Alabama Integrated Care Network Program

Stakeholder Meeting

January 11, 2018

Meeting Agenda

Time	Topic	Objective
1:00 – 1:10	Welcome and Introductions	
1:10 – 1:30	Overview of Where We Are Now	Recap since June 2017 stakeholder meeting
1:30 – 2:00	ICN Program Design with PCCM Entity Approach	Review the elements of the PCCM entity model and payment approach
2:00 – 2:10	Timeline and Next Steps	Discuss timeline and next steps
2:10 – 2:30	Questions?	

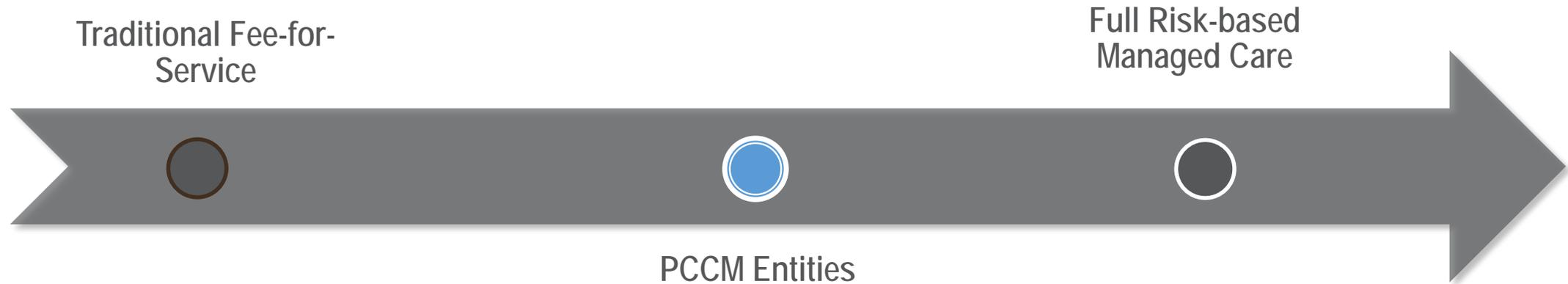# Where We Are Now

Shift in ICN Delivery Model Approach

AMA has had regular discussions with CMS about the ICN program and delivery models.

Estimates indicated a full risk, capitated model would be more costly compared to the current Medicaid program.

CMS suggested that AMA consider the Primary Care Case Management (PCCM) Entity delivery model.

A PCCM entity is a new managed care delivery system under the 2016 Medicaid and CHIP Managed Care Final Rule

PCCM Entities Fall between Fee-for-Service and Full Risk-based Managed Care

Traditional Fee-for-Service

Full Risk-based Managed Care

PCCM Entities

Traditional Fee-for-Service		
Free choice of Medicaid providers	Medicaid Agency pays claims	Fewer levers to impact utilization

Full Risk-Based Managed Care		
Choice generally limited to in-network providers	Risk bearer pays, and is at risk for, claims	Risk bearer has more tools to impact utilization

New Federal Regulations Define the Potential Functions of a PCCM Entity

42 CFR 438.2 defines PCCM entity:

An organization that provides any of the following functions, in addition to primary care case management services (which include the location, coordination and monitoring of primary health care services), for the State:

(1) Provision of intensive telephonic or face-to-face case management, including operation of a nurse triage advice line.

(2) Development of enrollee care plans.

(3) Execution of contracts with and/or oversight responsibilities for the activities of fee-for-services (FFS) providers in the FFS program.

(4) Provision of payments to FFS providers on behalf of the State.

Proposed ICN responsibility   Proposed ICN partial responsibility

New Federal Regulations Define the Potential Functions of a PCCM Entity (Continued)

(5) Provision of enrollee outreach and education activities. ⭐

(6) Operation of a customer service call center.

(7) Review of provider claims, utilization and practice patterns to conduct provider profiling and/or practice improvement. ⭐

(8) Implementation of quality improvement activities including administering enrollee satisfaction surveys or collecting data necessary for performance measurement of providers. ⭐

(9) Coordination with behavioral health systems/providers. ⭐

(10) Coordination with long-term services and supports systems/providers. ⭐

⭐ Proposed ICN responsibility   ⭐ Proposed ICN partial responsibility

- Medicaid FFS provider network development
- Claims processing
- Provider reimbursement
- Prior authorization
- Operation of call center (through fiscal agent)
- Provision of satisfaction surveys
- Generation of data summaries, dashboards, and extracts for ICN
- Grievance and appeals system

