



# Advancing Medicare-Medicaid Integration through Medicaid Programs: A Policy Roadmap

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## Overview

Approximately 12 million individuals are eligible for both Medicare and Medicaid (dual eligible beneficiaries). This population tends to have higher rates of medical, functional, and social complexity than the Medicare-only or Medicaid-only populations, and they must navigate complicated and often conflicting rules between the programs. A lack of integration between Medicare and Medicaid leads to poor outcomes, increased system spending, and stress for dual eligible beneficiaries and their families.

This fragmentation exists across policy and regulation. For example, current policy allows States to administer Medicaid programs and long-term services and supports (LTSS) with minimal consideration of Medicare, even though a large portion of Medicaid LTSS users are dual eligible beneficiaries. Using its authority to regulate Medicaid programs, the Centers for Medicare and Medicaid Services (CMS) has an opportunity to help achieve greater integration of Medicare and Medicaid.

*In partnership with Arnold Ventures, ATI Advisory evaluated Medicaid regulations and catalogued opportunities to promote Medicare integration in Medicaid program approvals. This Roadmap identifies these opportunities for the Center for Medicaid and CHIP Services (CMCS) to consider, to increase the Medicaid program's integration with Medicare across two unexplored pathways: managed care programs and underlying HCBS approvals.*

## Broader Pathways

CMCS could condition the approval of Medicaid program design on program integration and coordination with Medicare. There are two broader pathways to carry this out, which should be pursued concurrently: CMCS' authority over (1) Medicaid managed care; and, (2) home and community-based services (HCBS) waivers.

### Pathway: Medicaid Managed Care

States with Medicaid managed care for dual eligible beneficiaries are well-positioned to integrate with Medicare. However, there are no federal requirements that these programs integrate with Medicare or include comprehensive services. A lack of comprehensive, integrated care is particularly detrimental to dual eligible beneficiaries whose needs span physical, behavioral, and non-medical services. Currently, only 20 states include *any* Medicare integration in their Medicaid managed care design, and more than a third of states with Medicaid managed care for dual eligible beneficiaries exclude key Medicaid such as HCBS or behavioral health services. To that end, CMCS could:

- **Require Medicaid Integration with Medicare:** Condition the approval of Medicaid managed care programs serving dual eligible beneficiaries on the state's coordination and integration with Medicare, for example requiring states with comprehensive Medicaid managed care to implement a fully-integrated dual eligible special needs plan (FIDE SNP).
- **Ensure Comprehensiveness:** Redefine "comprehensive risk contract" in Medicaid managed care regulation to include a broader set of services for the dual-eligible individuals enrolled in managed care.

### Pathway: HCBS Program Approvals

In all states, including those without Medicaid managed care for dual eligible beneficiaries, CMCS should use HCBS regulations and processes to promote coordination with Medicare at a waiver and provider level. This would create a foundation for integrated experiences in *all states* and for *all dual eligible beneficiaries*.

## Specific Opportunities

This Roadmap details additional measures and policy opportunities to pursue across both of the above recommended pathways, to ensure programs reflects the person-centered needs of dual eligible beneficiaries:

- 1) Coordinate review and oversight of Medicaid program approvals
- 2) Require Medicaid program design to integrate with Medicare
- 3) Incorporate dual eligible beneficiary perspectives in stakeholder engagement mechanisms
- 4) Ensure beneficiary rights and protections include Medicare coverage
- 5) Reflect medical and non-medical access needs of dual eligible beneficiaries
- 6) Recognize Medicare coverage in Medicaid beneficiary communications

## Detailed Policy Opportunities

Core to the opportunities that follow is an expectation that CMCS would generally condition Medicaid program approvals on program integration with Medicare.

