

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.

New York and CMS launched the Fully Integrated Duals Advantage for Individuals with Intellectual and Developmental Disabilities (FIDA-IDD) demonstration in April 2016. The demonstration has been extended through December 2023.

Key Features of the New York 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.
- Is the first comprehensive managed care demonstration exclusively serving individuals with IDD in the nation.
- Operates in New York City and Nassau, Suffolk, and Westchester Counties.

PARTICIPANTS



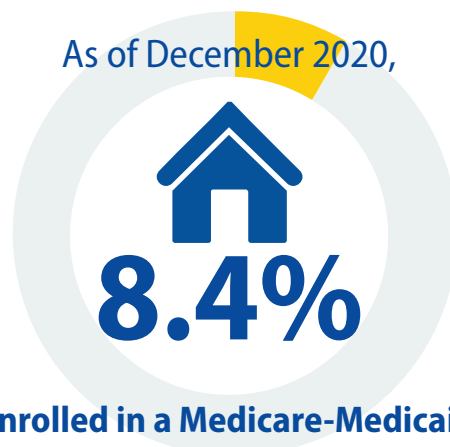
MEDICARE-MEDICAID PLANS

- One MMP participates in the FIDA-IDD demonstration.
- The MMP contracts with a network of Medicare and Medicaid providers to meet the needs of its enrollees.
- A comprehensive assessment tool informs care plan development by identifying social, functional, behavioral, medical, and wellness needs.
- Care coordinators assist enrollees to obtain the services on their care plans, and leverage the MMP's flexible benefit package in novel ways to meet enrollees' goals. The MMP helped enrollees participate in social activities, such as going to baseball games, attending dance classes, and playing pool at local billiard halls.



BENEFICIARIES

As of December 2020,



were enrolled in a Medicare-Medicaid Plan.

1,719 of the total 20,396 eligible Medicare-Medicaid beneficiaries were participating in the New York demonstration.

FINDINGS



IMPLEMENTATION

- The State identified the fact that **the MMP was founded by IDD providers** as one of its strengths.
- **Without passive enrollment, voluntary beneficiary participation** in FIDA-IDD **contributed to low enrollment** in the demonstration.
- **A major health system declined to participate in the demonstration**, and as a result, some eligible beneficiaries have been reluctant to enroll in FIDA-IDD.
- The MMP and the State both see **low voluntary disenrollment rate** as an **indicator of enrollee and advocate satisfaction with the demonstration**.
- **The MMP has used telemedicine** to reduce unnecessary and disruptive trips to the doctor or emergency department, helping to meet members' needs. Telemedicine was **particularly helpful during the COVID-19 public health emergency**.

FINDINGS *(continued)*



IMPLEMENTATION *(continued)*

- **The MMP has expressed persistent concerns over the adequacy of the Medicare and Medicaid rates** given limited enrollment and frailer than anticipated enrollees.
- **Enrollment in the demonstration was too low** as of the date of this report **to provide an adequate sample size for beneficiary surveys** such as Consumer Assessment of Healthcare Providers and Systems and Healthcare Effectiveness Data and Information Set measures.
- **The MMP developed several innovations to enhance enrollees’ quality of life focusing on individuals’ interests**, including PAL Social, an online platform, to connect plan enrollees not just with community members, but also with other enrollees around shared interests on a monthly basis.



MEDICARE & MEDICAID EXPENDITURES

Regression analyses of the demonstration impact on Medicare Parts A and B costs, relative to the comparison group, found an **increase in per member per month (PMPM) Medicare costs in year 1 and year 2 (\$29.07 and \$43.77, respectively) and cumulatively (\$34.53)**. No impact on Medicaid costs was found in the individual demonstration years or cumulatively.

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

Demonstration Period	Average Demonstration Effect on Medicare Expenditures, PMPM	Average Demonstration Effect on Medicaid TCOC, PMPM
DY 1 (April 2016–December 2017)	\$29.07*	-\$119.06
DY 2 (2018)	\$43.77*	\$99.57
Demonstration period (DY 1–2, cumulative)	\$34.53*	-\$46.89

DY = demonstration year; PMPM = per member per month; TCOC = total costs of care

*p<0.05

KEY TAKEAWAYS

Stakeholders perceived the care management model employed in this demonstration as uniquely comprehensive, providing individuals with a level of control over a wide range of detailed choices impacting their everyday lives. Although the lack of participation by a major health care system used by many eligible beneficiaries and opt-in only enrollment have contributed to low enrollment levels, low voluntary disenrollment rates suggest that enrollees and their advocates are satisfied with the demonstration. FIDA-IDD increased Medicare expenditures for eligible beneficiaries in the first 2 years of the demonstration but did not have an impact on Medicaid expenditures. The demonstration has been extended until December 31, 2023.