
**State Demonstrations to Integrate Care for Dual Eligible Individuals**
**Interim Progress Report**
**October 26, 2011**

States receiving design contracts are required to submit an interim progress report that documents their experience with the design process and lessons learned as part of the design contract. Progress reports must be submitted to the CMS Project Lead electronically in Word no later than six (6) months from the contract execution date. *Please note that sections below marked with an asterisk (*) may be posted on the CMS Medicare-Medicaid Coordination Office website or otherwise made available publicly*.

In developing these progress reports, States are asked to consider including the following information:

- *Progress to Date:* Brief description (e.g., 1-2 paragraphs) of progress to date, including top 2-3 milestones/accomplishments achieved to date as well as top 2-3 challenges encountered and strategies used to address these challenges.*

- *State Legislative Developments:* Identification of any State legislative developments that could impact the demonstration design and/or submission of the demonstration proposal by the specified due date, as applicable. *

- *Anticipated Challenges:* Brief description (e.g., 1-2 paragraphs) of any anticipated challenges (not already addressed above) that could arise over the next six months that may impact the design or submission of the demonstration deliverable and any strategies the State has for addressing them. *

- *Work Plan/Timeline:* High-level work plan for next 6 months or until the demonstration design deliverable is submitted. *

- Identification of any important updates in the following areas:
    - Proposed approach*
    - Use of contract funds
    - Status of Medicare data request and related analysis*
    - Technical assistance needs
    - Stakeholder engagement (a summary of this information may be made public) *

Templates for each of the items above are attached below as examples.

**Progress to Date**

***Brief description (e.g., 1-2 paragraphs) of progress to date***

The State is working on numerous fronts to accomplish the goals of the demonstration. Several internal Dual Demo teams have been created and are actively meeting within DHS. These include the Dual Demo Leadership Team, the Interdivisional Team (includes Mental and Chemical Health, Continuing Care and various Health Care Divisions) and a Data Team. Deb Maruska was appointed as Project Manager of the Dual Demonstration. A SNP/MCO stakeholders group has met several times. Over 140 people attended a Disability Stakeholder group where the expansion plan for the SNBC program for managed care for people with disabilities was announced and the Dual Demo overview was presented. New public websites for the Dual Demo and the SNBC expansion have been established. Regional meetings with counties and stakeholders around expansion of SNBC and the Dual Demo were set up. Four stakeholder work groups have been established involving over 100 people and a Managed Care 101 training is scheduled. Additional training and video conferences have also been held (see stakeholder section.) Members have been solicited for reviving the Seniors Managed Care Stakeholders group which will begin meeting in December.

A CMS Site visit was held September 22-23 in which DHS leadership, interdivisional dual demo team members and eight health plans participated. Staff continue to work on getting the necessary approvals for building a dual data base and obtaining contractors for this purpose. Demonstration of a potential dual data vendor's system was presented to an interdivisional group resulting in support for a sole source contract. Agency leadership support was obtained for a Letter of Intent (LOI) in response to the CMS solicitation on capitated financing models with support for inclusion of SNBC from Mental and Chemical Health and Continuing Care. Key advocates also supported inclusion of the SNBC program in the LOI in communications and communicated this directly to CMS. While they still oppose inclusion of long term care for people with disabilities in managed care they are open to other more virtual arrangements that include long term care in overall costs. The Medical Director has drafted a performance measurement scope of work and plan and the Health Services Advisory Committee has met to discuss measure development. An account has been established for the contract funds and invoices sent to CMS. Interviews are in process for hiring of additional staff. A Discussion Document for further talks with CMS on integrated financing models has been drafted and shared with CMS.

***Top two to three milestones/accomplishments achieved to date:***

1. Plan for SNBC expansion has been developed and is being implemented.
2. LOI for Capitated Financing Model submitted.
3. Extensive internal and external stakeholders' engagement is well underway.