**To be successful, states need technical assistance, financial support, and access to Medicare data to build expertise and design, implement, and administer integrated programs.**

- Congress should establish enhanced funding opportunities to support states interested in pursuing integration. In the shorter-term, Congress should provide planning grants to accommodate states' initial investment in integration activities. Planning grants may also be used to support independent, third-party analysis of integration efforts. In the longer-term, Congress should provide an enhanced FMAP to provide stability and assurances to states that they will be able to afford their program integration investments.
- CMS should make Medicare data more readily available and easily accessible to states, to allow line of sight to coordinate and integrate with Medicare. This could include more frequent reports on which Medicare plans dual eligible beneficiaries in the state are enrolled in, and technical support to states to act on this information and share with Medicaid plans and providers.

In March 2022, MACPAC voted to recommend that Congress require states to develop a strategy to integrate Medicare and Medicaid, noting states will need funding to be successful.

### Opportunity 1. Coordinate Review and Oversight of Medicaid Program Approvals

**Context:** Different entities within CMS have authority over Medicaid programs and Medicare programs involving dual eligible beneficiaries, including CMCS, the Medicare-Medicaid Coordination Office (MMCO), and the Division of Medicare Advantage Operations (DMAO). This structure contributes to program designs that are uncoordinated, and reportedly has impeded the ability to integrate.

- **CMCS approval of Medicaid programs that include dual eligible beneficiaries should be coordinated with MMCO** and as applicable, DMAO. For example, states could have access to a single "account manager" at CMS that coordinates all initiatives that impact the dual eligible population. This might be a single individual within a state's CMS regional office, accountable for both Medicaid and D-SNP support and oversight.
- **Medicaid programs should be required to have an integration management team**, including representatives from both the state and CMS, to allow for ongoing collaboration and quality improvement efforts between a state, CMS, and as appropriate, an MCE. This team would also be tasked with reducing redundancy and conflict between Medicaid and Medicare plan requirements.
- CMS should require that **MCEs serving dual eligible beneficiaries are assessed on their ability to adequately manage the unique care needs of these beneficiaries**, including processes to coordinate Medicare services, appeals and grievances, and quality improvement projects. This could occur during procurement/ application processes, as well as readiness review.
- MCEs aligned with a D-SNP should be **required to report a blended medical loss ratio (MLR)** that reflects Medicaid and Medicare experiences.

## Opportunity 2. Require Medicaid Program Design to Integrate with Medicare

**Context:** Current Medicaid program approval templates, forms, and processes do not address Medicare coordination for dual eligible beneficiaries. This results in dual eligible Medicaid programs designed without consideration for Medicare.

- **CMS should make administrative changes to waiver applications** and review processes to encourage integration with Medicare:
  - Include specific questions addressing Medicare coordination and integration in HCBS waiver forms. These should be open-ended questions that require a state to describe its approach to coordinating with Medicare, and how it will meet the unique needs of dual eligible beneficiaries. CMS could develop best practice considerations for states to follow.
  - Incorporate incentives for Medicare integration into waiver review processes, like fast-tracking approvals or providing longer approvals for waivers that pursue meaningful Medicare integration.
- HCBS waiver **reporting requirements should include impact on the health and welfare of dual eligible beneficiaries** and that MCEs incorporate Medicare coordination effects into reporting, such as appeals and grievances reports.
- MCEs serving dual eligible beneficiaries, whether selected through application or competitive procurement, should actively coordinate and integrate with Medicare. **Such MCEs should be required to offer a D-SNP in their Medicaid service area.**

## Opportunity 3. Incorporate the Perspectives of Dual Eligible Beneficiaries in Stakeholder Engagement Mechanisms

**Context:** Meaningful stakeholder engagement should occur during initial dual eligible beneficiary program design as states seek approval for program authority, and on an ongoing basis to support opportunities for continuous quality improvement and feedback accountability.

- CMS should require that **Medicaid program stakeholder engagement processes incorporate the unique needs and preferences of dual eligible beneficiaries.** This includes establishing **beneficiary councils** of HCBS recipients and providers, including dual eligible beneficiaries, or MCE members and providers as appropriate, similar to the implementation council in Massachusetts's Financial Alignment Demonstration. Additionally, states or MCEs using managed care programs to administer Medicaid benefits for dual eligible beneficiaries, particularly LTSS, should form **representative member advisory committees** that include dual eligible beneficiaries.



