

Presentation to the 2013 Health and Human Services
 Joint Appropriations Subcommittee

SENIOR AND LONG TERM CARE DIVISION
 Medicaid and Health Services Branch
 Department of Public Health and Human Services

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OVERVIEW

The Senior and Long Term Care Division (SLTC) plans, administers, and provides publicly-funded long-term care services for Montana's senior citizens and persons with physical disabilities. In addition, the division provides education and support regarding aging and long-term care issues to Montanans of all ages. The Division reflects recognition of the increasing importance of long term care services and planning in light of the aging populations and the increasing number of younger people living with severe disabilities. The Division manages payments to Medicaid funded nursing facilities and Medicaid funded home and community long term care programs, provides nursing facility services in two state veterans nursing facilities, manages programs for senior citizens under the federal older

Americans act, provides adult protective services to vulnerable senior citizens and people with disabilities; manages the state supplement to federal SSI payments system and plans for and educates the public about long term care issues and services and addresses aging related issues.

The Division is charged with serving three key groups of people: 1. Senior citizens who are in need of or who are planning for long term care; 2. People with serious disabilities who are in need of long term care and who are not developmentally disabled; and 3. Baby Boomers who are helping their parents as they age or planning to meet their own long term care needs in the future.

SUMMARY OF MAJOR FUNCTIONS

AGING SERVICES

Of the approximately 209,685 people in Montana age 60 and over, the aging network provided services to over 58,000 senior citizens in FY2012. The **Office on Aging** develops the state plan on aging and approves service delivery plans and programs developed by 10 Area Agencies on Aging located across Montana. Among the services provided by the Area Agencies are senior centers, home delivered meals, health services, transportation, public education, information and assistance, long-term care ombudsman and other services.

- **Aging Services** expenditures of state and federal funds for these services were approximately \$12 million in 2012. The funding for these services is made up of federal Older Americans Act funds, state general funds, USDA commodities, Cash-in-Lieu of commodities, local matching funds, participant contributions and other resources. The matching program rate is 85% federal funds and 15% state/local match.
- **Home Delivered Meals or Meals on Wheels** target those seniors who are unable to get to meal sites for a congregate meal. The vast majority of home delivered meals are served hot, but they can be delivered cold, frozen, dried, canned or as supplemental foods. Meals must comply with the Dietary Guidelines for Americans. Each site determines the frequency of meals served per week. In 2012 there were 693,818 meals delivered to about 6,928 persons all across Montana by 137 home delivered meal providers.
- **Congregate Meal Program** sites are mostly senior centers, although churches, fraternal organizations, nursing homes, and restaurants can also serve as meal sites. Meals must comply with the Dietary Guidelines for Americans. Each site determines the frequency of meals served per week. 1,193,403 congregate meals were served to about 22,678 persons in 2012 through 173 congregate meal sites.
- **USDA Community Supplemental Food Program** provides food to elders 60 years of age and over and WIC families with children age 5 to 6 years old. It provides a 30 pound box of food per month. Elders must meet income requirements - 130% of federal poverty level eligibility guidelines - \$1,210 for one and \$1,639 for a couple.
- **Long-Term Care Ombudsman** is the advocate for all residents of long-term care facilities (nursing facilities (includes skilled nursing facilities and critical access hospitals with swing beds) and assisted living facilities). Ombudsmen act as access points for consumers by providing information or direct assistance regarding concerns about the health, safety and rights of residents. Ombudsman made 4947 visits to long term care facilities, responded to 1382

complaints and provided 1066 consultations to persons requesting assistance and 1422 consultations to facilities in federal fiscal year 2011. Services are provided at the local level by 28 Local Ombudsman (*note – not all are full-time equivalents), 2 Volunteer Certified Ombudsman, 3 full-time Regional Ombudsman (3 FTE) and 7 Friendly Visitor volunteers. These individuals are hired and directly supervised by local Area Agencies on Aging or the County Councils on Aging. All Ombudsmen are certified and receive training on federal and state regulations, resident rights information as well as techniques for complaint investigation and resolution. Ombudsmen personnel visit their assigned facilities regularly (usually at least once a month).

- **State Health Insurance Assistance (SHIP) Program** The Montana State Health Insurance Assistance Program (SHIP) is a free health-benefits counseling and advocacy service for Medicare beneficiaries and their families or caregivers. Our mission is to educate, advocate for, counsel and empower people to make informed benefit decisions. The Montana SHIP is an independent, objective, and confidential assistance program funded by Centers for Medicare and Medicaid (CMS) and is not affiliated with the insurance industry. This program is based and operated through Montana's ten Area Agencies on Aging. SHIP counselors are specialists trained in Medicare eligibility, benefits and options, health insurance counseling and related insurance products. SHIP counselors do not make decisions for the beneficiary; rather, their purpose is to assist the beneficiary objectively and confidentially, and to empower the beneficiary to make their own wise health care decisions. SHIP counselors also conduct public presentations on Medicare, Medicare supplemental insurance, long term care options, Medicare Advantage options, Medicare fraud, waste and abuse and other issues of importance to Medicare beneficiaries and their families. In Fiscal Year 2012, SHIP counselors handled over 15,200 contacts and assisted, through face to face contact, 8,552 individuals in Montana regarding Medicare, Medicare Prescription Drug plans, and other beneficiary issues.
- **Information, Assistance and Referral (I&A) Program** is a service designed to link Montana's seniors, their family members and caregivers with needed services. There are 90 I&A Technicians statewide who work through Area Agencies to provide information about services, make proper referrals, and do public education and outreach work within their communities.
- **Elderly Legal Assistance Program** provides training to senior citizens, family members, professionals and providers regarding elder law. The program responds to one hundred & eighty legal issues focusing on advice, advocacy and strategies to assist persons sixty and older. Services also include representation through a pro-bono – modest means program for persons on limited or fixed income. The program conducts legal clinics in collaboration with the AAA's and legal volunteers consisting of attorneys and paralegals on a statewide basis assisting persons sixty & older regarding wills, living wills, power of attorney, beneficiary deed, declaration of homestead etc. The program serves as a legal support to other Aging program such as SHIP program, Aging and Disability Resource Center and the State Ombudsman program.

COMMUNITY SERVICES -WAIVER

Some individuals in need of long-term care services choose to remain in their own homes or select other community options to meet their needs. The Medicaid Community Services program pays for in-home, assisted living, and other community-based services, such as the home and community based services waiver, to Medicaid-eligible individuals as an alternative to nursing facility care. Consequently, the Home and Community Based Services (HCBS) program, often referred to as the Medicaid Waiver, offers Medicaid recipients a number of choices. Montana has had an HCBS waiver since 1982. Montana's waiver is known as the Montana Big Sky Waiver which is a concurrent 1915(b)(4) and 1915(c) waiver. During fiscal year 2012 approximately 2,500 people accessed services through the Waiver program.

- **Home and Community Based Services** are individually prescribed and arranged according to the needs of the recipient. An individual service plan is developed by a case management team in conjunction with the recipient. The service plan must meet the needs of the recipient and be cost effective. It is reviewed at least every 6 months and revised when the recipient's condition changes.
- To be eligible for the HCBS program an individual must be elderly or disabled, Medicaid eligible, and require nursing facility or hospital level of care.
- Services available to recipients include case management, homemaker, personal care, adult day care, respite, habilitation, medical alert monitor, meals, transportation, environmental modification, respiratory therapy, nursing services, adult residential care provided in a personal care or assisted living facility, or adult foster home, as well as a number of specialized services for recipients with a traumatic brain injury.
- The Department contracts with 7 agencies to provide case management services to individuals in the Wavier. Case management teams are headquartered in Missoula (2), Billings, Great Falls, Helena, Bozeman, Sidney, Miles City, Kalispell, Butte, Lewistown, Roundup and Polson.
- Unlike most Medicaid programs, HCBS services are not entitlement programs. Access is limited by the amount of funding available and appropriated by the legislature. When the funds are committed, eligible people wait until more money is appropriated or until an opening occurs through attrition. Expenditures of state and federal funds were about \$36 million in fiscal year 2012.
- In June of 2012 there were approximately 272 people waiting for services, and the average length of stay on the waiver waiting list was 220 days.

