

Summary of Features of *Michigan's Proposal* of interest to participants

Overview

- Health, Behavioral, and Long-Term Care for participants eligible for both Medicare and Medicaid will be managed by two types of management entities: Integrated Care Organizations (ICOs) and Prepaid Inpatient Health Plans (PIHPs).
 - The ICO will cover all physical health services provided through Medicare Parts A & B, including hospital inpatient and outpatient acute care, and physician and professional services, hospice, home health care, durable medical equipment, and ancillary services. Long term care services, currently covered mostly by Medicaid, will include home and community based services currently provided through the MI Choice waiver, and nursing facility care. The Medicare Part D pharmacy benefit will also be managed by the ICO.
 - PIHPs will cover all behavioral health services including those for people who have an intellectual/developmental disability, who have a serious mental illness, and/or who have a substance use problem. Participants will also be concurrently enrolled in an ICO for physical health services.
- ICO/PIHPs and providers must possess these core competencies: experience with person-centered planning and self-determination, use of evidence-based practices and specific levels of quality outcomes, experience in working with people who have disabilities, and cultural competence.
- Participants may have the option of choosing between two or more ICOs. Only one PIHP will be available per geographic region.

Care/Supports Coordination

- A no wrong door access approach will be used.
- The ICO will be responsible for management of coordination for people who are elderly or physically disabled and require long term supports and services.
- All participants will work with the ICO/PIHP to choose a care or supports coordinator that leads a multi-disciplinary group of providers.
- ICO will be required to serve participants in least restrictive setting.
- Each participant will have a Primary Care Medical Home, responsible for providing access and coordination of acute and primary care services, including prevention and wellness, primary, acute, chronic, and non-traditional services.
- ICO/PIHP must provide a choice of providers and allow participants to select the care and supports coordinator of their choice.
- All participants will have a person-centered plan that is based on professional care assessments.
- Integrated care contractors will be required to create an electronic health records system that allows for sharing of information across providers and between contractors.
- Basic care coordination will include assessment, person-centered planning, monitoring, information and referrals, and facilitating transitions between care settings. Coordination can range from basic to extensive, depending on the needs of participant.

Benefits

- Eligibility for MI Choice, Medicaid State Plan personal care option, and Home Help will require the same qualifying criteria that are currently provided.
- Participants who choose to enroll in PACE will be excluded from the integrated care demonstration.
- State may evaluate how long term care supports and services are delivered currently through MI Choice and Home Help, and see if they can be better coordinated and delivered through a single management entity.
- Existing Medicaid waivers, including MI Choice, will have to align with integrated care, but it is unclear if existing waivers will be amended or new ones developed.

Implementation

- Enrollment will begin in July 2013, by geographic region, with full enrollment by all dually-eligible participants who choose to participate by June 30, 2014.
- Passive, automatic enrollment with option to opt-out during enrollment process. Process begins with a letter explaining options, benefits offered under the new system, instructions on choosing a plan, information on how to opt-out, and how services will be managed and delivered to persons who choose to opt out.
- Two month enrollment period, with access to enrollment counselors in person or by phone.
- Extensive outreach and education opportunities for participants.
- Enrollment counselors and MMAP counselors will be trained to talk with people about their integrated care options.
- During initial enrollment, ICO/PIHPs must continue providing all services currently in place for participant, throughout the screening and assessment process.

Financing and Risk

- Medicare and Medicaid funds will be blended at the state level and paid to participating ICOs/PIHPs.
- Risk adjusted capitation rates will be paid to each management entity for each enrolled participant.
- ICOs' capitation rates will cover: all Medicare and Medicaid acute and primary care services, the management of the person-centered medical home, long term supports and services (both community-based and nursing facility), supports coordination and work required as a member of the multidisciplinary care bridge team.
- State will share the risk with ICOs/PIHPs in order to attract qualified management entities. Shared risk is necessary because risk for some populations' service needs is not adequately predictable. ICOs/PIHPs will eventually be expected to take a greater proportion of the risk, eventually resulting in full risk contracts.
- Supplemental payments to ICOs/PIHPs will be paid for those that achieve measurable progress on specific desired outcomes. Key outcome is diminished use of acute care and institutional services. ICOs/PIHPs will be expected to offer incentive payments to providers to develop and implement innovative approaches to the management and delivery of care and coordination.
- Providers will receive payments under a capitated agreement from the ICO/PIHP. ICOs/PIHPs negotiate innovative reimbursement arrangements with providers to provide incentives for best practices and quality care.
- MI Choice and Home Help Providers will experience change in reimbursement structure. The change is unspecified at this time. The state will ensure continuity of services through the period of transition to integrated care.