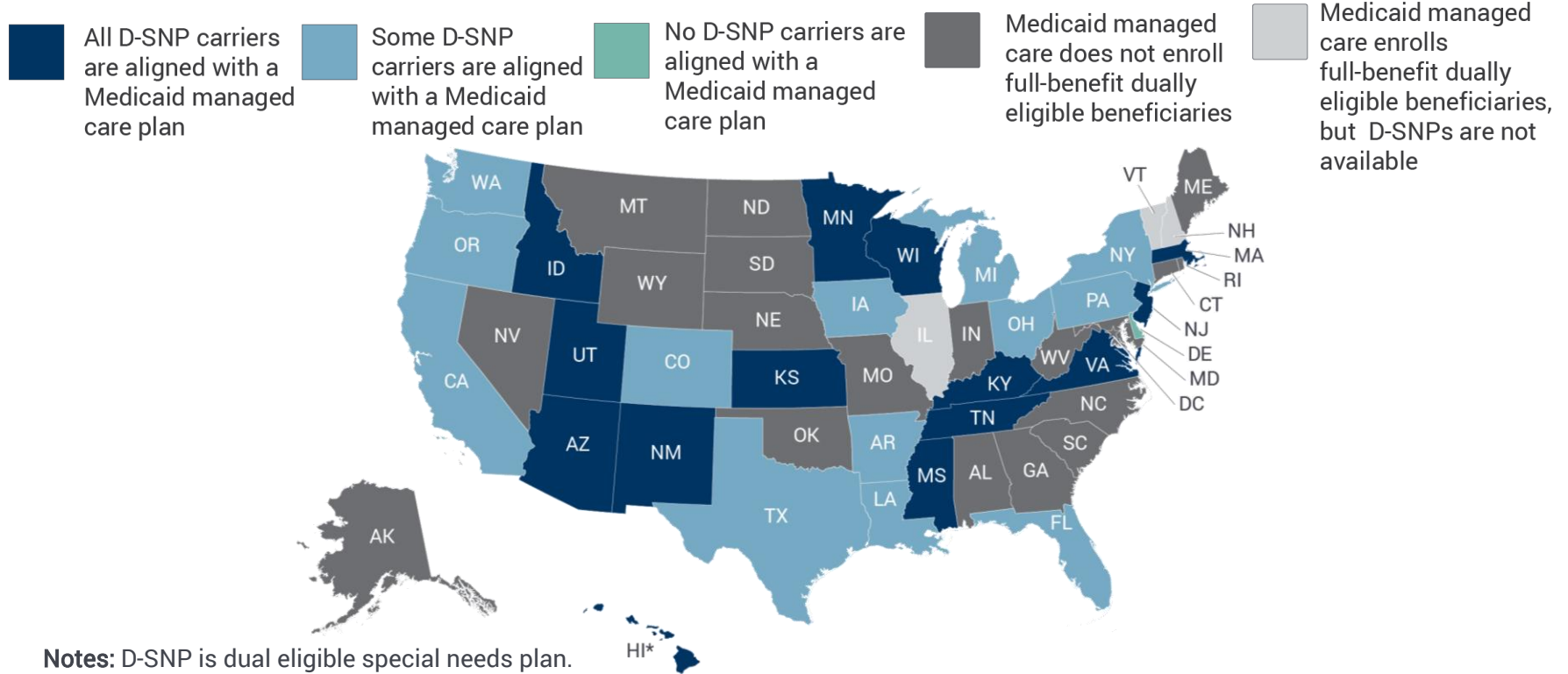
Notes: D-SNP is dual eligible special needs plan. These strategies are available to states under authority established in the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA, P.L. 110-275).

Source: Mathematica, 2021, analysis for MACPAC of MIPPA strategies and interviews with stakeholders.

State Use of MIPPA Strategies

- Some states are maximizing their current MIPPA authority
 - Arizona, Idaho, and Tennessee
- States with D-SNPs aligned with managed long-term services and supports (MLTSS) are best positioned to use D-SNP contracting strategies
 - 15 states
- Generally, states with D-SNPs aligned with Medicaid managed care are well positioned to use D-SNP contracting strategies
 - 27 states

States with D-SNPs Aligned with Medicaid Managed Care, January 2021



State Use of MIPPA Strategies, continued

- States without Medicaid managed care have less ability to use contracting strategies and may need additional resources to build staff capacity to implement certain strategies
 - 20 states and the District of Columbia do not enroll dually eligible beneficiaries in managed care
- States without D-SNPs are starting from scratch, but may be able to achieve higher levels of integration in their initial contracts with D-SNPs
 - Six states

Limitations of State MIPPA Authority

Several factors may limit states' ability to use D-SNPs as a vehicle for integration, including:

- Medicaid carve-outs of long-term services and supports
- Presence of other integrated models in competition with D-SNPs
- Plans may find it challenging to offer a product for dually eligible beneficiaries in rural areas
- Tradeoffs between increasing levels of integration and increasing enrollment

Future Direction

- The Commission will explore the advantages and disadvantages of limiting enrollment to full-benefit dually eligible beneficiaries
- Additional work
 - Better understand state concerns and barriers to using this strategy
 - Better understand effects on beneficiaries
 - As an alternative to limiting enrollment, explore feasibility of separate plan benefit packages (would require change in Medicare Advantage rules)

Future Direction, continued

- The Commission will explore the advantages and disadvantages of requiring state review of D-SNP marketing materials
- Additional work
 - Understand any barriers to state adoption
 - Explore possibility of a joint Centers for Medicare & Medicaid Services and state review process like the one used for Medicare-Medicaid plans

Feedback Needed

- Obtain Commissioner feedback on draft chapter and next steps for future work
- Publish in June 2021 report



Draft Chapter: Strategies for State Contracts with Dual Eligible Special Needs Plans

Medicaid and CHIP Payment and Access Commission

Kirstin Blom and Ashley Semanskee

April 8, 2021

www.macpac.gov

 @macpacgov