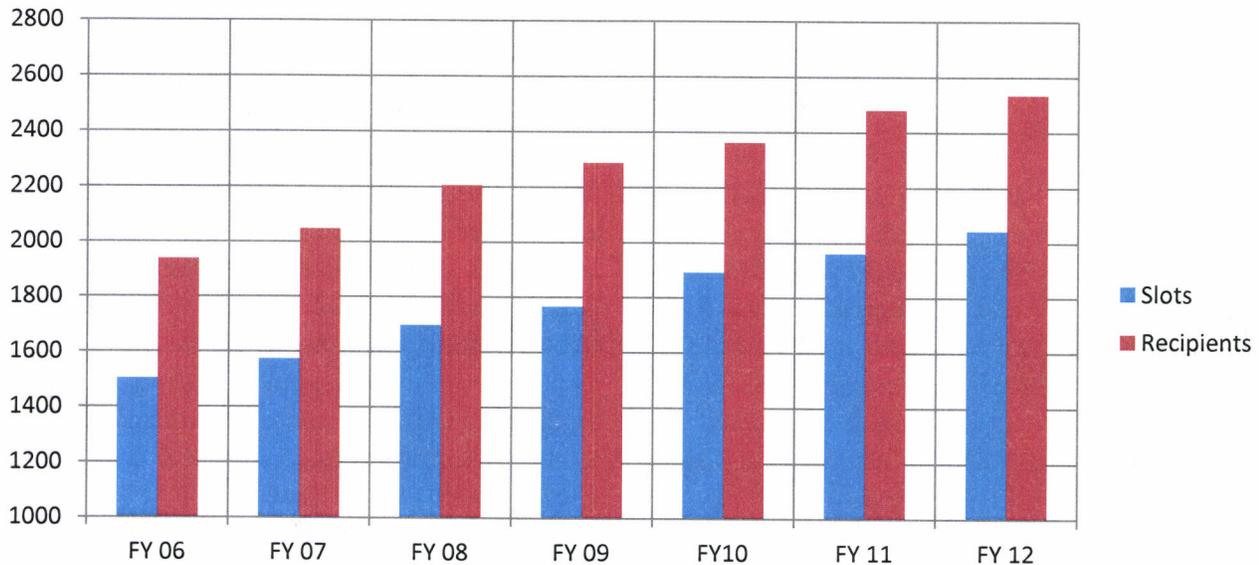
Waiver Utilization Summary SFY 06 - SFY 12

	Previous FY Slots	Expansion	NF Transition	Adjusted Count (At Risk AR, Conversion & CC3)	Slots	Recipients
FY 06	1443	45	15		1503	1938
FY 07	1503	56	14		1573	2046
FY 08	1573	79	44		1696	2205
FY 09	1696	23	46		1765	2287
FY10	1765	80	38	7	1890	2362
FY 11	1890	0	59	10	1959	2480
FY 12	1959	0	82		2041	2534

Data as of 11/21/12

* - Note that FY 12 recipients are estimated.

Waiver Slots and Recipients FY06 - 12



One Waiver Slot will provide services for about 1.3 people per year.

COMMUNITY SERVICES - PERSONAL ASSISTANCE

The goal of the Personal Assistance Services program is to prevent or delay institutionalization by providing medically necessary maintenance or supportive care in the home. Montana has provided Medicaid Personal Assistance Services since the late 1970's. In FY2012, about 3,500 people received personal assistance services across Montana at a total cost of \$42 million, when direct care wages and health care for direct care workers funding is included. As an entitlement program, there are no restrictions based on age or disability, rather services are authorized based on functional limitations resulting from a discernible diagnosis.

- Personal Assistance Services consists of medically necessary in-home services provided to Medicaid consumers whose health problems cause them to be functionally limited in performing activities of daily living. These services include activities related to a consumer's physical health and personal hygiene, such as bathing, transferring, feeding, grooming, toileting, medications reminders, limited homemaking tasks, assistance shopping for essential items, and escort to Medicaid reimbursable health care services.
- Montana offers two options for personal care services. The first option is referred to as the "agency-based" program, as enrolled provider agencies manage the services on behalf of the consumer. The provider agency must employ a licensed nurse to oversee the training and supervision of all direct care attendants and monitor the consumer's plan of care. The upper limit is 40 hours of assistance per week
- The second personal assistance service option is referred to as the "self-direct" program. As a result of grass roots legislative efforts, Montana launched the Self-Direct Personal Assistance Program in October 1995. The program is designed to allow consumers to hire, train, manage, schedule and discharge their attendants. Consumers must demonstrate capacity to manage their care or have a personal representative manage their care.
- With either option the personal assistance provider agency must review all direct care attendant time sheets prior to billing Medicaid and make home visits to determine the consumer's continuing need for Medicaid Personal Assistance Services and assess the quality of services provided. Personal assistance services are authorized by a contracted 3rd party nurse and provider agencies may only bill for the services they deliver within the authorization.
- In June 2008, for the first time in the program's history, the number of consumers in the self-direct option exceeded the number of consumers in the agency-based option. In 2012, 55% of consumers were selecting the self-direct service option to receive their personal assistance services.

HOSPICE/HOME HEALTH

Hospice is a program that provides health and support services to the terminally ill and their families. This approach to treatment recognizes the patient's impending death and as a result, palliative/comfort care, rather than curative care, is delivered. Services are provided in the consumers' home or for a

resident in a nursing facility to augment services being provided by family or other caregivers. When a person selects hospice, they waive all Medicaid benefits related to curative care.

- Hospice service package can include the following: nursing, medical social services, physician services, bereavement counseling, dietary consult, inpatient care for acute pain, family respite, nursing facility room and board, durable medical equipment, pharmaceuticals and therapy services.
- The hospice benefit covers both the standard hospice service, as described above, and nursing facility room and board payments for those hospice patients residing in nursing facilities.
- In FY 2012 approximately 370 individuals utilized the hospice benefit for nursing facility room and board, the standard hospice service package, or both.
- Of the 370 total recipients, approximately 236 individuals that received hospice services resided in nursing facilities. A majority of the hospice benefit that is paid for by Medicaid is for nursing facility room and board which is not a covered benefit under Medicare.
- The remaining 134 people received hospice services through Medicaid, with the great majority receiving those services in their home.
- Hospice expenditures through Medicaid in 2012 were approximately \$4 million.

Home Health services are medically necessary nursing and therapy services provided in the residence of Medicaid consumers. Services are designed to be delivered on a part time or intermittent basis to prevent or delay institutionalization. In fiscal year 2012, approximately 350 people utilized home health services. These services include skilled nursing, home health aides, physical therapy, occupational therapy, and speech therapy. The program also covers medical supplies and minor equipment used in the home in conjunction with the delivery of services. These services must be ordered by a physician and provided by a licensed and certified home health agency. Home health expenditures for fiscal year 2012 were approximately \$326,239.