## Opportunity 4. Ensure Beneficiary Rights and Protections Address Medicare

**Context:** Medicaid rights and protections span a range of systems and processes that include education, enrollment supports, and appeals and grievances. These typically exist in isolation of Medicare rights and protections, which causes confusion and conflicting experiences for dual eligible beneficiaries. CMS should:

- **Provide technical assistance and support to LTSS stakeholders on Medicare coordination and integration.** This includes education to Area Agencies on Aging (AAAs) and other enrollment and eligibility channels to improve understanding of Medicare and the importance of Medicare-Medicaid integration.
- **Support states to coordinate appeals and grievances processes** including issuing best practices and providing one-on-one technical assistance to navigate state-specific environments.
- Require all MCEs managing Medicaid benefits for dual eligible beneficiaries to understand Medicare benefits and rights, and to **coordinate dual eligible beneficiaries Medicare appeals and grievances.**
- Require states to **establish a Medicare-Medicaid Integration Ombudsman program** so that this watchdog function bridges Medicare and Medicaid coverage for dual-eligible beneficiaries. This could occur through partnership with local non-profit organizations, or extend existing Ombudsman programs to explicitly include dual eligible beneficiaries. As part of this, CMS should clarify to states that administrative funding is available for Long-Term Care (LTC) Ombudsman activities related to Medicare integration, including coordination efforts with the broader Aging and Disability network (e.g., ADRCs, SHIPs).

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## Opportunity 5. Reflect Medical and Non-medical Access Needs of Dual Eligible Beneficiaries

**Context:** Access to care for dual eligible beneficiaries is often hindered by a lack of coordination between providers and payers. Medicaid MCE networks centralize on Medicaid providers, and Medicaid providers often are not coordinated with Medicare or aware of an individual's Medicare benefits or health plan, leading to gaps in care and redundancies in services. In Medicaid programs that serve dual eligible beneficiaries, CMS should:

- Require **MCE network adequacy review to include network alignment or integration with Medicare**, including how many primary and specialty care providers in the network accept both Medicare and Medicaid.
- Require that **HCBS and MCE network providers receive education and training on dual eligible beneficiaries**, including awareness of services and programs available to beneficiaries, as well as the ability to speak to the value of integrated care.
- Require that **MCEs educate and train member-facing health plan staff** on Medicare and dual eligibility.
- Require that **care coordination/person-centered care planning incorporates Medicare.**
  - How the state will ensure HCBS providers understand Medicare coordination requirements for dual eligible beneficiaries receiving LTSS (e.g., via provider certification);
  - How the state will make HCBS providers aware of the D-SNP organization a dual eligible beneficiary is enrolled with, to facilitate communication and coordination with the plan;
  - How the state will encourage D-SNPs to collaborate with HCBS providers, including through financial incentives for care improvements created through this collaboration.

## Opportunity 6. Recognize Medicare in Medicaid Beneficiary Communications

**Context:** Beneficiary communication (including written materials, verbal communication, and customer service) is a critical connection point between an individual and their MCE, the state, or provider that ensures an individual understands their benefits, the providers they can access, and their rights.

- CMS should require **state and MCE member materials, customer service centers, and waiver communications to reflect an understanding and recognition of Medicare.** Example requirements could include:
  - MCE Medical Care Advisory Committee must have representation of individuals familiar with the complexities associated with navigating member materials across both Medicare and Medicaid. Additionally, member materials should be reviewed to include a focus on dual eligible beneficiaries.
  - MCE customer service centers must be versed in Medicare coordination needs of dual eligible beneficiaries, for example requiring training of representatives and a designated phone number or customer service unit for dual eligible beneficiaries.
  - MCEs must offer a “warm transfer” to a dual eligible beneficiary’s Medicare plan (if known) or to the state’s SHIP if the beneficiary contacts Medicaid customer service with a Medicare-related issue.
  - Customer service data should be evaluated from the context of dual eligible beneficiaries to identify issues that are unique to them.
- CMS should consider the **creation of a 1-800-Integration hotline**, similar to 1-800-Medicare, that dual eligible beneficiaries, their families and caregivers, SHIPs and other support services working with dual eligible beneficiaries can contact with questions, concerns, or issues.

