



WHAT'S NEXT FOR MEDICARE-MEDICAID ENROLLEES?

Findings from the Duals Symposium

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Introduction

Individuals who are eligible for both Medicare and Medicaid [qualify separately](#) for each program through their age or disability status and their low incomes. Reflecting their distinct pathways to eligibility, dually eligible individuals tend to be more medically complex and expensive than individuals eligible for just one program or the other. Historically, Medicare and Medicaid have done little to coordinate the services provided across the programs; worse, each program's coverage and payment structures create [financial incentives](#) that can have negative consequences for the quality and efficiency of care received by beneficiaries.

On November 28, 2018, the Community Catalyst's [Center for Consumer Engagement in Health Innovation](#) hosted "[The Dual Imperative: What's Next for Medicare-Medicaid Enrollees.](#)" With support from The Commonwealth Fund, The John A. Hartford Foundation, Peterson Center on Healthcare, The SCAN Foundation, and the Valerie Wilbur Health Policy Fellowship Fund, the half-day symposium brought together policymakers, consumers, advocates, researchers, and health care providers to review lessons learned from the [Financial Alignment Initiative \(FAI\)](#) and to discuss their implications for future integration policies and programs for individuals dually eligible for Medicare and Medicaid. Further context for these discussions was the experience to date of other integration efforts, including the Program for All-Inclusive Care for the Elderly (PACE), Medicare Advantage Special Needs Plans (SNPs), and targeted demonstrations operating outside of the FAI. The following key themes emerged from the day's discussion and suggest a roadmap to the future of integrated care for individuals who are dually eligible.



Humility and the Importance of Person-Centered Care

Throughout the Symposium, many participants emphasized the heterogeneity of individuals who are dually-eligible for Medicare and Medicaid and the importance of keeping real people in mind as programs and policies are considered, developed, and evaluated. Although more medically complex and, thus, expensive to care for, than a typical Medicare- or Medicaid-only enrollee, these [almost 12 million people](#) are diverse in their age, health and functional status, place of residence, historical and expected health care costs, and need for supportive services.

These differences not only imply that a one-size-fits-all approach won't work, but they also underscore the importance of flexibility and person-centeredness in program planning and implementation.

Consistent with the Center for Consumer Engagement's role as a "hub devoted to teaching, learning, and sharing knowledge to bring the consumer experience to the forefront of health," one of the Symposium's distinct features was that it kept the consumer perspective at its core. From featuring [consumer profiles](#) at each audience table to the participation of consumers and advocates throughout the program, the challenge of better integrating supports and services for individuals never felt abstract. Whether for individuals living with permanent physical disabilities, dealing with limitations of advancing frailty, or approaching the end of life, a key challenge that was articulated for integration efforts is to coordinate service delivery across disparate providers and settings and align these services and supports with each consumer's distinct preferences and living situation. In the words of a Symposium participant, starting from the simple premise of asking consumers, "How can we help?" is one of the most effective ways for plans to meet the needs of the people they serve.

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Optimism and the Role of Evidence

Despite the substantial challenges of integration, a sense of optimism permeated the Symposium. The generally positive tone was set by the first speaker of the day, Tim Englehardt, the current Director of the [Medicare-Medicaid Coordination Office](#) at the Centers for Medicare and Medicaid Services. Mr. Englehardt's remarks reflected the overarching goal for the Coordination Office and the initiatives in which it is involved, namely "to make sure dually eligible individuals have full access to seamless, high quality health care and to make the system as cost-effective as possible." Emphasizing the need for programs to break down service and financing silos and be responsive to the populations they serve, the Symposium highlighted the promising results achieved thus far through various integration efforts, with a particular emphasis on the FAI. More broadly, discussion of the FAI and other integration efforts illustrated the foundational importance of better aligning federal and state payment and oversight policies.

Created by the Affordable Care Act with oversight from the Federal Coordination Office, the FAI has engaged thirteen states since July 2013 to improve coordination of care across Medicare and Medicaid for dually eligible individuals. Demonstration states have relied on different approaches to achieve this objective, including i) [a capitated model](#) (10 states); ii) [a managed fee-for-service model](#) (2 states) and; iii) an [administrative function](#) alignment approach (1 state).