ICN Program Design with a PCCM Entity Approach

We Will Cover the Following ICN Program Design Elements in this Section

- ICN program goals
- ICN relationships with LTSS entities
- ICN target population
- Primary ICN activities:
  - Primary source of contact for Medicaid LTSS
  - Oversight and coordination of all case management activities
  - Data management and utilization review
  - Quality improvement
  - Other administrative functions
- ICN payment and incentive/risk arrangement
- Federal waivers

ICN Program Goals

Improved education and outreach about LTSS options

**More comprehensive and integrative case management**

Increased percentage of the LTSS population residing in the HCBS setting

ICN Will Have Relationships with Key LTSS Entities

- AMA will use a competitive procurement with the intent to have a single ICN.

- ICN required to contract with the Area Agencies on Aging (AAAs) and the Department of Senior Services for at least first two years to deliver current HCBS case management activities.

- ICN required to develop coordinating agreements with nursing facilities regarding case management services.

ICN Will Serve LTSS Populations
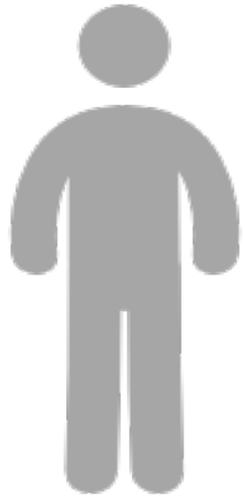
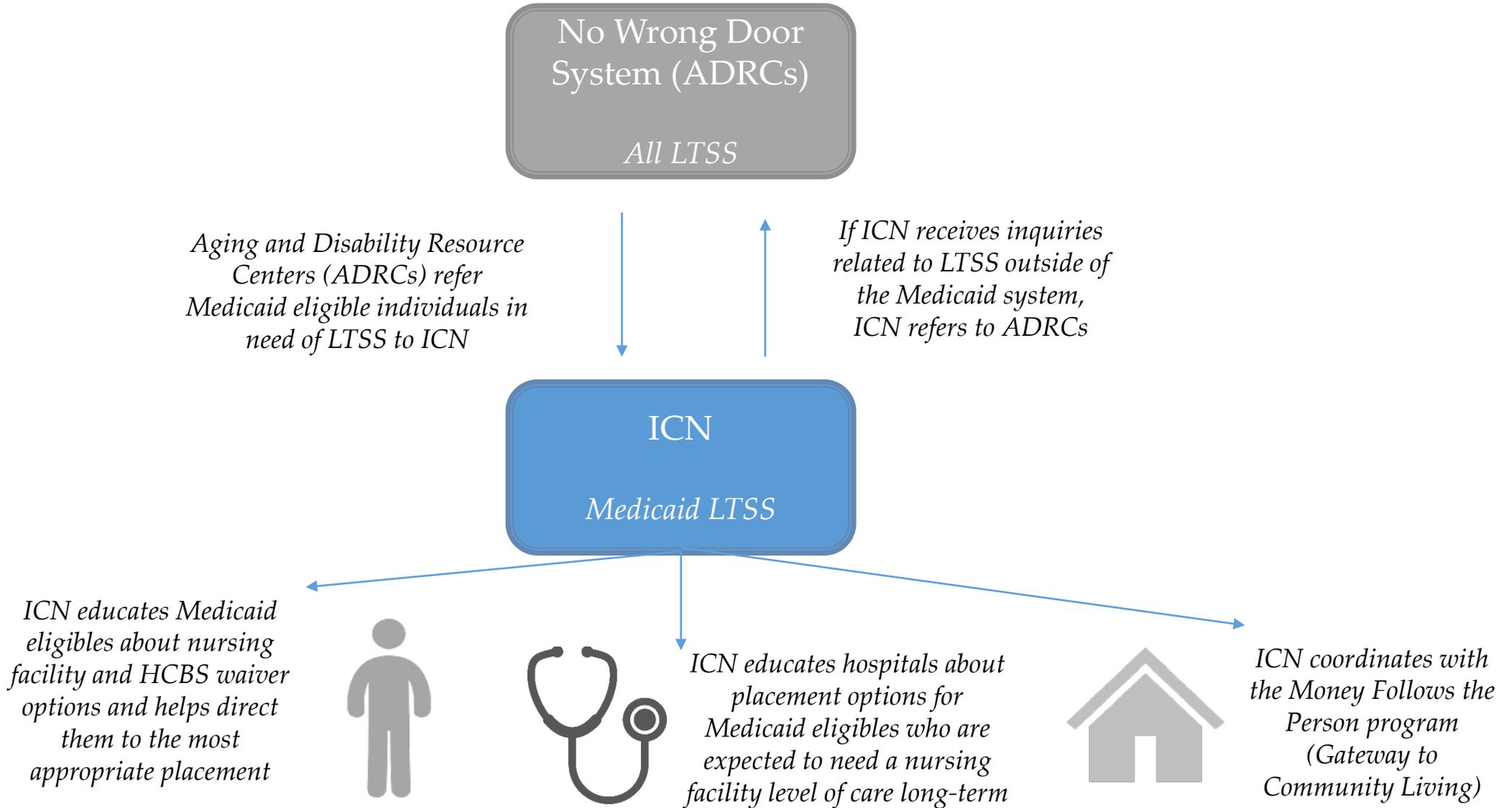Populations in a **<u>nursing facility long-term</u>**
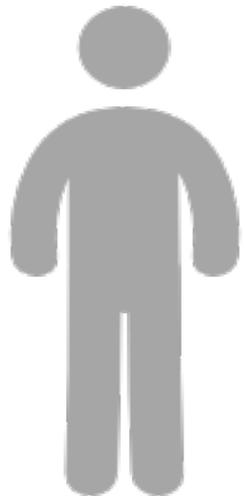
Populations who receive **<u>HCBS waiver services</u>**
- Alabama Community Transition (ACT)
- Elderly & Disabled (now includes HIV/AIDS population)

