



# ALL ABOARD! DESTINATION: HEALTH REFORM

THE NATIONAL ACADEMY FOR STATE HEALTH POLICY 22ND ANNUAL STATE HEALTH POLICY CONFERENCE

OCTOBER 5-7, 2009 / LONG BEACH, CALIFORNIA

NATIONAL ACADEMY  
*for* STATE HEALTH POLICY

# States Do Long-Term Care

- Medicaid fee-for-service pays for nursing homes, home health and personal care for old people and people with disabilities
- Waivers pay for a wide range of social and environmental supports
- Cost savings from hcbltc are tangible
- Controlling nursing home costs is a challenge in fee-for-service

# States Do Long-Term Care

- Wide variation across states in financial eligibility thresholds
- Tools for functional eligibility more sophisticated and often web-based
- Care management effective when cm have authority to substitute lower cost alternatives
- Self-direction compensates for inflexibility

# States Do Long-Term Care

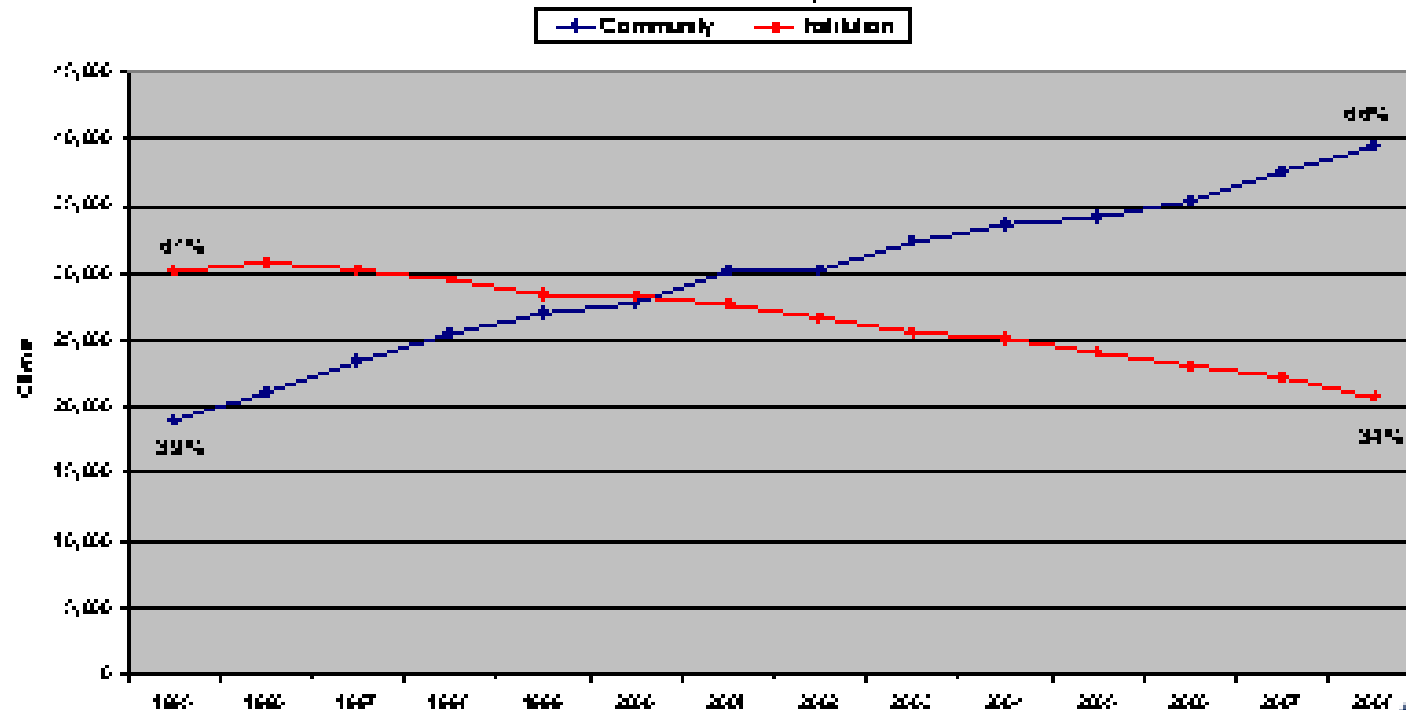
- Aging network expanding evidence-based prevention
- Aging & Disability Resource Centers reach out to “pre-eligibles”
- Project 2020 – early intervention
- States coordinate/integrate Medicare/MA
- Medicare saves when states manage care

# VALUES

- **CHOICE:** institution/community/home
- **ACCESS:** no wait lists, streamline entry, equity of benefits
- **QUALITY:** person-centered outcomes; beyond 'do no harm'
- **COST-EFFECTIVENESS:** empower states and consumers to choose cost-effective ways to meet needs and goals.