Although comprehensive results have been slow to be released, in part because of delays in Medicaid data availability, Dr. Edie Walsh from the Federal evaluation contractor RTI International and other symposium participants cited [early findings](#) that generally affirmed the promise of greater integration, albeit with some variation across states and outcomes – high levels of enrollee satisfaction; reduced rates of hospitalizations and nursing home admissions; and increased emphasis on community-based long-term services and supports (LTSS). To date, the evidence on savings is somewhat mixed and incomplete. Analyses have found Medicare savings in Washington State and Illinois; however, other states have not yet shown similar results, and Medicaid spending has not been fully incorporated. Importantly, the evaluation's qualitative findings add further context to the quantitative results. Although some consumer focus group participants expressed satisfaction with plans' care coordination efforts, for instance, others were generally unaware of these activities or pointed to high staff turnover and an inability to reach care coordinators when needed.



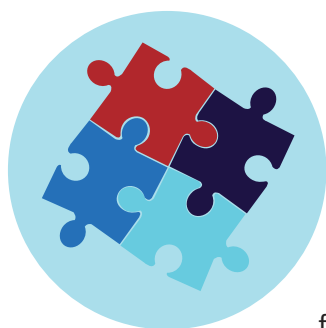
Savings and Why It Matters

For both the Federal government and for states seeking to integrate Medicare and Medicaid benefits for dually eligible individuals, the potential to provide higher quality care more efficiently is a primary justification for integration initiatives. Reducing high intensity service use (e.g., keeping people in the community and out of hospitals and nursing homes) through improved care coordination not only aligns generally with individuals' preferences but can reflect high quality care and produce savings relative to the services individuals would have otherwise received. Symposium participants acknowledged the need to consider financial outcomes while also emphasizing that integration efforts should be judged on more than their ability to produce savings.

With this caveat, the achievement of savings is an important metric of success for integration efforts for several key reasons. First, the ability to generate savings – or at least contain spending growth – is a key concern for policymakers and its attainment will help ensure continued support. Moreover, assuming a limited amount of available resources, lowered spending on high cost services such as hospital admissions and nursing home days can leave more resources available for other supports and services.

One Symposium participant asserted that if we can allocate existing resources more efficiently, “there is already enough money in the system” to provide excellent care for dually eligible individuals. In addition, better understanding individuals’ spending patterns can help plans more effectively target their limited coordination and service capacity over a complex enrollee population. A Symposium presentation by Dr. Ashish Jha, for instance, outlined Medicare and Medicaid spending patterns for duals, [digging into the dynamics](#) that contribute to more than half of duals having high costs over an extended period of time and the integral role of LTSS in shaping these trends. Dr. Jha’s presentation reiterated the importance of customizing policy approaches for dually eligible individuals and not assuming that a uniform approach would work across such as diverse group.

In contrast to other members of managed care plans, half of duals have high costs over an extended period of time, and most of these costs are driven by the use of long-term services and supports.



Implementation and the Challenge of Meeting Diverse Consumer Needs

Importantly, the basis for optimism generated at the Symposium went beyond the high-level FAI evaluation results. In highlighting individual best practices – that is, stories of individuals and the ways in which states, plans, and providers were engaged daily to meet the needs of consumers – the Symposium’s discussions took as a given the need for better alignment of federal and state policies around financing, payment, and oversight of care for dually eligible individuals. An underlying theme to these stories was that achieving success relied on more than just getting the economic incentives right and that effective coordination required engagement across clinical disciplines and community partners. In other words, better alignment of Medicare and Medicaid policies is necessary but not sufficient for integration efforts to succeed.

At its core, effective clinical integration [depends on three primary elements](#) – the initial assessment of individuals’ health and supportive service needs, care planning based on these assessments and on individual’s preferences, taking into account that these preferences extend to caregivers as well, and ongoing care coordination. Although deceptively simple in theory, timely execution of these elements relies on having enough skilled and trained staff (especially care managers), something several participants pointed to as both a priority and an ongoing challenge.

