Medicaid 1115 Demonstrations:

A National Evaluation of Managed Long-Term Services and Supports Programs

Agenda

- **Overview of Mathematica's national evaluation of Medicaid section 1115 demonstrations**
  - **4 separate evaluation components**

- **Evaluation of managed long term services and supports (MLTSS) programs**
  - **Why evaluate MLTSS programs**
  - **Major research questions**
  - **Analytic approach**

- **Challenges and Next Steps**

- **Discussion**

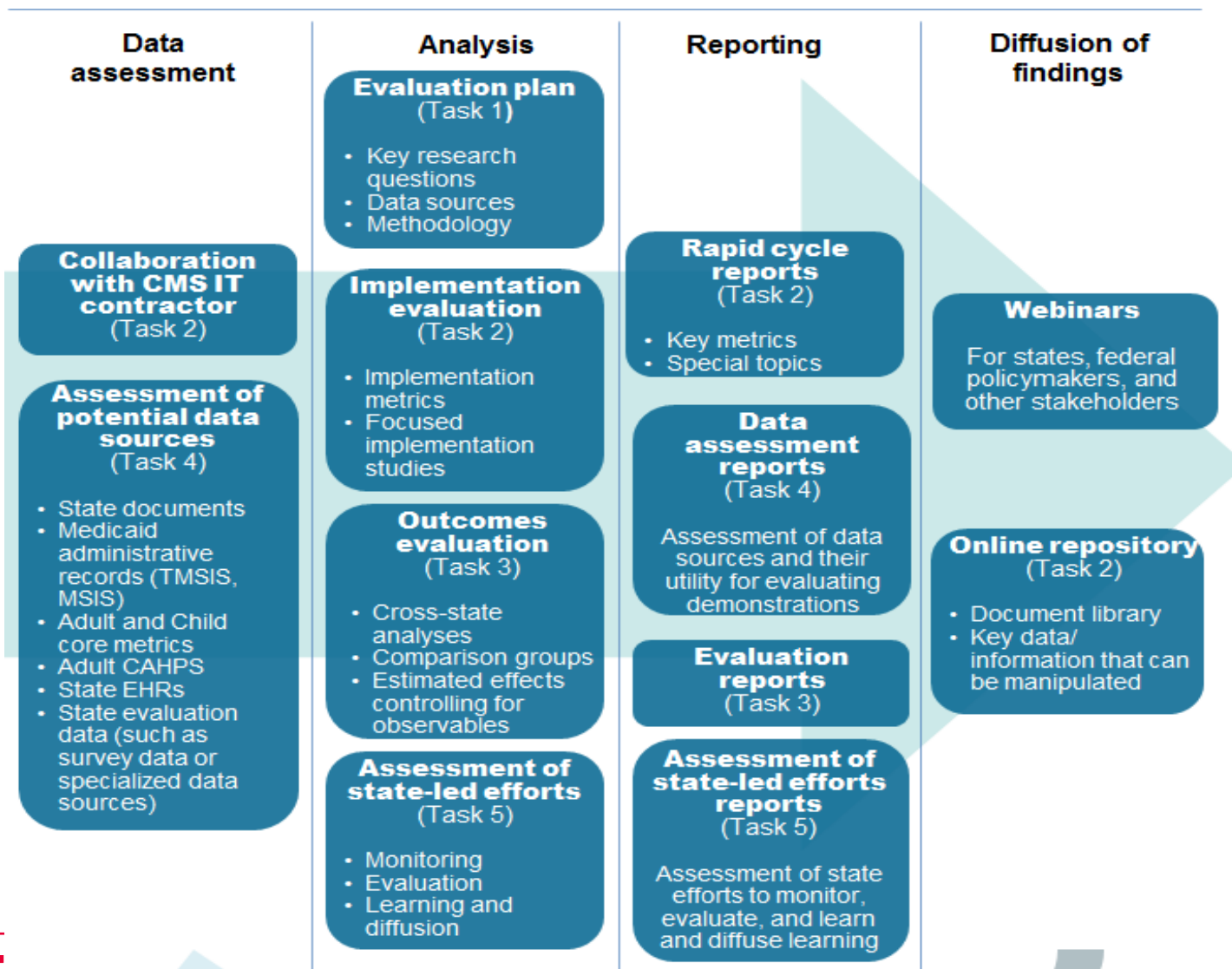# Overview of National 1115 Demonstration Evaluation