***Top two to three challenges encountered and strategies to address these challenges:***

1. **Challenge:** Staffing and contracting. Due to a number of obstacles starting with a legislative advisory committee's disapproval for spending the contract money (later overcome), a nearly month long State shut down, two separate hiring freezes related to budget issues, and difficulty with a new State accounting system there have been delays in being able to access project funds to obtain staff and contractors for the demo activities.
   **Strategy:** Accounts have now been established, invoices submitted, positions posted and interviews scheduled. Existing experienced staff have been tapped for key positions/roles. A sole source approval request for contractor assistance with the integrated data base has been submitted and a contract and DUA drafted. Data staff resources have been assigned to assist the project.

2. **Challenge:** Shortened timeframes for development. Due to the shut down and delays in access to project resources, original timelines and tasks must be revised.
   **Strategy:** Revise and streamline timelines and work products. Piggy back and coordinate with related work in the MAPCP. Hire additional staff. Accelerate work with CMS to come to agreement on key features and financing parameters. The fact that the MN dual demo is building on existing managed care and HCH programs, and that new options for integrated financing models have been provided by CMS, increase the likelihood that MN can overcome these delays, revise these timelines to meet project goals, and still be ready to implement by the end of 2012.

**State Legislative Developments:** ***Identification of any State legislative developments that could impact the demonstration design.*** During the special session in July, legislation was passed to expand voluntary enrollment in the SNBC program with a new assignment and opt out process. In addition, Medical Assistance reform legislation was included in the final package that specifically supports Medicare and Medicaid integration and dual demo goals. Further legislative developments are unknown at this time however continuing budget stresses are expected. The legislature will not be back in session until February. In addition, there are numerous existing legislative budget parameters on managed care rates for these populations. The State will need to continue to comply with these statutory requirements, so any changes worked out with CMS will need to consider these parameters.

**Anticipated Challenges:** ***Brief description (e.g., 1-2 paragraphs) of any anticipated challenges (not already addressed above) that could arise over the next six months that may impact the design or submission of the demonstration deliverable and any strategies the State has for addressing them.***

**SNBC:** Only three integrated SNPs remain, two other plans had to drop SNPs for SNBC but continue to provide Medicaid services. The State is concerned about how to restore Medicare integration for dual members in SNBC which is expanding statewide, given the previous difficulties SNPs have had in serving this population under the current SNP bid and risk adjustment processes. In addition, currently there is no counterpart in Medicare that dovetails with the new Medicaid assignment and opt out enrollment process. Therefore, the State can no longer integrate Medicare and Medicaid enrollments for SNBC members served in SNPs.

**Contracting, rates and procurement:** SNP and MCO contract negotiations are now underway for both managed care programs (MSHO and SNBC) for 2012. However it is not clear whether the final demonstration design will be based on the SNP platform or an alternative platform, how rates would be determined, and whether additional procurement is required. These elements have to be determined as soon as possible due to SNP NOI and bid process timelines. Significant contracting and rate setting changes may be required and contracting schedules for 2013 may need to be moved up to accommodate the three way contracting process. However, since the State will be using existing contractors, we believe CMS should accept the state's current contractors without additional procurement, thereby shortening the process. In addition, there should not be a need for extensive readiness review since all MSHO contractors are currently participating in Medicare as SNPs. We would expect MSHO to be implemented first, and based on that experience, we would implement SNBC at a later date.

**Measure Development**: Delays in obtaining a contractor for the dual data base has delayed analytics required for measure and risk adjustment development. However, a Scope of Work for contracting and tasks has been developed. In the meantime we are actively discussing how to align and collaborate with measure development processes and work being done through the National Quality Forum. The State is poised to hire a consultant to assist with a measure scan and staff have been identified to lead stakeholder input into measure development.

