August 31, 2022

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Re: Request for Information on Medicare (CMS-4203-NC)

Dear Administrator Brooks-LaSure:

The Medicaid and CHIP Payment and Access Commission (MACPAC) appreciates the opportunity to respond to the request for information (RFI) included in the Centers for Medicare & Medicaid Services (CMS) proposed rule: Medicare program; Request for Information on Medicare, 87 Fed. Reg. 46918 (August 1, 2022).

Over the past several years, the Commission has prioritized policy development related to dually eligible beneficiaries and issued a series of recommendations, with three areas of focus in mind: increasing enrollment in integrated products, making integrated products more widely available, and promoting greater integration in existing products. Integrating care has the potential to improve beneficiary experience and outcomes, advance equity, and reduce federal and state spending. As CMS looks to strengthen Medicare Advantage (MA) to align with its vision of more equitable, high quality, whole-person care, we urge you to not overlook the dually eligible population and hope our prior work on integration may prove useful to consider given the steady growth of people who are dually eligible in MA products.

Individuals dually eligible for Medicaid and Medicare are a diverse population with complex needs driving considerable spending in both programs. Our recent analysis of calendar year 2019 spending and enrollment data in Medicaid and Medicare among dually eligible beneficiaries found that this group is responsible for a disproportionate share of spending relative to enrollment. In Medicaid, the dually eligible population represents 14 percent of enrollment but 30 percent of spending (MACPAC and MedPAC 2022). In Medicare, the distribution is similar at 19 percent of enrollment but 34 percent of spending.

Focusing on the dually eligible population offers meaningful opportunities to advance equity and address disparities. Among dually eligible beneficiaries, there were proportionately more Black (21 percent) and Hispanic (17 percent) beneficiaries than among the non-dual Medicare population (9 percent and 6 percent, respectively) (MACPAC and MedPAC 2022). Additionally, dually eligible beneficiaries have more health care needs and report worse health status than Medicare-only beneficiaries. For example, among dually eligible beneficiaries, 25 percent report three or more limitations in activities of daily living, compared to 7 percent of Medicare-only beneficiaries (MACPAC and MedPAC 2022). They are also more likely to qualify for Medicare based on disability (51 percent) than

Medicare-only beneficiaries (15 percent) and less likely to self-report excellent or very good health than Medicare-only beneficiaries (20 percent versus 50 percent) (MACPAC and MedPAC 2022). CMS has a real opportunity to apply a health equity lens in its pursuit of ways to strengthen the MA program, and we encourage you to focus on the unique needs of dually eligible beneficiaries as you move forward with your analysis and policy changes.

MACPAC Work on Policies Affecting Dually Eligible Beneficiaries

Below we highlight MACPAC work and previous MACPAC recommendations that may inform the agency's thinking as part of its request for information.

Integrating care through D-SNPs

The Commission was grateful for the opportunity to comment in March on the CMS proposed rule revising the MA program (Part C) and the Medicare Prescription Drug Benefit program (Part D) that contained a number of provisions affecting MA dual eligible special needs plans (D-SNPs) that the agency finalized in May (MACPAC 2022b, CMS 2022). In our comments, we applauded CMS for promoting integration in existing products and extending important beneficiary protections that promote person-centered care, such as a requirement for D-SNPs to create enrollee advisory committees, which the Commission supported in its June 2022 recommendation (MACPAC 2022c). However, as we noted, D-SNPs are not required to have other important mechanisms to support consumers, including individualized benefit counseling and a dedicated ombudsman program. Both of these were required under the Financial Alignment Initiative demonstration and received dedicated funding. MACPAC views ombudsman programs as valuable in protecting beneficiaries in two distinct ways: educating them about their coverage and investigating and resolving their complaints. Given that dually eligible beneficiaries often lack access to a single, impartial advisor to help them compare a complex set of coverage options, the Commission voiced concerns about the loss of these important consumer protections and the resources that support them (MACPAC 2022b).

MACPAC has highlighted opportunities for states to improve integration in their contracts with D-SNPs. For example, our June 2021 report to Congress identified various contracting strategies that states can use to improve integration for dually eligible beneficiaries in D-SNPs (many of which currently offer only low levels of integrated care). States can add requirements to their D-SNP contracts that would require the plans to train their care coordinators to be familiar with Medicaid benefits to help beneficiaries access these services. States could also contract directly with D-SNPs to cover Medicaid benefits, so that the plan covers both Medicaid and Medicare benefits. Contracting authority provided under the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA, P.L. 110-275) can be a powerful tool, but few states have exercised it fully.

Requiring states to develop a strategy to integrate care and promote equity

MACPAC continued to build on state-level options for integrating care, culminating in its June 2022 recommendation to require all states to develop a strategy to integrate Medicaid and Medicare coverage for full-benefit dually eligible beneficiaries within two years. The Commission recommended that the strategy include a state's integration approach, eligibility and covered benefits, enrollment strategy, beneficiary protections, data analytics, and quality measurement, all of which should be structured to promote health equity (MACPAC 2022c). We have an ongoing interest in advancing integrated care for dually eligible beneficiaries and see it as a tool to promote equity for the dually eligible population.

The Commission also recommended federal support in the form of additional funding to assist states in their efforts to develop a strategy to integrate care for dually eligible beneficiaries. We have heard from states about the challenges of navigating limited state resources and a lack of Medicare expertise among state staff. States indicated to us that they valued CMS technical assistance and suggested that other types of assistance could also be helpful. For example, states expressed interest in peer-to-peer technical assistance such as learning collaboratives where they could learn from other states with similar levels of integration or managed care adoption amongst dually eligible beneficiaries.

Looking Ahead

As we continue our work in this critical area of integrating care for dually eligible beneficiaries, we will be focused on hearing directly from beneficiaries to understand what matters to them and continuing to explore ways to increase the availability of and enrollment in integrated care options.

We hope this work will help federal policymakers better understand how beneficiaries experience integrated care and how states are working to improve beneficiary experience and outcomes and reduce spending. We look forward to continuing to collaborate with CMS on these issues.

Sincerely,

Melanie Bella, MBA
Chair

References

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