# Wisconsin's Long Term Care System has Undergone a Dramatic Rebalancing

Location of Services for Publicly-Funded Clients



# WISCONSIN Family Care

- Combined all Medicaid LTC and waiver funding (including nursing home, DME)
- 8 managed care organizations (MCO)
- Local, non-profit, county or “LTC District”
- 48% coverage of elders, PD, DD (23,000 to 55,000 enrollees)
- Capitation rates \$2100-\$2500 pmpm
- Social/nursing care management teams

# WISCONSIN

- 35 Aging & Disability Resource Centers
- Marketing and outreach
- Information & Assistance – deep & wide
- LTC Options counseling
- Functional screen for Family Care & IRIS
- Enrollment counseling for managed care
- Facilitate financial eligibility
- Elderly and Disability Benefits Counseling

# WISCONSIN

- Chronic Disease Self-management: Stanford evidence-based (CSC funds)
- Stepping On falls prevention
- 75% of state offering one or both
- System of training, fidelity, dissemination
- Collaboration of aging network, public health and some health systems

# What Congress Proposes

- CHOICE
- ACCESS
- QUALITY
- COST-EFFECTIVENESS
- FEDERAL OR STATE  
INFRASTRUCTURE

# CLASS ACT

- Voluntary LTC social insurance
- Administered by SSA
- Payroll deductions for means-tested premiums
- Functional eligibility (2-3 ADL) SSA through state Disability Determination services
- Counseling by state or private thru SSA

# CLASS ACT

- Cash benefit e.g. \$50/day
- Benefit after 5 yrs of premiums and 3 years of work
- Few qualify in early years; savings \$2.5 b
- States paid for Medicaid enrollees
- 50% of for service; 50% personal needs
- State role limited to supplying fiscal agents

# Community First Choice (CFC)

- Medicaid state plan option
- Attendant services and supports for persons with ADL/IADL needs
- Services in written plan, most integrated
- State continuous quality assurance
- Available statewide in several models
- Enhance FMAP – 6% added for 5 years

# Incentives for HCBLTC

- Statewide single entry points
- Presumptive eligibility for 60 days
- Case management for transitions from institution to community
- Core standardized assessment for eligibility
- 5% increase FMAP for states  
below 25% total long-term care spending  
in community; others 2%

# Special Needs Plans

- Frailty adjustment for Medicare in fully integrated SNPs for dual eligibles
- All plans for duals must have state contract with Medicaid by 2013

# Chronic Care- Medical Home

- Medicaid enrollees with 2 chronic conditions designate Health home
- Comprehensive care management, care coordination, health promotion, transitional care, patient and family support, referral
- 90% match for 2 years (Senate)
- 90% match for 2 yrs. 75% for next 3 (House)

# Medicare

- Transitions from hospitals with community partners to reduce high readmissions
- Value-based purchasing for home health and nursing homes (pay for performance)
- Doctors paid bonus for evaluation and management services for coordinated care
- Hospice demo allows patients to receive all other covered services

# CHCO

- Coordinated Health Care Office in CMS
- Brings together Medicare and Medicaid officials to
  - 1) More effectively integrate benefits
  - 2) improve coordination between federal and state governments for dually eligible to assure access

# Where Do We Stand?

- States Do Long-Term Care
- Better partnerships for duals
- Some incentives for HCBLTC
- Social insurance for adults that become disabled after a period of work and modest premiums – Federally administered
- Entitlement to personal assistance on the horizon

# VALUES

- CHOICE of nursing home or community care should be available to all
- ACCESS to LTC benefits should be more uniform across the country
- QUALITY should be personal
- COST-EFFECTIVE means getting supports to live with maximum health and dignity, not maximum service hours





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