Managed Long-Term Services and Supports: Overview of Key Issues and Guiding Principles

April 13, 2012
Friday Morning Collaborative

With support from The SCAN Foundation, NCOA leads a coalition of national aging and disability organizations working to protect and strengthen Home and Community-Based Services.

For more information about The SCAN Foundation visit: www.TheSCANFoundation.org
Friday Morning Collaborative

- American Association of People with Disabilities
- AARP
- Alliance for Retired Americans
- American Network of Community Options and Resources
- The Arc of the United States
- Association of University Centers on Disabilities
- Alzheimer’s Association
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- National Senior Citizens Law Center
- Paralyzed Veterans of America
- Paraprofessional Healthcare Institute
- Service Employees International Union
- United Spinal Association
- VNAA – Visiting Nurse Associations of America
Webinar Overview

• Introduction
  – Joe Caldwell (National Council on Aging)

• Speakers
  – Laura Summer (Georgetown University Health Policy Institute)
  – Sarah Barth (Center for Health Care Strategies)
  – Ari Neeman (National Council on Disability)

• Questions and Answers
  – 20 – 30 minutes

• Closing Remarks
Questions and Comments

All Lines Will Be Muted During the Call
To Ask A Question Use the Chat Function
Setting the Stage

• Experience to date is limited
  – Only about 6% of beneficiaries receiving LTSS in Medicaid Managed LTSS programs
  – 29 states operate PACE programs serving only about 200,000 individuals

• About 12 states with some form of Medicaid managed LTSS:
  – Arizona
  – Florida
  – Hawaii
  – Idaho
  – Massachusetts
  – Minnesota
  – New Mexico
  – New York
  – Tennessee
  – Texas
  – Washington
  – Wisconsin
Rapid Movement Towards Managed LTSS

• AARP Public Policy Institute, NASUAD, HMA (February 2012). *On the Verge: The Transformation of Long-Term Services and Supports*
  [http://www.aarp.org/research/mpi/](http://www.aarp.org/research/mpi/)

• 11 states indicated plans to implement Managed LTSS in 2012-13
  – California
  – Delaware
  – Illinois
  – Indiana
  – Kansas
  – Maine
  – Michigan
  – New Jersey
  – Nevada
  – Ohio
  – Rhode Island
Medicaid Managed Long-Term Services and Supports: Key Issues and Guiding Principles

Laura Summer
Georgetown University Health Policy Institute

Friday Morning Collaborative Webinar
April 13, 2012
Types of Medicaid Managed Care

• Comprehensive risk-based, capitated
  – States pay a per-member per month premium to MCOs, which provide a comprehensive set of services for enrollees

• Non-comprehensive prepaid
  – States pay MCOs, which provide specific types of services

• Primary care case management
  – States pay certain primary care providers a monthly management fee
Administrative Paths for Managed LTSS in Medicaid

• Medicaid program redesign
  – Comprehensive 1115 waivers

• Other waivers
  – More targeted 1115, 1915(b) and (c) waivers

• Integration and financial alignment demonstrations for duals
Current Initiatives That May Affect Medicaid Long-Term Services and Supports

- Medicaid Managed Care
- The Elderly
- People with Disabilities

Medical Services
- Long-Term Services and Supports

Community Based Services
- Waiver Consolidation
- Initiatives to Promote CBS
  - Money Follows Person
  - ACA Options
  - Health Homes
  - Balancing Incentives
  - Community First Choice

Institutional Services

Types of Plans
- Dually Eligible
  - Advantage
  - SNPs
  - PACE

Integration Initiatives
- Integration Demos
- Financial Alignment

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Observations About Current Activity

• The population is vulnerable, heterogeneous
• States are moving very quickly
• Experience is still quite limited
• Program details differ
  – Scope of services, potential for service integration, target population, regional or statewide
• Evidence is limited and may not always apply
Medicaid Spending for Long-Term Services and Supports
(FY 2009 Expenditures per State Resident)

Key Issue: Transitions to Managed Care

Enrollment Requirements for 22 Current or Planned MMLTSS Programs

- 5 programs with mandatory enrollment with no opt-out
- 9 programs with mandatory enrollment with opt-out
- 6 programs with voluntary opt-in
- 2 programs with other requirements

Consumer Experience with Enrollment
Florida Medicaid Reform Waiver, 2006-2007
Adult SSI Caseload

