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AETNA MEDICAID

Arkansas Legislative Task Force

Janet Grant, Regional Vice President

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Handout #1

Aetna: Empowering People to Live Healthier Lives

2015 Aetna at a Glance

50,000 employees

23.5 million medical members

$61 billion revenue

160 years of national and international experience

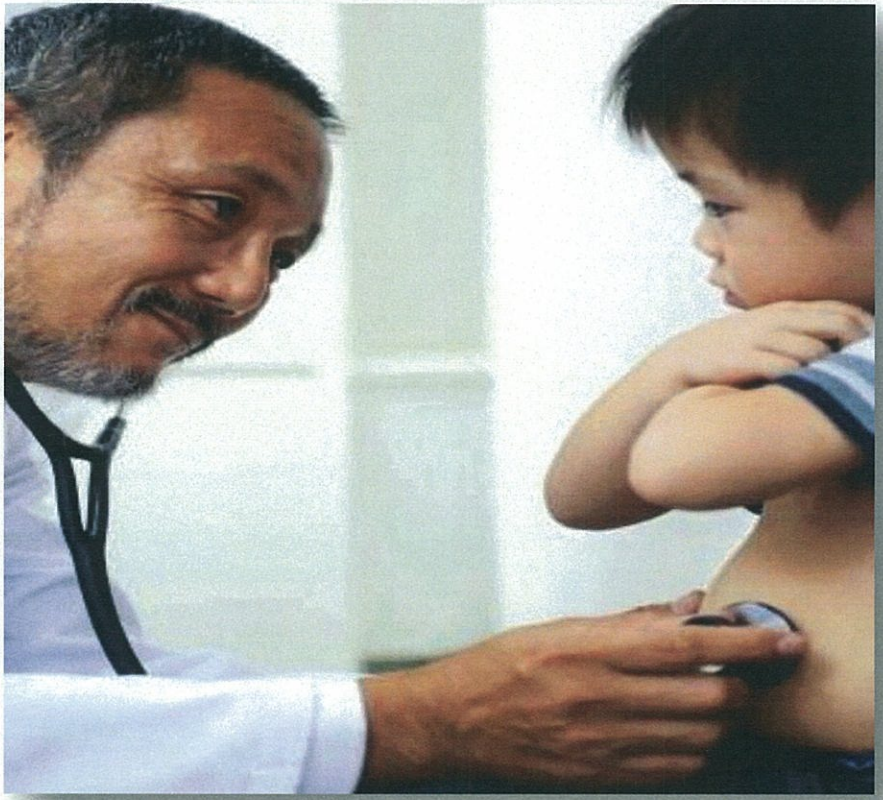
3rd largest managed care organization in the US

