

**MassHealth: Senior Care Options (SCO)  
Medicare/Medicaid Demonstration  
Fact Sheet**

**Summary:**

The Centers for Medicare and Medicaid Services (CMS) and the Division of Medical Assistance (DMA) for the Commonwealth of Massachusetts have combined resources to develop a dual eligible demonstration, MassHealth Senior Care Options (SCO). Three contractors are participating in the demonstration: Evercare Massachusetts, Senior Whole Health, and Commonwealth Care Alliance. The demonstration initiated services in March 2004. The demonstration will have state-wide impact.

**Background:**

The Office of Research, Development, and Information (ORDI) and DMA have collaborated for several years in the development of the MassHealth: Senior Care Options (SCO) Dual Eligible Demonstration. The initiative is the fourth dual eligible demonstration approved by CMS (the Program for All-inclusive Care for the Elderly (PACE), Minnesota Senior/Disability Health Options, and the Wisconsin Partnership Program are the other three).

The SCO program has more extensive eligibility than PACE, which is available only to community-dwelling beneficiaries requiring nursing home level of care. Like PACE, SCO contractors provide care through managed care organizations (MCOs) to beneficiaries who enroll voluntarily. SCOs offer the full range of Medicare and Medicaid benefits available to dual eligible beneficiaries in Massachusetts. SCOs serve community-well, community frail (the PACE niche), and institutionalized people ages 65 and over. Medicare-only beneficiaries will not be eligible to enroll.

SCOs deliver care through a “geriatric model” that is financed by the pooling of all Medicare and Medicaid revenues at the health plan level. SCOs are required to contract with State Aging Services Access Point (ASAP) providers as part of the SCO care management team, which will deliver home and community-based services as part of an integrated model of care.

Medicare payment will be based on the M+C methodology, with the exception of the use of the PACE demographic adjustor (2.39), for the nursing home certifiable rate cells. SCOs will transition to diagnosis-based comprehensive risk adjustment on the same schedule as the PACE program and receive a plan-level frailty adjustment in the same manner as the PACE and other dual eligible demonstrations. Medicare demonstration waivers are required for the use of the PACE demographic adjustor.

Medicaid waivers are not required for implementation of SCO. Medicaid services are provided under current State Plan authority.

## **Current Status**

**Three contractors participate in the SCO demonstration. Commonwealth Care Alliance is a non-profit consortium of PACE providers and 6 medical groups. Senior Whole Health: is a for-profit alliance between Caritas Christi, the Catholic Health System in Massachusetts, and a start-up managed care firm. Evercare Massachusetts is a for-profit health care insurer with commercial, M+C and Medicaid lines of business including the CMS-sponsored Evercare demonstration.**

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