

Illinois Health Reform 2012

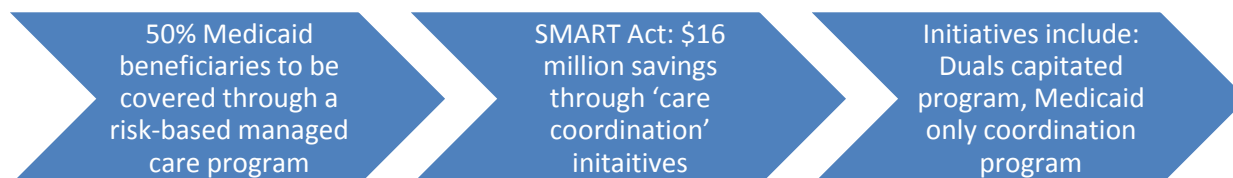
Care Coordination, Managed Care and Long-Term Services and Supports

Overview

Federal Initiatives



Illinois' State Initiatives



Federal Initiatives: Affordable Care Act (ACA)

- ▶ **ACA section 2602 created the Federal Coordinated Health Care Office ("Medicare-Medicaid Coordination Office")¹**
 - ▶ Improving quality and access to care for Medicare-Medicaid enrollees; simplifying processes; and eliminating regulatory conflicts and cost-shifting
 - ▶ Includes an opportunity to participate in a Capitated Model Demonstration project (**Illinois applied; waiting to hear back**). Includes **long-term services and supports (LTSS)**
- ▶ **ACA, section 2703, state Medicaid plan amendment: Medicaid health homes for individuals with chronic conditions²**
 - ▶ Increased Federal matching of 90% for program for 2 years; returns to Illinois' 50% Federal match rate after 2 years
 - ▶ Coordination of primary, acute, behavioral health, and **long-term services and supports**
 - ▶ Illinois has submitted a Medicaid plan amendment to CMS and plans to align this initiative with its various state-level care coordination initiatives

Illinois' State Initiatives

- ▶ **Public Act 96-1501³, January 2011**
 - ▶ 50% Medicaid recipients → "Risk-based Care Coordination" by 2015
- ▶ **"Save Medicaid Access and Resources Together Act" (SMART Act)⁴, May 2012**
 - ▶ Item #51 Category: Care Coordination
 - ▶ Integrating acute, primary, behavioral and **long-term services and supports**
 - ▶ Focus on most complex Medicaid beneficiaries
 - ▶ Estimated gross savings FY2013: \$16.1 million
 - ▶ Care coordination initiatives launched in FY2012-2013. **All Initiatives include long-term services and supports.** (See details on other side)
 - ▶ Integrated Care Program – Medicaid Only
 - ▶ Innovations Program – Medicaid Only
 - ▶ Duals Capitation Demonstration – Medicaid + Medicare, through CMS' Medicare-Medicaid Coordination Office

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Illinois' Care Coordination Initiatives

Integrated Care Project – Medicaid only⁵ [currently in operation; LTSS to be phased in January 2013]

- ▶ Mandatory program, Illinois' Department of Healthcare and Family Services (HFS) has contracted with two Health Maintenance Organizations, or health plans.
- ▶ **Fully capitated, full-risk financing model:** health plans receive prospective payment per member, per month for all services
 - ▶ Primary, acute, behavioral health, and **long-term services and supports**
- ▶ **Geographic Service Area:** Suburban Cook (zip codes that **do not** begin with "606"), DuPage, Kane, Kankakee, Lake and Will Counties.
- ▶ **33,274 Medicaid beneficiaries** enrolled (as of September 2011)

Innovations Project⁶ – Medicaid only [targeted start date January 2013]

- ▶ **Mandatory** program, Illinois' Department of Healthcare and Family Services (HFS) has announced the 1st Round of Awardees⁷: 5 Care Coordination Entities (CCEs) and 1 Managed Care Community Network (MCCN, or health plan)
 - ▶ Primary, acute, behavioral health, and **long-term services and supports**
- ▶ **CCEs use a shared-risk model:** a prospective per-member per-month for care coordination only
- ▶ **MCCNs use a fully capitated, full-risk financing model:** health plans receive prospective payment per member, per month for all services
- ▶ **Geographic Service Area:** Northeastern Illinois, and Central Illinois.
- ▶ **3,000 Medicaid beneficiaries** estimated to be enrolled (between 500-1,000 for each awardee)

Duals Project – Medicare/Medicaid⁸ [targeted start date April 2013]

- ▶ Illinois has applied for a demonstration project that is based off of a 3-way contract between HFS, CMS, and a health plan (full-risk bearing entity). Illinois recently announced the health plans it will contract with after CMS approval⁹.
- ▶ **Fully capitated, full-risk financing model:** health plans receive prospective payment per member, per month for all services
 - ▶ Blended funds: Medicare + Medicaid
 - ▶ Primary, acute, behavioral health, and **long-term services and supports**
- ▶ **Geographic Service Area:** Greater Chicago: Cook, Lake, Kane, DuPage, Will, Kankakee; and Central Illinois: Knox, Peoria, Tazewell, McLean, Logan, DeWitt, Sangamon, Macon, Christian, Piatt, Champaign, Vermilion
- ▶ **Passive enrollment.** For Medicare: voluntary disenrollment. **Mandatory Medicaid** lock-in; state seeking Medicaid 1915(b) waiver to mandate managed care for Medicaid beneficiaries
- ▶ **172,000 Medicaid beneficiaries** who also have Medicare insurance are eligible

¹ http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/Financial_Models_Supporting_Integrated_Care_SMD.pdf

² <http://downloads.cms.gov/cmsgov/archived-downloads/SMDL/downloads/SMD10024.pdf>

³ <http://www.ilga.gov/legislation/publicacts/96/096-1501.htm>

⁴ <http://www2.illinois.gov/hfs/SiteCollectionDocuments/SB%202840%20MedicaidSpendingReductionsrev.pdf>

⁵ <http://www2.illinois.gov/hfs/PublicInvolvement/IntegratedCareProgram/Pages/default.aspx>

⁶ <http://www2.illinois.gov/hfs/PublicInvolvement/cc/Pages/default.aspx>

⁷ <http://www2.illinois.gov/hfs/PublicInvolvement/cc/Pages/CEMCCNInitialAwardAnnouncement.aspx>

⁸ http://www.chcs.org/usr_doc/Illinois_Proposal.pdf

⁹ <http://www3.illinois.gov/PressReleases/ShowPressRelease.cfm?SubjectID=2&RecNum=10692>