

MODEL OVERVIEW

The Financial Alignment Initiative (FAI) aims to provide individuals dually enrolled in Medicare and Medicaid with a better care experience and better align the financial incentives of the Medicare and Medicaid programs. CMS is working with States to test two integrated care delivery models: a capitated model and a managed fee-for-service model.

Rhode Island and CMS launched the Integrated Care Initiative (ICI) demonstration in July 2016. The demonstration is anticipated to end December 31, 2025.

Key Features of the Rhode Island Demonstration

- Uses the capitated model based on a three-way contract between the Medicare-Medicaid Plan (MMP), CMS, and the State to finance all Medicare and Medicaid services.
- The ICI demonstration operates statewide and is served by one MMP.
- The MMP provides care management and flexible benefits.

PARTICIPANTS



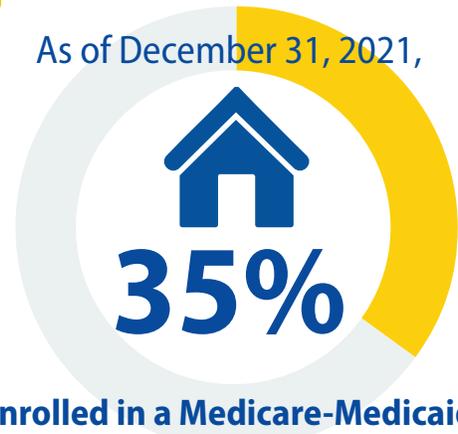
MEDICARE-MEDICAID PLANS

- All enrollees have access to care coordination. Those in the community receiving long-term services and supports or are at high risk have access to more intensive assessment and care planning services than other enrollees.
- The MMP added programming to address food insecurity and other enrollees' needs during the Public Health Emergency (PHE).
- The State plans to transition the demonstration to a Fully Integrated Dual Eligible Special Needs Plan (FIDE-SNP) at the end of the demonstration period.



BENEFICIARIES

As of December 31, 2021,



were enrolled in a Medicare-Medicaid Plan.

13,015 of the total 37,126 eligible Medicare-Medicaid beneficiaries were participating in the ICI demonstration.

FINDINGS



IMPLEMENTATION

- **The State and CMS began monthly passive enrollment** of beneficiaries from the Medicaid fee-for-service system effective January 2021.
- In 2021, **the MMP redesigned its processes for engaging new enrollees** by adding dedicated staffing and resources **to more effectively connect beneficiaries to care management and benefits.**
- **CMS and the State changed the timeframes for assessment completion** in 2022 to lessen administrative burden on the MMP and **reduce the frequency of reassessments** for enrollees. These changes had been in process for several years but were delayed by the PHE.
- In 2021, **over three-quarters of Consumer Assessment of Healthcare Providers and Systems (CAHPS) respondents reported satisfaction with the MMP**, rating the plan as a 9 or 10, with 10 being the highest rating.

FINDINGS *(continued)*



MEDICARE EXPENDITURES

Regression analyses of the demonstration impact on Medicare Parts A and B costs found **an increase of \$83.99 per member per month (PMPM)** cumulatively over demonstration years 1 through 4, for all eligible beneficiaries, relative to a comparison group.

Monthly demonstration effect on Medicare Parts A and B costs, by demonstration year

Demonstration Period	Average Demonstration Effect on Medicare Expenditures, PMPM
DY1 (July 2016–December 2017)	\$54.94*
DY2 (2018)	\$37.30
DY3 (2019)	\$117.31*
DY4 (2020)	\$140.19*
Years 1–4, cumulative	\$83.99*

*p<0.05. DY= demonstration year; PMPM=per member per month.



**SERVICE UTILIZATION AND QUALITY OF CARE:
Demonstration Years 1 through 4 (July 2016–December 2020)**

Favorable Results



Increase in monthly number of physician evaluation and management visits

- There were no cumulative demonstration impacts on the monthly probability of any inpatient admission, the monthly probability of any skilled nursing facility (SNF) admission, the annual probability of any long-stay nursing facility use, the monthly probability of ambulatory care sensitive condition admissions (overall and chronic), the annual number of 30-day readmissions, the monthly probability of any emergency department (ED) visit, the monthly number of preventable ED visits, or the monthly probability of a 30-day follow-up visit after a mental health discharge.

KEY TAKEAWAYS

As of December 2021, about one-third of eligible beneficiaries were enrolled in the demonstration. Despite increased Medicare costs, beneficiary experience with the demonstration was positive overall, based on data such as CAHPS surveys. There was a favorable impact on the monthly number of physician visits, although the demonstration had no impact on the rest of the service utilization and quality of care measures over the first 4 demonstration years. The State anticipates continuing an integrated care model for dually eligible enrollees by transitioning to a FIDE-SNP at the end of the demonstration period.