** Individuals receiving Medicaid-funded hospice services will be excluded from ICN enrollment. Dual eligible participation in hospice will not impact ICN enrollment.

# ICN Will Serve as the Primary Source of Contact for Medicaid LTSS

No Wrong Door System (ADRCs)

All LTSS

Aging and Disability Resource Centers (ADRCs) refer Medicaid eligible individuals in need of LTSS to ICN

If ICN receives inquiries related to LTSS outside of the Medicaid system, ICN refers to ADRCs

ICN

Medicaid LTSS

ICN educates Medicaid eligibles about nursing facility and HCBS waiver options and helps direct them to the most appropriate placement

ICN educates hospitals about placement options for Medicaid eligibles who are expected to need a nursing facility level of care long-term

ICN coordinates with the Money Follows the Person program (Gateway to Community Living)

ICN clinical staff focus on:
- *Medical interventions*
- *Hospital transitions*
- *Comprehensive coordination of services*
- *Oversight of, and coordination with, HCBS case managers at contracted AAAs to provide holistic care planning*
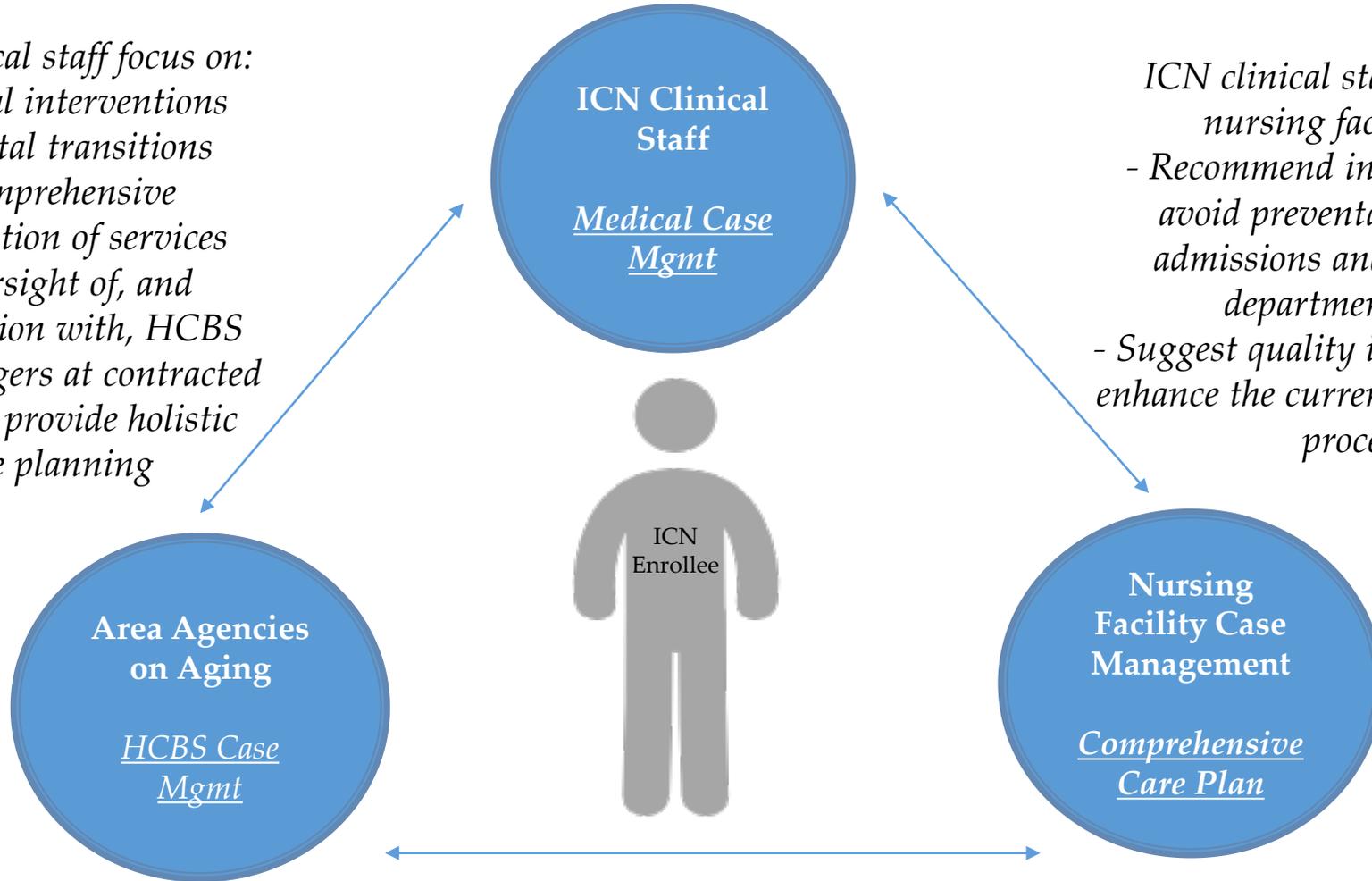
ICN clinical staff work with nursing facilities to:
- *Recommend interventions to avoid preventable hospital admissions and emergency department visits*
- *Suggest quality improvements to enhance the current care planning process*

