

A. Executive Summary

Over 182,000 Ohioans are enrolled in both Medicare and Medicaid, but the two programs are designed and managed with almost no connection to one another. With no single point of accountability, long-term care services and supports, behavioral health services, and physical health services are poorly coordinated. The result is diminished quality of care for Medicare-Medicaid enrollees and unnecessarily high costs for taxpayers. Medicare-Medicaid full benefit enrollees make up only 9 percent of total Ohio Medicaid enrollment, but they account for more than 30 percent of total Medicaid spending.

This proposal presents a new approach to meeting the needs of individuals who are eligible for both Medicaid and Medicare benefits. Ohio has chosen the capitated managed care model offered by CMS in a July 8, 2011 Medicaid Director's letter. Through the Centers for Medicare and Medicaid Services' (CMS) Medicare-Medicaid Demonstration Program, Ohio will develop a fully integrated care system that comprehensively manages the full continuum of Medicare and Medicaid benefits for Medicare-Medicaid Enrollees, including Long Term Services and Supports (LTSS). Ohio's Integrated Care Delivery System (ICDS) Program will be implemented in selected regions across the state, beginning in January 2013.

Under Ohio's Demonstration Proposal, competitively selected ICDS health plans will manage a comprehensive benefit package for Medicare-Medicaid enrollees, utilizing a variety of care management tools to ensure that services are coordinated. The ICDS plans will:

- arrange for care and services by specialists, hospitals, and providers of LTSS and other non-Medicaid community-based services and supports;
- allocate increased resources to primary and preventive services in order to reduce utilization of more costly Medicare and Medicaid benefits, including institutional services;
- cover all administrative processes, including consumer engagement, which includes outreach and education functions, grievances, and appeals;
- use a person-centered care coordination model that promotes an individual's ability to live independently through a process that includes the individual in the development of their care plan; and
- utilize a payment structure that blends Medicare and Medicaid funding and mitigates the conflicting incentives that exist between Medicare and Medicaid.

Ohio's vision for the ICDS program is to create a fully integrated system of care that provides comprehensive services to Medicare-Medicaid Enrollees across the full continuum of Medicare and Medicaid benefits. Ohio anticipates that the reduction in costs through this model will enable more Medicare-Medicaid Enrollees to receive the medical and supportive services they need in their own homes and other community-based settings, rather than in more costly institutional settings. Ohio will demonstrate that its model of integrated care and financing will:

- keep people living in the community;
- increase individuals' independence;
- improve the delivery of quality care;
- reduce health disparities across all populations;
- improve health and functional outcomes;