**Workplan/Timeline**

| Timeframe | Key Activities/Milestones | Responsible Parties |
|---|---|---|
| 10/24/2011-2/1/2012 | Rates, shared savings and design discussions with CMS | CMS/Dual Demo Leadership Team |
| 11/15/2011 | Hire Data Analyst, transfer Project Manager to Duals budget, fill behind Project Manager for SNBC expansion activities | Pam/Deb |
| 11/15/2011 | Obtain sole source for dual data base from OMB | Deb/Tim/Tom |
| 11/15/2011 | Dual data specs, request for cross overs reuse and supplemental files | Deb/Tim |
| 12/15/2011 | Execute contract for dual data base, DUAs and begin data exchange | Tim/Data Analyst |
| 11/15/2011 | RFPs issued for Clinical Consultant and Technical Advisor | Jeff/Deb/Rachel |
| 12/15/2011 | Contract amendments for actuarial work executed | Pam/Deb/Tim/Ross |
| 12/15/2011 | Issue RFP for SNBC area expansion effective 7/1/2012 (limited to current contractors) | Deb/Staff |
| 12/15/2011 | Signed 2012 contracts and 2012 rates for MSHO and SNBC | Pam/Mark/Scott |
| 2/1/2012 | Contracting, procurement and rates design plan negotiated with CMS | CMS/Pam/Mark/David/Scott |
| 3/1/2012 | SNBC expansion areas responses due (limited to current contractors) | Deb/Pam/Mark |
| 3/1/2012 | Measurement and data analysis plan finalized | Jeff/Pam/Deb/Pam/Tim |
| 3/11/2012 | Publish Public Notification | DHS |
| 4/11/12 | Final Proposal due to CMS | Pam/Deb/Mark/David/Jeff/Scott |
| 5/11/12 | Execute CMS MOU/MOU Review Begins | CMS/Pam/Deb/Mark/David/Jeff/Scott |
| 6/30/12 | Three way contract finalized and provided to MSHO MCOs | CMS/Pam/Deb/Sue/Contract Attorneys |
| 7-8/2012 | Negotiations with MSHO MCOs | CMS/Pam/Deb/Sue/Mark/etc. |
| 9/2012 | Any Additional Readiness review for MSHO MCOs | TBD |
| 10/1/2012 | Open enrollment letters, outreach and education | Pam/Deb/Sue/Jeanine's Team |
| 12/31/2012 | New Contract begin date for MSHO | All |
| 12/31/2012<br><br>7/1/2013 | Issue procurement for SNBC for 7/1/2013<br><br>Tentative contract begin date for SNBC | All |

**Proposed Approach:** For each component of the State's proposed approach to better coordinating care for Medicare-Medicaid enrollees (as reflected in the rows below), update the information in the column *Proposed Approach* as needed. For any significant changes made, briefly provide the context for any changes in the column *Notes on Any Key Changes*.

| | **Proposed Approach (Update Any Key Changes)** | **Notes on Any Key Changes** |
|---|---|---|
| **Overview of Proposed Approach** | Minnesota proposes to improve performance of primary care and care coordination models for dual eligibles served in integrated Medicare and Medicaid Special Needs Plans and fee for service delivery systems by building on current State initiatives. These initiatives include implementation of Health Care Homes (HCH) and provider level payment systems such as accountable care organizations (ACOs) and Total Cost of Care payment models. Proposed improvements include development of system-wide performance measures, risk adjustments, provider feedback systems and risk/gain sharing models specific to the dually eligible population. Minnesota plans to seek CMS waivers or modifications needed to stabilize Medicare Advantage Special Needs Plans (SNP) participation and to further integrate Medicare into these initiatives. | Discussions with state have resulted focused thus far on the over 65 beneficiaries. Originally, the plan was to address the under 65 group through a different process with CMS. However, the LOI for capitated financing models included both populations based on information from discussions with CMS that there may be a way to consider a "virtual" capitation for long term care services for the SNBC population.<br><br>The scope of work on quality measures includes existing measures research and identification, facilitation of expert stakeholders group (includes HSAC, and the MSHO Clinical Advisory Committee), technical advisor for new measure development, and data analytics for new measure development. Measures will include existing measures, new claims based measures, and infrastructure indicators.<br><br>DHS also seeks to build on current work in the HCDS which is in the process of tying gain sharing with providers to performance and quality measures. |