- Not aware of the availability of choice counseling services: 52% (Broward County), 55% (Duval County)
- Tried but unable to get help finding information about plans: 26% (Broward County), 20% (Duval County)
- Hard to understand information about plans: 66% (Broward County), 66% (Duval County)
- Not aware that plans may have different levels of benefits or new benefits: 38% (Broward County), 36% (Duval County)
- Not aware of being enrolled in Medicaid reform: 29% (Broward County), 30% (Duval County)

Key Issue: Provider Networks

• Transitions: plans to provide service continuity
• Network adequacy: range and variety, geography, hours, availability
• Provider accessibility: physical, language and cultural considerations
• Role of community-based organizations
## Provider Supply for Home and Community Based Services

<table>
<thead>
<tr>
<th></th>
<th>Home Health and Personal Care Aides per 1,000 Population Age 65+</th>
<th>Percent of Nursing Home Residents with Low-Care Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US</strong></td>
<td>40</td>
<td>13</td>
</tr>
<tr>
<td><strong>Range</strong> [among 50 states and DC]</td>
<td>13--108</td>
<td>1--25</td>
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Key Issue: Assuring Quality

- Quality and performance measures
- Standards, specificity in contracts; enforcement
- Data submission requirements and data use
- Sufficient administrative resources
- Stakeholder involvement; ongoing and meaningful
Much depends on:

• Circumstances in states
• How programs are designed
• Whether the time allotted for design and implementation is adequate
• Whether there is capacity to monitor quality
• Beneficiary involvement
Additional Information

Examining Medicaid Managed Long-Term Service and Support Programs: Key Issues To Consider
Kaiser Commission on Medicaid and the Uninsured
http://www.kff.org/medicaid/8243.cfm

People with Disabilities and Medicaid Managed Care: Key Issues to Consider
Kaiser Commission on Medicaid and the Uninsured
http://www.kff.org/medicaid/8278.cfm

Assessing Florida’s Medicaid Reform Project
Georgetown University Health Policy Institute
http://hpi.georgetown.edu/floridamedicaid/index.html
Mileposts in Approaching Managed Long-Term Services and Supports

Sarah Barth, JD
Center for Health Care Strategies
CHCS Mission

To improve health care quality for low-income children and adults, people with chronic illnesses and disabilities, frail elders, and racially and ethnically diverse populations experiencing disparities in care.

► Our Priorities
  ▪ Enhancing Access to Coverage and Services
  ▪ Improving Quality and Reducing Racial and Ethnic Disparities
  ▪ Integrating Care for People with Complex and Special Needs
  ▪ Building Medicaid Leadership and Capacity
Profiles in State Innovation Project

- Medicaid funds more than 40% of long-term supports and services (LTSS) in the US, most in unmanaged fee-for-service
- Nearly 75% of Medicaid LTSS dollars for seniors and adults with physical disabilities support nursing home care

- With support from The SCAN Foundation, CHCS conducted an environmental scan to identify state best practices for:
  1. Rebalancing LTSS to support home- and community based options as well as nursing facility alternatives;
  2. Developing a managed long-term supports and services program; and
  3. Integrating care for adults who are dually eligible for Medicare and Medicaid.
States Interviewed for MLTS/Duals

• Arizona: ALTCS
  ▶ 1989 implementation; 50,000 enrollees
• Hawaii: QExA
  ▶ 2008 implementation; 42,000 enrollees
• Tennessee: CHOICES
  ▶ 2010 implementation; 30,000 enrollees
• Texas: STAR+PLUS
  ▶ 1998 implementation; 155,000 enrollees
• Wisconsin: Family Care
  ▶ 2000 implementation; 30,000 enrollees
Top Ten MLTS Mileposts for States

1. Communicate a clear vision for MLTS to promote program goals.
2. Engage stakeholders to achieve buy-in and foster smooth program implementation.
3. Use a uniform assessment tool to ensure consistent access to necessary LTSS services.
4. Structure benefits to appropriately incentivize the right care in the right setting at the right time.
5. Include attendant care and/or paid family caregivers in the benefit package.
Top Ten MLTS Mileposts (continued)

6. Ensure that program design addresses the varied needs of beneficiaries.

7. Recognize that moving to risk-based managed care is a fundamental shift in how the state and managed care organizations think about LTSS financing, and plan accordingly.