## Summary of Opportunities and the Program(s) to Which They Apply

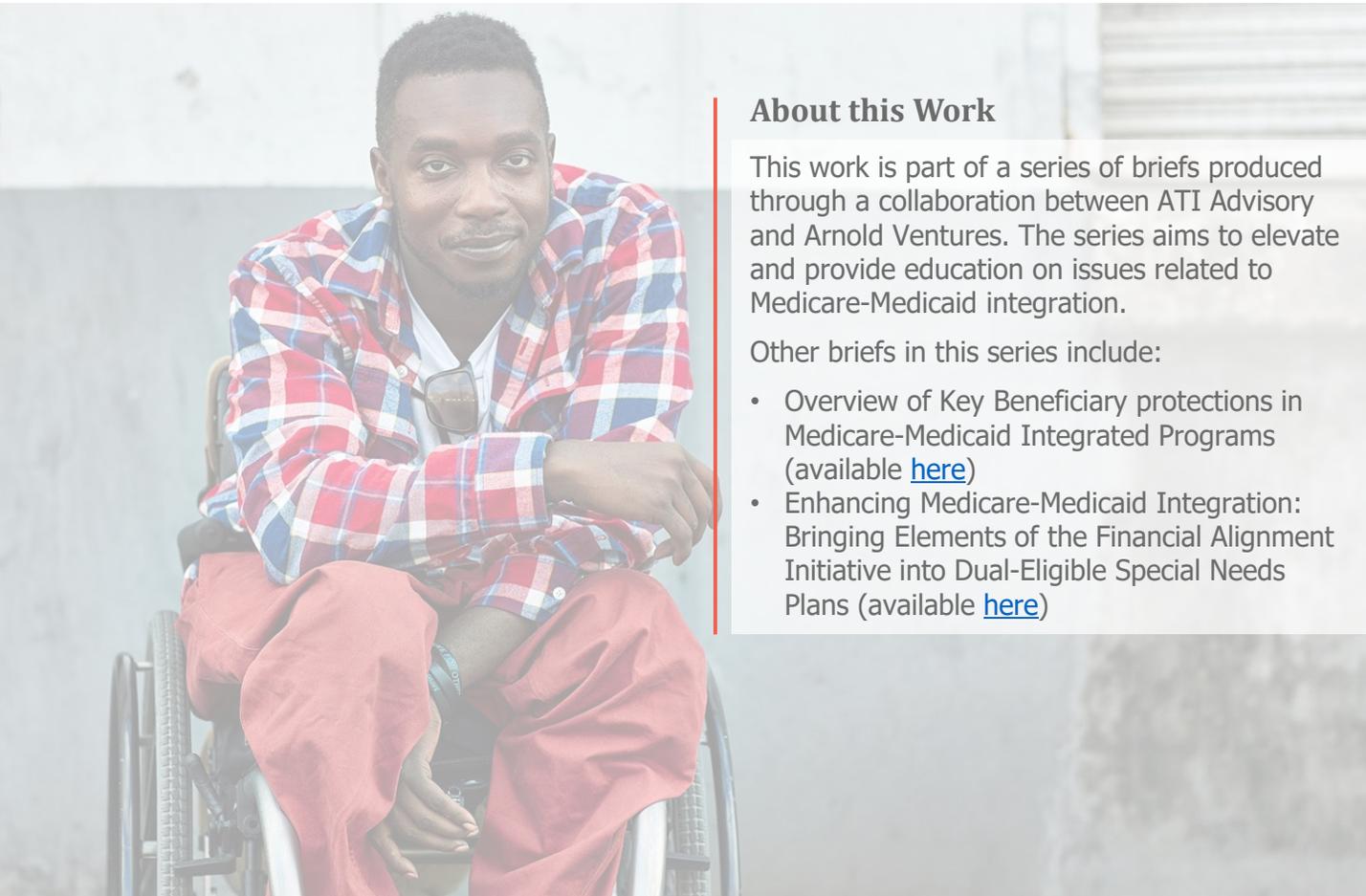
Opportunity	Managed Care	General Medicaid & HCBS
<b>Coordinate review and oversight of Medicaid program approvals</b>		
CMCS approval of Medicaid programs that include dual eligible beneficiaries should be coordinated with MMCO and as needed, DMAO	x	x
Medicaid programs should require an integration management team between the state and CMS	x	x
CMS should require that MCEs serving dual eligible beneficiaries are assessed on their ability to adequately manage the population	x	
MCEs aligned with a D-SNP should be required to report a blended MLR that reflects Medicaid and Medicare experiences	x	
<b>Require Medicaid program design to integrate with Medicare</b>		
CMS should make administrative changes to waiver applications and review processes to encourage integration with Medicare	x	x
Reporting requirements should include impact on the health and welfare of dual eligible beneficiaries	x	x
MCEs serving dual eligible beneficiaries should coordinate/ integrate with Medicare, including offering a D-SNP in the Medicaid service area	x	
<b>Incorporate perspectives of dual eligible beneficiaries in stakeholder engagement</b>		
CMS should require ongoing stakeholder engagement to incorporate unique needs and preferences of dual eligible beneficiaries	x	x
<b>Ensure beneficiary rights and protections address Medicare</b>		
CMS should provide technical assistance and support to LTSS stakeholders on Medicare coordination and integration		x
CMS should support states in coordinating appeals and grievances processes		x
CMS should require all MCEs managing programs for dual eligible beneficiaries to coordinate Medicare appeals and grievances	x	
CMS should require states to establish a Medicare-Medicaid Integration Ombudsman program	x	x
<b>Reflect medical and non-medical access needs of dual eligible beneficiaries</b>		
MCE network adequacy review should assess alignment/ integration with Medicare	x	
HCBS and MCE network providers should be required to receive education and training on dual eligible beneficiaries' unique needs across Medicare and Medicaid	x	x
MCEs should be required to educate and train member-facing health plan staff on Medicare and dual eligibility	x	
Care coordination/person-centered care planning should incorporate Medicare for dual eligible beneficiaries	x	x
<b>Recognize Medicare in Medicaid beneficiary communications</b>		
CMS should require state and MCE member materials, customer service centers, and other communication to incorporate dual eligible beneficiary Medicare needs	x	x
CMS should consider the creation of a 1-800-Integration hotline, similar to 1-800-Medicare	x	x