| | | |
|---|---|---|
| **Target Population** | All full benefit dually eligible seniors and people with disabilities (about 107,000) in managed care and fee for service. | |
| **Estimated Enrollment** | About 48,500 seniors enrolled in managed care including 96% who are dually eligible. 75% are already enrolled in integrated dual eligible SNPs.<br>.<br>About 6,000 people with disabilities 18-64 enrolled in managed care and/or integrated SNPs. 60% are dually eligible.<br><br>About 53,000 mostly people with disabilities 18-64 who remain in fee for service. | Thus far we have had no additional SNP dropouts for SNBC in 2012. But two of the remaining SNPs are reporting high medical loss ratios.<br>Legislation was passed earlier this summer in a special session that requires expansion of SNBC including assignment with an opt out provision. This SNBC enrollment expansion is set to begin with letters going to the first expansion group November 7. In addition integrated enrollment will be more challenging due to the State's new enrollment system. |
| **Planned Geographic Service Area** | Statewide | |
| **Planned Proposal Submission Date** | 2/12 | Discuss with CMS. |
| **Proposed Implementation Date** | 5/12 or upon CMS approval | Discuss with CMS. |

**Use of Contract Funds:** For each proposed expenditure under the State's design contract (as reflected in the rows below), update the information in the column *Proposed Expenditure* and *Budgeted Amount ($)* as needed. *Budgeted Amount* refers to the total dollar amount budgeted/planned for an expenditure (all, none or some of these funds may have been spent at this point). Use a check mark in the column *Staff Hired/Subcontract Executed* to indicate if the relevant position has been filled or if the relevant subcontract has been executed. Provide a brief description on planned timing of/challenges in filling any outstanding positions or executing any outstanding contracts. For any significant changes made from the State's original proposal, briefly provide the context for any changes in the column *Notes on Any Key Changes*.

| **Use of Contract Funds** | **Proposed Expenditure** | **Budgeted Amount ($)** | **Staff Hired/ Subcontract Executed** | **Notes on Any Key Changes** |
|---|---|---|---|---|
| *Staffing* | Staff: Project Manager/Policy Coordinator | $90,000 | **X** | Expecting to move position to Dual Demo fund by early November |
| | Contracted Staff: Clinical Researcher | $50,000 | Scope of work defined, RFP being drafted. Existing staff assigned to stakeholder process. | Position changed from stakeholder facilitation to contractor for clinical researcher, and amount reduced from $70,000 to $50,000. |
| | Contracted Staff: Data/Analytics Project Manager | $70,000 | RFP being written. | Budget revised, shifted funds from former stakeholder position. |
| | Staff: Data Analyst | $74,000 | Expect to hire by 11/2**.** | Position posted, interviews underway. |
| | ~~Systems and Data Capacity~~ | ~~$25,000~~ | | Budget revised, amount folded into other categories |
| *Subcontracts* | Contractor: Dual Database Development | $378,000 | Product and contractor identified, sole source request underway | Budget revised and increased |
| | Contractor: Performance Metrics, Data Feedback, Risk Adjustment | $200,000 | RFP in development. | |
| | Contractor: Payment Models and Actuarial Analysis | $100,000 | | TBD, trying to align with other related work |
| *Other* | ~~Dual Database License~~ | $0 | | Incorporated above under dual data base development |
| | Travel | $18,000 | | Revised budget, staff attending CHCS meeting. |
| | Stakeholder Engagement: Meetings and Travel | $10,000 | | |

*Has the State submitted invoices for design contract funds?* Yes.