Beyond the skilled staff needed for integration efforts, Symposium participants emphasized the importance of the direct-care workforce and the value of engaging community partners to ensure that individuals have access to the social supports they need. The shortage of direct-care workers can hamper plans’ ability to meet consumers’ supportive service needs. One participant noted the difficulty in hiring and retaining personal care aides, especially when individuals can earn more in other, less demanding jobs.

Another theme heard throughout the Symposium is the role that social – as opposed to just medical – determinants play in the achievement of health outcomes. This is true across all individuals but can be [especially challenging in the context of supporting lower income people who are dually eligible for Medicare and Medicaid](#). In addition to their complex medical, functional and behavioral health conditions, many individuals who are dually-eligible face unstable housing situations, a dearth of nutritional food options, inadequate access to transportation, and limited social supports – each of which can have a negative impact on health and well-being. A key strength of integrated programs is their potential to reduce fragmentation of services and consider the needs of individuals more

holistically, which means taking a more expansive view of solutions. Yet, many health care providers have little experience considering individuals' housing or transportation needs, and they often do not know how to assess for them appropriately, let alone build care plans that incorporate social services alongside other medical and supportive services. A related point is that the health care financing system historically has emphasized the financing and delivery of medical services only; how best to finance an integrated package of medical and social services is [not yet fully understood](#).



Expansion and the Path to Sustainability

As impressive and inspiring as the elements of innovation and progress described at the Symposium were, it wasn't until one of the last panels of day that Melanie Bella, founding director of the Medicare-Medicaid Coordination Office and now chief of new business and policy at CityBlock Health, acknowledged a sobering reality – [the vast majority](#) of individuals who are dually eligible in the United States are not involved in any sort of integrated care arrangement. Just thirteen states have participated in the FAI, with enrollment varying substantially across participating states. In demonstration states that offered Medicare-Medicaid Plans under a capitated arrangement, for instance, only around [400,000](#) of 1.4 million eligible people (29%) have chosen to enroll. The Program for All-Inclusive Care for the Elderly (PACE) has long been regarded as an exemplar for integrated care and the importance for interdisciplinary care teams; yet, only around [42,000](#) people are currently enrolled across 124 PACE sites nationwide. And though increasing numbers of dually eligible individuals are enrolled in managed care plans through Medicare (total D-SNP enrollment is around [2 million](#) individuals nationwide), Medicaid (almost half of all states currently rely on managed care plans to serve at least some of their enrollees with LTSS needs), or both, it is difficult to know the extent to which coordination occurs across these Medicare and Medicaid plans, even when provided by the same companies. The increasing role of a distinct type of D-SNP created in 2012 – the Fully-Integrated Dual Eligible (FIDE)-SNP – is encouraging because of its more stringent integration standards, with enrollment currently around [160,000](#) individuals across 9 states.

Symposium participants discussed potential barriers to expansion and what it would take for the innovative practices and programs that were highlighted to be adopted more broadly. Reflecting the underlying appeal of integration, one participant posed the question of what it would take to implement the FAI demonstration or similar efforts nationally. Even during discussions of state- and plan-level innovations, the importance of aligning Federal and state policies in shaping these efforts remained central. [MedPAC](#) and [others](#) have recommended stronger aspects of enrollment and plan retention to achieve expansion (e.g., increased use of passive enrollment, longer lock-in periods, and even mandatory enrollment). However, some Symposium participants pushed the audience to think beyond relying on freedom-of-choice constraints to bolster enrollment in integrated plans, instead pointing to the role of consumer engagement and education. Toward this end, CMS recently has pushed to further define expectations for integration by D-SNPs and the newer FIDE-SNPs. Ultimately, the potential for expansion will be determined in large part by actions taken at the Federal, state, and local levels, requiring leadership, political will, and advocacy.