Aetna in Arkansas
Serving 91,000 members

We put the members we serve at the center of everything we do

At Aetna Medicaid, We Believe…

…in improving every life we touch as good stewards to those we serve

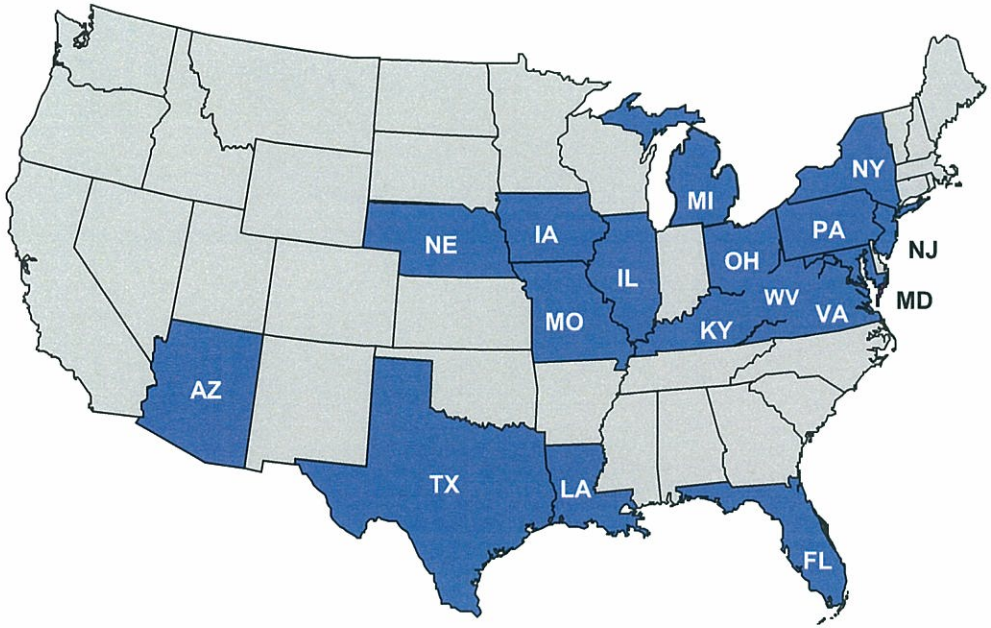


2015 Aetna Medicaid Overview

Leader in managing medically complex populations at the local, community-based level by integrating physical health, behavioral health and social economic status of members

2015 Aetna Medicaid Footprint

We provide services for nearly
3 million members** across **17 States



We uniquely bring 30 years of successful experience with Medicaid populations.

Three decades of caring for high acuity Medicaid beneficiaries successfully driven by:

- Local, community-based plans
- Pioneer in bio-psycho-social integrated care model
- Committed to health care transformation
- Manage 11 LTSS/Duals/DD programs across 7 states

Populations We Serve

- Aged, Blind and Disabled (ABD)
- Children in foster care (DCF)
- Children's Health Insurance Program (CHIP)
- Developmentally Disabled (DD)
- Dual Eligibles
- General or Serious Mental Illness (GMH/SMI)
- Long Term Services and Supports (LTSS)
- Medicaid Expansion
- Temporary Aid to Needy Families (TANF)

Program Design for Success Recommendations

A capitated, integrated managed model of care for all populations

- ✓ Use an integrated, holistic approach rather than disease-specific or problem-focused
- ✓ Facilitate transitions between systems of care to ensure continuity of care
- ✓ Engage each member in culturally competent manner that addresses physical, behavioral and social needs
- ✓ Employ evidence based practices to create optimal outcomes for members
- ✓ Provide for access to a continuum of services and supports based on complexities of individual member needs and outcomes
- ✓ Support members in the most integrated/least restrictive environment

Keys to a Successful Medicaid Managed Care Program

- **Fully-Capitated, Integrated Approach:** Provides budget predictability, aligns incentives, and promotes MCO accountability to administer program on behalf of the State and the beneficiaries
- **Carve-In All Services (physical/ behavioral health, pharmacy, dental, transportation):** Enables MCOs to care for beneficiaries' needs in a holistic manner and reduces confusion among providers, beneficiaries and stakeholders
- **Include Aged, Blind and Disabled (ABD) and Long-Term Services and Supports (LTSS):** Facilitates rebalancing of services by helping members live in least restrictive setting, by their preference, reducing reliance on inappropriate institutional care
- **5-Year Contract with Additional 24 Month Renewal:** Allows runway for MCOs to achieve program stability and sustainability on behalf of the State, providers and beneficiaries; gives MCOs opportunity to engage with members, build trust and achieve the State's overall program objectives – improve access to care, quality of care and affordability of care
- **Statewide Mandatory Enrollment and Open Enrollment Period:** Allows for continuity of members care, enables efficiency of scale for MCOs and improves the opportunity to achieve marked improvement in quality outcomes and HEDIS measures
- **Contract with MCOs Experienced In Serving High Acuity Populations:** Ensures the States most vulnerable beneficiaries are served by MCOs that have proven experience
- **Actuarially Sound Rates Set by the State:** Provide transparency in rate development with MCOs with timely review; include initial 2-year risk corridor to address volatility while programs stabilize

The Aetna Medicaid Difference

- ✓ 30 years expertise in serving complex, high-risk populations
- ✓ Integrated, member centric care model
- ✓ Local, community-based plan
- ✓ Focus on quality outcome improvement
- ✓ Value-based provider payment alignment
- ✓ Commitment to health care transformation and technology