**Status of Medicare Data Requests and Related Analysis:** For each category of Medicare data (Medicare Parts A&B current/ongoing, Medicare Parts A&B historical, and Medicare Part D) update the first two columns below (if needed) to reflect whether the State has requested the data and if the data has been received. In the final column, provide a brief description of the analysis the State is undertaking or plans to undertake with this data. If the State will not be requesting data at this time, please describe the alternative approach the State will be taking to analyzing Medicare data for design contract work.

| | **Data Requested from CMS or ResDAC** | **Data Received by State** | **Analysis In Progress or Planned** (if State will not be requesting data at this time, please describe the alternative approach the State will be taking to analyzing Medicare data for design contract work) |
|---|---|---|---|
| **Medicare Parts A&B Current/Ongoing (COBA)** | | | Planned request for reuse in coordination with MAPCP will also include additional data for certain counties |
| **Medicare Parts A&B Historical** | | | Planned request for reuse in coordination with MAPCP will also include additional data for certain counties |
| **Medicare Part D Current/Ongoing and Historical** | | | Request under development |

**Technical Assistance Needs:** For each area of technical assistance listed below, please indicate with an **X** in the first column if the State needs/anticipates needing technical assistance in this area. Do not include technical assistance needs which the State is addressing/plans to address through subcontracts or other resources funded by the design contract. In the column *Description of Assistance Needed* provide a brief description of the types of assistance needed.

| | **Area of Technical Assistance** | **Description of Assistance Needed** |
|---|---|---|
| | Stakeholder Engagement | |
| **X** | Medicare Data, Linked Dataset Analysis | Information on other states approaches to data integration |
| **x** | Financial Alignment and Modeling | Information on the relationship between Medicare Advantage benchmarks and FFS Medicare rates in MN. |
| **x** | Actuarial Analysis | While we will have access to actuarial resources, we could use guidance on the design of the analysis and particularly gain/risk sharing models, including models that involve incentives for providers that allow their participation in gain/risk. |
| | Medicare 101 | |
| | Medicare Advantage and SNPs | |
| **x** | Measurement and Evaluation | We are interested in how we can collaborate and align with related efforts of the NQF, NCQA , and CMS Medicaid long term care measures, and more information on what other States are proposing. |
| | Provider Contracting | |
| | Long-Term Care Integration Models | |
| | Behavioral Health Integration Models | |
| | Development of Medicaid Health Home | |
| | Information Technology/Systems | |
| | Implementation/Readiness Review | |
| | Other | |

**Stakeholder Engagement:** Provide brief answers to the questions below regarding stakeholder engagement work that has taken place or is planned in the State.

| **Stakeholder Advisory Committee** |
|---|
| ***Does the State have (or plan to establish) a stakeholder advisory committee or similar group to obtain input on the State's design proposal?*** **Yes/No** Yes, there are multiple stakeholder processes underway.<br><br>***If yes, what is the name of this group?*** There are multiple groups including the Disability Managed Care Stakeholders group, the MCO Dual Demo Strategies workgroup, a Seniors Managed Care Stakeholders group that is being re-established, the Health Services Advisory Committee, and numerous existing groups sponsored by other divisions where the dual demo is presented and input gathered.<br><br>***If no, what are the State's alternative plans for gaining input from stakeholders?*** NA |
| ***How often does this group meet and over what timeframe? If this group has not yet begun to meet, when will meetings begin?*** See details below related to stakeholder activities. |
| ***Are the meetings of this group open to the public?*** Yes |
| ***Are beneficiaries a part of this group?*** Yes |
| ***Are advocates a part of this group?*** Yes |
| ***Are family members and caregivers a part of this group?*** Yes |
| ***Are providers a part of this group?*** Yes |
| ***If applicable, who else is part of this group?*** Counties, Health Plans |
| **Public Meetings** |
| ***Is the State holding/has the State held other public meetings?*** Yes, see below |
| ***If yes, when will/did these meetings take place and how will/did the State inform stakeholders of these events?*** A list serv has been created, a website, and emails used for communications. Events held and scheduled include:<br><br>**<u>Disability Stakeholders Meeting:</u>**<br>• Initial Disability Stakeholder Meeting: August 30, 2011, ELA, approximately 135 attendees plus 10 via phone<br>• Managed Care 101 Training Initial Meeting: November 4, 12:30 to 4:30 pm, ELA 2370/2380 **(THIS SESSION IS DESIGNED AS A PRIMER FOR THOSE PARTICIPATING IN WORKGROUPS)**<br>• Videoconference: Thursday, December 8, 1:30 to 4:30<br><br>**<u>Seniors Managed Care Stakeholders Group</u>**: Participants being identified, date TBD (December) |

