

Testimony
Engrossed Senate Bill No. 2265
House Human Services Committee
Representative Weisz, Chairman
March 8, 2023

Chairman Weisz, and members of the House Human Services Committee, I am Krista Fremming, Interim Director of Medical Services with the Department of Health and Human Services (Department). I appear before you in support of Engrossed Senate Bill No. 2265.

North Dakota Medicaid has about 15,000 members who are dually eligible for both Medicaid and Medicare. Medicare, the federal program, provides coverage for individuals over age 65 as well as those who are under 65 and have a disability. Medicaid, the joint federal and state program, provides coverage for individuals who meet income and asset requirements and are members of eligible groups including adults with disabilities, older adults, children and families, pregnant women and other low-income adults.

This Bill would create the option for dually eligible members to participate in a dual special needs plan (DSNP). The Department would establish contracts with one or more insurers who would offer Medicare Advantage plan specifically for dually eligible individuals, otherwise known as a DSNP.

Dually eligible members generally have greater needs than the other groups covered by Medicaid. We know that 70 percent of dually eligible members have three or more chronic conditions such as diabetes, Alzheimer's disease, heart disease or an intellectual disability. We also

know that about 40 percent of dually eligible members have a behavioral health disorder such as depression, anxiety, bipolar disorder or schizophrenia. This leads to a disproportionate share of Medicaid and Medicare spending on services for dually eligible members.

Research shows that members who participate in DSNPs have reduced use of institutional care and increased use of home and community-based services. DSNPs also offer benefits not typically covered by Medicare or Medicaid, or both, such as gym memberships, vouchers for healthy food, an allowance for over-the-counter health products and care coordination.

Care coordination is particularly important to ensure members understand their Medicare and Medicaid benefits and can access the right services at the right time. States can establish state-specific provisions aimed at better coordinating Medicare and Medicaid services. An example would be requiring the DSNP to coordinate services and supports around hospital discharges or other care transitions.

We believe a DSNP will improve member care, satisfaction and outcomes. The full-time equivalent position in this Bill will enable the Department to have a dedicated team member to build and implement the program.

- Prior to DSNP(s) implementation:
 - Determine language and terms for the contract
 - Determine the contracting period
 - Determine the service area for the DSNP
 - Determine the categories of eligibility allowed for enrollment
 - Determine the process to coordinate care between the DSNP and Medicaid programs

- Determine the performance reporting requirements
 - Review and execute contract with the DSNP.
- Ongoing after implementation:
 - Provide Medicaid eligibility information to DSNP
 - Provide Medicaid provider information to DSNP
 - Collect DSNP enrollment reports
 - Monitor DSNP performance against contract terms
 - Review and oversight of other required reporting and performance expectations
 - Overall monitoring of DSNP performance

DSNP contracts require dedicated support for appropriate oversight. DSNPs can bring a coordinated approach for achieving better health within this complex population, allowing ND's dual eligible residents to age in place longer and improve outcomes overall.

The Senate reduced the appropriation from \$356,269 to \$237,516 and reduced the full-time equivalent position request from one and one-half positions to one position to coordinate the planning and implementation of the Medicaid dual special needs plan.

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.