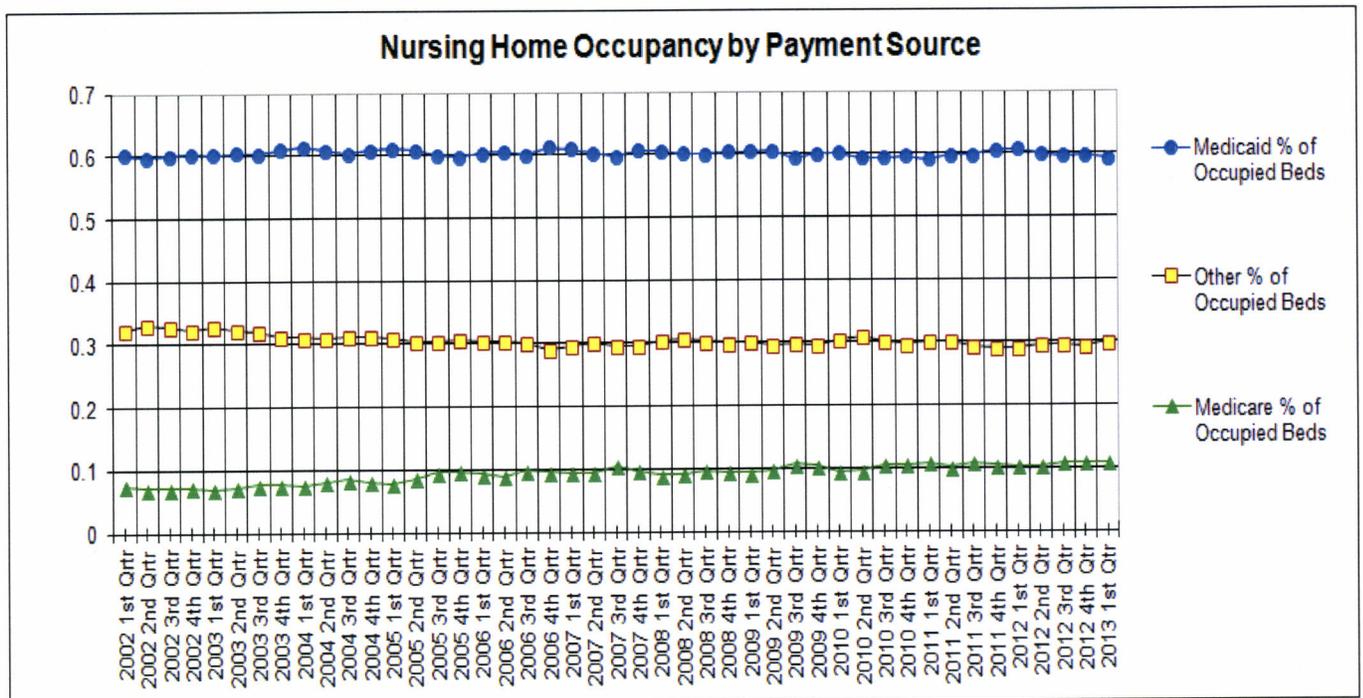
NURSING FACILITY SERVICES

The Nursing Facility Program pays for short and long-term nursing care to people who are Medicaid-eligible and in need of that level of care in the 81 Montana nursing facilities across the state. Nursing facilities are located in forty-two (42) of Montana's fifty-six counties, and range in size from fifteen beds (15) in Baker, to two hundred seventy-eight (278) beds in Great Falls. In FY 2012 about 1.07 million Medicaid funded days of nursing facility care were delivered to approximately 4317 Montanans.

- There are about six thousand six hundred sixty seven (6,667) nursing facility beds in Montana.
- At any one time about sixty nine percent (69%) of nursing facility beds in the state are occupied. Occupancy has steadily fallen over the last several years. In 2002 Montana nursing facilities were at 79% occupancy or a 10% decline in 10 years.
- Medicaid pays for about sixty percent (60%) of all nursing facility services, private payers twenty-nine percent (29%) and Medicare/Other the remaining eleven percent (11%).
- The average age of Medicaid nursing facility residents is 80 years of age, and the average length of stay in a nursing facility under Medicaid is approximately 2.4 years. The average age of a private pay individual is 85 years of age with an average length of stay of 1.26 years, while

the average for a Medicare resident is 81 years of age with an average length of stay of 119 days.

- Nursing facilities are the largest portion of the long-term care budget, with total FY 2012 expenditures of almost \$162 million dollars when Intergovernmental Fund Transfer (IGT) and direct care wages are included.
- Montana has had an IGT program since 2001, which provides additional financial support to at-risk facilities by utilizing local county revenues as match in the Medicaid program, to augment funding to nursing facilities without the commitment of additional state dollars. This is one of the few remaining Centers for Medicare and Medicaid approved IGT programs in the nation. These payments are in the form of one-time lump sum payments to non-state governmental owned or operated facilities for Medicaid services and are for the purpose of maintaining access to “at risk” county affiliated facilities who are predominantly rural and are the only nursing facility in their community or county or who provide a significant share of nursing facility services in their county. In addition to the payments to “at risk” county affiliated facilities Montana has a provision to provide smaller lump sum payments to other “at risk” nursing facilities that are not affiliated with counties. The Medicare upper payment limit, which sets the cap on how much can be leveraged in this program, has increased in the past several years resulting in greater opportunity to provide increased funding through this program.
- Montana has had a nursing facility provider fee or tax since 1991. The rate is currently \$8.30 on each nursing facility day of care. \$2.80 of the fee is deposited in the general fund and \$5.50 is deposited as state special revenue account to fund nursing facilities.



ADULT PROTECTIVE SERVICES

Adult Protective Services (APS) is the department's agency of last resort for all adult guardianships and investigations, intervention and prevention of abuse, neglect and exploitation activities of Montana's seniors and disabled. During fiscal year 2012, APS provided some form of assistance to over 4,100 persons across Montana. Adult Protective Services are a mandated service under Montana Law, but expenditures for the program are limited to the appropriation established by the legislature.

- There are 41.25 adult protective services social workers located across the state who have the duty to investigate allegations of abuse, neglect and exploitation of the elderly and people with disabilities.
- Program also arranges for and coordinates a variety of support services aimed at protecting vulnerable people from abuse, neglect and exploitation including but not limited to:
 - Receiving reports of the abuse, neglect or exploitation of elderly, developmentally disabled and disabled adults;
 - Investigating reports to assess risk to clients;
 - Intervening to stop abuse, neglect or exploitation if it is occurring, including removing the victim from the abuse, neglect and/or exploitation (removal within the meaning of either voluntary protective services or emergency protective services) and balancing the rights of adults with capacity to live independent lives;
 - Coordinating activities among state and county agencies who provide human services and working with law enforcement if there is evidence of suspected criminal activity;
 - Developing a case plan in cooperation with the client, including end of life decision making; Arranging for ongoing support services from other state, county and local agencies when appropriate;
 - Monitoring services and periodic re-evaluation of potential risk factors;
 - Working with tribal entities on protective services for elderly and developmentally disabled populations;
 - Educating professionals and the public regarding issues related to the prevention and neglect of the elderly and developmentally disabled;
 - Assuming the role of court-ordered guardian, conservator or surrogate decision maker, as agency of last resort, for those elderly and disabled who are unable to do so themselves;
 - Assisting and consulting in the development of prevention programs and entities to provide necessary guardianship/conservatorship to individuals in the least restrictive environment available;
 - Providing temporary, emergency assistance, purchased through contingency funds authorized by the legislature, to vulnerable adults in need;
- Total funding spent on services in fiscal year 2012 was approximately \$2.7 million which is funded at approximately 3% federal funds and 97% state general funds.
- The number of vulnerable people living in Montana communities has grown rapidly over the past few years; the demand for the services provided by APS workers continues to increase. Incidents of exploitation and self-neglect have shown increases with additional demands on resources necessary due to more involvement in investigation and providing services to address the needs for the safety and independence of the victim. Investigations of allegations of abuse, neglect and exploitation have increased from 5,500 in 2010, to 5974 in 2011 and have inched up slightly to 6,007 in 2012. Of the 6,007 allegations received and investigated over 63% were related to neglect, 21% to exploitation and 16% to abuse concerns.

