



August 4, 2025

Contact: Erin Hemlin, APG Vice President of Communications

ehemlin@apg.org

Tel: (202) 770-1901

APG Advisory: Transforming Care For The Dually Eligible Population In California Through Linked Managed Medicaid And Medicare Advantage Plans

WASHINGTON — Useful resources are now available for America's Physician Group (APG) members and other stakeholders seeking to improve the care of persons who are eligible for, and enrolled in, both Medicare and Medicaid (known as Medi-Cal in California). Three new [issue briefs](#) detail how stakeholders can collaborate to transform the care of this dually eligible population under the [California Advancing and Innovating Medi-Cal](#) initiative (CalAIM). This broad transformation under way in Medi-Cal holds important Implications for the state's 1.7 million dually eligible individuals. Each brief is aimed at a different audience with key roles to play in the transformation: [physician groups](#), [health plans](#), and [state policymakers](#).

The briefs were developed based on the insights and experiences of 20 APG member organizations serving more than 200,000 dually eligible people in California. These physician groups are "capitated" and "delegated" by multiple health plans to provide care to duals and other populations of patients. (Capitation is a payment model in which physician groups or other health care providers receive a fixed, pre-set payment for each patient, such as from an MA health plan; delegation involves the plan assigning specific responsibilities or tasks to the medical group in tandem with the capitated payment, such as utilization management.) The APG members participated in focus groups and key informant interviews in 2024-2025 in a project led by Susan M. Huang, MD, APG's chief medical officer, with assistance from [Transform Health, LLC](#), and with generous support from the [California Health Care Foundation](#).

Background: Dually eligible beneficiaries, sometimes called "duals," are people [enrolled](#) in both Medicare and Medicaid because of their age or disability and low incomes. Medicare pays for their acute and post-acute care, while Medicaid helps with paying their Medicare premiums and cost sharing and services that Medicare doesn't cover, such as long-term services and supports (LTSS). The nation's nearly 13 million duals have a wide range of health status and needs, from being relatively healthy to having multiple chronic conditions, physical disabilities, mental illness, and cognitive impairments such as dementia.

The challenges posed by navigating two different programs has prompted the states and the federal government to seek ways to "integrate" duals' coverage and transform their care. One option now available to duals is to enroll in one of several types of so-called Special Needs Plans, including Dual Eligible Special Needs plans (D-SNPs), which are a type of Medicare Advantage plan that must also contract with a state Medicaid agency and coordinate Medicaid benefits for enrollees. As part of CalAIM, California specifically promotes enrollment in D-SNPs that are closely affiliated – or "aligned" – with a specific managed Medi-Cal plan so that the Medicare and Medicaid benefits are well coordinated and enrollees have better care experiences.

Proportionately fewer duals are enrolled in these "aligned" D-SNPs than may be desirable. For example, in California, only 19 percent of the state's duals receive their benefits and care coverage through aligned D-SNPs. In 2026, however, California will expand the number of aligned MA and Medicaid (Medi-Cal) plans, called Exclusive Aligned Enrollment D-SNPs (EAE D-SNPs); duals enrolled in EAE D-SNPs will be enrolled in a Medi-Cal managed care plan affiliated with the D-

SNP. If implemented effectively, EAE D-SNPs have tremendous potential to ensure that duals receive highly integrated care that enhances their health outcomes and care experience. The three briefs are aimed at enabling stakeholders to understand the transition and better assist in its implementation.

About America's Physician Groups

APG's approximately 340 physician groups comprise over 260,00 physicians and other clinicians providing care to nearly 90 million patients, including about 1 in 4 Americans and 1 in 3 Medicare Advantage enrollees. APG's motto, 'Taking Responsibility for America's Health,' represents our members' commitment to clinically integrated, coordinated, value-based health care in which physician groups are accountable for the costs and quality of patient care. Visit us at www.apg.org.

####