Challenges and Opportunities in Designing and Implementing an Integrated Medicaid Managed Long-Term Care Program
The Long Term Care Community Choices Act of 2008

A law passed unanimously by the Tennessee General Assembly that fundamentally restructures the Medicaid Long-Term Care service delivery system in Tennessee

Why restructure the long-term care system?
Challenges with the long-term care system prior to CHOICES

Fragmentation

- Access to LTC services scattered across different points of entry with no coordination
  - Nursing Facility Services
  - Home and Community Based Waiver Services
  - Home Health and Private Duty Nursing
- Difficult for individuals and families to navigate
**Limited Options**

- Heavy reliance on Nursing Facilities (NF); home and community options extremely limited
- Only one community-based residential alternative to NF care – Assisted Living Facility
- Few choices or decision-making opportunities
- Few LTC services aimed at preventing or delaying need for more expensive institutional placement

**Inefficient Use of Limited Resources**

- 98% of *current* LTC spending for Nursing Facility services
- Heavily dependent on most costly services (NF/HH/PDN) even when lower-cost alternatives would better meet needs/desires of individuals and families
- Misaligned incentives push people toward expensive institutional care
- Supplants, rather than supports, existing natural support networks of family and other caregivers
- Payment systems do not reward efficiency/not based on level of need of persons receiving care
- New recurring dollars *extremely* limited
Listening to those who will use LTC services and those who will deliver them:

Stakeholder input

Stakeholder Input

- AARP
- Tennessee Disabilities Coalition
- Independent Living Center of Middle Tennessee
- Memphis Center for Independent Living/ADAPT
- Council on Developmental Disabilities
- Alzheimer’s Association
- Tennessee Conference on Social Welfare
- Tennessee Aging and Disability Resource Connection, including a number of the above-named entities, in addition to The Arc of Tennessee, Disability Law and Advocacy Center of Tennessee, Homemaker Services Association, Statewide Independent Living Council of Tennessee, Tennessee Association of Adult Day Care Providers, Tennessee Association of Housing and Redevelopment Agencies, Tennessee Respite Coalition and the Vanderbilt Kennedy Center
Stakeholder Input (cont’d)

- Tennessee Commission on Aging and Disability
- Area Agencies on Aging and Disability and the Development Districts
- Tennessee Ombudsman Program
- Nursing Home Industry/Providers
- Tennessee Association of Home Care
- Tennessee Association of Homes and Services for the Aging

How does the TennCare CHOICES in Long Term Care program change the current system?
**Reorganize the LTC system**

- **Simplified access** (Single Entry Point)
- **Streamlined** (expedited) **enrollment**
- **Comprehensive care coordination** across acute/LTC services
- **Integration** of LTC services within existing TennCare managed care delivery system
- **Continuous quality improvement** strategy across acute/LTC continuum

**Refocus LTC services**

- **Increased use of HCBS**
- **Consumer Direction**—ability (with certain limitations) to hire non-traditional providers such as family and friends to provide in-home care
- **More community-based residential alternatives** to Nursing Facility care
Rebalance LTC funding

- Single LTC funding stream (global budget)
- Money follows the person into the cost-effective setting of their choice
- Serve more people with existing LTC funds
- More equitable balance of Nursing Facility/HCBS expenditures over time

Program Objectives:

1) Decrease fragmentation and improve coordination of care.
2) Increase options and choices for those who need LTC.
3) Expand access to HCBS so more Tennesseans who need LTC can receive care in their homes and communities.
4) Rebalance LTC funding allowing the state to serve more people using existing LTC funds.
Challenges and opportunities in implementing

Key Challenges/Opportunities

- Nursing Facility opposition (contracting, rates, medical necessity, claims, payments)
- CMS approval
- IT Systems
  - TPAES (web-based medical eligibility application)
  - Electronic Visit Verification System
- Consumer direction
- Waiting list management
Phase I Implementation

- TennCare CHOICES in Long-Term Care was successfully implemented in Middle TN on March 1, 2010.
  - 8,624 members were transitioned to the new program.
    --7,145 NF residents
    --1,479 HCBS waiver participants

Phase II Implementation

- With implementation in East and West TN on August 1, 2010, CHOICES is now available statewide.
  - 19,313 members were transitioned to the new program.
    --15,931 NF residents
    --3,382 HCBS waiver participants

