Implementing FIDE SNPs through Direct Contracting

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August 28, 2023

Background on Medicaid in DC

- DC Medicaid covers almost 40 percent of the District's population, including over 200,000 children and families and more than 40,000 dual eligibles
- Historically, the population has been predominantly enrolled in Medicaid managed care, currently more than 80%
- Most long-time fee-for-service populations are duals and LTC populations (HCBS waivers, LTC institutional care); DC offers three 1915(c) HCBS waivers, institutional LTSS, and multiple state plan HCBS
- Only approximately four percent of all Medicaid beneficiaries use some type of LTSS on an annual basis, but services account for nearly a third of all Medicaid expenditures annually

History of Medicare-Medicaid Integration in DC

- The District has invested significant efforts in programs designed specifically for duals in the last five years, primarily because of the prevalence of dual enrollment among LTSS users and because of signs of inefficient or ineffective care delivery among these high-touch groups

- The District launched an integrated D-SNP February 1, 2022 and its first PACE site March 1, 2023
  - Individuals in 1915(c) waivers may enroll in the integrated D-SNP, which covers almost all Medicaid services with a couple specific carve-outs. This program is operated by UnitedHealthcare (UHC)
  - Individuals in three southeast DC ZIP codes who are 55+ and meet the NF LOC may enroll in PACE, operated by Edenbridge

Why the District has focused on duals integration

- The District has focused efforts around duals integration because this area of our program was ripe with opportunity
  - Data analysis in 2018 showed our LTSS users – very predominantly dual eligibles – had higher-than-expected rates of acute care hospital readmissions and ED use
  - Full-benefit dual eligibles tended to use both high volumes of LTSS and Medicare-covered acute care – which looked a lot like fragmented, uncoordinated and inefficient care

- Alignment of Medicare and Medicaid for us doesn't just mean payer alignment, but integration of key programs historically standing apart. LTSS in the District generally requires physician order, but otherwise do not necessarily rely on close connection between acute / primary care and LTSS

- Duals-focused programs can simplify care delivery for everyone, from the beneficiary up to the payer

Initial plan selection and contracting process

- In an effort to build on the existing D-SNP program, the District:
  - Increased the integration standards in our State Medicaid Agency Contract (SMAC) by requiring the MA plan offer a HIDE or FIDE SNP in order to participate
  - Included language in the SMAC making the health plan responsible for the coverage, authorization, delivery and financing of Medicaid services via contract with the District
  - Required that qualifying plans must also have sought Medicare Advantage (MA) approval to participate in the District's procurement process

- The procurement process was multi-step
  - Sought stakeholder input through a Request for Information (RFI), as well as monthly public all-plan calls
  - Published a Request for Qualifications (RFP) to verify and validate the plan was equipped to deliver the program on the Medicaid side, followed by an Invitation for Bids (IFB) and readiness review
  - Resulted in a five-year (base + four) contract with one plan operating the Dual Choice program

Contract and oversight

- The program was designed to essentially add Medicaid coverage to the D-SNP program as it already existed
  - Medicare benefits continued unchanged for individuals already enrolled in the program
  - The contract requires the plan cover all Medicaid services, with a few exceptions
- DC dual eligibles 21+ are eligible for the program
  - This includes individuals who are QMB-only, those in the District's HCBS waivers, individuals with "community" Medicaid, and individuals in institutional LTC
  - Individuals in IDD or IFS waivers or in ICFs may enroll/remain enrolled in a D-SNP, but for Medicare benefits only. Some community-based behavioral health services are also excluded from D-SNP Medicaid coverage
- In addition to compliance with all Medicaid managed care regulations, the contract requires that the health plan perform in accordance with all regulatory standards applicable to the Medicare Advantage program (42 C.F.R. § 422 et seq), including NCQA review and approval of its Model of Care

What's next

- The District continues to move toward the highest levels of Medicare-Medicaid integration (FIDE in the D-SNP program, as well as PACE)
- In 2019, the District also announced its intent to move toward predominantly managed care delivery systems in the near term
- As the District moves toward more MLTSS and more Medicare-Medicaid integrated models, program oversight is necessarily more complex but offers lots of opportunities
  - Historically, the operation of LTSS as exclusively FFS programs meant that oversight of different federal authorities have operated independently, but we now have a program offering both 1915(c) and 1915(i) services under a managed care authority
  - D-SNP quality oversight is subject to multiple quality oversight frameworks and obligations, from Medicaid Advantage to Medicaid managed care to our HCBS and other LTSS-oriented quality requirements
  - PACE is also unique and distinct in its oversight model, but offers the same goals for care

What's next

- Our goal is alignment and coordination between the oversight of all of these programs to **ensure District residents access high-quality, person-centered care no matter what type of service they access nor what delivery system serves them**

- We continue to invest in oversight and monitoring capacity to do so:
  - Investment in data analytics and IT infrastructure for LTSS
  - Increased refinement of remediation and sanction processes
  - Alignment of oversight models across delivery systems and service types

- We are even leveraging some ARPA funding to do so
  - Expanding / enhancing use of assessment infrastructure, processes, and data
  - Expanded, aligned quality strategy and implementation tools
  - Enhancements to clinical case management systems
  - Expansion of consumer satisfaction survey initiatives

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