VETERANS NURSING FACILITIES

Nursing facility care is provided to veterans at two state veterans homes in Montana. The State of Montana operates the Montana Veterans Home in Columbia Falls and oversees a contract for the operation of the Eastern Montana Veterans Home in Glendive.

Montana Veterans Home (MVH) was established in 1896 and is a one hundred five (105) bed licensed and certified skilled nursing facility, which includes a 15 bed special care unit for Alzheimer or dementia care. The facility provides all of the care that is typically found in any community nursing home. The facility participates in the Medicaid and Medicare programs, and is funded in part by charging members for their care at the facility based on their ability to pay. In addition to the nursing facility, MVH operates a twelve (12) bed domiciliary unit. The "Dom" provides supervision and assistance in a residential setting to Veterans who are able to meet their own self-care needs. Montana veterans are admitted if they are over 55 years of age, or in need of care, and have had active service in the armed forces. Spouses of veterans may also be admitted if "space is available".

- As of July 2012 the facility is currently home for one hundred and eleven (111) veterans and their spouses. Ninety-nine (99) nursing facility residents and twelve (12) residents in the domiciliary live at the facility. One hundred-one (101) residents are male, and ten (10) are female, and seven (7) residents are the spouses of veterans.
- The facility's average occupancy at MVH for 2012 was 98.38 residents (or) an occupancy rate of 93.7%. The average occupancy rate for other nursing facilities in that geographic area of the state was 71.6%.
- As of October 1, 2011 the federal Department of Veterans' Affairs contributed \$95.82 for each day of the nursing home care provided to a veteran and \$39.90 for domiciliary care. This rate has increased effective October 1, 2012 to \$97.07 for nursing and to \$41.90 for domiciliary care.
- There are 142 FTE who provide direct care and services at the Montana Veterans Home.
- In FY 2012 the total cost of operation for MVH was \$9.97 million dollars.
- A portion of the funding for the facility comes from cigarette tax state special revenue. Since 1992 there has been a 2-cent per pack cigarette tax, which was designated as revenue to be used to offset the expenses for those veterans at the facility who could not pay full cost. Effective in January 1, 2005, cigarette taxes collected under the provisions of 16-11-111 must, in accordance with the provisions of 15-1-501, be deposited as follows:
 - 8.3% or \$2 million, whichever is greater, in the state special revenue fund to the credit of the department of public health and human services for the operation and maintenance of state veterans' nursing homes;
 - If money in the state special revenue fund for the operation and maintenance of state veterans' nursing homes exceeds \$2 million at the end of the fiscal year, the excess must be transferred to the state general fund.

Eastern Montana Veterans Home (EMVH) was built in 1994 and opened its doors for admissions on July 17, 1995. It provides 80 skilled and intermediate nursing facility beds, including 16 beds dedicated to Alzheimer or dementia care. As of July 2012 the facility was home to sixty-seven (67) Montanans. Fifty-nine (59) residents were male, and eight (8) were female. The Senior and Long Term Care Division (SLTCD) contracts for the day to day operation and the management of the EMVH facility and maintains a small budget to cover cost of major physical plant repairs, maintenance

and equipment replacements. The Glendive Medical Center (GMC) has been the independent contractor responsible for management and operation of the facility since the facility opened its doors in 1995.

- A state employee located on site at the facility is responsible for monitoring contractual compliance and serves as the liaison between the state, the contractor and the Veteran's Administration.
- The current contract of seven years with GMC was negotiated through a Request for Proposal (RFP) in 2009 for the operation of EMVH.
- The facility's average occupancy for 2012 was 60.17 residents (or) an occupancy rate of 75.21%. The average occupancy rate for other nursing facilities in that geographic area of the state was 69.7%.
- The total cost of operation of the Eastern Montana Veterans to the state during FY 2012 was about \$ 2.4 million of state special revenue and federal veterans' per diem payments that are passed through to the contractor for the operation of the facility.
- Currently, the major source of funding at EMVH comes from the federal Veterans Administration. Other sources of funding are Medicare, Medicaid and private pay by veterans.
- As of October 1, 2011 the federal Department of Veterans' Affairs contributes \$95.82 for each day of the nursing home care provided to a veteran. This rate has increased effective October 1, 2012 to \$97.07 for nursing home care.

HIGHLIGHTS AND ACCOMPLISHMENTS DURING THE 2013 BIENNIUM

Health Care for Health Care Workers

Funding has been available for Health Care for Health Care Workers in the form of a Medicaid provider rate increases when health insurance is provided for direct care workers in personal assistance and private duty nursing programs. The funds must be used to cover premiums for health insurance that meets defined benchmark criteria.

- In January 1, 2009 the program began with seventeen (17) Medicaid personal assistance and private duty nursing providers offering comprehensive health insurance coverage and 500 workers initially enrolled.
- As of July 1, 2012, sixteen (16) providers were enrolled in the program and they were providing over 680 workers across the state with quality health insurance coverage. Participating agencies were required to offer a health insurance plan that met specific benchmark standards established by the Department.
- The monthly premium for which an employee is responsible ranges from \$0-\$30 per month. A majority of the agency's workers pay a \$25/month insurance premium.
- The range of hours a worker must work to be eligible for health insurance coverage is 20-40 hours per week, depending upon the agency. In January 2012 the Department increased the monthly premium level limit from the limit established in January 2011 of \$550 to \$600.

Nursing Home Transition/Diversion Placements

The Senior and Long Term Care Division (SLTC) since 2000 has employed a proactive strategy with a "money follows the person" approach to rebalancing the long term care system. This approach identifies nursing facility residents who want to move into community service placements, and for whom appropriate, cost effective, community services could be developed thus allowing them to return to their own homes or move into small residential settings such as Assisted Living Facilities. Since FY

2004, over 300 people have transitioned from nursing facilities into community services; with dollars for services following them from the nursing facility into the community. During the last legislative session, \$2.5 million was allocated to fund nursing home transition or diversion activities. During fiscal year 2012 over 105 individuals were provided community services through the use of this funding. Approximately 56 individuals transitioned from nursing facilities and another 49 were diversions before individuals were placed in a facility. As of June 30, there were approximately 82 individuals in these placements due to turnover, with additional transitions in process. The SLTCD plans to continue to utilize resources from the nursing facility program budget to fund these community placements under the HCBS waiver.

Money Follows the Person Rebalancing Demonstration Grant

Montana is committed to enhancing its long term services and supports (LTSS) system to increase the use of home and community based services (HCBS) and reduce the use of institutional supports. To further this effort Montana submitted a grant application to the Centers for Medicare and Medicaid Services (CMS) to implement a Money Follows the Person (MFP) demonstration project to augment existing community-based LTSS, and institute a change initiative to rebalance its long term care system.

