Managed Care in Minnesota

This profile reflects state managed care program information as of August 2014, and only includes information on active federal operating authorities, and as such, the program start date may not reflect the earliest date that a program enrolled beneficiaries and provided services. Some states report populations and services available to program participants under the federal authority (e.g. Section 1115 waiver), so these features cannot be easily distinguished for each program.

Overview of Current Managed Care Programs

In July 2011, about two thirds of Medicaid beneficiaries were enrolled in one of four managed care programs, most of which are available statewide. Minnesota's experience with managed care began in 1985 with a federally-authorized demonstration program allowing mandatory enrollment into HMOs in the Minneapolis area for some beneficiaries called the Prepaid Medical Assistance Program. In 1993, the state introduced a subsidized insurance program for Minnesotans who have somewhat greater assets than people eligible for PMAP, but no other access to public or private health insurance. This program, called the MinnesotaCare program, converted to a prepaid managed care program in 1996. The programs were merged in 1996, when mandatory enrollment expanded to other parts of the state. The Minnesota Families and Children programs currently still include the Prepaid Medical Assistance Program (PMAP) and MinnesotaCare. PMAP is a mandatory managed care program for Medicaid-eligible adults, families and children in Minnesota, operating under 1932(a) authority. MinnesotaCare is a health insurance program for low income individuals and families who meet certain income, residency and program requirements, including payment of applicable monthly premiums, operating under 1115(a) authority. The programs are operational in all 87 counties of the state. Enrollees are served by eight managed care organizations (MCOs). Certain medical assistance eligible populations are exempt from enrollment, including individuals with disabilities and those with a spenddown.

PMAP and MinnesotaCare provide acute, primary, specialty, long term, and behavioral health services to children and low-income adults; it also served older adults until **Minnesota Senior Care** was introduced in 2005. The Senior Care program covered additional benefits in 2009 and expanded to additional counties in 2008 and 2009, at which point it was renamed **Minnesota Senior Care Plus (MSC+)**. MSC+ currently provides acute and long term services and supports to duals as well as Medicaid-only beneficiaries, but dual eligibles receive any Medicare covered services on a fee-for-service basis or through a separate Medicare Advantage plan or prescription drug plan. Dual eligibles over age 65 who wish to receive both Medicare and Medicaid benefits from the same plan can opt to enroll in **Minnesota Senior Health Options (MSHO)**, which started in 1997 and provides acute, specialty care, long term supports and services, behavioral health, and pharmacy benefits through Medicare Advantage Special Needs Plans (MA-SNPs) offered statewide. In both MSHO and MSC+, nursing facility stays up to 180 days are covered in the capitation rate. Individuals with disabilities under age 65, including dual eligibles, may enroll in **Special Needs Basic Care (SNBC)**, which began in 2008 and offers Medicaid-covered acute services, behavioral health, and some nursing facility care (100 days). From 2001 to 2010, the state also operated the Disability Health Options Program in the Minneapolis/St. Paul area which provided individuals with disabilities under age 65, including dual eligibles, with all acute, primary, behavioral health and long term supports and services; individuals who were enrolled in this program now participate in SNBC. For individuals enrolled 1915(c) home and community-based service waivers, Minnesota also uses a 1915(b) authority to allow the counties to send a person to a specific provider for their services, through the **Consolidated Chemical Dependency Treatment Fund**, started in 1998, and the **Case Management Waiver**, started in 2007.

Participating Plans, Plan Selection, and Rate Setting

Eight **local, nonprofit plans** currently provide managed care in Minnesota, including three **county-based purchasing plans** (Itasca Medical Care, Metropolitan Health Plan, and South Country Health Alliance) which are owned and operated by the rural counties in which they are *located*. Many plans participate in all managed care programs, but Health Partners and Itasca Medical care only participate in PMAP+ and MSC/MSC+. Starting in 2012, Minnesota selects plans through a competitive bidding process in the Twin Cities area, which evaluates plan bids on cost and quality (50:50); it sets rates through an administrative process using actuarial analyses.