ICN Clinical Staff

Medical Case Mgmt

ICN Enrollee

Area Agencies on Aging

HCBS Case Mgmt

Nursing Facility Case Management

Comprehensive Care Plan

ICN assists with transitions from:
- *Community settings to the nursing facilities, when necessary*
- *Nursing facilities to the community, when appropriate*

ICN is Also Responsible for Data Management, Quality Improvement, and Administrative Functions

Data Management and Utilization Review

- Use data summaries, dashboards, and extracts provided by AMA to inform case management, outreach, and quality improvement activities
  - Data includes eligibility tables, summarized utilization data, provider reports, and tables/dashboards tracking health outcome measures
- Have data systems to manage case management and coordination functions

Quality Improvement

- Implement quality improvement activities, with an emphasis on increasing the HCBS mix
- Will be evaluated against quality metrics

Other Administrative Functions

- Provide management and operations staff
- Provide enrollee outreach and education materials describing the ICN program, enrollee rights and responsibilities, etc.
- Manage administrative funds to ensure cash flow
- Demonstrate compliance with managed care regulations related to PCCM entities and contract terms

ICN Payment

The State is considering paying the ICN through a payment that would consist of two components:

1. Current Expenditure for Case Management of LTSS population

- Approximately $22 million - $23 million. Today, these services are administered through the AAAs and ADSS.
- The AAAs and ADSS will be paid by the ICN.

## 2. Incremental Increase over Current Expenditures

- This component covers the additional payments to cover the new ICN activities described earlier.
- Preliminarily estimates of the incremental cost that would be included in the ICN PMPM fee payment would be $3 million - $5 million.

AMA continues to discuss the payment approach with CMS to confirm compliance with federal regulations.

Incentive and Risk Arrangement Aligns with ICN Program Objectives

- AMA will establish a target mix of nursing facility and HCBS enrollees annually.
  - Target mix may vary depending on enrollment growth.
  - Nursing facility target mix assumed to be lower than the current 70% mix with a larger portion of the population in HCBS setting.
- If ICN increases the proportion of HCBS enrollment beyond the targeted mix, additional savings would be shared between the State and the ICN.
- If ICN does not achieve the targeted mix, it would be at risk for some portion of the incremental increased cost.
  - ICN would maintain capital reserves equal to portion for which they are at risk.
- May also be potential incentive opportunities for the ICN through various quality and outcome measures.