Purpose

1. **Conduct cross-state evaluations of four different types of section 1115 demonstration waivers**
   - Help State and Federal policymakers understand the extent to which innovations further the goals of the Medicaid program

2. **Inform decisions regarding future section 1115 demonstration waiver program approvals, renewals, and amendments**
   - Provide information about what is or is not working

3. **Help CMS and States make performance monitoring easier and consistent across states and over time**
   - Work in partnership with another contractor to create a database with comparable measures of progress and performance across states
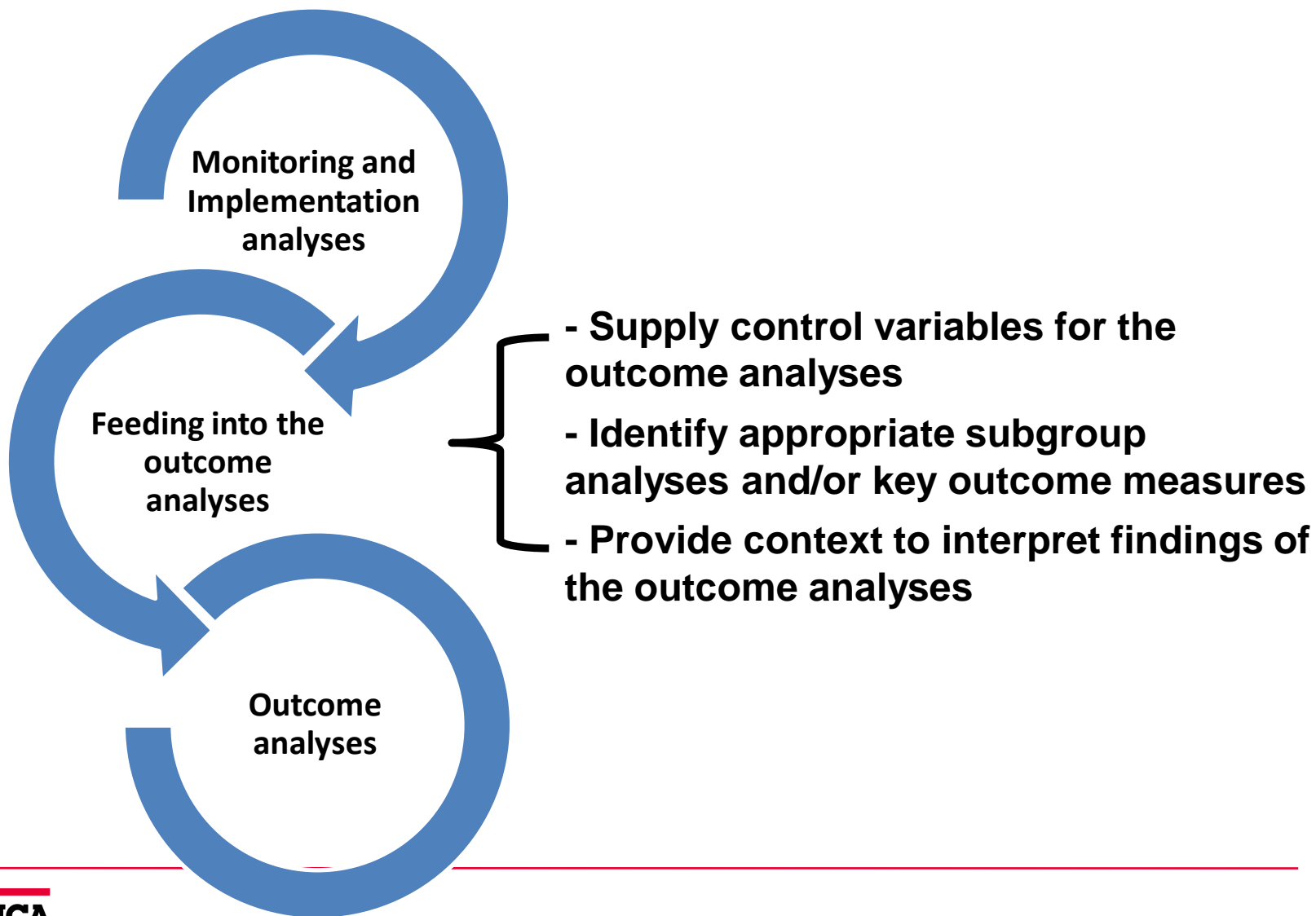
4 Demonstration Types

