Using State Flexibility to Improve Medicaid
Long Term Services and Supports

Arizona Overview

System Design Matters

- Leverage 1115 Authority – Mandatory Medicaid enrollment since inception
- Developed model based on fully integrated Managed Care model (LTSS – PH – BH – duals)
- Built model on importance of robust case management system
- Developed staff and system infrastructure to support MLTSS Models including Duals
- Continue to engage and expand member input
- State must be invested in “Incremental” strategy
**GAO - Conditions of Members (%)**

<table>
<thead>
<tr>
<th>Condition</th>
<th>Asthma</th>
<th>Diabetes</th>
<th>HIV/AIDS</th>
<th>MH</th>
<th>SUD</th>
<th>Delivery</th>
<th>LTC</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asthma</td>
<td>24.5</td>
<td>3.9</td>
<td>65.1</td>
<td>29.1</td>
<td>6.5</td>
<td>7.3</td>
<td>17</td>
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<tr>
<td>Diabetes</td>
<td>18.5</td>
<td>2.6</td>
<td>52.4</td>
<td>23.9</td>
<td>3.1</td>
<td>12.7</td>
<td>29.7</td>
<td></td>
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<tr>
<td>HIV/AIDS</td>
<td>17.9</td>
<td>15.6</td>
<td>48.1</td>
<td>39.4</td>
<td>2.1</td>
<td>7.2</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>MH</td>
<td>17.6</td>
<td>18.7</td>
<td>2.8</td>
<td>26.7</td>
<td>4.0</td>
<td>11.9</td>
<td>42.9</td>
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<tr>
<td>SUD</td>
<td>20.8</td>
<td>22.6</td>
<td>6.0</td>
<td>70.8</td>
<td>4.5</td>
<td>10.2</td>
<td>15.6</td>
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</tr>
<tr>
<td>Delivery</td>
<td>9.3</td>
<td>5.9</td>
<td>0.7</td>
<td>21.3</td>
<td>9.0</td>
<td>0.5</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td>LTC</td>
<td>12.5</td>
<td>28.6</td>
<td>2.8</td>
<td>74.7</td>
<td>24.4</td>
<td>0.6</td>
<td>14.1</td>
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</table>

**Complex Populations – Medicaid Costs**

<table>
<thead>
<tr>
<th>Category</th>
<th>Per Member Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Pop.</td>
<td>5000</td>
</tr>
<tr>
<td>Seriously Mentally Ill</td>
<td>25000</td>
</tr>
<tr>
<td>Long Term Care</td>
<td>35000</td>
</tr>
<tr>
<td>Children With Special Needs</td>
<td>20000</td>
</tr>
<tr>
<td>Foster Care</td>
<td>10000</td>
</tr>
</tbody>
</table>
Integration for Complex Members

- Medicaid Behavioral Health
- MLTSS
- Crisis System
- Housing & Employment
- Care Mgmt.
- MCO

Effective Use of Home and Community Based Care

ALTCS Trend in HCBS Utilization

- Nursing Facility
- Home and Community

Reaching across Arizona to provide comprehensive quality health care for those in need
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Arizona DSNP History

- Started with MCOs being DSNPs as part of Medicare Part D implementation – limited passive enrollment
- Established statute so DSNP could be regulated by AHCCCS – not DOI
- MIPAA required Medicaid contract to be DSNP in 2012 Procurement
- Require all plans to offer DSNP in all areas of state – significant financial sanctions if not in place
- Alignment done based on Medicare assignment
- All plans approved for seamless conversion
- Over 7,000 Duals enrolled through Seamless Conversion – 90% retention rate

Dual Alignment Success

RTI ASPE Minnesota Study (2016)
- 48% less likely to have a hospital stay
- 6% less likely to have an ED visit and if so 38% fewer visits
- 2.7 times more likely to have PCP visit but if so had 36% fewer visits

Avalere Study of Mercy Care Plan Duals (2012)
- 31% lower rate hospitalization - 21% lower readmissions -43% lower rate of days spent in hospital
- 9% lower ED use
Arizona Summary

- Change is Incremental
- System Design Matters - Integration is critical aspect (including duals)
- For Arizona Managed Care was key in building case management and network
- Federal policy-makers need to continue to focus on policies that improve outcomes for Duals and LTSS
  - Duals Alignment - DSNP – Default enrollment
  - LTSS incentives have worked – need to continue to align incentives

Questions???