Money Follows the Person (MFP) is a federal grant program that provides a **temporary increase** in the federal share of the Medicaid matching rate to pay for services to people who are already receiving Medicaid funded care in an institutional setting and choose to move into certain types of community living arrangements. Montana's MFP demonstration project, known as Montana Community Choice Partnership MFP will expand the State's existing transition efforts to individuals of all target populations with more complex needs. Montana will invest the savings garnered through the enhanced Federal Medical Assistance Percentage (FMAP) into increased HCBS services and supports, including diversion activities and waiver expansion.

Montana has been successfully moving consumers who are elderly or physically disabled from nursing facilities to community settings since 1999. Through the Montana Community Choice Partnership MFP demonstration project, the State will broaden its reach to further target individuals with developmental disabilities, severe disabling mental illness (SDMI), serious emotional disturbance (SED), and other complex needs such as traumatic brain injuries (TBI). The State will work through the MFP demonstration to increase capacity statewide to serve the needs of these populations. Housing and provider/caregiver capacity constraints are both significant barriers in Montana. The Montana Community Choice Partnership MFP stakeholder advisory council, the inter-divisional stakeholder workgroup and MFP project staff will collaboratively address these issues, looking for creative solutions including means to promote additional accessible housing meeting MFP residence requirements, and working with nursing facilities and other institutions to repurpose existing resources to enhance the availability of HCBS supports.

Who is Eligible for MFP, individuals who:

- Reside for 90 consecutive days in inpatient facility
- Receive Medicaid benefits for inpatient services
- Without HCBS services, would continue to need inpatient facility level of care

Allowable Residences:

- Home owned or leased by individual or family, or
- A residence in a community-based residential setting with 4 or fewer unrelated individuals living together, or
- Apartment with an individual lease

Montana's target population:

- Persons in Montana Developmental Center (MDC) transitioning to the community
- Persons with Severe Disabling Mental Illness (SDMI) in nursing homes
- Persons with physical disabilities and elders in nursing homes
- Persons with complex needs in nursing homes, including those with a traumatic brain injury
- 18-21 year olds in State Hospital
- Youth in PRTF transitioning to the community

Year	Elderly	MR/DD	Physically Disabled	Mental Illness	SED Youth	Total
CY2012	0	0	0	0	0	0
CY2013	5	5	5	3	15	33
CY2014	10	5	10	7	30	62
CY2015	10	5	15	10	30	70
CY2016	10	5	20	10	25	70
Total	35	20	50	30	100	235

Additional MFP Services above current Eligible Services:

- Transition services
- Regional transition coordinators
- Companion services
- Peer mentor/advocate
- Connecting information technology
- Geographic factor for provider travel
- Addictive treatment services
- Purchasing accessible vehicles or modifying existing vehicles for accessibility
- Transportation supports
- Overnight or enhanced staffing and supervision

MFP Funding:

- FMAP is an additional ½ the current match rate for Medicaid benefits received for 365 days per each individual transitioned with MFP. 34/66 becomes 17/83
- After 365 days the individual is maintained in ongoing waiver services at regular FMAP.
- Administrative costs are funded at 100% federal funds during life of the grant.
- 4 modified FTE are funded with this grant: MFP Grant director, Budget/quality staff person, Transition coordinator, Housing coordinator.
- Grant includes funds for contracting with local entities for services, data base development and management, quality measure development, training, housing directory and for council facilitation.
- The grant has maintenance of effort MOE requirement, that funding in subsequent years for community services cannot be less than the funds spent for the same services in the 2011 base year for these programs.

The first year (2012/2013) grant award is \$2,684,302 of federal funding targeted as start up costs for this grant. The grant funding was approved effective 9/27/2012 and the grant will run through 3/31/2016 and may provide up to \$12,303,184 of supplemental funding over the five year life of the grant if the rebalancing benchmarks are achieved. Approximately 235 individuals from the target program areas are targeted to transition from facility-based to home and community based services over the life of the grant. The Operational Protocol that sets out the parameters of how this grant will operate in Montana is going through a refinement process with CMS technical staff at this time thus no transitions have been targeted to date.

Medicaid Community First Choice Option

The Affordable Care Act (ACA) includes three funding options offering financial incentives to states that are interested in expanding access to Medicaid funded Home and Community-Based Services (HCBS). These new initiatives are part of an ongoing federal effort to assist and support states as they “Re-balance” their Medicaid long term care service systems by devoting an increasingly larger share of their long term care resources to community service options in response to consumer demand. The Medicaid community-based service options in ACA include:

Money Follows the Person (MFP): As described above MFP is a federal grant program that provides a temporary increase in the federal share of the Medicaid matching rate to pay for services to people who are already receiving Medicaid funded care in an institutional setting and choose to move into certain types of community living arrangements.

The Balancing Incentive Payment (BIP) program: BIP is a federal grant program that provides a short term increase in the federal share of the Medicaid matching rate as an incentive for states to increase the percentage of spending that is devoted to community-based services to fifty-percent or more of their total expenditures on Medicaid funded long term care. At this time DPHHS does not plan to apply for a BIP.

The Community First Choice Option: The third ACA based incentive for states to provide community-based long term care services is a new Medicaid State Plan optional service called the Community First Choice Option (CFCO). DPHHS is currently assessing the possible impacts of pursuing CFCO.

Community First Choice Option are “consumer-controlled” attendant care services that support people who need hands-on assistance, supervision or cueing in order to perform important daily life skills such as bathing, dressing, eating, mobility, shopping, meal preparation, money management/budgeting and emergency back-up devices.

- The core services in CFCO are very similar to (but not identical to) those available under the Medicaid Personal Assistance Services (PAS) option.
- CFCO includes several additional requirements not typically associated with State Plan services, including person-centered planning, a comprehensive quality assurance system and a requirement that the people who receive CFCO services must meet Nursing Facility or ICF/MR Level of Care.
- As is the case with PAS and most other services on the Medicaid State Plan, any eligible individual who has a documented need for CFCO services is entitled to receive them.

One critical difference between CFCO and the other ACA community-services options such as MFP/BIP is that there is an ongoing financial incentive associated with **CFCO – a six percent** increase in the federal share of Medicaid’s cost for CFCO services (aka the FMAP Rate). The FMAP increase for CFCO is permanent not temporary. States that add CFCO to their Medicaid State Plan,

and meet all of the program's additional requirements, will receive the six percent FMAP increase on an ongoing basis. States that adopt CFCO are also subject to one year Maintenance of Effort requirement that applies to state spending on Medicaid Personal Assistance Services.

In addition to complying with the service and process requirements of CFCO, states have the option to deliver additional "permissible" services, including things such as expenditures for transition costs for persons who are moving into community-based services from an institutional setting or "services that increase a participant's independence or substitute for human assistance".

The majority of the increase in federal funding resulting from the enhanced matching rate would have to be used to pay for the additional requirements of CFCO. Any funds remaining after all of the costs of CFCO have been met could be used to pay for initiatives that enhance community-based in-home services, including things such as moving current Medicaid funded residents of institutional programs into community-based services as part of the state's Money Follows the Person grant.

States that wish to pursue CFCO must also create a Development and Implementation Advisory Group, the majority of whom are consumers or their advocates, to provide advice regarding what CFCO services will look like and how the program will operate.

