

National MLTSS Health Plan Association

Senate Finance Subcommittee on Health and Medicaid
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Chairman Hackett, Ranking Member Tavares, and Members of the Subcommittee:

Thank you for the opportunity to come before you today to discuss the value that MLTSS plans provide for states and for Medicaid beneficiaries with LTSS needs.

My name is Larry Atkins. I am the Executive Director of the National MLTSS Health Plan Association. Members of the Association are managed care organizations that contract with state Medicaid programs to provide managed long-term services and supports (MLTSS). Many of our plans also participate in CMS's Financial Alignment Initiative (FAI) providing integrated plans (MMPs) for beneficiaries who have dual-eligibility for both Medicare and Medicaid. We currently have 10 member organizations that enroll nearly a million members in MLTSS plans and 175,000 members in MMPs in 18 states (including members in Ohio's MyCare program). Together, we account for about 70 percent of the MLTSS market and about half of the MMP enrollment.

I will make a few general observations on the value that MLTSS provides to beneficiaries and states, and then answer your questions. Also, I would like to introduce for the record two documents on this subject: the first is a statement on "the Value of MLTSS" prepared by the Association and the second is a publication "Demonstrating the Value of Medicaid MLTSS Programs" released a few weeks ago by the National Association of States United for Aging and Disabilities (NASUAD) and the Center for Health Care Strategies (CHCS).

Currently, there are 22 states that have MLTSS plans operating for some portion of the LTSS population in all or part of the state, or participating in CMS's Financial Alignment or "Duals" Demonstration. Arizona has had MLTSS the longest, adopting managed LTSS when the state added long-term care benefits 25 years ago. Adoption of MLTSS has been accelerating in the last few years, with 5 states in active development and another 5 states considering MLTSS.¹

¹ C. Dobson, et al. Demonstrating the Value of Medicaid MLTSS Programs. MLTSS Institute, NASUAD and CHCS. May 2017. P. 3.

What anyone sees as the value of MLTSS depends on what they as state legislators, beneficiaries, their families and their advocates, and other stakeholders seek from Medicaid's LTSS generally and specifically from a shift from fee-for-service delivery to managed LTSS.

- State legislators may be looking for a way to control per beneficiary spending as the number of Medicaid beneficiaries with LTSS needs grows substantially over the next two decades.
- Beneficiaries may be looking for a more person-centered and seamless care experience and for assistance to remain in a community setting or in their own homes – with a degree of independence, dignity, and control.
- Families may be looking for someone they can count on to help manage care for a disabled family member and to lessen the burden for family caregivers.

What is the value of MLTSS? What does it offer to stakeholders relative to the care typically available through “fee-for-service” Medicaid. I will mention just 5 benefits of MLTSS relative to “fee-for-service.”

- Care Coordination/Care Management

As we shift toward a greater reliance home- and community-based services and supports, individuals and their families in traditional “fee-for-service” Medicare have to navigate a complex and fragmented array of community-based organizations, with very little information about the services, the providers, or the quality of care. Individuals who enroll in managed LTSS plans, and their families, benefit from the care coordination, and more-seamless service experience they have with a care manager in a managed plan. MLTSS plans and more integrated plans (e.g., MMPs) provide services such as person-centered care planning, comprehensive assessments, a care manager and a care team, and attention to quality performance and outcomes that do not exist in a “fee-for-service” environment. In the recent NASUAD survey of states with MLTSS plans, states reported that MLTSS consumers had improved quality of life and high levels of satisfaction.²

- Predictability of Medicaid LTSS Spending

States use capitated payments to MLTSS plans to improve the budget predictability of the costs of providing LTSS. MLTSS plans have demonstrated their ability to achieve savings within the capitated amount by reducing institutionalization and avoiding unnecessary medical utilization. In several states, savings from MLTSS have been applied to reducing or eliminating HCBS waiting lists or to expanding access to LTSS generally.³

² C. Dobson, et al. Demonstrating the Value of Medicaid MLTSS Programs. MLTSS Institute, NASUAD and CHCS. May 2017. P.6.

³ C. Dobson, et al. P. 13.

- Assistance in Rebalancing

MLTSS plans have been effective allies for states and beneficiaries in the effort to provide services and supports that can help maintain beneficiaries in the home- and community, defer and avoid institutional placements, transition beneficiaries who can be supported in the community out of institutions, and integrate persons with disabilities in the community. Many states have achieved substantial reductions in nursing home use – and resulting savings in LTSS spending -- through their MLTSS program. In the 25 years that Arizona has operated MLTSS, it has seen its nursing home use decline from 95% to 27% of the nursing-home-certifiable population.⁴ Massachusetts has similarly reduced its risk of admissions to long-stay nursing facilities and risk of entry to a nursing facility at end-of-life with its Senior Care Options program.⁵

- Lower Medical Expenditures for Persons with Complex Care Needs

The 6 percent of the Medicaid population that use LTSS account for 43 percent of total Medicaid expenditures. Persons with functional limitations are the most likely to have complex and substantial medical needs. Failures in the supports and services they need result in ER visits, hospitalizations and re-hospitalizations, and institutional placement. A study released last year by the HHS Assistant Secretary for Planning and Evaluation found that consumers in Minnesota’s MSHO program were 48 percent less likely to have a hospital stay and those who were hospitalized had 26 percent fewer stays overall compared to a similar population without these services.⁶

- Attention to Quality

MLTSS plans have the ability to collect data and report measures of performance and outcomes to states; and can and should be accountable for their ability to achieve goals of importance to beneficiaries and state regulators. To date, there has been limited development and availability of validated, widely adopted measures of quality in providing home- and community-based services. At the same time, there is a substantial amount of activity today developing and validating HCBS quality metrics and some important movement forward in developing accountability in MLTSS. Our Association released in early May a Quality Framework with 37 measures in 5 domains related to the process,

⁴ Joint Legislative Budget Committee. Program Summary: Arizona Long Term Care System. 2015. Available at: <http://www.azleg.gov/jlbc/psaxsaltcs.pdf>.

⁵ Jen Associates. Massachusetts Senior Care Option 2005-2010 Impact on Enrollees: Nursing Home Utilization. Available at: <http://www.mass.gov/eohhs/docs/masshealth/sco/sco-evaluation-nf-entry-rate-2004-through-2010-enrollment-cohorts.doc>.

⁶ WL Anderson, et al. Minnesota Managed Care Longitudinal Data Analysis. ASPE, DHHS. March 31, 2016.

experience, and outcomes of MLTSS.⁷ Our members will work with states on adoption of these measures with the intent to report these measures in the not-too-distant future.

In summary, managed LTSS can provide a much better care experience for beneficiaries and their families, a much more predictable, and accountable cost and quality of services and supports for state governments, and an opportunity to reduce unnecessary medical utilization and expand access to LTSS for the most complex care population in the Medicaid program.

I am happy to answer any questions you have.

⁷ National MLTSS Health Plan Association. Model LTSS Performance Measurement and Network Adequacy Standards for States. April 21, 2017. <http://mltss.org/2017/05/04/national-mltss-association-quality-framework-domains-measures>.