## Conclusion and Moving Forward

Through CMCS approval and oversight of Medicaid program design, CMS has considerable untapped opportunity to promote integration between Medicaid and Medicare. These opportunities exist across managed care as well as broader Medicaid HCBS program approval, program refinement, and oversight.

Medicaid programs serving dual eligible beneficiaries should be required to integrate and coordinate with Medicare. At a minimum, states with dual eligible beneficiaries in Medicaid managed care could be required to pursue integration and comprehensive program design. In all states, CMCS should revise HCBS approval processes to require coordination with Medicare, including ensuring the voices and unique needs of dual eligible beneficiaries are reflected in program design.

This Roadmap provides specific opportunities for CMS to consider as it seeks to improve experiences for dual eligible beneficiaries. Taken together, these approaches could expand access to meaningfully integrated programs for the [48% of dual eligible beneficiaries](#) who currently lack such access.



### About this Work

This work is part of a series of briefs produced through a collaboration between ATI Advisory and Arnold Ventures. The series aims to elevate and provide education on issues related to Medicare-Medicaid integration.

Other briefs in this series include:

- Overview of Key Beneficiary protections in Medicare-Medicaid Integrated Programs (available [here](#))
- Enhancing Medicare-Medicaid Integration: Bringing Elements of the Financial Alignment Initiative into Dual-Eligible Special Needs Plans (available [here](#))