Individuals with I/DD and the Transition to Managed Care

More than 7 million Americans have intellectual or developmental disabilities (I/DD). A majority of states for assisting people with I/DD are covered on a fee-for-service basis. This issue for poor- and community-based services is critical for individuals with intellectual disabilities (ICF/IID). The fee-for-service model is costly, inefficient and inconsistent. Many states are considering a transition to managed care for I/DD services. They see it as an opportunity to enhance the delivery of services and make the most of Medicaid funding.

As states transition to managed care models to deliver I/DD services, it’s vital they work with managed care organizations, beneficiaries, providers, and program stakeholders to ensure that individuals with I/DD and their families receive the full range of services and supports they need. Following are some points to consider as you begin planning:

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**I/DD DEMOGRAPHICS**

7.37 million in the U.S. have an I/DD

20% of 5.5 million are served by state agencies

83% of those with I/DD are under the care of Medicaid-funded long-term supports and services (LTSS)

How many I/DD individuals are served by Medicaid-funded LTSS?

- 20% through traditional waivers
- 29% through other fee-for-service LTSS
- 54% received state or Federal Medicaid
- 5% received services in a managed care setting

As states consider transitioning to managed care, they must:

- **Assess needs**: Identify the strengths and needs of the population
- **Understand risks**: Identify the risks related to transitioning
- **Be accountable**: Ensure that all individuals have access to care

**PUBLICLY FUNDED I/DD SERVICES AND SUPPORTS**

Funding authority:

- States and counties
- Federal and state

Medicaid waiver services have greater expense and utilization than Medicaid ICF/IID

States’ share:

- 80% of Medicaid LTSS spending
- 90% of LTSS spending

HCBS and other waiver-based services are not traditionally covered under managed care. However, states should include these services in their transition plans, as they are the most important way individuals with I/DD receive their support.

**COMMUNITY SERVICES ARE KEY**

ICF/IID

- 54% received state or Federal Medicaid
- 5% received services in a managed care setting

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**MEDICAID EXPENSE**

Almost $35.58 billion in 2015

**MEDICAID AFFILIATION**

807,462 individuals are covered

**INDIVIDUALS WITH I/DD IN THEIR HOME COMMUNITY**

Living arrangements for LTSS recipients with I/DD

- 74,614 in their home community
- 17,117 in their home community

**AVERAGE PERSONAL ANNUAL COST OF LTSS FOR INDIVIDUALS WITH I/DD**

$25,072

**INDIVIDUALS WITH I/DD ARE NO STRANGERS TO MANAGED CARE**

- Approximately 50% of those with I/DD are in long-term care
- Many I/DD recipients live in their home community
- Medicaid managed-care plans are required to cover I/DD services

**FOR MORE INFORMATION, CONTACT YOUR OPTUM REPRESENTATIVE OR CALL 1-866-427-8843**

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[9] A majority of states offering managed LTSS

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