

Managed Care in Michigan

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 2011, nearly ninety percent of Medicaid beneficiaries in Michigan were enrolled in managed care. The state first introduced managed care in 1996 with the implementation of its **Comprehensive Health Care Program (CHCP)**, a MCO program that covers acute, primary, and specialty services, and prescription drugs through contracting health maintenance organization (HMOs). The CHCP is available statewide on a mandatory basis for most beneficiary groups, including foster care children who were added to the program in 2009, except for dual eligibles who are enrolled voluntarily and American Indians/Alaska Natives. Coverage for mental health and substance use disorder services, and long-term services and supports for all Medicaid beneficiaries with mental illnesses, substance use disorders, or developmental disabilities is provided through the **Managed Specialty Supports and Services program**. This program has contracted with county-based community mental health services programs, paid on a capitated basis, to provide and manage care since 1998. In 2000, the state also introduced the **Healthy Kids Dental Waiver**, which covers dental care for children in three quarters of the counties in the state. In 2003, the state introduced a **Program of All-Inclusive Care for the Elderly (PACE)** program to enhance the range of services available to adults age 55 and over who require a nursing home level of care and live in certain regions of the state and can live safely in the community

In April 2014, Michigan implemented a new 1115 demonstration to expand its Medicaid program to include adults with income up to 133 percent of the FPL. Healthy Michigan provides comprehensive benefits through the MCOs and PIHPs used in its other managed care programs.

The state is currently developing a demonstration to integrate care for individuals eligible for both Medicare and Medicaid (also referred to as “dual eligibles”). Through this demonstration, the state will contract with Integrated Care Organizations (ICOs) and Pre-Paid Inpatient Health Plans (PIHPs) to manage all Medicare and Medicaid for dual eligibles. The state intends to enroll beneficiaries as early as July 2014.

Participating Plans, Plan Selection, and Rate Setting

The state contracts with thirteen plans to manage care for CHCP beneficiaries: **six local, non-profit plans** (HealthPlus Partners, McLaren Health Plan, PHP-MM Family Care, Priority Health Government Programs, Total Health Care, and Upper Peninsula Health Plan), **three local, for-profit plans** (Meridian Health Plan, Midwest Health Plan, and ProCare Health Plan), and four **national, for-profit plans** (Blue Cross Complete, Coventry Cares, Molina Healthcare of Michigan, and United Healthcare Community Plan). The state selects plans through competitive bidding and sets rates through an administrative process using actuarial analyses that accounts for a number of factors, including age, gender, geographic, eligibility, and healthy status. The state also contracts through sole source procurement with one plan, Delta Dental of Michigan, to provide dental services in its Healthy Kids Dental waiver program.

Quality and Performance Incentives

Michigan requires managed care plans to submit HEDIS and CAHPS measures, and other performance monitoring data. The state rewards high performing plans by auto-assigning a greater proportion of Medicaid enrollees to the plan that reports the highest quality scores. The state also awards performance bonuses to plans that meet certain HEDIS and CAHPS and other quality measure targets, and can impose penalties and sanctions on plans that fail to comply with performance requirements.