8. Develop financial incentives to influence behavior and achieve program goals.

9. Establish robust contractor oversight and monitoring requirements.

10. Recognize that performance measurement is not possible without LTSS-focused measures.
1. Communicate a clear vision for MLTS

Hawaii’s QExA Goals:

• Improve the health status of Seniors and Persons with Disabilities (SPD);
• Establish a “provider home”;
• Empower beneficiaries by promoting independence and choice;
• Assure access to high-quality, cost-effective care (in homes/communities when possible);
• Coordinate all care (acute, behavioral, LTSS).
2. Engage stakeholders to achieve buy-in

• Texas STAR+Plus: Healthcare Matters held beneficiary focus groups and meetings with health plans and providers;
• Tennessee CHOICES: States staff identified roles for Area Agency on Aging and Disability;
• Wisconsin Family Care: Contractors developed local committees with provider and consumer representatives.
3. Use a uniform assessment tool

Wisconsin Long Term Care Functional Screen:
• Activities of daily living (ADLs) such as bathing, dressing, transferring, mobility, and eating;
• Instrumental activities of daily living (IADLs), e.g. meal preparation and medication management;
• Diagnoses and health-related services or tasks;
• Communication and cognition (e.g., memory loss, decision-making ability);
• Behaviors and/or mental health (e.g., wandering, substance abuse); and
• Available transportation or employment.
4. Structure benefits to appropriately incentivize the right care

Best practice, e.g. Tennessee CHOICES:

► TennCare managed care organizations are responsible and at-risk for providing the full continuum of LTSS services, including nursing facility and HCBS, in addition to all primary, acute, and behavioral health services for eligible members.

► Care management/coordination is included.

► Fewest exclusions are the ideal!
5. Include attendant care and/or paid family caregivers in benefit package

Arizona’s ALTCS program:

- Includes paid family members as caregivers through traditional attendant or self-directed attendant care program;
- Family members in traditional attendant care program are hired by home health/attendant care agency;
- Training includes CPR, first aid, infection/disease control;
- Spouse as paid caregiver (up to 40 hours per week) recently added to program.
6. Ensure that program design addresses needs of beneficiaries.

Arizona ALTCS includes:

- Interdisciplinary care team approach to help determine the needs for services;
- Behavioral health (as part of health plans’ IDT) coordinates care for beneficiaries identified as having behavioral health needs.

Other states’ health plans may coordinate with behavioral health services outside the health plan.
7. Recognize the fundamental shift in move to risk-based managed care

States vary in their approach to contracting out vs. building in-house expertise:

► Rate-setting and risk adjustment;
► Financial oversight and monitoring;
► Data collection and analysis.

Few actuaries have experience in setting rates for MLTS, so states need to develop some capacity for understanding rate development.
8. Develop financial incentives to achieve program goals

• If the state has a specific objective to shift care toward home and community-based services, the rates should include realistic incentives for plans. May include:
  ► Incentive payments based on achieving objectives;
  ► Case-mix payment system;
  ► Penalties for increased reliance on institutions.

• Money Follows the Person and other state initiatives can complement the health plans’ strategies.
9. Establish robust contractor oversight/monitoring requirements

• Most states start with very prescriptive contracts and monitoring practices.

• Over time, if health plan performance is found to be consistently high, the state may focus on a few high-risk, high-cost areas.

• Beneficiaries living outside facilities with state financial support always represent an area of risk for state managers.

• TN best practice: HCBS monitored/reported monthly.
10. Recognize need for LTSS-focused performance measurement

- Many states track process measures (days to assessment; care plan completion).

- Wisconsin best practice: PEONIES interview
  - Living in a preferred setting; Making one’s own decisions;
  - Deciding one’s own daily schedule; Maintaining personal relationships;
  - Working or pursuing other interests; Being involved in the community; Having stable/predictable living conditions;
  - Being treated fairly and with respect; Having the amount of privacy desired;
  - Being comfortable with one’s health situation; Feeling safe; and
  - Feeling free from abuse and neglect.
Support for Community Settings

• The ACA provides states with opportunities to support the movement of individuals from institutional settings of care into the community.

• CMS offered states the opportunity to pursue the following programs:
  ➤ Money Follows the Person Demonstration Project;
  ➤ Balancing Incentive Payment Program;
  ➤ Community First Choice Options Program.
Money Follows the Person

• Provides assistance to states to rebalance their long-term care systems by providing enhanced federal funds for services needed to transition Medicaid enrollees from institutions to the community. (43 states and DC)

• Goals:
  ► increase the use of HCBS
  ► decrease the use of institutional care
  ► eliminate barriers that restrict flexible use of Medicaid funds
  ► ensure quality assurance and quality improvement
Balancing Incentive Payment Program

• Provides funds to states to rebalance LTSS expenditures toward HCBS provision.

