The Next Wave in Balancing Long-Term Care Services and Supports:

**Top Trends**
- Agency restructuring is common
- States use of variety of resources to fund the programs
- Loss of historical knowledge is nationwide
- Medicaid managed care is expanding rapidly
- Interest in the affordable care act options remains limited
Poverty Among Age 60 and Above is Endemic and Growing

Age 60 and above living below 250% FPL (2010)
- 30-34%
- 35-39%
- 40-44%
- 45-49%
- 50-55%

Agency restructuring....
Which long-term care programs are the responsibility of the state agency?

- Planning and development of policy: 90.5%
- Quality for home and community based services: 69.0%
- Eligibility determination: 57.1%
- Financing: 50.0%
- Regulation of home and community based providers: 45.2%
- HCBS provider licensure or certification: 40.5%
- Other: 38.1%
- Quality for institutional services: 38.1%
- Regulation of institutional services: 23.8%
Waiver Populations Served

- Older adults (65 years of age and older): 73%
- Older adults and persons with physical disabilities: 73%
- Individuals with physical disabilities: 50%
- Individuals with developmental disabilities: 27%
- Children: 20%
- Other: 13%

Percent of States
First Point of Contact for Many Duals, Pre-Duals, and Partial Duals

Promoting integrated wellness regardless of age, ability, or setting

- Medicaid
  - SPA
  - Waiver
  - Managed LTC
  - Determining Eligibility
  - Quality
  - Case Management

- OAA
  - Nutrition
  - Evidence-based health promotion
  - Case Management
  - Family Caregiver Support
  - Respite
  - Nursing home diversion

- Medicare
  - SHIP
  - Part D
  - SMP

- Economic Security
  - SCSEP
  - WIA
  - Social Security

- Community Living
  - Transitions
  - MFP
  - MDS Section Q

- Quality
  - APS
  - Ombudsman
  - Legal Services developers

- LTC Facilities
  - Nursing Home oversight
  - State institutions

- Information
  - I and R
  - Single Entry Points
  - ADRC
Funding the programs...
State Aging and Disabilities Sources of Funding

- FEMA: 2.3%
- DOJ: 6.9%
- CSBG: 9.3%
- DOE: 11.6%
- DOT: 11.6%
- Local (i.e., county or city) funding: 20.9%
- State lottery: 20.9%
- Foundation/private grants: 30.2%
- Targeted tax: 30.2%
- OAA: 41.9%
- SSBG: 53.5%
- DOE: 62.8%
- Medicaid: 72.7%
- State Appropriation: 97.7%
- State Appropriation: 100.0%

Percent of States
Percent Change in State Tax Revenue 2007 to 2011

“My agency needed to take a 3 percent reduction. We were able to make the cuts by not filling vacancies, restricting travel, and other administrative reductions.”

—Agency director, FY09

“I feel as though we have been 3 percented to death. There is nothing left to cut.”

—Agency director, FY10

“The mission and role of government has changed. If the program doesn’t keep someone alive today, we can no longer fund it.”

—Agency director, FY11

“My new motto is ‘Suck it up cupcake’.”

--Agency director, FY12
Non-Medicaid, State-Only HCBS Expenditure Changes, FY 11

Expenditure Change
- 21-25% Increase
- 11-15% Increase
- 6-10% Increase
- 5% or less Increase
- Stayed the Same
- 5% or less Decrease
- 6-10% Decrease
- Data Not Available
Changes in state agencies
Eligible for Retirement (5 years)

- Less than 5%
- Between 6% and 10%
- Between 11% and 15%
- Between 16% and 25%
- More than 25%

- 36.4%
- 9.1%
- 6.8%
- 15.9%
- 31.8%
States that Restructured Since 2009

[Map showing states that restructured since 2009 with color coding for "Yes", "No", and "Don’t Know".]
What is Driving Restructuring?