1. **Delivery System Reform Incentive Payments (DSRIP)**
   - Provider payment incentives tied to delivery system transformation, clinical quality improvement, and population health management

2. **Premium Assistance**
   - Mandatory premium assistance to cover adults newly eligible under the Affordable Care Act

3. **Beneficiary Engagement/Healthy Behavior Incentives**
   - Financial incentives for beneficiary engagement/healthy behavior and/or premium payments for adults newly eligible

4. **Managed Long-Term Services and Supports (MLTSS)**
   - Expansion of managed care to long-term services and supports for older adults and people with disabilities, operating under section 1115 or other authorities

Evaluation Activities and Reports

Implementation and Outcome Analyses

Monitoring and Implementation analyses

Feeding into the outcome analyses

Outcome analyses

- Supply control variables for the outcome analyses

- Identify appropriate subgroup analyses and/or key outcome measures

- Provide context to interpret findings of the outcome analyses
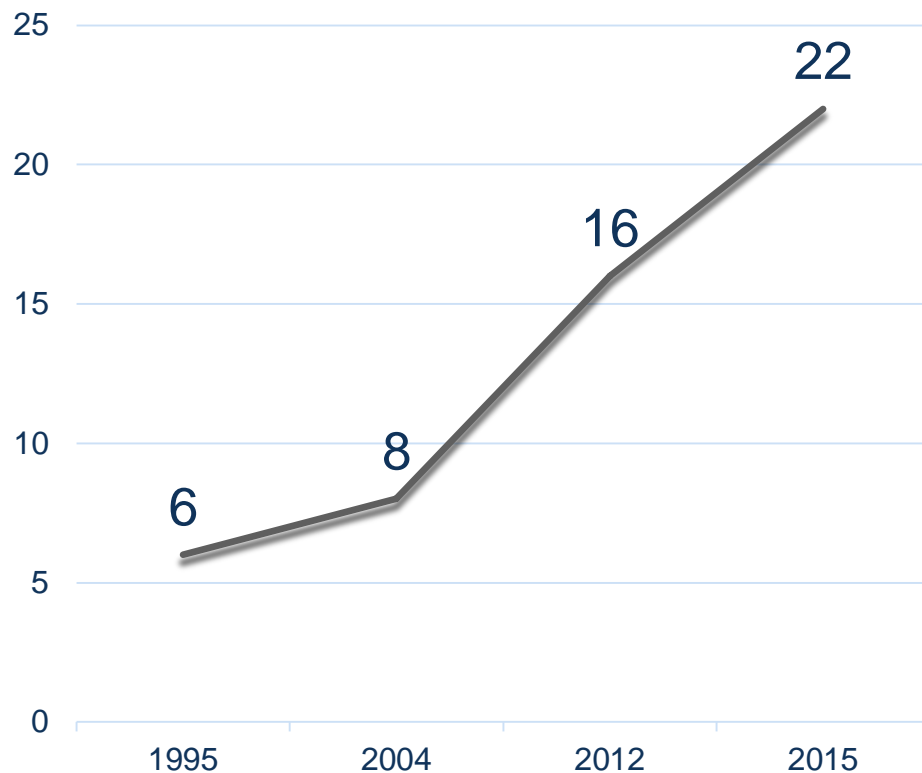
MLTSS Evaluation:
Why evaluate MLTSS programs?

Growth in Medicaid MLTSS

Number of States with MLTSS Programs

- **People enrolled in MLTSS programs increased:**

  ~ **800,000 in 2012**

  ~ **1.2 million in 2015**

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Evidence on MLTSS programs

- **Overall positive findings, for example:**

  - **Massachusetts** (2009): MLTSS program reduced risk of entering a NF by 32% over first two years of operation

  - **Tennessee** (2013): share of LTSS population using HCBS rose from 17% before program implementation to 30% after first year of the program

  - **New York** (2011): From 2003 to 2010, annual per capita costs for MLTSS enrollees rose by 2.4% vs. 40% for FFS beneficiaries

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Current evidence on MLTSS

- **Few of the recent studies on second generation programs use valid comparison groups; more common in early studies of first generation programs**

- **State trends do not control for other factors affecting outcomes**

- **Effects are influenced by state oversight**

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And it depends

- **Findings in one state do not necessarily apply to other states due to differences in:**
  - Enrolled populations; mandatory/voluntary enrollment
  - Covered services and degree of Medicare integration
  - MCO experience with LTSS and MCO selection criteria
  - Capitation rate setting

