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FINANCIAL ALIGNMENT INITIATIVE

The Centers for Medicare & Medicaid Services (CMS) launched the Financial Alignment Initiative in 2011 to begin addressing the financial misalignment between Medicare and Medicaid that often presents a barrier to coordinated care for enrollees. The Financial Alignment Initiative aims to better align the financing of these two programs and integrate primary, acute, behavioral health and long-term services and supports in a more easily navigable, simplified system for enrollees. The Initiative has two models, the capitated model and managed fee-for-service model, both of which are serving beneficiaries in states throughout the country. This document provides a snapshot of enrollment, age, and health risk assessment (HRA) experience to date for the capitated financial alignment model.

ENROLLMENT: In the capitated financial alignment model, states and CMS contract with health plans known as Medicare-Medicaid plans (MMPs) to provide comprehensive, coordinated care for enrollees. Enrollment into MMPs varies according to each state's demonstration design. In most states enrollment is phased in over time. Many factors may influence demonstration enrollment such as the demonstration service area within each state, the number of plans participating in each demonstration, and state Medicaid managed care enrollment policies. Since the launch of the first capitated demonstration in October 2013, enrollment in MMPs nationally has grown steadily, from approximately 9,800 enrollees in January 2014 in a single state to over 300,000 one year later across six states. The table below provides a snapshot of January 2015 enrollment data for each of the demonstrations that were operational during 2014.

HEALTH RISK ASSESSMENTS: CMS and states require that MMPs provide a more person-centered experience and that the care model promotes coordination of services for enrollees. In all capitated model demonstrations, CMS and the participating states require that MMPs provide an HRA to foster the development of a person-centered care plan.[1] Typically, the HRA is the first step in a more comprehensive care coordination process, requirements for which are included in each demonstration three-way contract. CMS collects HRA completion data from the MMPs in each state to monitor plans' progress initiating the care coordination process for new enrollees. The HRA completion rate is also one of several core quality measures that constitute the MMPs' quality withhold requirements.[2]

CMS collects data on the rate of HRA completion within 90 days of enrollment, although each demonstration's three-way contract has different requirements for the timing of the assessments. Each contract also has its own requirements for a continuity-of-care period that allows enrollees to access their pre-demonstration services and providers for a period of time (often 90 to 180 days after enrollment). In some demonstrations, the continuity period applies until the assessment is completed. MMP timeframes for assessment completion may be based in part on the particular demonstration's continuity of care requirements.

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[1] The HRA requirements vary across state demonstrations, and are outlined in the three-way contracts between CMS, the state, and the participating MMPs. Each three-way contract can be found on the MMCO website: http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/FinancialModelstoSupportStatesEffortsinCareCoordination.html

[2] More information about quality withhold measures can be found in each demonstration's three-way contract.

The HRA completion data shown in the table below are cumulative based on all enrolled individuals who reached their 90th day of enrollment through November 30, 2014 in each of the five capitated model demonstrations that enrolled beneficiaries in 2014. These data are preliminary; they have not yet been audited and are subject to revision.

Enrollment, Age, and Preliminary 90-day Assessment Completion in Capitated Financial Alignment Model

State	Demonstration Name	Demonstration Start date	Number of participating MMPs (as of 1/30/15)	Total enrollment as of January 2015*	Percentage of enrollees under age 65	Percentage of enrollees age 65+	Preliminary percent of members with an assessment completed within 90 days (through Nov 2014)**
California	Cal MediConnect	April 2014	9	139,604	31%	69%	74%
Illinois	Medicare-Medicaid Alignment Initiative	March 2014	8	68,212	46%	54%	76%
Massachusetts	One Care	October 2013	3	17,876	99%***	1%***	60%
Ohio	MyCare Ohio	May 2014	5	77,147	49%	51%	58%
Virginia	Commonwealth Coordinated Care	April 2014	3	28,288	52%	48%	92%
Sum			**28**	**331,127**	**44%**	**56%**	**73%**

* Enrollment data are from the CMS Medicare Advantage, Cost, PACE, Demo, and Prescription Drug Plan Organizations Monthly Report by Contract unless otherwise noted (http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPartDEnrolData/Monthly-Enrollment-by-Contract.html)

**As collected by the Core 2.1 measure required by each demonstration's three-way contract. Rates are cumulative based on monthly data submissions from MMPs. Includes only members whose 90th day of enrollment occurred through November 30, 2014. Excludes members who were unwilling to participate or who did not respond to at least three attempts to contact them. Excludes assessments completed after the 90th day of enrollment. Complete specifications are available at: http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/Downloads/FinalCY2014CoreReportingRequirements.pdf

*** The Massachusetts demonstration targets individuals ages 21-64 at the time of enrollment, and allows people to remain in their MMP when they turn 65 as long as they maintain eligibility under the Medicaid State plan. The other four demonstrations operating during 2014 included individuals age 65 and older at the time of enrollment in their target populations.