• Must establish three structural changes:
  ► No wrong door/single entry point system;
  ► Conflict-free case management; and
  ► A core standardized assessment instrument.

• Interaction with Money Follows the Person.

• NH and MD first two states with approved program applications.
Community First Choice Options

- New state plan option for providing community-based attendant services and supports.
- 6 percent enhanced FMAP for an indefinite period.
- Limitations:
  - Must be statewide.
  - No waiting lists.
Thank you!
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Measuring Quality in Managed Long Term Services and Supports

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About the National Council on Disability

- Independent federal agency
- 15 Members appointed by the President
- Advises Congress and the Executive Branch on the broad scope of disability policy
- Currently in the midst of a project on the impact of Medicaid Managed Care on People with Disabilities
Previous Trends in Managed Care

- Primarily utilized for acute care
- Focused mainly on non-disabled, low-income adults
- Viewed as a method of realizing cost savings during the life of the MCO contract
Growing Trend to Include PWD in Managed Care

- 27 of 43 states surveyed plan to establish new or expand existing Managed Care programs for LTSS (HMA/KCMU, Sep. 2011)
- CMS Has Awarded 15 State Planning Grants for Dual Eligible Demonstrations
- State Fiscal Pressures Pushing Towards Bringing PWD into Managed Care Plans
Principles for Managing LTSS Outcomes

- Community Living
- Personal Control & Avoiding Medicalization
- Diverse Benefit Package
- Provider Sufficiency
- Managerial Capacity
- Continuous Innovation
- Quality Measures
Community Living

- Managed Care can be a tool to move people into the community
- Avoid Institutional Carve Outs
- Incentivize Community Living in Capitated Rate Structure
- Measure Quality through Non-Medical Outcome Data
Personal Control

- Person-Centered Planning
- Maintain and Expand Self-Directed Options
- Individual Choice Enhancing Quality and Addressing Cost
- Avoiding Medicalization of Services
Diverse Benefit Package

- LTSS includes more than health services
- Managed Care an opportunity to expand beyond what Medicaid usually provides
- Employment
- Family Support
- Non-traditional services can reduce long term costs in traditional LTSS and acute care
Provider Sufficiency

- State Readiness Assessment must precede shift to Managed Care
- Readiness Assessment needed of:
  - State Managerial Capacity
  - MCO Capacity and Contract
  - Provider Sufficiency
- Phase-In Must Reflect Readiness Assessment
- Consider Diversity of populations needing LTSS
State Managerial Capacity

- Responsibility and Accountability remains with state agency;
- Clearly established outcome measures;
- Due Process, Grievances and Appeals procedures
- Retain staff & knowledge base on diverse populations and innovation strategies;
Continuous Innovation

- Long history of innovative practices enhancing quality and cost in LTSS;
- Cost reductions may not be realized in life of MCO’s contract;
- Incentives must be retained to advance innovation in LTSS service-delivery, coordination and personal choice;
Quality Measures

- National Quality Forum has approved 1,500 health care quality measures – almost none relating to LTSS;
- History of Acute Care focus;
- Focus on outcomes;
- Track acute care, LTSS and non-traditional LTSS outcomes;
- Best Practice Model: National Core Indicators Project
Recommendations for CMS

- Conduct Readiness Assessment prior to approving 1115 waivers, dual eligible demonstrations and other Managed Care shifts;
- Ensure terms and conditions address PWD and LTSS;
- Enforce MOE Requirement;
- Track sub-populations;
- Focus on the contract;
More information on NCD’s Work

- NCD Principles for Successfully Enrolling PWD in Managed Care: http://www.ncd.gov/publications/2012/February272012/
- NCD Recommendations to CMS on Implementing Managed Care for PWD: http://www.ncd.gov/publications/2012/CMSFebruary272012/
To Ask A Question
Use the Chat Function
Join to discuss what you learned today!

www.NCOACrossroads.org/HCBS

• Online community with over 300 aging and disability advocates across country interested in home and community-based services
  – Listserv and message board functions
  – Share information and resources with others
  – Post questions and discuss issues

• Please complete follow up survey