- **What worked in 2000 or 2005 may not work in 2015**

- **What worked for one population group may not work for another**

- **What works in states with extensive managed care contracting experience may not work in one without it**

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MLTSS Evaluation:
Major Research Questions

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State-Level Impact of MLTSS Programs

- **Rebalancing: Do states with MLTSS programs have more balanced state LTSS systems than those with FFS programs, i.e. greater use of and spending on HCBS?**

  - How much is the HCBS <u>share of total LTSS spending </u>in MLTSS systems, compared to that in FFS systems, and how does this change over time?

  - Do MLTSS programs <u>reduce per capita LTSS spending growth</u> compared to FFS programs?

  - What is the share of all Medicaid LTSS beneficiaries <u>using HCBS </u>in MLTSS systems, compared to FFS systems? How does this share change over time?

  - What percent of <u>first time LTSS users receive HCBS</u>, rather than institutional services?

Individual-Level Impact of MLTSS Programs

- **Care Outcomes: How does access to care, utilization of services, and the quality of care differ between MLTSS and FFS? Do MLTSS programs improve access to services and care outcomes for people who need and use LTSS?**

    - How does use of, and access to, HCBS in states using MLTSS compare to those with FFS systems?

    - How do patterns of hospital and nursing home use change in states switching from FFS to MLTSS systems?

    - Do adults with disabilities living in the community enrolled in MLTSS programs usually or always get the services and supports they need?

    - Do adults with disabilities obtain appropriate preventive health care?

    - Is the quality of care provided by the MLTSS program the same or better as that provided by FFS?

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Impact of Different MLTSS Features

- **MLTSS Program Design:** How do the effects of MLTSS programs vary by program features? Which characteristics of MLTSS are associated with better access, more balanced systems, and better quality of care?

   a. **Rate setting:** Are fully blended LTSS capitation payment models associated with greater use of HCBS than other payment models?

   b. **Level of care criteria:** How do institutional admission rates differ among state MLTSS programs that enroll only people who meet institutional LOC need, compared to those that provide LTSS to those with lower LOC need as well?

   c. **Covered benefits:** Do MLTSS programs that cover both medical and LTSS benefits have different effects on use of health services and LTSS than those covering LTSS only?

   d. **Provider and consumer protections:** How do such protections affect LTSS utilization rates and continuity of care for beneficiaries?

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MLTSS Evaluation:
Analytic approach

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Comparison strategy

- **Comparison of MLTSS with FFS using a difference-in-difference analysis**
  - Compare before/after trends in MLTSS demonstration states to trends in comparison FFS states
  - Is the change in MLTSS states greater (lesser) than that in states using FFS?

- **To examine effect of different program characteristics, compare MLTSS states using each type**
  - Medical and LTSS benefits vs. LTSS benefits only
  - Blended capitation rates vs. setting-based capitation rates
  - Level of care required to qualify for MLTSS program

Which states will be included in the outcome evaluation?

1. **Program uses section 1115 <u>or</u> other Medicaid authority**

   - Program features other than federal operating authority are likely to have a greater impact on MLTSS outcomes, but this will be examined

2. **Program operates statewide, or enrolls a sizeable number of beneficiaries in one or more target groups:**

   - **Older adults**

   - **People under age 65 with physical disabilities**

   - **People with intellectual or developmental disabilities (IDD)**

3. **Operational by 2015**

State MLTSS programs to be evaluated

State	MLTSS in effect in 2005	MLTSS began 2006-2012	Newly implemented 2013-2015
Included in outcome evaluation	**Arizona** **Florida** **Massachusetts** **Michigan** *(I-DD and SMI)* **Minnesota** **New York** **Texas** **Wisconsin**	**Delaware** **Hawaii** **New Mexico** **Tennessee** **North Carolina** *(I-DD and SMI)*	**California** **Illinois** **Kansas** *New Hampshire* **New Jersey** **Ohio** **Rhode Island**
Excluded from outcome evaluation, but some data may be collected and reported in rapid cycle reports	**Vermont** *(not typical managed care)*	**Pennsylvania** *(serves a very small, specialized group)*	**Michigan** **South Carolina** **Virginia** *(MLTSS only through dual demonstrations)*

