DDAdvocates Analysis of Michigan Dual Eligible Initiative
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<table>
<tr><th>Current</th><th>Dual Eligible Proposal</th></tr>
<tr><td colspan="2">Program Eligibility—Who's In?</td></tr>
<tr><td>Persons who are 65 years old and older and have developmental disabilities and or mental illness qualify for Medicare medical insurance</td><td rowspan="4">If these persons also receive Medicaid supports they will now be covered by a Medicaid-Managed Care Organization contracted by the Department of Community Health. They will no longer be covered by Medicare.</td></tr>
<tr><td>Persons whose parents qualify for Medicare and have developmental disabilities and or mental illness qualify for Medicare medical insurance regardless of age.</td></tr>
<tr><td>Persons who have developmental disabilities or mental illness and have earned Medicare benefits as a result of their work contributions qualify for Medicare medical insurance</td></tr>
<tr><td>Persons without disabilities living at home or in long term care facilities qualify for Medicare benefits when they reach age 65</td></tr>
<tr><td>Program Eligibility – Who's Out?</td><td></td></tr>
<tr><td>Persons with Medicare-only receive medical benefits through Medicare</td><td>No change until the person becomes eligible for Medicaid; then the above coverage takes over.</td></tr>
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<tr><td colspan="2">Continuity of Care</td></tr>
<tr><td>Persons with developmental disabilities or mental illness receive residential, vocational and other community supports from Medicaid regardless of where their medical supports come from. These Medicaid services are administered by the local community mental health organization</td><td rowspan="3">Persons who receive both Medicare and Medicaid will no longer receive medical benefits from Medicare providers, and community supports (vocational, residential and other) from the local CMH agency. Instead these programs for the dual eligible will be controlled by the state-wide agency and services will be provided by that agency's provider network. There is no guarantee that physicians and providers chosen by families will be available in the dual eligible network.</td></tr>
<tr><td>Families of persons with disabilities seek out medical physicians, programs and service providers that they believe will best support their loved ones when the family is no longer able to do this.</td></tr>
<tr><td>Clients form strong bonds with quality staff, think of residences as home and work settings as work.</td></tr>
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Medical Concerns	
Medicare services are well administered, accepted universally and provide access critical to the health of persons with complicated medical conditions. Medicaid on the other hand is not universally accepted, is poorly administered (often disqualifying clients without advice or explanation) and often uncooperative in the resolution of issues.	The new program will be administered by Medicaid contracting through a privatized administrator. The administrator will provide one personal advocate for each client responsible for determining a treatment plan from a network of providers that may not include the physicians who have been most effective in the treatment of these patients. In addition there is no existing managed care medical protocol for treating persons with developmental disabilities who often present symptoms in a way not consistent with the "normal population." Traditional managed care protocols, failure to assemble an appropriately talented team within the new network, and forced transfers away from specialists with long term experience with individuals will put persons with complex conditions at risk and result in larger long term cost; not less.
Persons with developmental disabilities often have complex medical conditions and require medical staff with unique diagnostic capabilities. Families and good care givers seek out physicians who have the talent and the will to treat persons with these conditions. Often they find it necessary to engage professionals in a number of medical systems. This selection process helps eliminate countless otherwise unnecessary hospitalizations and the development of unnecessary complications.	
Quality and Safety	
When two Wayne County MCPN's unilaterally cut funding to providers of services to the developmentally disabled, significant numbers of health and safety issues and supports reductions occurred. These were attributed to providers being forced to make sometimes illegal funding cuts in order to survive.	The dual eligible program will add a level of administration (4.5% to xx%) and offer incentives for spending (service) reductions at each levels. In addition there is no provision for safeguards related to choice between entities, or checks and balances as both services and plans will now be administered by the same privatized activity.
Programs for the aged and especially the aged poor are underfunded and quality efforts are generally inadequate. Michigan nursing homes have the 9th highest rate of serious safety violations per capita. These programs are administered by Medicaid. >Detroit Free Press December 11, 2011.	The entire dual eligible program will be administered by Medicaid which is already over- burdened and under- funded and does not assure quality medical and long term care let alone life long residential, vocational and therapeutic care for the Developmentally Disabled
Choice	
To be sure clients have service choices and that there are no abuses of power and conflict of interest in the community	There will be one privatized provider network for service delivery throughout the state and one case worker for medical

