



Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services  
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September 29, 2011

Ms. Melanie Bella  
Director, Medicare-Medicaid Coordination Office

Dear Ms. Bella:

This letter is to inform you that the Maine Department of Health and Human Services, Office of MaineCare Services intends to pursue the managed fee for service financial alignment model to integrate care for Medicare-Medicaid enrollees.

As part of its Value Based Purchasing Strategy, the Department is planning an Accountable Communities Program based on the Accountable Care Organization (ACO) model, where it will enter into alternative, risk-based contracts with qualified provider organizations that will align financial incentives for those providers to work together to improve value and decrease avoidable costs for all MaineCare members, including those dually enrolled in Medicare. MaineCare plans a tiered approach to the Accountable Communities program, creating different levels of risk-sharing agreements so that the state may partner with providers at varying levels of capacity and readiness to assume risk and meet specified benchmarks. The Department plans to implement the Accountable Communities program on July 1, 2012.

MaineCare will require ACO proposals to demonstrate how the participating provider organizations will integrate primary, acute, behavioral health and long term supports and services, either through inclusion in the ACO as a risk-bearing provider, or contracts that focus on alternative incentives to coordinate care. Selected ACOs must meet quality benchmarks in order to share in any financial benefits. MaineCare is meeting with provider organizations to gauge the feasibility and potential benefits and challenges of including organizations such as home health, nursing facilities, and community mental health agencies in the ACO, as well as holding the ACOs accountable for some or all costs associated with services provided by these organizations.

The Accountable Communities Program would be open to willing and qualified ACOs statewide, selected through an RFP process. Members will maintain choice of provider. MaineCare anticipates that there will be areas of the state that will not be served by an ACO.

In addition, MaineCare is exploring whether there may be an additional opportunity to engage in the financial alignment model through its planned participation in the Health Homes provision of the ACA.

For more information, please contact Michelle Probert, Director of Strategic Initiatives, Office of MaineCare services, at (207) 287-2641 or [michelle.probert@maine.gov](mailto:michelle.probert@maine.gov). We look forward to working with you.

Sincerely,

Stefanie Nadeau  
Director, Office of MaineCare Services