

Report to Congress Outlines Options for Integrating Medicare/Medicaid Services for Dual Eligibles

A recent Congressional Research Service (CRS) report entitled, “Integrating Medicare and Medicaid Services through Managed Care,” outlines federal and state efforts to improve the delivery of health and long-term care services for Medicare and Medicaid dual eligible enrollees. The report explains the rationale for integrated managed care programs and describes the various approaches to integration; reviews existing Medicare/Medicaid integration projects; outlines common challenges faced in developing these projects; and provides policy considerations for Congress. (**[View a copy of the CRS report](#)**).

The CRS report discusses the Program of All-inclusive Care for the Elderly (PACE) and specific state programs in Arizona, Massachusetts, Minnesota, New York, Texas, and Wisconsin. The report illustrates how federal and state policymakers have tried to address these challenges by developing a coordinated and/or integrated approach to delivering both Medicare and Medicaid services through managed care.

The report further describes some of the challenges to development, enactment, and implementation of integrated care at the state level and expected returns on investment; conflict in Medicare and Medicaid requirements; managed care payment rates; federal waiver approval; and provider and beneficiary resistance to managed care. The report also identifies several options for Congress to consider:

- conducting evaluations and developing recommendations for regulatory and/or statutory changes;
- adding statutory language or explicit waiver or demonstration authority to both Medicaid and Medicare law to develop these types of programs;
- allowing states through the Medicaid state plan to require dual eligibles to enroll in managed care projects that integrate with Medicare;
- streamlining federal oversight and/or administration of these demonstrations to avoid conflicting requirements;
- providing development grants and technical assistance to states;
- addressing financial disincentives to managed care for providers (e.g., phasing out UPL payments or providing supplemental funds through managed care savings); and
- addressing financial disincentives for states (e.g., exploring alternative definitions of cost-effectiveness and budget neutrality in waivers for Medicare/Medicaid integration projects, or sharing any cost-savings with both the Medicare and Medicaid programs).

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http://www.acponline.org/cln/health_policy.htm

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