Rebalancing Medicaid LTSS: Progress and Challenges

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Home and Community-Based Services (HCBS) is 49.5% of LTSS

Medicaid Institutional and HCBS Expenditures as a Percentage of Total Medicaid LTSS Expenditures, FFY 1995 - 2012
LTSS Spending for Institutional Care vs. HCBS – Nursing Facility

Medicaid LTSS Expenditures Targeted to Older Adults and People with Disabilities, in Billions, 1995-2011

SOURCE: Medicaid Expenditures for Long Term Services and Supports in 2011, Prepared for CMS by Truven Health Analytics, June, 2013
HCBS as a Percentage of LTSS by State

Medicaid HCBS Expenditures as a Percent of Total Medicaid LTSS Expenditures, by State, FFY 2012
Ten States with the Greatest Increase in Medicaid HCBS Expenditures as a Percent of Total Medicaid LTSS Expenditures, FFY 2010-2012

<table>
<thead>
<tr>
<th>State</th>
<th>2010 Increase</th>
<th>2012 Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia</td>
<td>4.4%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ohio</td>
<td>5.4%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Maine</td>
<td>5.5%</td>
<td>6.1%</td>
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<tr>
<td>Rhode Island</td>
<td>6.5%</td>
<td>6.9%</td>
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<tr>
<td>Alabama</td>
<td>7.8%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>10.9%</td>
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<tr>
<td>Georgia</td>
<td>10.3%</td>
<td></td>
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<tr>
<td>New Hampshire</td>
<td>10.9%</td>
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<tr>
<td>Massachusetts</td>
<td>10.9%</td>
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<tr>
<td>Delaware</td>
<td>10.9%</td>
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</tbody>
</table>
Projected MLTSS Activity in 2014

- **MLTSS expansion expected in 2014**
  - CA+
  - AZ
  - TX+
  - WA+
  - NM
  - MN
  - WI
  - IL+
  - MI+
  - NY+
  - PA
  - VA
  - NC
  - TN

- **First MLTSS program expected in 2014**
  - OH
  - SC
  - FL+
MLTSS Essential Elements

- Adequate planning and transition strategies
- Stakeholder engagement
- Enhanced provision of Home and Community Based Services
- Alignment of payment structures with MLTSS programmatic goals ("most integrated community setting" for LTSS)
- Support for beneficiaries
- Person-centered processes
- Comprehensive and integrated service package
- Qualified providers
- Participant protections
- Quality
Opportunities and Challenges

• Money Follows the Person and Balancing Incentive Program grants
  – MFP last awards 2016; BIP enhanced funds through FFY 2015

• Models to integrate LTSS with primary, acute, behavioral health; Medicare/Medicaid
  – Health homes, managed care
  – ACOs, shared savings

• Community First Choice, reforms to 1915(i), 1915(c)
Opportunities and Challenges

- HCBS settings standards:
  - statewide transition plans due March 2015; full compliance by March 2019
- New FLSA minimum wage and overtime regulations (DOL)
  - Effective January 2015; non-enforcement for 6-12 months
- Americans with Disabilities obligations (Olmstead)
HCB Settings: Purpose

Decreasing Isolation

Increasing Integrated Life
Federal Priorities

• Development of LTSS quality measures
  – TEFT grants
  – Contract with National Quality Forum
• Evaluation and research
• Managed LTSS expectations
• Technical assistance for states: person-centered planning, self-direction programs, HCB settings
Questions??

- Additional resources are available at:

  http://Medicaid.Gov, and

  http://CMS.Gov