 Department of Health and Human Services  
Maine People Living Safe, Healthy and Productive Lives  
John E. Baldacci, Governor    Brenda M. Harvey, Commissioner

## Managed MaineCare Initiative

9/16/10

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### Legislative History

- Legislature mandated a feasibility study of risk contracting in MaineCare
- Department delivered study in March, 2010
- Legislature appropriated development funds and specified stakeholder group and regular reporting

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### Goals of the Initiative

- Enhance quality of MaineCare services
- Reduce the growth rate in per person spending

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### Key Objectives

- Measure and reward quality
- Align financial incentives of members, providers, contractors, and MaineCare

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### What are the potential benefits for Maine?

- Constructive engagement and integration of providers, members
- Improved access and quality
- Sustainability
- Population health focus
- MaineCare/DHHS less reactive to annual budget challenges, more proactive

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### Desired Outcomes for Members

*Preponderance of peer-reviewed literature reports that managed care is associated with..*

...greater likelihood of a usual source of care for members	... less emergency department use	... reduction in preventable hospital admissions	... greater smoking cessation and prenatal care among pregnant women	... greater use of community services, and less use of institutional services among persons with long-term support needs
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A more limited number of studies found adverse outcomes, including one in which emergency department use went up, and another in which pregnant women did better in fee-for-service than in managed care.

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### Maine Managed Care in the 90's: Highlights of Lessons Learned

- Strong partnership needed between state and contractors (not a short-term vendor relationship).
- Contractor and state capacity to provide and process encounter data is essential.
- Quality oversight is needed from the beginning; quality measures need to be built into RFP.
- Need strong infrastructure for member education, enrollment, issue identification and grievance resolution.
- State and contractors need capacity for technical support for providers.

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### Starting Assumptions

- All MaineCare groups get enrolled eventually, but are phased-in.
- All services are included, but long-term services and supports are phased-in.
- Program is statewide.
- Full-risk arrangement between MaineCare and contractors.

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### Relationship to Health Reform

- Insurance exchange may serve as enrollment broker for MaineCare members
- Maine may apply for ACO, dual eligible and other federal demonstration funding in conjunction with this initiative
- Contract requirements will include participation in payment reform and other features of health reform

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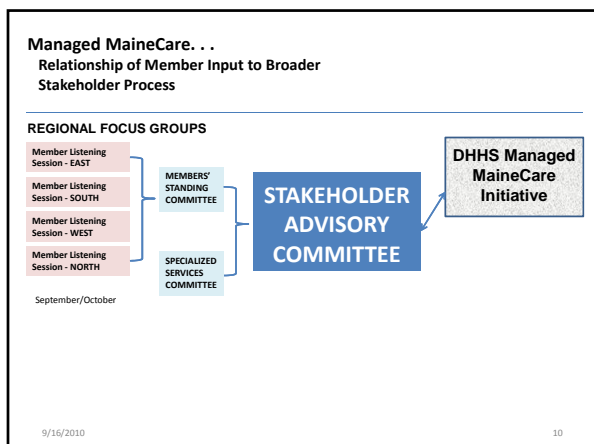
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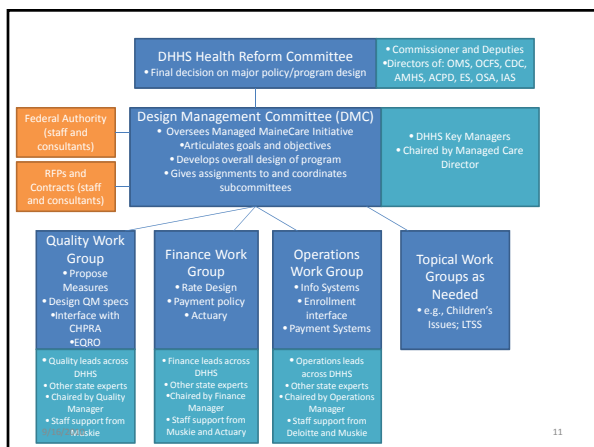
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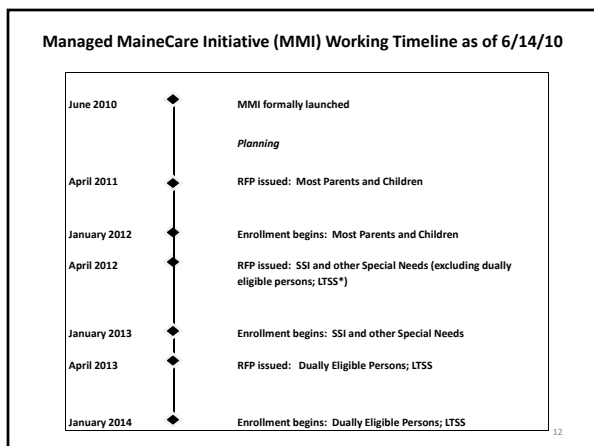
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### Next Steps

- Identify key design choices
  - When will specific sub-populations will be enrolled?
  - What specific services are being phased in, and when?
  - How many contractors should Maine have?
- Get direct member input
  - What is working well and should be preserved?
  - What should this initiative aim to improve?

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### Resources and Contact Information

Additional resources on this initiative can be found at:

[http://maine.gov/dhhs/oms/mgd\\_care/mgd\\_care\\_index.html](http://maine.gov/dhhs/oms/mgd_care/mgd_care_index.html)

For more information, please contact:

[Sarah.stewart@maine.gov](mailto:Sarah.stewart@maine.gov)

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