

11/05/2024

Dual Demonstration Transition Decision - Medicare-Medicaid Integration Model

Background:

In March 2023, HHSC announced the Centers for Medicare & Medicaid Services (CMS) Contract Year 2023 Medicare Advantage and Part D Final Rule (Final Rule) requires states to convert Dual Demonstration (Demonstration) Medicare-Medicaid Plans (MMPs) to integrated Dual Eligible Special Needs Plans (D-SNPs) to allow for continued integrated coverage for dually eligible members after the Demonstration ends.

In August 2023, after receiving input from CMS, MMPs, and other stakeholders, HHSC announced the decision to end the Demonstration December 31, 2025, and transition MMPs to integrated D-SNPs January 1, 2026.

In addition, organizations interested in applying for a new D-SNP contract must submit a Notice of Intent to Apply to CMS by November 11, 2024, to ensure access to the CMS Health Plan Management System (HPMS) when applications are released.

The purpose of this notice is to communicate HHSC's plans for:

- Transitioning the MMPs to an integrated D-SNP model on January 1, 2026; and
- Future expansion of integration for dually eligible members for D-SNPs affiliated with a STAR+PLUS managed care organization (MCO).

These steps will further advance Medicare-Medicaid integration, align with federal rules, and streamline services to improve member and provider satisfaction.

Key Details:

Described below is the model and multi-phased timeline approach HHSC identified for full-benefit dually eligible members (full duals) that will allow STAR+PLUS members who have been served in Demonstration counties by an MMP to continue to have access to integrated care provided by one plan for both their STAR+PLUS Medicaid benefits and Medicare benefits.

Initially, HHSC will implement the model only in the following counties: Bexar, Dallas, El Paso, Harris, and Hidalgo. Hereafter in this MCO notice, these counties will be referred to as "Demonstration Counties." Details for plans expanding the model beyond the Demonstration Counties have not been decided.

Implementation Timeline

In **July 2025**, HHSC will end passive enrollment for the 2025 MMP plan sponsors who extended their participation in the Demonstration until December 31, 2025.

Beginning January 1, 2026, the MMPs in the Demonstration Counties listed below will transition to an integrated D-SNP model ("Integrated D-SNP Model") for full duals:

- Bexar County: Molina Healthcare of Texas.
- Dallas County: Molina Healthcare of Texas and Superior HealthPlan.
- El Paso County: Molina Healthcare of Texas.

- Harris County: Molina Healthcare of Texas and UnitedHealthcare Community Plan of Texas.
- Hidalgo County: Molina Healthcare of Texas and Superior HealthPlan.

In addition, on January 1, 2026, the following D-SNPs will not implement the Integrated D-SNP Model and may continue enrolling and serving full duals and partial-benefit dually eligible members (partial duals):

- D-SNPs in Demonstration Counties that are not affiliated with the former MMPs operating the Integrated D-SNP Model; and
- All D-SNPs not in Demonstration Counties.

HHSC will not accept new coordination-only (CO) D-SNP contracts in the Demonstration Counties that are not affiliated with a STAR+PLUS MCO for CY 2026 and future calendar years.

Beginning January 1, 2027, and pending compliance with CMS regulations, HHSC will expand the Integrated D-SNP Model for full duals to the following remaining D-SNPs that have an affiliated STAR+PLUS MCO in the Demonstration Counties:

- Bexar County: United Healthcare Community Plan of Texas, Molina Healthcare of Texas, and Community First Health Plans.
- Dallas County: United Healthcare Community Plan of Texas, Molina Healthcare of Texas, and Superior HealthPlan.
- El Paso County: Molina Healthcare of Texas and El Paso Health.
- Harris County: United Healthcare Community Plan of Texas, Molina Healthcare of Texas, and Community Health Choice Texas.
- Hidalgo County: United Healthcare Community Plan of Texas, Molina Healthcare of Texas, and Superior HealthPlan.

As part of the January 1, 2027, expansion, HHSC will freeze new member enrollment in CO D-SNPs in the Demonstration Counties that are not affiliated with a STAR+PLUS MCO.

HHSC will analyze data for the Integrated D-SNP Model in the Demonstration Counties, after which HHSC will make decisions about expanding the integrated model beyond the Demonstration Counties.

Integrated D-SNP Model Details

Key features of the Integrated D-SNP Model for full duals:

- D-SNPs will operate exclusively aligned enrollment (EAE).
- D-SNPs will operate a unified Medicare-Medicaid appeals and grievances process.
- Each D-SNP and the D-SNP's affiliated STAR+PLUS MCO will develop integrated member materials.
- HHSC will prohibit a parent organization of a D-SNP implementing this model from also operating CO D-SNPs that enroll new full duals in the same county. However, a parent organization of a D-SNP implementing this model may also operate a CO D-SNP under the same contract for that county to enroll and serves partial duals.
- D-SNPs implementing this model must establish a single Texas D-SNP-only contract in its Demonstration County(ies).
 - If a parent organization has other contract(s) that offer D-SNPs in non-Demonstration Counties where the parent organization also operates a STAR+PLUS MCO, HHSC will allow the D-SNP-only contract to include separate plan benefit packages in the D-SNP-only contract.

- Additionally, HHSC will allow this contract to include a separate plan benefit package for a CO D-SNP to serve partial duals in the Demonstration County(ies).

Next Steps:

HHSC is working to determine the operational details related to the implementation of the integrated model and will continue to collaborate with CMS and the health plans throughout the implementation process.

HHSC will update the Dual Demonstration Transition Log, as applicable, to reflect decisions related to the transition as they are made.

References:

For additional background information, please refer to the MCO notices titled:

- “HHSC Dual Demonstration’s Phase-out and Transition of MMPs to Integrated Dual D-SNPs” (March 23, 2023);
- “Transitioning the Dual Demonstration to an Enhanced Dual Eligible Special Needs Plan Model” (August 16, 2023);
- The Dual Demonstration Transition and Member Enrollment (September 25, 2023); and
- Dual Demonstration Transition Log (September 16, 2024).

Action:

No action needed.

Contact:

Managed_Care_Initiatives@hhs.texas.gov

Type: Informational

To: MMP; STAR+PLUS

From: Policy