- Administrative Simplification: 64.0%
- Comprehensive vision: 56.0%
- Quality Management: 48.0%
- Consistent policymaking: 52.0%
- Accountability: 48.0%
- Budget and Personnel Reductions: 44.0%
- Improved Access to Services (Single Point of Entry): 40.0%
- Consolidation of Rulemaking Authority: 20.0%
- Global Budgeting: 16.0%
States that are Engaged in Medicaid Managed Long Term Care for Older Adults and Persons with Disabilities
Picking up Affordable Care Act Options….
States Interested in ACA LTSS and Chronic Conditions Options

- Improved Care for Dually Eligible Individuals: 18 states
- Health Homes for Individuals with Chronic Conditions: 17 states
- Accountable Care Organizations: 13 states
- Amended Section 1915(i): 11 states
- Balancing Incentive Payment Program: 7 states
- Community First Choice: 7 states

Number of States
Key priorities....
Major Challenges for State Agencies

Access to Specialty Providers (i.e., geriatric behavioral health, OT/PT, etc.)
Core Service Provider Flight (i.e., PCA, Skilled Nursing)
The state agency's role in the long term services and support system is limited by state law or policy
Aging baby boomer population that will begin seeking services
State priorities do not include serving older adults/individuals with disabilities
Lack of technological resources
Not enough staff
Budgetary (increasing expenses/limited funding)

Percent of States

Strongly Disagree
Disagree
Agree
Strongly Agree

Other
For more information, please visit: www.nasuad.org

Or call us at: 202-898-2583
Choices for Care
Vermont’s Home and Community Based Care Waiver

NAMD

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Commissioner
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November 9, 2011
What is Choices for Care (CFC)?

- CFC is an 1115 Waiver approved by the Center for Medicare and Medicaid Services (CMS).

- Choices for Care offers long-term care services to Vermonters who need nursing home level of care and who need Medicaid to help pay for the care.

- Individuals must meet clinical and financial eligibility criteria

- CFC began October 1, 2005
Choice for Care: Goals

• Provide choice and equal access to long-term care
• Create a balanced long-term care system
• Serve more people
• Manage the costs of long term care
• Improve the system
• Prevention
Choices for Care: Eligibility

- Be a Vermont resident,
- Be 18 years of age or older,
- Have a functional limitation resulting from a physical condition (including stroke, dementia, traumatic brain injury, and similar conditions) or associated with aging,
- Meet the clinical criteria for the program,
- Meet all financial and non-financial criteria for VT Long-Term Care Medicaid.
Before Choices for Care

High

Nursing Facility
Home Based Waiver
Enhanced Residential Care Waiver

Low

Below Nursing Home Level of Care

Current Eligibility threshold
After Choices for Care

Acuity of Need

High Need Group

Moderate Need Group

Highest Need

Entitlement Groups

Level of Care for Eligibility
Choices for Care: Options

- Home:
  - Flexible Choices
  - Home Based
  - PACE
- Enhanced Residential Care (ERC) option
- Nursing Home option
Advantages: To the individual

• More people covered:
  – Prior to September 2005, nursing home was the only Medicaid "entitlement" for long-term care.
  – Maintained maximum number of slots/waiting list

• More options:
  – Person who meets criteria has the same entitlement to care at home, in a residential care home or a nursing home.
Advantages: To the State

• Better value for the dollars spent:
  – We serve more people
  – In the setting of their choice
  – For roughly the same amount of money
Nursing Facilities: 337 fewer people than in October 2005
HCBS and ERC: 694 more people than in October 2005
Impacts on providers vary

- higher demand for providers who offer services in the community
- the focus on home-based care options might be a disadvantage for nursing homes
- Nursing homes are being challenged to develop more creative options such as specialized rehab units
Choices for Care: Challenges

• Access to home-based providers that have enough staff to meet all scheduling demands for care at home.

• Still managing most of our home-based services in a fee-for-service model.

• Still not immune to state's budget woes
  o Creates pressure on what to do with savings
For more information:

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