



## Findings at a Glance

# Financial Alignment Initiative (FAI) New York Fully Integrated Duals Advantage for Individuals with Intellectual and Developmental Disabilities Demonstration

Preliminary Third Evaluation Report

## MODEL OVERVIEW

The Financial Alignment Initiative (FAI) aims to provide individuals dually enrolled in Medicare and Medicaid with a better care experience and better align the financial incentives of the Medicare and Medicaid programs. The Centers for Medicare & Medicaid Services (CMS) is working with States to test two integrated care delivery models: a capitated model and a managed fee-for-service model.

New York and CMS launched the Fully Integrated Duals Advantage for Individuals with Intellectual and Developmental Disabilities (FIDA-IDD) demonstration in 2016. The demonstration is currently scheduled to end on December 31, 2024.

### Key Features of the New York Demonstration

- Uses the capitated model based on a three-way contract between the Medicare-Medicaid Plan (MMP), CMS, and the State to finance all Medicare and Medicaid services.
- The MMP provides care coordination and flexible benefits.
- Enrollment in FIDA-IDD has been voluntary throughout the demonstration.

## PARTICIPANTS



### MEDICARE-MEDICAID PLANS

- One MMP participates in the FIDA-IDD demonstration.
- The MMP contracts with a network of Medicare and Medicaid providers to meet the needs of its enrollees.
- A comprehensive assessment tool informs care plan development by identifying social, functional, behavioral, medical, and wellness needs.
- Care coordinators assist enrollees to obtain the services in their care plans.



### BENEFICIARIES

As of December 2021,

7.5%

were enrolled in a Medicare-Medicaid Plan.

1,686 of the total 22,488 eligible Medicare-Medicaid beneficiaries were participating in the New York demonstration.

## FINDINGS



### IMPLEMENTATION

- **Aging family caregivers found the FIDA-IDD demonstration an attractive option** to provide care for their loved ones when family members were unable to continue their care managing activities.
- In beneficiary interviews, most **enrollees said they were very satisfied** with the MMP and appreciated care management services and the speed of getting durable medical equipment.
- In 2020 and 2021, the continued **lack of participation by major hospital systems** in the demonstration's service area **discouraged eligible beneficiaries from enrolling**.
- **Enrollment in the demonstration was too low** to provide an adequate sample size, or data were not sufficient **to report a trend for some Consumer Assessment of Healthcare Providers measures**.

## FINDINGS *(continued)*



### IMPLEMENTATION *(continued)*

- Although **New York and CMS supported the care model and the MMP** as a partner, they acknowledged that **rate changes would likely be needed** to sustain the demonstration longer-term given its unique design.



### MEDICARE & MEDICAID EXPENDITURES

Regression analyses of the demonstration impact found **no statistically significant changes in Medicare Parts A and B costs or total Medicaid costs** per member per month (PMPM) cumulatively over demonstration years 1 through 4, for all eligible beneficiaries, relative to a comparison group.

#### Monthly demonstration effect on Medicare Parts A and B costs & Medicaid total costs of care, by demonstration year

Demonstration Period	Average Demonstration Effect on Medicare Expenditures, PMPM	Average Demonstration Effect on Medicaid Total Costs of Care, PMPM <sup>1</sup>
DY 1 (April 2016–December 2017)	\$1.44	–\$92.78
DY 2 (2018)	\$8.99	\$95.50
DY 3 (2019)	\$15.80	\$117.01
DY 4 (2020)	\$28.83	–\$373.71
<b>Years 1–4, cumulative</b>	<b>\$11.48</b>	<b>–\$79.85</b>

DY = demonstration year; PMPM = per member per month.

Note: None of the effect estimates (in dollars) shown in table are statistically significant at the  $p < 0.05$  level.

<sup>1</sup> Medicaid risk corridor payments from the State to the MMP were not included in the Medicaid cost analysis. Given the size of these payments, it is possible that their inclusion could result in statistically significant increases in total Medicaid costs.

## KEY TAKEAWAYS

Although enrollees and their family members valued the care management and improved access to durable medical equipment provided through FIDA-IDD, most eligible beneficiaries did not enroll, likely due to the lack of participating health systems. The demonstration had no significant impact Medicare or Medicaid costs.