

MEMORANDUM

Date: January 25, 2012
To: Chairman Lee Holloway, Milwaukee County Board of Supervisors
From: Maria Ledger, Director, Department Of Family Care
Subject: Informational report on the 2011-2013 Long Term Care Sustainability Plan

Per your request, this report provides a brief analysis on the 2011-2013 Long Term Care Sustainability Plan prepared by the State Department of Health Services (DHS).

DHS states this plan is “. . . a package of reforms and savings measures that will help make the program sustainable on an ongoing basis in the future while keeping consistent with the interests of current and future program participants.”

The Reforms by Focus Area are as follows:

- Employment Supports
- Family Care Administrative and Program Efficiencies
- Family Care Benefits
- IRIS and Self-Directed Supports
- Living Well at Home and in the Community
- Residential Services
- Youth in Transition

Employment Supports

The proposed modifications in the area of employment would benefit both the MCO and members in the following ways:

- Improve Family Care members’ access to DVR services and funding through a statewide pilot that will leverage 80% federal matching funds, to facilitate prioritization of Family Care members to receive services to support community employment.
- Medicaid Infrastructure Grant (MIG) funding (\$1.6 million carryover) will allow for continued technical assistance and support from the Pathways office in the areas of youth in transition, Vocational Futures Planning model, supported employment network development and improved employment data collection:

- Work Incentive Benefits Counseling, currently very scarce in Milwaukee County, will help MCO participants decrease barriers to community employment by addressing the impact of earning money on their eligibility for needed benefits.
- There are proposed changes to the Medical Assistance Purchase Plan (MAPP) which allows working individuals to purchase Medicaid. These changes will allow MCO members with higher earnings to remain enrolled in Medicaid. These proposed changes will increase the State Income Maintenance workers tracking responsibilities of cost share.
- This proposal would support and encourage the MCO to register as an Employment Network in order to collect federal reimbursements under the Ticket to Work Act. This proposal will require a labor-intensive tracking process to capture payments. The MCO has explored this option through our Integrated Employment workgroup and has not found the efforts to be worth the funding that would result, given the current enrolled member population. Ticket to work is usually most successful with individuals who would not necessarily have met the functional eligibility for Family Care.

Family Care Administrative and Program Efficiencies:

The proposed modifications in the areas of Family Care Administrative and Program Efficiencies would impact members in the following ways:

- Under the heading of “**Streamline and Improve Care Management**” DHS states that their goal is to assure that care management is tailored to the needs of each individual, using a strength-based assessment process that identifies and utilizes natural supports when addressing member outcomes when planning for services and supports.
- It is important to note care management is already person-centered and should only be provided to the extent needed to meet member outcomes. The Milwaukee County MCO does regular chart audits to insure that all documented care management is appropriate.
- Another proposed reduction of care management is for members in facilities that have consistently met licensure standards and quality review as assessed by the State Division of Quality Assurance. Our concern is the number of community relocations will be drastically reduced. In CY 2011, the Milwaukee MCO relocated 552 individuals from Nursing Homes. 268 of these individuals went to community residential placements (AFH, CBRF, RCAC, SIL) and 284 returned to their homes. These moves to more independent setting required the care and coordination of care managers and nurses of the Interdisciplinary teams (IDTs).

The proposed modifications in the areas of Family Care Administrative and Program Efficiencies would impact the MCO in the following ways:

- If MCO authority to institute “checks and balances” to ensure that care plans reflect cost-effective choices is strengthened and MCOs implement a secondary review for high-cost products and services, it would be beneficial to have a DHS representative not only provide education to Administrative Law Judges but also attend Fair Hearings to co-represent the MCO. This would be markedly different than having the State’s External Quality Review Organization (EQRO) present at hearings representing members.
- The Milwaukee MCO has asked for years that the State work with persons in legacy waiver programs in advance of the transition to managed LTC programs to identify more integrated and cost-effective options in their home and community prior to enrolling in Family Care, IRIS, PACE or Partnership.

Family Care Benefits:

The proposed modifications in the Family Care Benefits would impact members in the following ways:

- Currently, Family Care members can only be referred for disenrollment if they do not pay their cost share (All cost shares are calculated by State Income Maintenance Staff. Payment of cost shares by Family Care members is a condition of Family Care eligibility). If Family Care members live in an assisted living facility, they must pay the cost of Room and Board in that facility. Room and Board is not a covered benefit under Family Care. There is currently no way for MCOs to refer members for disenrollment if they do not pay their room and board. Some members will be much more diligent in paying their room and board if there is a consequence to their failure to pay.

The proposed modifications in the Family Care benefits would impact the MCO in the following ways:

- If DHS clarifies that program payments for social activities are limited to activities directly related to the long term care needs of the eligible person, it would be beneficial if this were communicated to stakeholders, advocates and Administrative Law Judges.
- As an MCO we have requested re-consideration of Over the Counter medications and supplies (OTCs) as a benefit in Family Care. DHS has considered this opinion but due to legislative language they are unable to remove this benefit without having cost consequences with medication remedials. We maintain that the costs that occur due to the burden of provision of this service outweigh these costs and would continue to advocate this be left out of the FC benefit package.