Increased HCBS mix

Decreased NF mix

Shared Savings
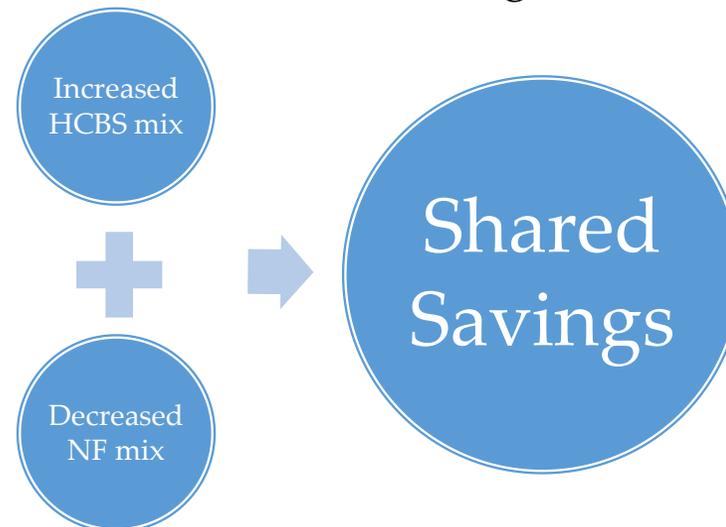
Waivers Required for ICN Program

The ICN program will require submission of new and amended Federal waivers.
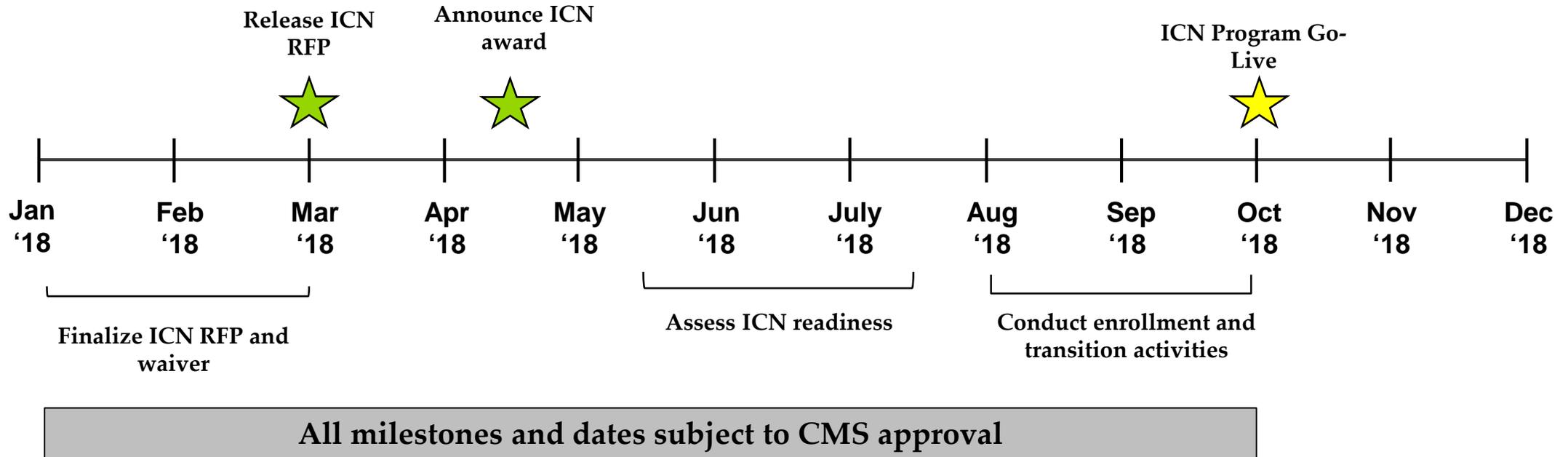
1915(b) waiver
- To be submitted for approval of the PCCM entity delivery system

1915(c) waiver
- Waivers will not be consolidated; however, adjustments will be made as needed to account for the ICN program

Timeline and Next Steps

ICN Program Implementation Timeline

Release ICN RFP

Announce ICN award

ICN Program Go-Live

| Jan '18 | Feb '18 | Mar '18 | Apr '18 | May '18 | Jun '18 | July '18 | Aug '18 | Sep '18 | Oct '18 | Nov '18 | Dec '18 |

Finalize ICN RFP and waiver

Assess ICN readiness

Conduct enrollment and transition activities

All milestones and dates subject to CMS approval

Questions?