I-DD = intellectual or developmental disability; SMI = serious mental illness

Potential comparison states (and counties)

State	Program Name	Status by 4 yr periods		
		2006-2009 ▾	2010-2013 ▾	2014+ ▾
		15	21	24
		9	3	0
Arizona	Arizona Long Term Care System (ALTCS)	1115	1115	1115
California	SCAN (1985-2012); MediCal Managed Care (2014+)[1]	Other	Other	Other
Delaware	Diamond State Health Plan-Plus (DSHP-Plus)		1115	1115
Florida	Long Term Care Community Diversion	Other	Other	Other
Florida[3]	Long Term Care Managed Care		Other	Other
Hawaii	QUEST Expanded Access Program (QExA)	1115	1115	1115
Illinois	Integrated Care Program-B (ICP)		Other	Other
Kansas	KanCare		1115	1115
Massachusetts[3]	Senior Care Options (SCO)	Other	Other	Other
Michigan	Medicaid Managed Specialty Support & Services Program	Other	Other	Other
Minnesota[3]	MN Senior Health Options (MSHO)	Other	Other	Other
Minnesota[3]	MN Senior Care Plus (MSC+)	Other	Other	Other
North Carolina	MH/DD/SAS Health Plan Waiver (formerly Piedmonth Cardinal Health Plan - Innovations)	Other	Other	Other
New Hampshire	Medicaid Care Management			Other
New Jersey	Family Care			1115
New Mexico	Coordination of Long Term Services (CoLTS; 2008-2013); Centennial Care (2014+)	Other	Other	1115
New York	Medicaid Advantage Plus (MAP)	Other	Other	Other
New York	Managed Long Term Care (MLTC)	Other	Other	Other
Ohio	Integrated Care Delivery System (ICDS) "MyCare Ohio"		Other	Other
Rhode Island	Rhody Health Options			1115
Tennessee	CHOICES		1115	1115
Texas	STAR+PLUS	1115	1115	1115
Wisconsin[3]	Family Care	Other	Other	Other
Wisconsin[3]	Family Care Parternship	Other	Other	Other

MLTSS in all counties for at least some of the period - Include **entire program in the treatment group**

MLTSS in some counties/FFS in others for at least some of the period - **Include MLTSS counties in the treatment group, FFS counties in control group**

FFS LTSS in all counties for all of the period - Include **entire program in control group**

Cost, utilization, and quality measures

- **Costs**
  - Average per capita LTSS spending (state and sub-group level) – MLTSS versus FFS
  - Rate of change in per capita LTSS costs over time - MLTSS versus FFS

- **Use and access to acute, primary and LTSS**
  - Average number of personal care visits and nursing home stays per year
  - Receipt of needed social and emotional support
  - Average number of inpatient hospital and preventive care visits
  - Screening for depression, diabetes, cholesterol, cancer, or risk of falls

- **Quality of care, quality of life, and community integration**
  - Potentially avoidable hospitalizations
  - Timeliness of home care
  - Obtaining needed HCBS all or most of the time
  - Choice of living arrangement and participation in community activities

