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MEMORANDUM

TO: Interested Parties
FROM: Mary C. Mayhew, Commissioner *Mary C. Mayhew*
SUBJECT: Maine Managed Care Initiative Update

This past February, the Department announced that we would be conducting an evaluation of the proposed managed care model design along with other value-based purchasing options. At that time, we ceased work toward the planned May 2011 Request For Proposal (RFP) release and broke from monthly stakeholder meetings.

After conducting research and careful consideration, we have decided to pursue the value-based purchasing strategy outlined on the attached fact sheet in order to improve the quality and cost of care for MaineCare members. The Department will employ a three-pronged strategy to strengthen the state's collaboration with providers, leverage current programs, and take advantage of emerging federal opportunities.

The Department remains committed to the goals that we developed through the managed care planning efforts, including the goals of measuring and rewarding quality outcomes, encouraging a health focus for the population, and aligning the incentives of the state, providers and members.

We will be reaching out shortly to reconvene stakeholders in September, and look forward to your input at that time.