



FOR IMMEDIATE RELEASE:

December 10, 2013

FOR MORE INFORMATION:

Jeff Van Ness, (202) 204-7515

**ON TENTH ANNIVERSARY OF CREATION OF MEDICARE SPECIAL NEEDS PLANS,
ACAP CALLS FOR THEIR REAUTHORIZATION**

WASHINGTON—Sunday, December 8 marked the tenth anniversary of the passage of the Medicare Modernization Act (MMA) of 2003. The law provided for the creation of Special Needs Plans, a distinct category of Medicare Advantage plans that tailor their services to people with specific diseases or characteristics.

Today, most Special Needs Plans (SNP) serve people who are dually eligible for Medicare and Medicaid. “Dual eligibles” number only about 9 million nationwide but are more likely to live with chronic conditions or mental illness. Since they tend to need continuous care, dual eligibles account for an outsized proportion of state and Federal health care spending: roughly \$230 billion between Medicaid programs and the Federal government in 2006, or 36 percent of all Medicare spending and 39 percent of Medicaid spending.

Before the introduction of SNPs, care for most dual-eligible beneficiaries was highly fragmented: Medicare accounted for some benefits, and Medicaid programs covered others. The MMA’s SNPs were the most widespread effort to date to better integrate and coordinate care for this vulnerable population. In recent years, the SNP program has been reauthorized by Congress in a series of one-year patches in a manner similar to the Medicare Sustainable Growth Rate.

“The Medicare Modernization Act is much more than just the Part D benefit,” said ACAP CEO Margaret A. Murray. “SNPs represent a real achievement in better integrating care for our most vulnerable seniors. As we celebrate the tenth anniversary of their creation, it bears noting that Congress has an opportunity to bring needed stability to the SNP program through a long-term reauthorization.”

While Congress has authorized operation of SNPs through 2014, health plans must declare their intentions to operate SNPs in 2015 by the end of this year. “Over the long run, the uncertainty and instability inherent in a string of one-year reauthorizations makes it more challenging for plans to operate in the SNP space,” added Murray. “A reauthorization of five years or more would allow for better long-term planning and more thoughtful implementation, and would enhance the benefits vulnerable seniors already see from the care coordination Special Needs Plans provide.”

How Special Needs Plans help vulnerable seniors: one family’s story

One way Special Needs Plans help dually-eligible seniors is by helping them to have the independence to live with their families—in their own homes and communities. Consider the case of “Sharon,” 91, a member of Commonwealth Care Alliance in Boston. Her primary caregiver was her daughter, E.J., who brought her mother from a nursing home to live with her. “They were doing a wonderful job, but there was a look in my mom’s eyes that said she needed to come out of there. At the time I didn’t realize what I was getting in to because I’ve never had to deal with anyone who’s aging,” said E.J.

As a caregiver, E.J. found support from her Sharon’s primary care team, the group charged with effectively coordinating and delivering a member’s care. The nurse practitioner recommended an adult day care program, which allowed E.J. to get out during the day, and keep her own doctor’s appointments. Last year, the team facilitated 24 hour care for her mother so that E.J. could enjoy a three-day respite.



“I have had almost like an extended family,” said E.J. “I have never had to make a telephone call that wasn’t returned... I was having trouble getting medicine for my mom that she needed and once I turned it over to Commonwealth Care Alliance, there was no problem. I have really been blessed, and my mom has been super-blessed to be a part of the program.”

About ACAP

ACAP represents 60 nonprofit Safety Net Health Plans in 25 states, which collectively serve more than ten million people enrolled in Medicaid, Medicare, the Children’s Health Insurance Program (CHIP), and other public health programs. For more information, visit www.communityplans.net.

###