supports delivery process, the Federal and State Governments require provision of multiple provider networks (MCPN's) in each large service area (5 in Wayne County). Clients can and do elect to move between MCPN's based on program needs, case worker synergy, effectiveness and/or funding dollars	psychological, residential, vocational and all other community supports. Take it or leave it. There is no provision for choice between networks or social workers and no check and balance remaining in the system.
Today clients have open access to medical providers and for living services can move between Counties, MCPN's, social workers, providers and staff	Dual eligibles will be assigned one social worker responsible for all aspects of care and will be allowed choices only within one state wide network. They will be given the choice to opt out of the dual eligible program but the state has provided no detail on what the opt out choice will consist of. If the state were serious about it's objectives, it would offer an opt-in option, rather than an opt out process.
Local Control	
Today Community Mental Health Services are designed and implemented at the local level based on the needs known to the Community Mental Health Board and County Commissioners and Executives.	Services will be mandated at a state level
When MCPN's or providers fail to perform acceptably and the normal social service checks and balances haven't worked adequately, Citizens have access to the local Community Mental Health Board Members, County Commissioners and the County Executive.	There is no provision for local control under the dual eligible proposal
When the state administrators set policies that are contrary to the best interest of local clients, the Michigan Community Mental Health Boards have effectively lobbied against even bitterly held state-ideologies. This happened in 2010/2011 when the state supported closing all congregate work settings to the chagrin of clients, families and professionals. MCMHB members effectively opposed the action.	Under the dual eligible proposal there is no provision for local input concerning state mandated policies
Funding Inequity and Risk	
Residential, vocational and psychological supports for the developmentally disabled	There will be no carve out of waiver funds for protection of the developmentally

and mentally ill have been carved out and supported by Medicaid Waivers designed to insure most economical and effective administration of benefits at the local county level. These waivers are designed to assure that those who can not fend for themselves receive intended and necessary services.	disabled and mentally ill. Instead all funds from Medicare and Medicaid will be comingled for all segments of the dual eligible population and administered on a state wide basis by a privatized medical provider with no experience in dealing with comprehensive medical and community supports for the DD and MI clients. In addition the state will assume responsibility for Medicare Medical Services from the Federal Government on a captivated basis, not fee for service.
Today the Federal Government is responsible for administering Medicare and the State, through local CMH agencies, for effective and efficient control of Medicaid services.	The new agency will administer all programs for the dual eligible's; leaving programs for non-duals with the local CMH's. This will create redundant service delivery systems in each county and there is no proposal for how the funding split will occur..
Michigan Community Mental Health organizations typically limit administrative expenses to 4.5% of revenue. Michigan medical insurers are allowed over 20% for administration and reserves and the state sues the federal government to protect this rate>.Ref. Detroit Free Press.	Administration of Community Mental Health services for dual eligible clients will be through a medical provider accustomed to higher reserves and therefore fewer services
Bad Process	
The aged poor (those on both Medicare and Medicaid) and the Mentally Ill, those on Substance Abuse and those with Developmental Disabilities make up a disproportionate share of combined Medicare / Medicaid funding. You would expect this type of anomaly in any insurance situation – the most physically and mentally involved persons will have the most costly care.	Rather than address abuses and weaknesses in the system: lack of available clinics to eliminate unnecessary emergency admissions, life style changes to minimize weight gain, cardiac and diabetic complications and so on, the federal government along with 14 cooperating states including Michigan are pooling services and funding for all of these populations and transferring administration to private companies, offering them **cost sharing for losses and commissions for cost (service) reductions**.
25% of Michigan Prisoners are severely mentally ill. Officials now look at prisons as being the 'new institutions' with no funding for treatment. The epidemic is attributed to the failed Engler era promise	Mr. Haveman is now reported to be providing the Snyder administration advice on mental health issues including the dual eligible project. This ideology of 'complete community inclusion without required

to close hospitals in favor of community treatment and then failure to fund necessary community supports and to track persons released to the community. This project was led by James Haveman, then director of mental health. http://bridgemi.com/2011/12/get-the-mentally-ill-out-of-prisons-jails/#.TwPBEjVPvyE	supports' drastically **failed** the mentally ill and will even more drastically **fail** the developmentally disabled.
Good process is based on meaningful metrics, identification of the root cause for aberrant conditions and identification, implementation and monitoring of ongoing corrective actions. It is driven by the concept of continuous improvement	The Department of Community Health decided unilaterally to pursue funds for the Dual Eligible project, talks only about $7.0 billion dollars but has no metrics identifying the populations and behaviors that make up those expenditures and therefore can not gauge whether or not this disruption will indeed result in better services and less cost..
Good process uses controlled pilots to test change, make corrections and monitor progress as it builds a high quality program	The dual eligible process proposes a big bang launch with no provision for a pilot, or identified metrics or known root causes for excess spending. Launching a project of this magnitude and complexity by handing it off to a private third party without proving the concept in theory and practice is irresponsible governance! It has the potential for becoming a blind experiment that will impact the lives and well being of the state's most vulnerable citizens
Today the federal government is fully responsible for most of the $7 Billion price tag for dual eligibles: roughly 80% of medical is covered by Medicare and 66% of community supports and therapies are paid by Medicaid. Medical costs are growing at 10% a year.	. Under the new program the federal government will transfer its share of the $7 Billion to the state for administration. In this transaction, the state also accepts liability for future year program growth and inflation with no guarantee that Federal funding will be adequate, or that there are off setting savings.