- Continuity of care provisions helped to ensure the transitions were as seamless as possible.
Member Transition and Continuity of Care

- Regional phase-in
- Minimum 30-day continuity of care provision
  - Receive same services specified in NF/HCBS Waiver Plan of Care
  - Utilize existing NF/HCBS Waiver providers (in or out-of-network)
  - Continue pending comprehensive assessment and development/implementation of new comprehensive plan of care
- Continued choice of HCBS or Nursing Facility care
  (Must be able to safely and cost-effectively meet member’s needs)
- All HCBS Waiver services available under CHOICES
  (Care Coordination provided by MCO)
- Consumer Direction – continue receiving agency-based services pending recruitment/training of CD workers
- Monitoring via EVV system to help ensure timely provision of services

Who can receive services in the TennCare CHOICES in Long Term Care program?
CHICES Target Populations

GROUP 1: All persons receiving Medicaid-reimbursed Nursing Facility (NF) services

GROUP 2: The elderly (age 65 and older) and adults (age 21 and older) with physical disabilities who meet NF level of care, need HCBS (home care) as an alternative to NF care, and qualify for TennCare:
   a. As SSI (Supplemental Security Income) recipients;
   or
   b. In the “Institutional” eligibility category (for people who receive LTC)

CHICES Eligibility

For both GROUPs 1 (NF) and 2 (HCBS):

- Need the level of care provided in a nursing home (an approved Pre-Admission Evaluation or PAE)
- Qualify for Medicaid-reimbursed LTC
  --Higher income standards ($2,022 per month or establish a Qualifying Income Trust)
  --$2,000 resource limitation (must consider asset “transfers” w/in last 5 years)
CHOICES Eligibility

For GROUP 2 (HCBS) only:

- Must be able to safely meet the person’s needs in the home and community setting
- AND the cost of home care cannot exceed the cost of nursing home care (includes home health and private duty nursing services)

Enrollment in CHOICES

- Group 2 HCBS participants subject to an Enrollment Target
- Functions as a cap on the total number of people than can enroll in the Group at any given time
- Needed to ensure adequate capacity to provide services in the community and to manage State expenditures
- Effective July 1, 2010, Enrollment Target for Group 2 is 9,500—allows for up to 11,000 individuals to receive services during the first year (plenty of capacity)
- New growth funded entirely through redirection of existing LTC dollars (NF to HCBS)
- Persons transitioning from a NF are exempt from the Enrollment Target
How does someone access services in the TennCare CHOICES program?

Access to TennCare CHOICES

- Single Point of Entry for persons not already enrolled in TennCare for all LTC services (NF and HCBS)
  - Outreach
  - Counseling and assistance
  - Screening and intake
  - Facilitated enrollment
    (Medicaid financial and TennCare level of care eligibility)

- MCOs facilitate access to LTC Services for persons already enrolled in TennCare

- Streamlined eligibility processes
What services are available in the TennCare CHOICES in Long Term Care program?

**CHOICES Home Care (HCBS) Options**

- Personal care visits (up to 2 visits per day)
- Attendant care (up to 1,080 hours per year)
- Homemaker services (up to 3 visits per week)
- Home-delivered meals (up to 1 meal per day)
- Personal Emergency Response Systems (PERS)
- Adult day care (up to 2,080 hours per year)
- In-home respite care (up to 216 hours per year)
- In-patient respite care (up to 9 days per year)
- Assistive technology (up to $900 per year)
- Minor home modifications (up to $6,000 per project, $10,000 per year/$20,000 per lifetime)
- Pest control (up to 9 units per year)
Community-Based Residential Alternatives to NF Care

• Assisted Care Living Facility Services
• Adult Care Homes

NOTE: Under federal law, TennCare cannot pay the cost of room and board. The resident pays his/her own room and board; TennCare pays for care and assistance provided in that setting.

