

Memorandum in Opposition ELDER LAW AND SPECIAL NEEDS SECTION

Elder #12

February 20, 2018

S. 7507-A, PART B, §4
A. 9507-A, PART B, §4

By: BUDGET
By: BUDGET

Senate Committee: Finance
Assembly Committee: Ways and Means

THE ELDER LAW AND SPECIAL NEEDS SECTION OPPOSES THE PROPOSAL TO PRECLUDE MLTC MEMBERS FROM CHANGING PLANS AFTER THE FIRST 30 TO 45 DAYS OF ENROLLMENT

Part B, Section 4 of the Health and Mental Health budget bill would only allow an MLTC member to change plans within the first 30 days of enrollment, if the member actually chooses the MLTC plan, or, alternatively, 45 days from time the member was assigned to a plan, after which time members would be locked into a plan for a period of 12 months. This will have the effect of taking away a critical element of the managed care model which is to foster competition between available plans to encourage the highest quality of care. This proposal would also take away the ability for the member to choose a plan which will best suit his or her needs. We believe that the projected savings have no basis and that the change will be harmful to many MLTC enrollees.

We have several concerns about this proposal. First, a member's ability to "vote with their feet," and choose a different plan than one they are unhappy with is crucial. There are many members who choose or are assigned to a plan which may not have their doctors, their adult day care center or employ a long-time aide. Moreover, the MLTC contracts only require plans to assess a member's needs by the 30th day of enrollment. The member may not even have received an initial plan of care from the plan by the 30th or 45th day of enrollment, so they do not even have critical information needed to decide whether to stay or switch. This proposal also will act as a disincentive for the MLTC plan to provide a high quality of care since the plan will know that an unhappy consumer will not be able to switch plans for a period of one year.

Consumers currently have leverage when it comes to choosing their plans. This choice is an important check on the system, especially since there is so much interaction between consumers and plans. The apparent justification for this proposal is to eliminate "shopping" for plans, and that supposedly each time a consumer switches plans, hours increase by 10%. However, there is no data offered to substantiate that claim. In fact, increases in hours are likely justified and mean that the plan that a member switched from likely did not adequately meet the member's needs. By the DOH's own rationale, the choice that the ability to switch plans offers is necessary to make sure plans do not short-change consumers critically needed hours. This proposal would have the opposite effect.

The Elder Law and Special Needs Section OPPOSES this proposal to bar an MLTC member to change plans after the first 30 to 45 days of enrollment.