

Fact Sheet for HealthPathWashington:

A Medicare and Medicaid Integration Project for the Evergreen State

Introduction

In April 2011, Washington State was one of 15 states that received a planning grant from the federal government's Centers for Medicare and Medicaid Services (CMS). The grant monies were made available for developing an implementation plan that would lead to innovative ways to integrate and care for individuals who receive services from both Medicare and Medicaid. In the Evergreen State the number of individuals who are fully eligible for Medicare and Medicaid is approximately 115,000 individuals. The proposed implementation plan is being submitted to CMS by Washington State in late April 2012.

The Duals Innovation project governance is being shared between The Washington Department of Social and Health Services, Aging and Disability Services Administration (DSHS/ADSA) and The Health Care Authority (HCA). For community education and outreach purposes, the program is called "HealthPathWashington: A Medicare & Medicaid Integration Project for the Evergreen State."

The Challenge

Of the 115,000 beneficiaries in Washington who qualify for Medicare and Medicaid, approximately 65,000 are age 65 or above, and 50,000 are persons with disabilities under the age of 65. By definition these are fellow Washingtonians of very low-income and with few financial resources. They also represent the most at-risk population served by Medicare and Medicaid. Many, if not most, experience significant challenges caused by disability, mental illness and/or chemical dependence, which complicate delivery and payment of their care. As a result, this population is made up of people who require a variety of services including medical, mental health, chemical dependency and long term services and supports and therefore are among the most costly segment of the entire beneficiary population.

Because almost all care and payment for Medicare and Medicaid beneficiaries are handled through separate systems and financial models, services are fragmented, care is not well coordinated, and there exists a lack of accountability to make sure that healthy outcomes are measured or achieved and that individuals receive the right care at the right time and place.

From the beneficiaries' perspectives, there is confusion about navigating the systems, and this can result in significant cost shifting while making it problematic to avoid high cost care in emergency rooms, hospitals and other institutional settings.

The Vision of our Grant Application

Integrating Medicare and Medicaid services means coordinating the delivery, financing, technology and human touches experienced by dual beneficiaries. By aligning payment, outcome expectations and services, confusion and fragmentation will be diminished. This will improve the beneficiaries' experience with service delivery, improve health outcomes and better control future costs.

The proposal being submitted to CMS by Washington – following many months of discussion and engagement with the impacted beneficiaries and organizations that represent their interests – has a three-pronged strategic approach for realigning and integrating their care. These three strategies are 1) Health Homes – a managed fee for service financial model, 2) Full Integration Capitation – with three-way contracts between the health plans, the state and CMS, and 3) a modernized and consolidated service that has shared outcomes and aligned incentives.

Our Objectives and Timeline

DSHS and HCA are focused on creating innovation that: 1) Improves quality and coordination of care, 2) Reduces expenditures, 3) Shares savings with the federal government, and 4) Fosters successful relationships with a diverse group of stakeholders. After submission of Washington's proposal in April 2012, the Centers for Medicare & Medicaid Services will determine whether or not to fund implementation. Notice of implementation funding is expected in mid-summer 2012.

For More Information

In addition to the draft proposal being readied for submission to CMS, our website has more information about the entire project, background about the Duals Innovation Grant. The website URL is: www.aasa.dshs.wa.gov/duals/ or contact Kathy Pickens-Rucker pickek@hca.wa.gov, HCA Project Manager, or Bea Rector bea.rector@dshs.wa.gov, DSHS Project Manager.