Quality and Performance Incentives

Minnesota collects HEDIS and CAHPS data for all of its managed care programs. For the SNBC program, the state also conducts an annual survey of enrollees with unmet health care needs specific to their disabilities, and for Elderly Waiver enrollees in the MSHO and MSC/MSC+ programs, the state conducts an annual audit of care plans. Like all states, MCOs are required to conduct annual performance improvement projects, but MCOs that operate as Dual Eligible SNPs may use their Medicare performance improvement projects to meet Medicaid requirements. The state posts many of its quality reports on the agency's website for public comment.

Along with all private payers in the state, the Medicaid agency participates in a health care quality initiative called “Bridges to Excellence” in which it contributes incentive payments proportionate to the share of enrollees for each program. The initiative distributes payments to plans based on performance indicators designed to measure optimal chronic disease care; per federal regulation, total plan *payment* cannot exceed 105% of the capitation amount. The state also convenes a number of workgroups devoted to quality topics relevant to the population enrolled in each program; all MCOs must participate in external quality review and clinical practice and performance measurement workgroups, and MSHO/MSC+ plans must also participate in a care coordination workgroup.

Table: Managed Care Program Features, as of August 2014

Program Name	MN Prepaid Medical Assistance Program (PMAP)/ MinnesotaCare	MN Senior Health Options (MSHO)	1915(b)(4) Consolidated Chemical Dependency Treatment Fund	MN Senior Care Plus (MSC+)	1915(b)(4) Case Management Waiver	Special Needs Basic Care (SNBC)
Program Type	MCO	MCO	County Case Manager	MCO	Selective contracting	MCO
Program Start Date	July 1995	March 1997	January 1998	June 2005	January 2007	January 2008
Statutory Authorities	1115(a)/1932(a)	1915(a)/1915(c)	1915(b)	1915(b)/1915(c)	1915(b)/1915(c)	1915(a)
Geographic Reach of Program	Statewide	Statewide	Statewide[1]	Statewide	Statewide	Statewide
Populations Enrolled *(Exceptions may apply for certain individuals in each group)*						
Aged		X	X	X	X***	
Disabled Children & Adults	X	X	X*	X	X***	X
Children	X		X			
Low-Income Adults	X		X			
Medicare-Medicaid Eligibles ("duals")	X (excludes partial duals)	X (excludes partial duals)	X (excludes partial duals)	X (excludes partial duals)		X (excludes partial duals)
Foster Care Children	X		X		X***	
American Indians/ Alaska Natives	X	X	X[2]			X
Mandatory or Voluntary enrollment?	Mandatory	Voluntary[3]**	Varies	Mandatory**	Mandatory	Voluntary
Medicaid Services Covered in Capitation *(Specialized services other than those listed may be covered. Services not marked with an X are excluded or "carved out" from the benefit package.)*						

[1] Amendment MN-01.R11.01 in house (and soon to be approved) will allow enrollees in certain counties and tribal areas to choose chemical dependency rehabilitation services from any willing and qualified provider instead of being limited to a single provider. These service areas included in the amendment will include Beltrami, Blue Earth, Dakota, Brown, Hubbard and Mahnomen counties, as well as Red Lake and White Earth Nations. There will be no change for Medicaid enrollees who are residing in a county that is not part of this amendment and/or individuals receiving services provided under a Medicaid managed care plan. American Indian Medicaid enrollees will continue to have the right to receive services from tribal providers, regardless of the county where they reside.

[2] American Indian Medicaid enrollees have the right to receive services from tribal providers.

[3] Enrollees who disenroll from MSHO are returned to the mandatory MSC+ program in their county.