Table: Managed Care Program Features, as of August 2014

Program Name	Comprehensive Health Care Program (CHCP)	Managed Specialty Supports and Services	Program for the All-Inclusive Care for the Elderly (PACE)	Healthy Kids Dental
Program Type	MCO	Mental Health (MH) PIHP	PACE	Dental PAHP
Program Start Date	July 1997	October 1998	November 2003	April 2009*
Statutory Authorities	1915(b)	1915(b)/1915(c)	PACE	1915(b)
Geographic Reach of Program	Statewide	Statewide	Select Regions	County
Populations Enrolled (<i>Exceptions may apply for certain individuals in each group</i>)				
<i>Aged</i>	X	X	X	
<i>Disabled Children & Adults</i>	X	X	X (age 55+)	
<i>Children</i>	X	X		X
<i>Low-Income Adults</i>	X	X		
<i>Medicare-Medicaid Eligibles ("duals")</i>		X	X (age 55+)	
<i>Foster Care Children</i>	X	X		
<i>American Indians/Alaska Natives</i>				
Mandatory or Voluntary enrollment?	Mandatory	Mandatory (except duals)	Voluntary	Mandatory
Medicaid Services Covered in Capitation (<i>Specialized services other than those listed may be covered. Services not marked with an X are excluded or "carved out" of the benefit package.</i>)				
<i>Inpatient hospital</i>	X	**	X	
<i>Primary Care and Outpatient services</i>	X	**	X	
<i>Pharmacy</i>	X	**	X	
<i>Institutional LTC</i>		X	X	
<i>Personal Care/HCBS</i>	X	X	X	
<i>Inpatient Behavioral Health Services</i>		X	X	
<i>Outpatient Behavioral Health Services</i>	X (limited to 20 visits/yr)	X	X	
<i>Dental</i>			X	X
<i>Transportation</i>	X	X	X	

Program Name	Comprehensive Health Care Program (CHCP)	Managed Specialty Supports and Services	Program for the All-Inclusive Care for the Elderly (PACE)	Healthy Kids Dental
Participating Plans or Organizations	<ol style="list-style-type: none"> 1. Blue Cross Complete 2. Coventry Cares 3. HealthPlus Partners, Inc. 4. McLaren Health Plan 5. Meridian Health Plan 6. Midwest Health Plan 7. Molina Healthcare 8. ProCare Health Plan 9. PHP- Family Care 10. Priority Health Government Programs 11. Total Health Care 12. United Healthcare Community Plan 13. Upper Peninsula Health Plan*** 	<ol style="list-style-type: none"> 1. CMH Partnership of Southeast Michigan 2. Detroit-Wayne Mental Health Authority 3. Lakeshore Regional Entity 4. Macomb County CMH Services 5. Mid-State Health Network 6. North Care Network 7. Northern Michigan Regional Entity 8. Region 10 PIHP 9. Oakland County CMH Authority 10. Southwest Michigan Behavioral Health 11. 	<ol style="list-style-type: none"> 1. Center for Senior Independence 2. Care Resources 3. Life Circles 4. CentraCare 5. Huron Valley PACE 6. PACE of Southwest Michigan 	<ol style="list-style-type: none"> 1. Healthy Kids Dental Plan
Uses HEDIS Measures or Similar	X		NA	
Uses CAHPS Measures or Similar	X		NA	
State requires MCOs to submit HEDIS or CAHPS data to NCQA	X	NA	NA	NA
State Requires MCOs Accreditation	X	NA	NA	NA
External Quality Review Organization	Health Services Advisory Group (HSAG)			
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); Nursing facilities (NF); Disease Management (DM).

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 2011 National Summary of State Medicaid Managed Care Programs reports that the Healthy Kids Dental program began in March 2009, which was the date that the waiver was renewed. However, according to the approved state's approved waiver renewal application, these programs began 2000.

** The 2011 National Summary of State Medicaid Managed Care Programs suggests inpatient hospital, primary care and outpatient services, and pharmacy are included in the PIHP program. However, according to a 2012 report from Truven Health Analytics, primary and acute medical services and prescription drugs are not included in the capitation rate. See http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Downloads/MLTSSP_White_paper_combined.pdf.

*** The 2011 National Summary of State Medicaid Managed Care Programs had listed several plans that are no longer contracting with the state, including BlueCaid of Michigan, CareSource of Michigan, and Omnicare. As of January 2012, Great Lakes Health Plan changed its name to UnitedHealthcare Community Plan and Health Plan of Michigan changed its name to Meridian Health Plan. According to the state, the list of plans included in the table is current as of April 2013. See http://www.michigan.gov/documents/mdch/MHP_Service_Area_Listing_326102_7.pdf.