- **Continuity of care following MLTSS implementation**
  - Percent of LTSS providers who participate in Medicaid before and after MLTSS implementation
  - Percent of beneficiaries receiving personal care from previous provider following MLTSS implementation
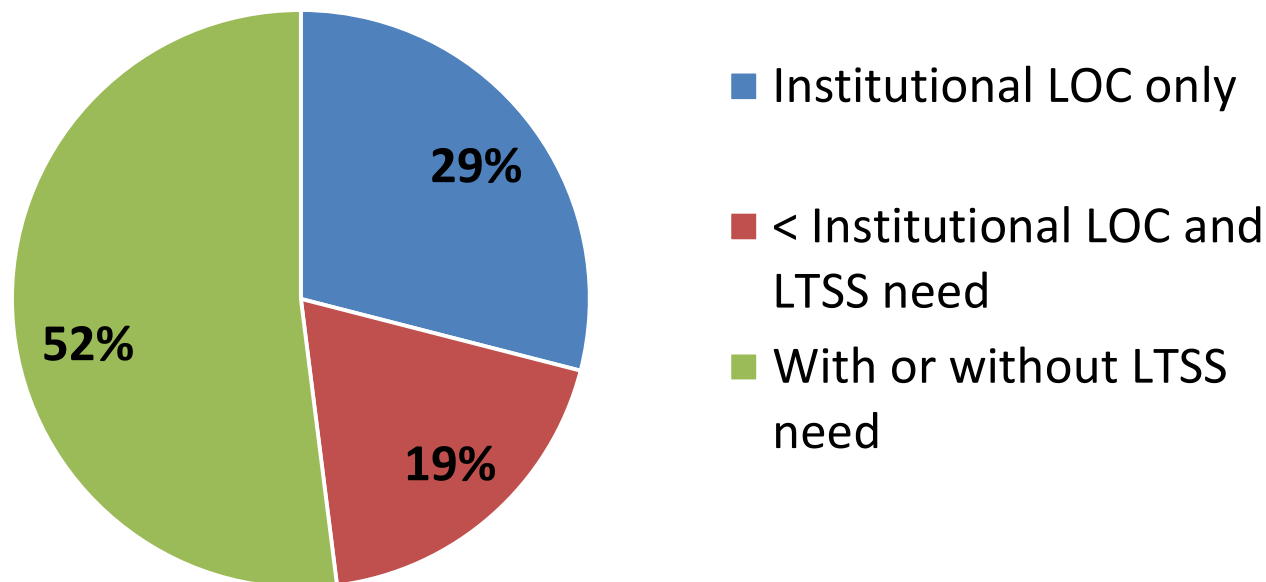
Stratify analyses by enrollee age and disability
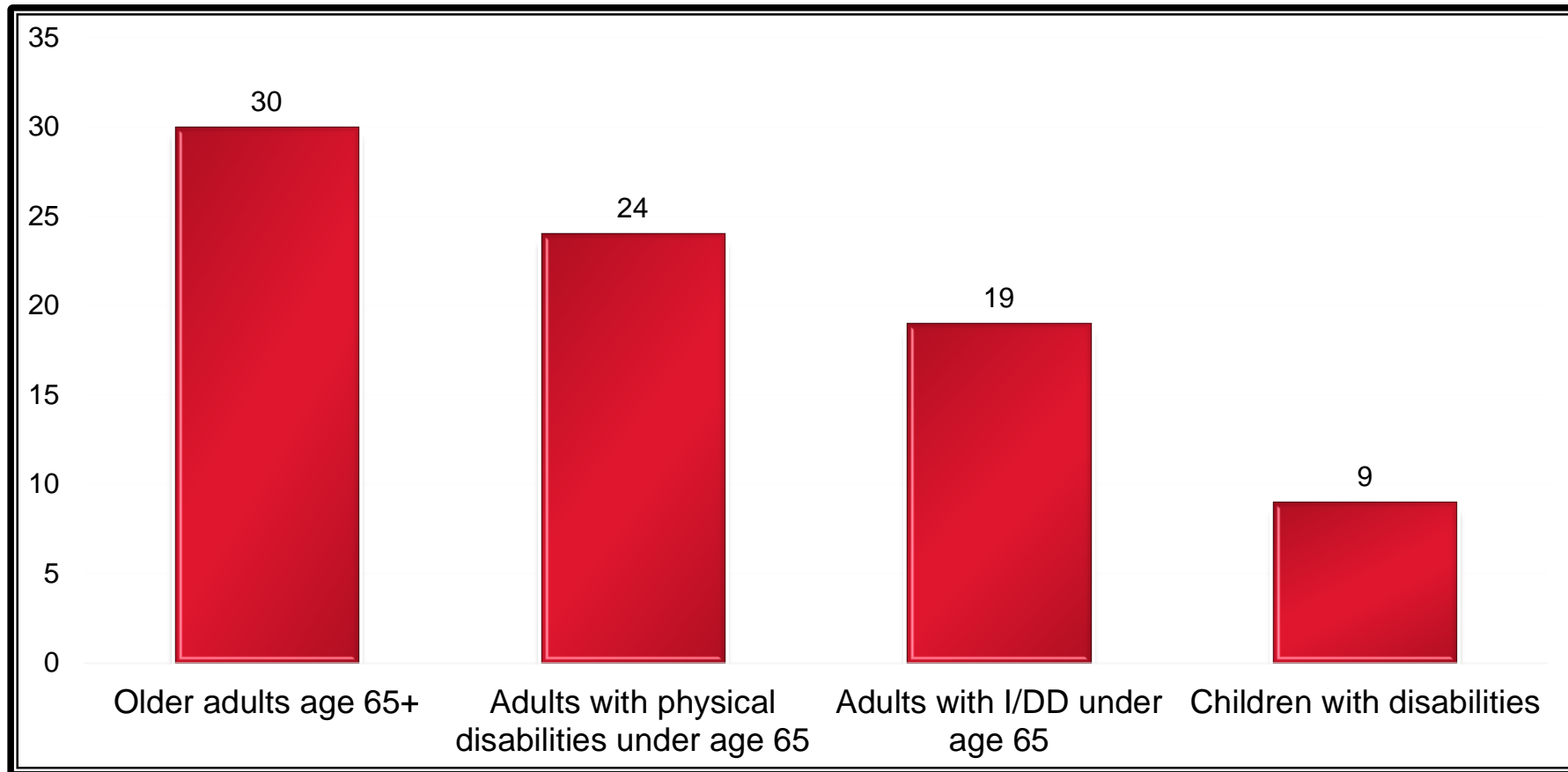
Source: Mathematica and Truven Health Analytics, March 2015