Program Name	MN Prepaid Medical Assistance Program (PMAP)/ MinnesotaCare	MN Senior Health Options (MSHO)	1915(b)(4) Consolidated Chemical Dependency Treatment Fund	MN Senior Care Plus (MSC+)	1915(b)(4) Case Management Waiver	Special Needs Basic Care (SNBC)
Inpatient hospital	X	X		X		X
Primary Care and Outpatient Services	X	X		X		X
Pharmacy	X	X		X		X
Institutional LTC		X (180 days)		X (180 days)		X (100 days)
Personal Care/ HCBS	X	X		X	X (case management)	X
Inpatient Behavioral Health Services	X	X	X	X		X
Outpatient Behavioral Health Services	X	X	X	X		X
Dental	X	X		X		X
Transportation	X	X		X		X
Participating Plans or Organizations	****See notes for plans or organizations participating in each program					
Uses HEDIS Measures or Similar	X	X		X		X
Uses CAHPS Measures or Similar	X	X		X		X
State requires MCOs to submit HEDIS or CAHPS data to NCQA	X	X	NA	X	NA	X
State Requires MCO Accreditation	X	X	NA	X	NA	X
External Quality Review Organization	MetaStar (QIO) and Michigan Performance Review Organization					
State Publicly Releases Quality Reports	Yes					

Sources: Centers for Medicare and Medicaid Services (CMS), National Summary of State Medicaid Managed Care Programs as of July 1, 2011.

Kaiser Commission on Medicaid and the Uninsured. Profile of Medicaid Managed Care Programs in 2010. September 2011.

National Committee on Quality Assurance. NCQA Medicaid Managed Care Toolkit 2012 Health Plan Accreditation Standards. State Use of Accreditation as of February 2012.

Notes: Managed Care Organization (MCO); Prepaid Inpatient Health Plans (PIHP); Prepaid Ambulatory Health Plan (PAHP); Mental Health/Substance Use Disorder (MH/SUD); Healthcare Effectiveness Data and Information Set (HEDIS); Consumer Assessment of Healthcare Providers and Systems (CAHPS).

Primary Care and Outpatient Services include physician services, hospice, laboratory, imaging, FQHC, and other specialty services delivered in outpatient offices and clinics.

Institutional Long Term Care (LTC) includes Skilled Nursing Facilities (SNF) and/or Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IDD).

External Quality Review Organization activities are only required for MCOs, PIHPs, PAHPs, and other applicable entities with comprehensive risk contracts.

* The National Summary of State Medicaid Managed Care Programs does not explicitly list disabled children and adults as eligible for the consolidated chemical dependency Treatment Fund, but it does state that all Medicaid recipients are eligible to participate.

** If individuals chose not to enroll in MN Senior Health Options, they must enroll in MN Senior Care Plus.

*** Individuals who enroll in the 1915(c) home and community based service waiver are also enrolled in the 1915(b)(4) waiver for case management services. Enrollment information is not included in the National Summary of State Medicaid Managed Care Programs. The information included in this table reflects the enrolled 1915(c) waiver populations available from Medicaid.gov as of August 2013.

**** Participating plans and organizations are as follows:

- MN Prepaid Medical Assistance Program Plus (PMAP+): Blue Plus; Health Partners; Itasca Medical Care; Medica; Metropolitan Health Plan; Prime West Health Systems; South Country Health Alliance; UCare.
- MN Senior Health Options (MSHO): Blue Plus; Medica; Metropolitan Health Plan; PrimeWest Health System; South Country Health Alliance; and UCare. According to the state's website, HealthPartners and Itasca Medical Care also participate.
- 1915(b)(4) Consolidated Chemical Dependency Treatment Fund: NA.
- MN Senior Care Plus (MSC+): Blue Plus; Health Partners; Itasca Medical Care; Medica; Metropolitan Health Plan; Prime West Health System; South Country Health Alliance; UCare.
- 1915(b)(4) Case Management Waiver: NA.
- Special Needs Basic Care (SNBC): Blue Plus; Medica; Metropolitan Health Plan; PrimeWest Health System; South Country Health Alliance; UCare.