Community Based Out Patient Clinic at Eastern Montana Veterans Home

In May 2007, the Veterans Administration Healthcare (VA) in Montana announced that it desired to relocate its Community Based Outpatient Clinic (CBOC) from Sidney to Glendive, and they requested consideration from the State to house the outpatient clinic at the Eastern Montana Veterans Home (EMVH) in Glendive. In 2010, VA Healthcare requested additional space at the EMVH facility in order to meet expanded primary care needs and mental health care for local veterans. The VA Healthcare issued an RFP in 2011 to acquire long term space in Glendive, and the State submitted a response to that RFP to allow the CBOC to continue to reside at the facility. A 5 year lease was negotiated in December 2011 between the State and the VA for the CBOC clinic to remain at the facility. Some construction and remodeling of the existing space was requested by the VA, which will be paid for by the federal government, and is expected to be completed in early 2013. Lease payments began January 1, 2012 on the current space occupied by the clinic at \$2,804.85 per month and will increase upon completion of the additional remodeled clinical space.

This joint partnership between VA Montana (federal), Montana Department of Public Health & Human Services (state), and Glendive Medical Center (private contractor of services for the state veteran's home) was a unique and successful joint effort between these stakeholders to provide services to veterans in Montana. In federal fiscal year 2012 (10/1/2011-9/30/12) there were approximately 486 individual veterans that visited the Clinic in Glendive housed at Eastern Montana Veterans Home.

Southwestern Montana State Veterans' Home-Butte, Montana

The 2011 Montana legislature passed HB 296 which provides that State Special Revenue from cigarette taxes beginning Fiscal Year July 1, 2011 and ending June 30, 2015, of 1.2% will be deposited to the credit of the account established for the construction of the state veterans' home in southwestern Montana. The bill appropriates \$4,812,500 from the state special revenue account and appropriates \$8,937,500 from federal special revenue for construction of the home. Total cost for construction was estimated at \$13,750,000.

- In April 2011 the State of Montana Department of Public Health and Human Services (DPHHS) Senior and Long Term Care Division, submitted a construction grant request to the Department of Veterans Affairs (DVA) to request funding for 65% of the cost of construction for a community living design, (60 bed) state veteran's home in Butte, MT. This request was for 65% of the cost of construction or the \$8,937,400
- In August 2012 Montana submitted 35% Construction Documents that were developed with Architecture & Engineering Division and CTA Architects. These design documents have been approved by the DVA, which allows Montana to be poised to move forward quickly should the DVA provide funding for this project in the 2013 Federal Funding Cycle.
- In October 2012, which begins the federal fiscal year 2013, projects will be prioritized and funded by the DVA from the Priority One list of projects. Montana will wait to see if funding is available for this project in 2013.
- The Southwest Montana Veterans Home will be located on a 10 acre donated site in Butte Montana. The campus will house a 60 bed state veterans home developed with a community living design concept that consists of five (5) cottages that will house 12 veteran residents each.
- This campus will be a cul-de-sac layout to minimize pedestrian and vehicular traffic overlap. Cottages will be oriented to the south to capture solar exposure and light as well as to capitalize on the views. The cottages will be designed to create a home-like atmosphere where residents, staff, and visitors will feel the comfort of a home. The cottages will have shared kitchen/dining; living room/den/office areas; service rooms; public restrooms and a separate tub room. Residents will have private rooms with private bathrooms that include shower facilities.
- The campus includes a Community Center that will provide for a number of the "community-at-large functions" for the veterans such as a Bistro, media center, physical therapy and other activities. The west side of the building will house the administrative offices. The east side of Community Center will be the resident and public spaces and will allow for varying hours of access and operation.
- Conceptual design documents of the cottages, community center, and site footprint are available on the SLTCD/DPHHS website
<http://www.dphhs.mt.gov/sltc/services/vethome/SWVets/INDEXSWVets.shtml>

Aging and Disability Resource Centers (ADRCs)

The Aging and Disability Resource Centers (ADRCs) were initially developed in 2003 under a Real Choice Systems Change Grant for Community Living funded by the Administration on Aging (AoA and now called the Administration for Community Living (ACL)) and the Centers for Medicare and Medicaid Services (CMS). The goal of the Aging and Disability Resource Center Program is to empower individuals to make informed choices, to streamline access to long-term support and organize the long-term support system. The vision is to have Resource Centers in every community serving as highly visible and trusted places where people can turn for information on the full range of long term support options and a single point of entry to public long term support programs and benefits.

ADRCs are a resource for both public and private-pay individuals. Making information and counseling available to private-pay individuals is a central element of the AoA/CMS Resource Center vision. Reaching people before they become Medicaid-eligible, and helping them to learn about low-cost options and programs such as private long term care insurance, can help individuals make better

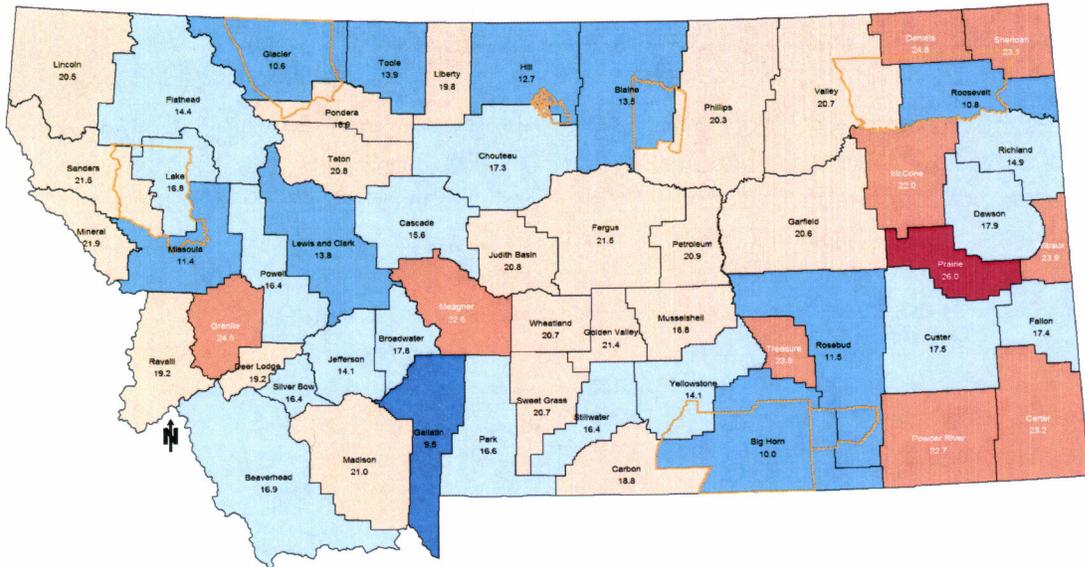
use of their own resources and help to prevent or delay spend-down to Medicaid. Resource Centers serve elders age 60 and older and people with physical disabilities over the age of 18.

Montana has received five grants, which have aided in the development of the ADRC model. The original grant in 2003 established the first ADRC in Yellowstone County. In 2006, 11 more counties and two Reservations were added to the model. They include: Missoula, Carbon, Big Horn, Stillwater, Sweet Grass, Wheatland, Musselshell, Judith Basin, Petroleum, Fergus and Golden Valley as well as the Northern Cheyenne and Crow Reservations. Under a 2009 grant from the National Council on Aging, 5 additional counties developed ADRC models. They include Hill County and Lake, Lincoln, Mineral and Sanders counties. Also in 2009 we received a grant to expand ADRCs and develop partnerships with Independent Living Centers. Under this grant, Lewis and Clark, Gallatin, Park, Broadwater, Meagher, Ravalli and Cascade counties were added. And the most recent grant received in September of 2012 of \$195,958 expands ADRCs into Area I Agency on Aging, serving Montana's 17 eastern counties and Area V, which covers Beaverhead, Deer Lodge, Granite, Madison, Powell and Silver Bow counties. The aging network handled 77,804 contacts from 38,760 individuals for information and assistance. In Fiscal Year 2012 30,747 contacts for assistance to 19,529 people were provided through the ADRC's.