Critical Adult Care Homes

• 24-hour residential care in a homelike environment to no more than 5 elderly or disabled adults
• Provider can serve a member of their own family, so long as they also serve at least 2 unrelated persons
• Provider must either live on-site in the home, or hire a resident manager who lives on-site
• Currently limited to two populations:
  – Adults who are ventilator dependent
  – Adults with traumatic brain injury
### Consumer Directed Options Under CHOICES

- **Consumer Direction**
  - Allows consumers to select, direct, and employ caregivers
    - Personal Care
    - Attendant Care
    - Homemaker
    - In-Home Respite
    - Companion Care

- **Self Direction of Health Care Tasks**
  - Allows members who elect to employ workers for specified services to also direct and supervise workers in the performance of certain health care tasks
    - Initially limited to administration of oral, topical, and inhaled medications
    - Limited to consumer directed workers

### Implementing Consumer Direction in TennCare CHOICES

- **“Prior Authorization” model**
  - MCO authorizes a fixed amount of services based on need
  - Any member assessed to need one or more of the services available through Consumer Direction can elect to participate

- TennCare contracts with single statewide Fiscal Employer Agent

- Member may use a representative to assist with Consumer Direction

- Member/representative, using a fiscal/employer agent, is the employer of record for qualified workers and must sign a Service Agreement with each

- Consumer Directed (and all CHOICES) services support, but do not supplant existing natural supports

### Consumer Direction Continuum

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<thead>
<tr>
<th>Some Consumer Control</th>
<th>More Consumer Control</th>
<th>The Most Consumer Control</th>
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<tr>
<td>Member selects and supervises unskilled workers employed by a provider agency</td>
<td>Member hires, fires and supervises unskilled workers; utilizes Fiscal Intermediary (no cash payments to member)</td>
<td>Member manages individual acuity-based budget</td>
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<td>Member negotiates unskilled workers' reimbursement rate; lower rate = ability to purchase additional services</td>
<td>Member selects HCBS covered services</td>
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<td>Flexibility to adjust services within capitated budget</td>
<td>Minimal &quot;flex funding&quot; (e.g., $500/yr) for non-covered needs if budget exceeds expenditures by specified percentage</td>
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Improved Coordination of Medicaid Services:

The Care Coordination Model

CHOICES Care Coordination

A continuous process of:

1) **Assessing** a member’s physical, behavioral, functional, and psychosocial needs;

2) **Identifying** the medical, behavioral and long-term care services and other social support services and assistance (e.g., housing or income assistance) necessary to meet identified needs;

3) **Ensuring timely access to and provision, coordination and monitoring of** medical, behavioral, and long-term care services needed to help the member maintain or improve his or her physical or behavioral health status or functional abilities and maximize independence; and

4) **Facilitating access to other social support services and assistance** needed in order to ensure the member’s health, safety and welfare, and to delay or prevent the need for institutional placement.
CHOICES Care Coordination

- Integrated model (i.e., medical as well as social)
- Addresses physical, behavioral, functional (ADL) and psychosocial needs
- Encompasses coordination of all physical, behavioral, and LTC services needed to help the member maintain or improve his or her physical or behavioral health status or functional abilities and maximize independence as well as other social support services and assistance needed in order to ensure the member’s health, safety and welfare, and to delay or prevent the need for institutional placement
- Comprehensive, holistic, and person-centered

CHOICES Care Coordination

- Contracted responsibility of MCOs
- Each member has an assigned care coordinator
- Primarily nurses and social workers
- May subcontract, but MCO or subcontracted entity may not also provide direct services
- On-the-ground and face-to-face with minimum contact requirements
Is the new TennCare CHOICES program working?

Progress in Balancing TennCare LTC Funding

- **Progress:**
  - Improved from offering almost no HCBS to the E/D population to HCBS comprising nearly 10 percent of LTC funding.
  - We were once dead last in the country in HCBS expenditures for the elderly and adults with disabilities, but are now trending rapidly in the right direction.

- **Goal:**
  - A more balanced long-term care system depending on the needs and preferences of the people receiving LTC services.
Progress in Balancing TennCare LTC Enrollment

HCBS Enrollment

- **Where are we?**
  - On March 1, the initial enrollment target for CHOICES was set at 7,500 for HCBS.
  - The HCBS enrollment target increased to 9,000 on July 1, 2010.

- **Where are we going?**
  - We have the potential to serve as many as 11,000 members now that program slots can be refilled as soon as they become available, nearly doubling the number of people receiving HCBS in the first year of the CHOICES program.

* Does not include the PACE program which serves 300 people almost exclusively in HCBS, and other limited waiver programs no longer in operation.

Early Experience in Re-Balancing LTC Enrollment in Middle Tennessee

- 3,520 total new members since go-live:
  - 26% HCBS
  - 74% NF

- 70 transitions from NFs to the home and community