The Financial Alignment Initiative (FAI) aims to provide individuals dually enrolled in Medicare and Medicaid with a better care experience and better align the financial incentives of the Medicare and Medicaid programs. CMS is working with States to test two integrated care delivery models: a capitated model and a managed fee-for-service model. Ohio and CMS launched the MyCare Ohio demonstration in 2014. The demonstration has been extended until 2022.

**Key Features of the Ohio Demonstration**
- Uses the capitated model based on a three-way contract between each Medicare-Medicaid Plan (MMP), CMS and the State to finance all Medicare and Medicaid services.
- MMPs provide care coordination and flexible benefits that vary by MMP.
- MMPs provide integrated benefits to all full-benefit Medicare-Medicaid enrollees age 18 and older.

**MEDICARE-MEDICAID PLANS**
- The demonstration operates in seven regions, comprising 29 of Ohio's 88 counties.
- Five MMPs contract with medical, behavioral health, and long-term services and supports (LTSS) providers to provide integrated Medicare and Medicaid services.
- Medicare-Medicaid beneficiaries who choose not to receive their Medicare benefits through a MyCare Ohio MMP are not enrolled in the demonstration but are still required to receive their Medicaid benefits through a MyCare Ohio plan.
- MMPs are required to contract with Area Agencies on Aging waiver service coordinators to coordinate waiver services for members who are age 60 or older and have the option to delegate waiver service coordination for enrollees under age 60.

**BENEFICIARIES**
- As of December 2020, 62% were enrolled in a Medicare-Medicaid Plan.
- 82,863 of the total 134,194 eligible Medicare-Medicaid beneficiaries were participating in the Ohio demonstration.

**IMPLEMENTATION**
- MMPs credited the design of MyCare Ohio with the relatively high rate of enrollment.
- The State requires MMPs to adopt a population health management model for care management and has developed an assessment that captures information about the social determinants of health.
- MMPs are working collaboratively to reduce the administrative burden on nursing facilities by creating more consistent processes and tools across MMPs.

- The percentage of members with at least one documented discussion of care goals in their care plan has been consistently high throughout the demonstration.
- The percentage of MyCare Ohio enrollees who rated their health plan as a 9 or 10 increased from 51% to 66% between 2015 and 2018.
There was strong support among Ohio stakeholders for extending the demonstration, despite some challenges in 2018–2020. MyCare Ohio has maintained relatively high enrollment during the demonstration. The proportion of enrollees with documented discussions of care goals has also been consistently high, and care quality and enrollee satisfaction have improved over time. There were statistically significant increases in cumulative Medicare costs. The demonstration had mixed results on service use.

### FINDINGS (continued)

#### MEDICARE EXPENDITURES

Regression analyses of the demonstration impact on Medicare Parts A and B costs, relative to a comparison group, found statistically significant increases during the overall demonstration period.

**Monthly demonstration effect on Medicare Parts A and B costs, by demonstration year**

<table>
<thead>
<tr>
<th>Demonstration Period</th>
<th>Average Demonstration Effect on Medicare Expenditures, PMPM</th>
</tr>
</thead>
<tbody>
<tr>
<td>DY 1 (May 2014–Dec 2015)</td>
<td>$-24.52</td>
</tr>
<tr>
<td>DY 2 (Jan 2016–Dec 2016)</td>
<td>$127.35*</td>
</tr>
<tr>
<td>DY 3 (Jan 2017–Dec 2017)</td>
<td>$147.66*</td>
</tr>
<tr>
<td>DY 4 (Jan 2018–Dec 2018)</td>
<td>$183.89*</td>
</tr>
<tr>
<td>Cumulative (DY 1–4)</td>
<td>$97.55*</td>
</tr>
</tbody>
</table>

DY = demonstration year; PMPM = per member per month
*p<0.05

#### SERVICE UTILIZATION AND QUALITY OF CARE:

**Demonstration Years 1 through 4 (2014–2018)**

<table>
<thead>
<tr>
<th>Favorable Results</th>
<th>Unfavorable Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased monthly number of physician visits</td>
<td>Increased monthly probability of any emergency department visit</td>
</tr>
<tr>
<td>Increased probability of any 30-day mental health follow up after a mental health discharge</td>
<td>Increased number of preventable emergency department visits</td>
</tr>
<tr>
<td>Decreased monthly probability of any inpatient admission</td>
<td>Increased probability of ambulatory care sensitive condition admissions</td>
</tr>
<tr>
<td>Decreased annual probability of any long-stay nursing facility use</td>
<td></td>
</tr>
</tbody>
</table>

• There was no demonstration effect on the probability of skilled nursing facility admissions or the probability of 30-day readmissions.

### KEY TAKEAWAYS

There was strong support among Ohio stakeholders for extending the demonstration, despite some challenges in 2018–2020. MyCare Ohio has maintained relatively high enrollment during the demonstration. The proportion of enrollees with documented discussions of care goals has also been consistently high, and care quality and enrollee satisfaction have improved over time. There were statistically significant increases in cumulative Medicare costs. The demonstration had mixed results on service use.