Aging Demographics

Montana is aging at a faster rate than most of the other States in the Union. The 2010 U.S. Census showed that Montana's 65 and older population was at 13.4% while the United States is at 12.1%. By 2011, Montana's 65 and older population has increased to 15.1% compared to 13.3% increase for the United States. Moreover, U.S census projections indicated that by 2030, Montana is expected to rank at least 5th in the Nation in the percentage of people over the age of 65 at approximately 25%. Of Montana's top 129 communities, of which many are rural and frontier communities, 33 of them are already at or above the 2030 State projection of their population being over age 65. Of these 33 communities, 12 have 65 and older populations that are over 30% of their total populations and 1 is over 56%. Over the next 18 years, 12,775 Montanans will turn age 65 every year. If these 12,775 people were all put into one community, it would be the 8th most populated city in Montana. Montanans are living longer, currently there are 175 centenarians in Montana based on the 2010 census. As indicated in *The Graying of Montana: Population Projections and Policy Planning* document by the Burton K. Wheeler Center and One Montana," addressing the needs of an aging Montana will continue to be an issue over the next 15 to 20 years."

Percent of County Population Aged 65 Years and Older, Montana, 2010



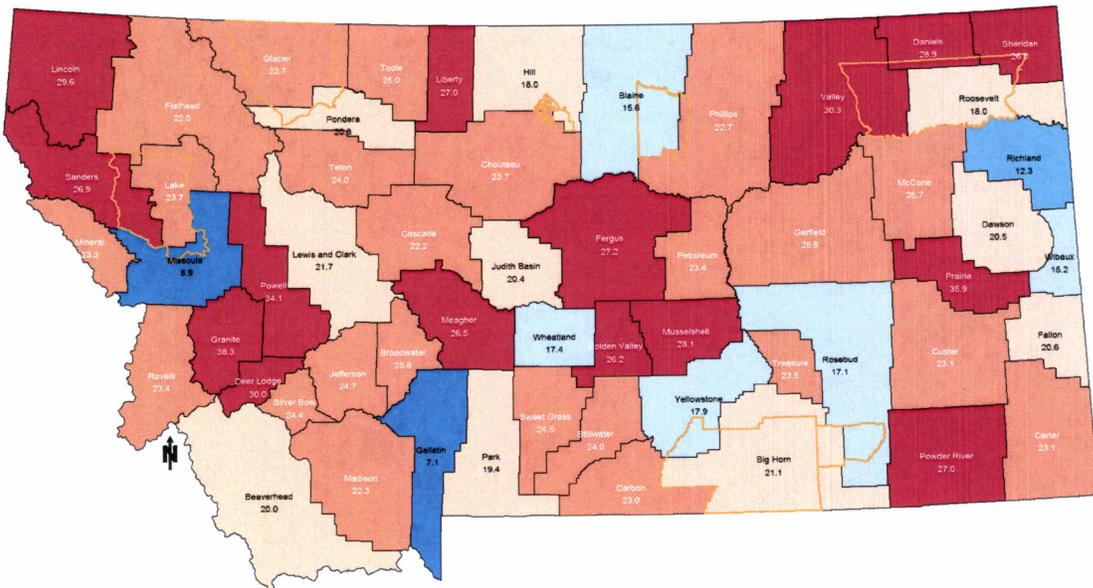
Percent Of County Population 65+

- 0.0-9.9
- 10.0-13.9
- 14.0-17.9
- 18.0-21.9
- 22.0-25.9
- 26 and Over

Data Source: US Census Bureau, 2010

Created By Cody L. Cuffe, MHDOS, Oct 2012
Appears in: PLACEHOLDER

Percent of County Population Aged 65 Years and Older, Montana, 2025



Percent Of County Population 65+

- 0.0-9.9
- 10.0-13.9
- 14.0-17.9
- 18.0-21.9
- 22.0-25.9
- 26 and Over

Data Source: Montana Census and Economic Information Center Projections

Created By Cody L. Cuffe, MHDOS, Oct 2012
Appears in: PLACEHOLDER

2015 BIENNIUM GOALS AND OBJECTIVES

Department of Public Health and Human Services Senior and Long Term Care Division

Goals and Objectives for the 2015 Biennium Submitted September 2012

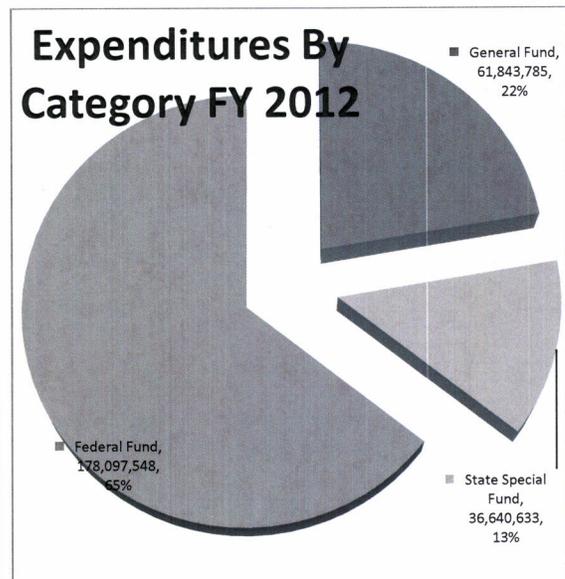
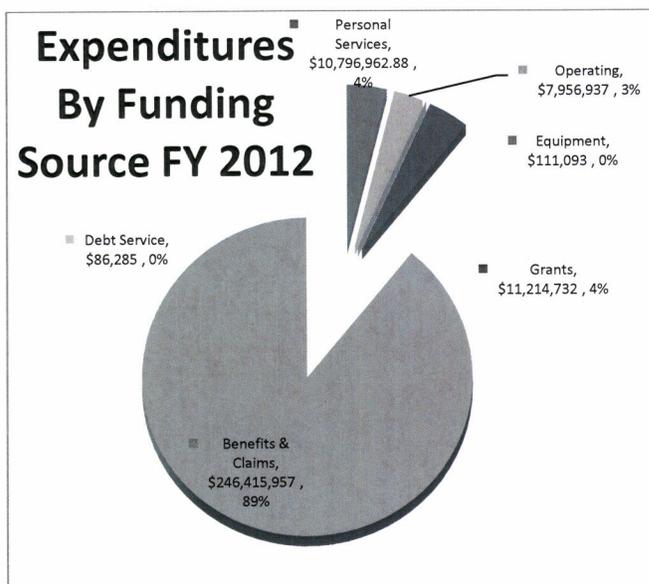
GOAL: Advocate for and promote dignity and independence for older Montanans and Montanans with disabilities.

Objective	Measurement
Increase the ability of Montanans to prepare to meet their own long term care needs, or the long term care needs of a relative or a friend.	Maintain a coordinated continuing education program to inform Montanans about long term care issues and options emphasizing the need for planning and personal responsibility.
Ensure high quality publicly funded long term care services are available.	Maintain the number of home delivered meals and caregivers receiving support services, such as, respite through aging services network.
Support Montanans in their desire to stay in their own homes or live in smaller community based residential settings for as long as possible.	The number of Montanans age 65 or older who live at home or in small community alternatives is maintained through rebalancing efforts using home and community based services.
Protect senior citizens and people with disabilities who are at risk of abuse, neglect and exploitation while maintaining maximum independence and self-determination.	Abuse prevention activities are supported through development of chapters on prevention of elder abuse while reducing state held guardianships.
Develop and provide efficient, effective, high quality nursing facility services to Montana veterans.	Licensure and certification standards for nursing facility services under federal and state, as well as, veterans' administration guidelines, are met.