- Individuals who reside in group homes, nursing homes, adult family homes, etc. who do not pay their room and board impose a financial burden on the MCO. Further, their refusal to pay their room and board is unfair to the many members who do pay their bills timely. The Milwaukee MCO welcomes any mechanism that can be put in place to assist us in addressing this issue.

IRIS and Self-Directed Supports

Although the description of this focus area is to strengthen program integrity and accountability of the IRIS program and ensure that self-direction in IRIS *and Family Care* (italics added for emphasis) maximize natural supports and the ability of consumers to choose the most integrated, community-based and cost-effective services, there is no mention in this section of the opportunity for members to self-direct all or some of their services within Family Care.

Over 40% of the Milwaukee County MCO members self direct their services.

There is no discussion in this focus area of the proposed requirement to limit the use of more restrictive residential settings in IRIS (including 8-bed CBRFs, 3-4 bed AFHs, RCACs, and assisted living facilities) to no more than needed to address participant health or safety needs *on a short-term basis*. This initiative seems to discriminate against persons with higher levels of care by prohibiting them from self-directing these services that meet their needs.

Per member per month (PMPM) costs of current IRIS participants (\$4159.30 PMPM) are already significantly higher than those of Family Care participants (\$3187.82 PMPM). The MCOs must be allowed to serve individuals with a wide range of needs. This is how every other insurance model works and to do so differently in this case will negatively impact Family Care to failure by requiring it to serve only the neediest individuals out of a pool of people who are already disabled, frail elderly or both.

Residential Services

The proposed modifications in the areas of residential services would impact members in the following ways:

- Specifying acuity-based guidelines for utilization of more restrictive residential settings must take into account the level of natural supports available to the member. Families do not have a legal obligation to care for either their adult children or elderly family members. Furthermore, not every family is capable of caring for someone. If a member is not fortunate enough to have an intact and supportive family system, they should not be penalized by being “locked out” of certain levels of services, as long as those services are the right fit to meet their needs.

- The Milwaukee County MCO has already developed an innovative program to support More Integrated, Cost-Effective Options in Place of 24/7 Staffing. By implementing this model, which we refer to Supportive Independent Living (SILs) we have been able to successfully maintain 327 members in their own homes and apartments in partnership with agencies that arrange and support a range of services that support person-centered outcomes and self-directed care. 39 of these individuals moved from more restrictive settings to SILs.

The proposed modifications in the areas of residential services would impact the MCO in the following ways:

- Providing options counseling to transition IRIS participants from restrictive to integrated settings in the community and allowing members who do not wish to move to transition to a program that permits more restrictive residential settings (i.e. Family Care) results in adverse selection for the managed care programs. Why must MCOs be solely responsible for individuals with high care needs who may not have sufficient natural supports to enable them to live more independently in the community? In addition, IRIS should have the same responsibility as MCOs to work with newly enrolled members to “right size” services.

Living Well at Home and in the Community

MCOs currently fulfill many of the following responsibilities for their members and will continue to:

- Improve Medication Compliance,
- Counsel new residents and their families in nursing home and assisted living about services in the community, arrange those services and help existing institutionalized Medicaid residents leave a facility for services at home,
- Expand the number of high-risk persons participating in evidence-based prevention programs to reduce hospitalization and/or need for long-term care,
- Expand the number of high-risk persons with multiple chronic diseases that participate in peer-led chronic disease self-management,
- Arrange for short-term practical community interventions to support people with modest means to remain at home,
- Screen vulnerable individuals to identify those diagnosed with Alzheimer’s disease or other dementia, to delay institutional placement by an average of 18 months and,
- Assist seniors and persons with disabilities leaving hospitals and making a transition to home

Youth in Transition

The proposed modifications in the area of Youth in Transition would impact members in the following ways:

- Improving our members' access to DVR services and funding through a State-wide pilot which will leverage 80% federal matching funds, to facilitate prioritization of Family Care members to receive services to support community employment.

The proposed modifications in the area of Youth in Transition would impact the MCO in the following ways:

- The MCO has created a specialized training for IDTs along with tools and resources they may need. Our Integrated Employment workgroup and Best Practice Team mentoring in this area are available to all of our IDTs for ongoing support and assistance. Our provider network includes agencies that offer supported employment and Independent Living Services for members to maximize their self-determination and independence.
- The MCO currently has Policies and Guidelines to focus on Integrated Community Employment during the care planning process to facilitate a smooth school to work transition.
- The MCO welcomes the opportunity to participate in statewide school pilots designed to identify best/promising practices designed to expand community employment for youth in transition (note: youth between the age of 18 and 21 may still be attending High School while enrolled in Family Care)