Arizona Dual Eligible Members Update
Duals Demo – Arizona Decision

- April 2012 Arizona pulled out of Duals Demo
- Low likelihood of January 1, 2014 start date
- Rates/Savings – Difficult to project
- Operational issues
- Demonstration period – What happens after 3 years?
Arizona Strategy – D-SNPs

• Leverage Integrated Plan Structure thru D-SNPs
• Mandate all AHCCCS Plans MUST be Medicare Dual-Special Needs Plans (D-SNP)
• AHCCCS commitment to DSNP strategies
  o Requiring all plans to offer a D-SNP in all Medicaid service areas
  o AHCCCS will not sign MIPPA contracts with D-SNPs who do not have contract for Medicaid services
  o Pursuing Seamless Transition alignment opportunities with CMS
  o Align Medicaid assignment

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Aligned Dual Members

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AHCCCS Dual Eligible Members Medicare Enrollment October 2014

- Medicare FFS: 39%
- Aligned Same AHCCCS & DSNP: 45%
- MA Plan: 16%

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Dual Delivery System

<table>
<thead>
<tr>
<th></th>
<th>Medicaid FFS</th>
<th>Medicaid Managed Care</th>
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<tbody>
<tr>
<td>Medicare FFS Arizona</td>
<td>73%</td>
<td>9%</td>
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<tr>
<td></td>
<td>7%</td>
<td>32%</td>
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<tr>
<td>Medicare Advantage Arizona</td>
<td>12%</td>
<td>5%</td>
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<tr>
<td></td>
<td>1%</td>
<td>60%</td>
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ALTCSS – Fully Integrated Plans

Medicare DSNP

Behavioral Health

Physical Health

LTSS

Case Mgmt

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Maricopa Integration for Members with Serious Mental Illness

Single MCO

Medicaid Behavioral Health

Medicaid Physical Health

Medicare D-SNP

Housing & Employment

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NAMD D-SNP Paper

• Supportive of CMS leadership and work of Medicare and Medicaid Coordination Office (MMCO) on dual demos

• Dual Special Needs Plans offer another pathway – Recommendations
  1. Permanently Reauthorize D-SNPs
  2. Provide uniform definition of integrated including BH and LTSS
  3. Eliminate misalignment for policies around enrollment, marketing, grievance and appeals
  4. Create framework for MMCO to work with states on D-SNP issues
### Inovalon SNP Study (2013 Stars – 2011 Data)

<table>
<thead>
<tr>
<th>Contract Group</th>
<th># MA Contracts</th>
<th>Bottom 10%</th>
<th>Top 10%</th>
<th>Below Median</th>
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</thead>
<tbody>
<tr>
<td>Low % SNP (&lt;10%)</td>
<td>339</td>
<td>6%</td>
<td>18%</td>
<td>39%</td>
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<tr>
<td>Medium SNP</td>
<td>69</td>
<td>17%</td>
<td>3%</td>
<td>78%</td>
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<tr>
<td>High % SNP (&gt;50%)</td>
<td>112</td>
<td>20%</td>
<td>5%</td>
<td>71%</td>
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## Arizona Outcomes

*Avalere Study of Mercy Care Plan Duals*

- 31% lower rate hospitalization
- 21% lower readmissions
- 43% lower rate of days spent in hospital
- 9% lower ED use

<table>
<thead>
<tr>
<th>Program</th>
<th>1-1-06</th>
<th>9-30-15</th>
<th>Total % Chg.</th>
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<tbody>
<tr>
<td>EPD</td>
<td>$2,976</td>
<td>$3,074</td>
<td>3.3%</td>
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DSNP Model – Future Opportunities

• Viability - Star Ratings – CMS Hierarchical Condition Categories adjustment -
• Payment Modernization Requirements
• Collection of all Data – Including Medicare
• Seamless Conversion
• Behavioral health integration for Acute members
• State Distributing Blind Spot Data –
  o Medicare Parts A,B and D data
  o American Indian I.H.S/638 Data