Accountability and the Prioritization of Quality

A final theme woven throughout the Symposium focused on quality of care and accountability. For efforts at integration to succeed, they need to achieve more than just avoiding negative outcomes such as avoidable nursing home stays or hospitalizations and fulfill the promise of blending health and supportive services. From its inception, the FAI demonstration has prioritized improving quality of care. In fact, any decision by the Secretary of Health and Human Services to broaden the FAI in the future is contingent on the ability of states either to reduce spending without negatively impacting quality of care or to improve quality without increasing spending. Consequently, [all states must have defined quality metrics](#) for integration programs, including a range of measures related to patient experience, clinical quality, and program infrastructure and implementation. Evaluating plans' performance on these metrics is a key component of the overall Federal evaluation and is reinforced in plan payments through quality "[withholds](#)", whereby a small portion of payments is contingent on quality thresholds being met. To date, preliminary results show that quality of care in integrated plans is generally improving (especially around consumer satisfaction and care experience) albeit with some gaps relative to other Medicare Advantage plans. Importantly, as with the savings data, less is known currently about quality performance on key Medicaid services, including LTSS. This is both a result of data limitations as well as a lack of person-centered measures, particularly for LTSS.

Perhaps reflecting the selection of exemplar states, plans, and consumer advocates on the program, the Symposium included few cautionary tales about the ways in which giving plans more responsibility (and financial risk) to meet dually eligible individuals' service needs can go wrong. Nonetheless, several speakers emphasized the importance of having robust quality assurance mechanisms in place to respond to complaints and pressing concerns as they arise. Similarly, the importance of [grievance and appeals processes](#) and [quality oversight](#) will be crucial as integration efforts expand to include plans with relatively less experience in serving dually eligible individuals.



Conclusions and Looking to the Future

Substantial progress has been made in recent years to integrate Medicare and Medicaid services for individuals who are eligible for both programs. Bolstered by the FAI demonstration, the continued role of PACE, SNPs, and the expansion of managed Medicare and Medicaid plans, policymakers, health plans, and consumer advocates are gaining expertise about how to deliver on the promise of integrated care as well as perspective about key challenges. There are many reasons to be optimistic about the future of integration, as exemplified by the commitment and best practices that were highlighted at the Symposium. At their best, integrated Medicare and Medicaid plans can be life changing for consumers, removing barriers to needed supports and services and facilitating person-centered care that is shaped by individual's preferences. At the same time, integration efforts face substantial uncertainty going forward, especially as states rely on arrangements that are less structured – and scrutinized – than the FAI demonstration. Ultimately, as integration efforts continue to evolve and expand, the commitment to measuring their impact on quality of care and the consumer's experience must remain at the forefront to ensure that efficiency gains do not come at the cost of providing high quality, person-centered care.

THE FUTURE OF CARE FOR MEDICARE-MEDICAID ENROLLEES: WHAT'S NEEDED

Looking ahead, improving care for people who are dually-eligible will require ongoing refinement of financing and care models. It will also require active engagement of key stakeholders (including consumers and state and federal policymakers) to expand access to integrated models of care. Opportunities to improve care exist not just within the integrated care demonstrations, but also the Medicare and Medicaid programs more generally (e.g., SNPs, PACE, and managed long-term services and supports programs). To achieve the promise of better, more integrated and person-centered care, here are 10 recommendations:

- ✓ Keep consumers front and center: in program design, implementation, continuous quality improvement, and oversight
- ✓ Focus on the development of robust and person-centered care coordination
- ✓ Segment programmatic data to understand the drivers of cost, utilization and quality; customize care based on consumer's needs and preferences
- ✓ Accelerate evaluation efforts to understand program impact and make needed programmatic adjustments
- ✓ Pay attention to savings, but don't lose sight of the broader goals of improving care and social supports for individuals who are dually eligible
- ✓ Address health holistically, including social determinants like transportation, food, and housing
- ✓ Invest in the development and retention of the long-term services and supports workforce
- ✓ Ensure accountability through quality measurement, active feedback loops, and timely attention to grievances and complaints
- ✓ Continue to encourage provider best practices by assuring that financial incentives are related to outcomes that matter most to consumers
- ✓ Expand access to integrated care, through consumer engagement and education, state capacity development and technical assistance, and continued development and coordination of related Federal and state policies



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