



FACT SHEET

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CMS and California Partner to Coordinate Care for Medicare-Medicaid Enrollees

Overview

On March 27, 2013, the Department of Health and Human Services announced that the State of California will partner with the Centers for Medicare & Medicaid Services (CMS) to test a new model for providing Medicare-Medicaid enrollees with a more coordinated, person-centered care experience, along with access to new services.

Under the Demonstration, California and CMS will contract with Medicare-Medicaid Plans to coordinate the delivery of and be accountable for covered Medicare and Medicaid services for participating Medicare-Medicaid enrollees.

Medicare-Medicaid Enrollees

Improving the care experience for low-income seniors and people with disabilities who are Medicare-Medicaid enrollees – sometimes referred to as “dual eligible individuals” – is a priority for CMS. Currently, Medicare-Medicaid enrollees navigate multiple sets of rules, benefits, insurance cards, and providers (Medicare Parts A and B, Part D, and Medicaid).

Many Medicare-Medicaid enrollees suffer from multiple or severe chronic conditions and could benefit from better care coordination and management of health and long-term supports and services.

The Financial Alignment Initiative – Partnerships to Provide Better Care

The new Demonstration seeks to provide Medicare-Medicaid enrollees with a better care experience by evaluating a person-centered, integrated care program that provides a more easily navigable and seamless path to all covered Medicare and Medicaid services.

In July 2011, CMS announced this opportunity for states and CMS to better coordinate care for Medicare-Medicaid enrollees. Under the Demonstration, CMS will evaluate the effectiveness of two models:

- 1) **Managed Fee-for-Service Model** in which a state and CMS enter into an agreement by which the state would be eligible to benefit from savings resulting from initiatives designed to improve quality and reduce costs for both Medicare and Medicaid; and
- 2) **Capitated Model** in which a state and CMS contract with health plans or other qualified entities that receive a prospective, blended payment to provide enrolled Medicare-Medicaid enrollees with coordinated care.

California is the fifth state to enter a Memorandum of Understanding (MOU) with CMS to participate in the Demonstration. CMS continues to work with other states to develop their Demonstration models. All Demonstrations will be evaluated to assess their impact on the beneficiary's care experience, quality, coordination, and costs.

The California Demonstration

Under this demonstration, an estimated 456,000 Medicare-Medicaid enrollees in California will have an opportunity for better, more coordinated care, along with new access to dental, vision, and non-emergency transportation services. California and CMS will contract with Medicare-Medicaid Plans (MMPs) that will oversee and be accountable for the delivery of covered Medicare and Medicaid services for Medicare-Medicaid enrollees in eight counties: Alameda, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara.

Under the Demonstration, MMPs will be responsible for providing a comprehensive assessment of Medicare-Medicaid enrollees' medical, behavioral health, long-term services and supports, functional, and social needs. Medicare-Medicaid enrollees and their caregivers will work with an interdisciplinary care team to develop person-centered, individualized care plans. The Demonstration is designed to offer opportunities for beneficiaries to self-direct services, be involved in care planning, and live independently in the community.

The new Demonstration includes beneficiary protections that will ensure high-quality care is delivered. CMS and California have established a number of quality measures relating to the beneficiary overall experience, care coordination, and fostering and supporting community living, among many others. In addition, the Demonstration includes robust continuity of care requirements to ensure that beneficiaries can continue to see current providers (including those at community health centers) during transitions into the Demonstration health plan. Ombudsman services will support individual advocacy and independent systematic oversight for the Demonstration, with a focus on compliance with principles of community integration, independent living, and person-centered care.

All participating plans must first meet core Medicare and Medicaid requirements, state procurements standards and state insurance rules (as applicable). Every selected MMP must also pass a comprehensive joint CMS-state readiness review.

Putting the Beneficiary First

Under the Demonstration, care coordination services will be available to all enrollees. MMPs will offer an interdisciplinary care team, as necessary, to ensure the integration of the member's medical, behavioral health, long term services and supports, and social needs. The team will be person-centered: built on the enrollee's specific preferences and needs, delivering services with transparency, individualization, respect, and linguistic and cultural competence.

MMPs and Demonstration counties are developing agreements to facilitate integration of In-Home Supportive Services (IHSS) and behavioral health in the Demonstration. These agreements include requirements for coordination of services and data sharing mechanisms, to ensure care delivery is informed by accurate and timely information.

Enrollment will occur in phases and is tailored by county. Beneficiaries will be able to opt-in to the new program beginning in October of 2013. Enrollment will be phased over the next 3-15 months, varying by county. Eligible beneficiaries who have not made a choice will be assigned to an MMP, using a process that will match the beneficiary's most frequently utilized providers to the provider network of the plan. Beneficiaries will have the option to opt-out of the Demonstration or select an alternative MMP plan at any time.

Comprehensive Evaluation

CMS is funding and managing the evaluation of each state Demonstration. CMS has contracted with an external independent evaluator, RTI International, to measure, monitor, and evaluate the impact of the Demonstrations, including impacts on Medicare and Medicaid service utilization and expenditures. The evaluation for California's Demonstration will measure quality, including beneficiary overall experience of care, care coordination, care transitions, and support of community living in California. RTI will develop a unique, California-specific evaluation using a comparison group to analyze the impact of the Demonstration.

A Transparent Process Supporting Public Input

The California Demonstration is the culmination of an extensive planning and development process through which the public helped shape the Demonstration's design. California:

- Partnered with CMS to engage with both local and national partners to ensure a broad range of perspectives were captured in the overall Demonstration.
- Hosted numerous public forums to solicit public involvement including regional meetings, statewide calls, and public hearings.
- Established public workgroups with both internal and external stakeholders to inform Demonstration development and policy.

- Created and maintained a website to facilitate public participation in the Demonstration design and planning process at www.calduals.org
- Posted its draft proposal for public comment and incorporated the feedback into its Demonstration proposal before officially submitting it to CMS. The proposal was then posted by CMS for public comment. Additional policy and program documents have also been posted for public comment.

Additional Information

The Demonstrations will be administered under the Center for Medicare & Medicaid Innovation authority. Additional information about the California Demonstration, including the MOU, is publicly available at:

To learn more about the California-CMS partnership, view the California proposal, and to see proposals submitted by other states, visit:

Additional information on the continued development and implementation of the California Demonstration is available at www.calduals.org