**Outreach/Education**

- September 29, 2011: Time: 10:30 to 12:30, Disability Linkage Line Staff - in person – Approximate number of attendees: 25+
- September 29, 2011: Time: 1:00 to 3:00, Region 1, 2 and 3 – webinar - Approximate attendees: 100+
- October 4, 2011: Time: 10:00 to 12:00, Region 4, 5 – webinar - Approximate number of attendees: 100+
- October 5, 2011: Time: 9:30 to 11:30, Region: 6, 8 – webinar - Approximate number of attendees: 100+
- October 7, 2011: Time: 1:00 to 4:00, Region 7 and 11, 10 – in Person - Approximate number of attendees: 100+
- October 25, 2011: Time: 9:00 to 12:00 – Region: 6, 11, 9 – in person
- October 26, 2011: Time: 9:00 to 12:00 – Statewide – webinar
- October 27, 2011: Time: 9:00 to 12:00 – Statewide – webinar

**Focused training provided upon request**

- October 12, 2011 Maxis Mentor Group Video/webinar conference - Approximate number of attendees: 100+
- October 13, 2011 TBI DHS Policy Subcommittee, 12:00 -1:30 – approximate number of attendees 20
- October 20, 2011 Hennepin County Local Mental Health Advisory Council Hennepin County Local Mental Health Advisory Council: 30 Attendees (active council for a county that utilizes 25% of all Adult Mental Health Services)
- October 20, 2011, Disability Linkage Line - webinar and in person – MCOs explained 2012 SNBC benefits- 8:30 to 10:30. Approximately 25 people
- November 5, NAMI conference workshop

**Topic Focus Stakeholders Workgroup Meetings**

- Children's Issues Workgroup: Initial Meeting: October 18th 12:30 to 2:30 - Approx. number of attendees: 25
- Care Coordination/Transition Workgroup: Initial Meeting: October 18th 3:00 to 5:00. Approx. number of attendees: 20
- Managed Care 101 Training Initial Meeting: November 4th 12:30 to 4:30 pm
- Consumer Education, Outreach, and Marketing: November 8th 1:00 to 4:00

**Second Meeting of the above Topic Focus Stakeholder Workgroups**

- Children's Issues Workgroup: Tuesday, November 15th – 1:00 to 3:00 PM. 2370/2380
- Care Coordination/Transition Workgroup: Tuesday, November 15th 3:00 to 5:00
- Consumer Education, Outreach, and Marketing TBD

**Focus Groups**

***Has the State/is the State planning to conduct focus groups to inform its design proposal?*** The Stakeholder workgroups above are essentially focus groups on key topics. However, we are not planning focus groups solely for potential enrollees.

***If yes, please briefly describe the population(s) participating in the focus groups and key topic areas of discussion.*** See above for workgroups.

**Other Stakeholder Engagement Activities**

*If applicable, briefly describe any other stakeholder engagement activities that have taken place or are planned.*

Continuing Care Partnership Meeting presentation
ARC Metro meeting, ARC rural meeting scheduled
NAMI Workshop Nov. 5
Seniors Stakeholders Group date TBD