



# Becoming a Managed Care Organization: The Elderplan/HomeFirst Experience

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## MJHS/Elderplan/HomeFirst: Community-Rooted, Committed to Caring

- Elderplan/HomeFirst were created by MJHS, an organization with over 105 years experience caring for the frail elderly, disabled and chronically ill guided by core values of compassion, dignity and respect.
- From a single small nursing home among the tenements of Brooklyn, MJHS has grown into a comprehensive system of skilled nursing, rehabilitative, hospice and palliative care services delivered in the home and in facilities across NYC, as well as managed Medicare and Medicaid long term care plans that serve NYC, Long Island, and a growing number of upstate counties.
- The future includes partnering with DD service delivery experts to create a DISCO.

## Elderplan/HomeFirst: Not Afraid to Try Something New

Elderplan was founded in 1980 as one of the first Medicare Social HMOs in the U.S.

- Enrolled individuals who needed nursing home level of care.
- Provided home and personal care to supplement Medicare benefits.
- Won national recognition for innovative services such as member-to-member support such as grocery shopping, friendly visiting, etc.
- Won CMS recognition for demonstrating that nursing home utilization declined significantly below national average as personal care use increased despite the much higher frailty of the higher home-care-utilizing cohorts.

## Elderplan/HomeFirst: Not Afraid to Try Something New

- Over time, the Social HMO model transitioned into Medicare Advantage, a managed care version of Medicare; Elderplan became a Medicare Advantage Prescription Drug (MAPD) plan with Special Needs Plans for persons dually eligible for Medicare and Medicaid and for nursing home resident.
- But MA does not include the LTC services we believe are crucial. So...
- When NYS created the Managed Long Term Care model in 1997, MJHS jumped in and created HomeFirst and, in addition, into Medicaid Advantage Plus (MAP), which marries MLTCP and MA to integrate Medicare and Medicaid benefits for dual eligible, nursing home-certifiable beneficiaries living in their homes. The Elderplan MAP is currently eligible to enroll residents of NYC and Monroe, Nassau and Westchester counties.

# MLTCP 101

- Managed LTC is NOT commercial managed care.
  - 90+% of MLTCP members are in provider-based, non-profit plans
  - MLTCPs have long-term relationships with their members
  - MLTCPs are focused on managing caring, not simply managing cost. (But adequate premiums and operational efficiency are crucial!)

# MLTCP 101

- Demonstration program created in 1997 and extended routinely since.
- Plans must:
  - Obtain Certificate of Authority from the State
  - Maintain a network of qualified providers
  - Meet financial solvency standards, including 5% reserve requirement
  - File uniform cost report (Medicaid Managed Care Operating Report or MMCOR)
  - Have a quality improvement plan
  - Regularly survey for customer satisfaction (scores statewide are always high)

## MLTCP 101

- Partially capitated for only Medicaid LTC services plus ancillary and ambulatory services.
- No network requirements for physician or acute care.
- Are required to *coordinate* covered and non-covered services
- Covered services include:
  - Nursing care
  - Personal care
  - Therapies
  - Audiology & hearing aids
  - Nutritional counseling
  - Home-delivered/congregate meals
  - Dental care
  - Optometry/eyeglasses
  - Podiatry
  - Health education
  - Transportation to health-related appointments
  - Durable medical equipment
  - Medical and social day care
  - Nursing home care (restrictions apply)

## MLTCP 101

- The plan provides a care manager or care management team who works with the member and the member's physician(s) to decide what medical and support services are needed and develop a written care plan.
- Members have extensive appeal rights.
- Plan staff visit the prospective member in his/her home to explain MLTC and the plan and to determine eligibility for services.
- Staff also helps the member choose providers from the plan's network; the member can keep his/her primary care physician.

# Lessons Learned

- It takes a team.
- Providing care across the continuum of primary, acute, subacute, post-acute, rehabilitative, specialty, skilled nursing, personal and end-of-life is critical:
  - To each individual's independence and quality of life.
  - To achieving the Triple Aim of better quality, better population health and lower cost.
- Managing care across the continuum is equally, if not more, important to providing it.

## Lessons Learned

- An MLTCP achieves savings through:
  - Developing care plans that meet the member's needs across the continuum
  - Achieving operational efficiency through scale and analysis
  - Creating provider networks that provide quality, cost-effective care (more is not always better; sometimes less is better)
  - Ensuring providers deliver consistent care based on the members' needs
  - Monitoring for inappropriate billing and claims
- Savings cannot be assumed or taken off the top; they must be allowed to develop over time.
- You can lose your shirt if you don't know (or figure out fast) how to assume and manage risk for high-need populations and how to negotiate rates.

## Lessons Learned

- The skills necessary to manage a well population through acute episode of care do not directly translate into the management of a sick one or into care for dual eligibles.
  - ADL and IADL deficits tend to drive costs and utilizations in addition to diagnoses
- Managing transportation requests and arrangements is important to ensuring access to care.
- Provider education on the needs of the target population may be needed.
- Aligning Medicare and Medicaid is hard; integrating them is even harder.

## Applying Those Lessons to DISCOs

- Partnerships between service experts and risk managers will be key.
- Strong coordination across health services, support services, and clinical care is imperative.
- Premiums must be adequate to fund the entire service package from the start.
- Give the pilots time to prove themselves.
  - 30 months would be better than 24 months.

# Thank You!

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