

## **Integration of Medicare and Medicaid for Americans Dually Eligible for Both Programs January 2020**

### ***Individuals Dually Eligible for Medicare and Medicaid***

There are over 11 million Americans dually eligible for Medicare and Medicaid. These individuals are generally in poorer health and have health costs twice as high as traditional Medicare beneficiaries. The dual eligible population represents 20 percent of Medicare beneficiaries, but accounts for 34 percent of Medicare spending. For Medicaid, the dual eligible population accounts for 15 percent of beneficiaries and 33 percent of total spending. Individuals meeting the eligibility requirements in the table below often have complex needs and require extensive and ongoing health care.

### **Key Dual Eligibility Qualifications**

<b>Medicare</b>	<ul style="list-style-type: none"> <li>• Age 65, <b>or</b></li> <li>• Under 65 and meets federal requirements for disability status</li> </ul>
<b>Medicaid</b>	<ul style="list-style-type: none"> <li>• Meet the state’s income and asset requirements (rules vary by state), <b>and</b></li> <li>• Age 65, <b>or</b></li> <li>• Meets federal and/or state’s requirements for disability status, <b>and/or</b></li> <li>• Needs long-term services and supports or have high medical expenses</li> </ul>

### ***One Person, Two Health Programs***

Individuals dually eligible are at risk of receiving fragmented and uncoordinated care. Medicare and Medicaid are not incentivized to coordinate, which often leads to confusion for beneficiaries. Beneficiaries may have to navigate two different health plans, multiple provider networks and multiple sets of member materials, benefit cards, explanations of benefits, and estimations of coverage. This disconnect can result in cost-shifting between the two programs and redundancy or gaps in needed services.

### ***Integration Today***

Medicare Part C permits Medicare Advantage (MA) Dual-Eligible Special Needs Plans (D-SNPs) to limit enrollment to those dually eligible to provide Medicare Part A, B, and D benefits, and requires these plans to coordinate Medicare and Medicaid benefits through contracts with states. Through the Program of All-inclusive Care for the Elderly (PACE), CMS Medicare-Medicaid Plan (MMP) demonstrations, or D-SNP state contracts, some providers and health plans have been able to combine service delivery for both programs into integrated health plans that include long-term services and supports and behavioral health.

According to the most recent information, only about 800,000 dual eligible individuals are enrolled in the same health plan organization for both programs. The remainder of the dual eligible population is enrolled in either fee-for-service or a different health plan organization for their Medicare or Medicaid benefits.

### ***Why Does Integration Matter?***

Integration of Medicare and Medicaid benefits for dually eligible individuals has demonstrated reduced hospitalizations, improved satisfaction, and simplified access for beneficiaries. With a growing population of seniors and people with disabilities, we must seek more clinically effective and person-centered models of care. The Bipartisan Budget Act of 2018 included authority for the Centers of Medicare and Medicaid Services (CMS) Medicare and Medicaid Coordination Office (MMCO) to issue requirements designed to improve integration of the two programs by 2021. The SNP Alliance is committed to advancing these requirements and building on further solutions to advance integration of benefits, payments, and services for those with the most complex needs.