N = 31 programs in 22 states

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Stratify or adjust for level of need

Percent of MLTSS programs (31) by eligibility criteria related to need for LTSS

- Institutional LOC only
- < Institutional LOC and LTSS need
- With or without LTSS need

29%

19%

52%

Source: Mathematica and Truven Health Analytics, March 2015

N = 31 programs in 22 states

Challenges and Next Steps

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Key challenges: Policy Context

- **Federal and state policy influences outcomes; both have changed dramatically over the last five years**
  - Money Follows the Person Demonstrations
  - Balancing Incentive Programs
  - HCBS Settings Rule
  - Financial Alignment/Dual Demonstrations
  - Proposed Medicaid managed care regulations: MLTSS provisions

- **State LTSS systems and policies vary; will be challenging to control for differences that can affect outcomes:**
  - Availability of HCBS; nursing home beds/population; supply of long-term care workers; information about alternatives to nursing home care; programs that help people in institutions return to the community

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Key Challenges: Data

- **Medicaid enrollment and claims data will be a primary source of data**
  - Greater comparability, but quality and completeness can vary across states and within a state over time
  - New data sources offer more opportunities and challenges, for example, data consistency and reliability may be compromised in transition from MSIS to TMSIS

- **Managed care encounter data**
  - National Medicaid data contain incomplete or unreliable encounter data for managed care enrollees in many states
  - HCBS encounter data have not been closely examined

- **Data before 2010 may be unavailable or not comparable**
  - Many states operated MLTSS before 2010, but data from that period may be unavailable or not comparable to data after 2010

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Key Challenges: Participant perspectives

- **Assessment of participant experience is important, but we are limited in what we can do**
  - **Of great interest to advocates, but the evaluation does not include enrollee surveys**
  - **Will take advantage of new LTSS experience of care surveys**
    - For example, Testing Experience and Functional Tools (TEFT), but only in a subset of states
  - **Other low-cost alternatives?**
    - Solicit input from State or MCO consumer councils or advisory groups?

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MLTSS Rapid Cycle Reports

- **Each rapid cycle report will include:**

  - Dashboard tables: program features, enrollment, other performance metrics

  - An issue brief on program implementation issues

- **First Rapid Cycle Report (Fall 2015)**

  - **Dashboard tables**

  - **Issue Brief: Who Enrolls in MLTSS Programs?**

    - Comparison of states' MLTSS enrollment policies and eligibility criteria (age and type of disability, dual/Medicaid-only, mandatory/voluntary enrollment and level of need for LTSS) will inform the development of study cohorts for the evaluation

- **Other potential issue brief topics**

  - State LTSS system reform initiatives implemented together with MLTSS that may explain or contribute to state-level outcomes

  - Enrollment policies and processes used in MLTSS programs to ensure choice of plans and providers and promote continuity of care

  - Integration of acute and LTSS benefits and services

For More Information

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- **Read the Medicaid 1115 Demonstration Evaluation Design Plan on Medicaid.gov –** *coming soon*

- **First issue brief: "Who Enrolls in State MLTSS Programs? Implications of State Variation in Enrollee Characteristics for a Cross-State Evaluation" –** *coming soon*

DISCUSSION

How can the evaluation be most useful to policymakers, program managers and stakeholders?

- **Which measures and outcomes?**
- **Which types of comparisons?**
- **Which aspects of MLTSS design?**

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