

AGING AND LONG TERM SUPPORT ADMINISTRATION



HealthPath Washington Managed Care

2015-17 BIENNIAL BUDGET

Request	FY16	FY17	15-17
FTE	14.2	6.0	10.1
GF-State	\$370,000	(\$180,000)	\$190,000
Total	\$1,672,000	(\$360,000)	\$1,312,000

DECISION PACKAGE SUMMARY

The Aging and Long Term Support Administration (AL TSA) requests funding for staffing costs for the Centers for Medicare and Medicaid (CMS) Financial Alignment Integration Demonstrations. The goals are to improve care and reduce costs for dual eligibles – people who receive both Medicaid and Medicare services. CMS has approved Washington to implement two shared savings models of care. The first, Health Homes, provides intensive care coordination and increased communication among the client’s providers. The second, HealthPath Washington (Managed Care), will contract with managed care organizations to deliver Medicare and Medicaid services, including long term services and supports and behavioral health services, in King and Snohomish counties to achieve better health outcomes at less cost than traditional fee for service delivery.

PROBLEM STATEMENT

The Health Home (HH) model was implemented in late 2013 in all areas of the state with the exception of King and Snohomish Counties as they are participating in the HealthPath Washington demonstration. This federal-state partnership provides a new care coordination program for Medicare-Medicaid enrollees who meet a high-cost/high-risk criteria that will coordinate services across the current service delivery system, and allow the state and federal government to benefit from savings resulting from improvements in quality and reductions in costs. Health home services include: comprehensive care management; care coordination and health promotion; transitional care; individual and family supports; referral to community and social support services and the use of a web-based clinical decision support tool (PRISM) and other health information technology to improve communication and coordination of services.

State savings are dependent on the performance/quality and achieving overall federal savings. This payment if achieved is retrospective and will be paid on an annual basis. The earliest that a payment could be received would be nine to 11 months after the end of each demonstration year. The grant provides funding to staff a program manager, contracts specialist and stakeholder/communications, and a HH trainer. Over the life of the grant, the staffing model reduces and the match rate decreases to the standard federal Medicaid match rate.

HealthPath Washington (HPW) is a new program that will provide an integrated set of benefits for clients who are dually enrolled in both Medicare and Medicaid. Under this program, a contract between the State of Washington, CMS, and the health plan will provide long term services and supports as well as medical, pharmacy, mental health, and chemical



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dependency benefits for individuals with Medicare and Medicaid. The health plan will offer a care coordinator and/or Interdisciplinary Care Team (ICT) composed of clinical staff, social workers, the member, providers, and family, tailored to meet the needs of the member.

Enrollment will be available for individuals in King and Snohomish Counties who have full dual Medicare/Medicaid coverage. Clients who meet the eligibility criteria will be able to voluntarily opt-in beginning July 1, 2015 and passive (auto) enrollment will begin on September 1, 2015, unless the individual elects to opt-out of the project. American Indians/Alaskan Natives who are not enrolled in primary care case management or managed care will be offered the opportunity to enroll, but must volunteer to participate. The state is currently working with UnitedHealthCare of Washington and Regence BlueShield to establish readiness to begin enrolling clients.

Savings are projected from serving people through managed care, assuming it will have less cost than a fee for service model. In addition, a federal grant funds the staff positions for a program manager, contact specialist, fiscal and RDA staff in the first year of the project. The grant funding reduces to the standard federal Medicaid match rate over time. Proposed Solution

The temporary gap between the cost of the staff positions and the savings is the ALISA GF-State funding requested for both models. The savings from the managed care for the dually eligible population with complex care needs is expected to increase to the point where it will entirely cover the cost of the staffing, but that will not occur until state fiscal year 2017.

EXPECTED RESULTS

The budget request supports DSHS Goal 1: Health – Each individual and each community will be healthy.

The decision package is essential to implementing the ALISA Strategic Objective Strategic Objective 1.1: Improve health outcomes for individuals with high medical risk factors through implementation of the Medicaid Health Home services.

This request supports the Results Washington Goal 3.2: Increase the percentage of supported seniors and individuals with a disability served in home and community-based settings. Serving medically complex people in the community in a coordinated, holistic way will decrease the number of people who have to be placed in a nursing facility as a result of failing health.

STAKEHOLDER IMPACT

The Health Care Authority, DSHS's partner agency in this endeavor and CMS are all committed to demonstrating that both better health outcomes and financial savings can be achieved by targeting the medically complex people who are both Medicare and Medicaid eligible with a coordinated care plan.



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