FUNDING AND FTE INFORMATION

	2012 Actual Expenditures	FY2014 Request	Fy2015 Request
Senior and Long Term Care			
FTE	220.05	222.05	222.05
Personal Services	\$ 10,796,963	\$ 11,831,180	\$ 11,816,848
Operating	\$ 7,956,937	\$ 8,780,611	\$ 10,195,793
Equipment	\$ 111,093	\$ 111,093	\$ 111,093
Grants	\$ 11,214,732	\$ 11,873,156	\$ 12,115,529
Benefits & Claims	\$ 246,415,957	\$ 266,312,767	\$ 277,940,382
Debt Service	\$ 86,285	\$ 76,284	\$ 76,284
Total Request	\$ 276,581,966	\$ 298,985,091	\$ 312,255,927
General Fund	\$ 61,843,785	\$ 66,056,274	\$ 68,884,298
State Special Fund	\$ 36,640,633	\$ 37,700,802	\$ 38,292,671
Federal Fund	\$ 178,097,548	\$ 195,228,015	\$ 205,078,958
TOTAL	\$ 276,581,966	\$ 298,985,091	\$ 312,255,927

THE FOLLOWING FIGURES PROVIDE FUNDING AND EXPENDITURE INFORMATION FOR FY 2012 FOR SENIOR AND LONG TERM CARE



DECISION PACKAGES

PL 22201 – Med Ben Core Caseload Nursing Home

- This decision package requests \$373,606 in general fund and \$733,237 in federal funds for caseload adjustments in Medicaid nursing home services. The adjustment reflects a small growth rate in this program based on the 2012 utilization of this service. (LFD book, page B-170)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 192,064	\$	\$ 377,353	\$ 569,417
FY 2015	\$ 181,542	\$	\$ 355,884	\$ 537,426
Biennium Total	\$ 373,606	\$	\$ 733,237	\$ 1,106,843

PL 22202 – Med Ben Core FMAP Nursing Home

- This present law adjustment is necessary to recognize a decrease in general fund and an increase in federal Medicaid funds over the biennium to maintain existing level of services due to a projected change in FMAP rates for FY 2014 and FY 2015 for Medicaid funded Nursing Home program in the Senior and Long Term Care Division. The state match rate will decrease to 33.73% in FY 2014 and 33.78% in FY 2015. The increase in federal funds (\$114,492 FY 2014 and \$43,427 FY 2015) is equal to the decrease in general fund (\$114,492 FY 2014 and \$43,427 FY 2015). The total cost for the program does not change. (LFD book, page B-170)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ (114,492)	\$	\$ 114,492	\$ 0
FY 2015	\$ (43,427)	\$	\$ 43,427	\$ 0
Biennium Total	\$ (157,919)	\$	\$ 157,919	\$ 0

PL 22203 – Med Ben Core Caseload Home Based

- This proposal reflects the anticipated caseload adjustment for Medicaid home based services, which include personal assistance, home health, and hospice. Caseload is expected to grow between 2013, 2014, and 2015 at the rate of approximately 4.6% per year for traditional personal assistance services, approximately 13% for mental health personal assistance services, and approximately 11% for hospice services per year. Total cost of this decision package is \$14,506,795 over the biennium with \$1,981,872 in general fund and \$3,893,824 in federal funds in FY 2014 and \$2,915,585 in general fund and \$5,715,514 federal funds in FY 2015. (LFD book, page B-170)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 1,981,872	\$	\$ 3,893,824	\$ 5,875,696
FY 2015	\$ 2,915,585	\$	\$ 5,715,514	\$ 8,631,099
Biennium Total	\$ 4,897,457	\$	\$ 9,609,338	\$ 14,506,795

PL 22204 – Med Ben Core FMAP Home Based

- This present law adjustment is necessary to recognize a decrease in general fund and an increase in federal Medicaid funds over the biennium to maintain existing level of services due to a projected change in FMAP rates for FY 2014 and FY 2015 for Medicaid funded Home Based Services Programs in the Senior and Long Term Care Division. The state match rate will decrease to 33.73% in FY 2014 and 33.78% in FY 2015. Over the biennium, general fund will decrease by \$9,908 and federal funds will increase by the same amount. The total cost for the program does not change. (LFD book, page B-170)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ (16,073)	\$	\$ 16,073	\$ 0
FY 2015	\$ 6,165	\$	\$ (6,165)	\$ 0
Biennium Total	\$ (9,908)	\$	\$ 9,908	\$ 0

PL 22205 – Med Ben Waiver Caseload SLTC HCBW

- This decision package recognizes the cost of annualizing nursing facility transition and diversions from institutional placements into community settings. Approximately 82 individuals transitioned at different times during the year from nursing facilities to home and community based waiver placements, resulting in less than a full year of expenditures being recognized in the FY 2012 base year. Total cost of this request is \$261,424 in general funds over the biennium and \$513,050 in federal funds for a total request of \$774,474. (LFD book, page B-170)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 130,615	\$	\$ 256,622	\$ 387,237
FY 2015	\$ 130,809	\$	\$ 256,428	\$ 387,237
Biennium Total	\$ 261,424	\$	\$ 513,050	\$ 774,474

PL 22206 – Med Ben Waiver FMAP SLTC HCBW

- This present law adjustment is necessary to recognize a decrease in general fund and an increase in federal Medicaid funds over the biennium to maintain existing level of services due to a projected change in FMAP rates for FY 2014 and FY 2015 for the Medicaid funded Community Based Waiver Program in the Senior and Long Term Care Division. The state match rate will decrease to 33.73% in FY 2014 and 33.78% in FY 2015. Over the biennium, the decrease in general fund of \$16,901 is offset by an equal increase in federal funds. The total cost for the program does not change. (LFD book, page B-171)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ (17,452)	\$	\$ 17,452	\$ 0
FY 2015	\$ 551	\$	\$ (551)	\$ 0
Biennium Total	\$ (16,901)	\$	\$ 16,901	\$ 0

PL 22207 – Med Ben Other Components HCHCW Annualization

- This decision package annualizes the medicaid funded health care for health care worker program. Total request for the biennium is \$361,896 in general funds and \$710,232 in federal funds for a total request of \$1.07 million. (LFD book, page B-171)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 180,814	\$	\$ 355,250	\$ 536,064
FY 2015	\$ 181,082	\$	\$ 354,982	\$ 536,064
Biennium Total	\$ 361,896	\$	\$ 710,232	\$ 1,072,128

PL 22208 – Med Ben Other NH IGT

- This decision package requests \$4,860,373 state special revenue and \$9,537,639 federal authority to fund the anticipated increase in Nursing Facility Intergovernmental Payments (IGT) between the FY 2012 Base and the 2015 Biennium. The increased ability to leverage matching funds between the Medicaid rate and the Medicare upper payment limit (UPL) is anticipated at approximately \$14.4 million in total funds over the biennium with the state match provided by county governments. (LFD book, page B-171)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ 2,209,963	\$ 4,341,959	\$ 6,551,922
FY 2015	\$	\$ 2,650,410	\$ 5,195,680	\$ 7,846,090
Biennium Total	\$	\$ 4,860,373	\$ 9,537,639	\$ 14,398,012

PL 22209 – Med Ben Other FMAP NH IGT

- This present law adjustment is necessary to recognize a decrease in state special revenue and an increase in federal Medicaid funds over the biennium to maintain existing level of services due to a projected change in FMAP rates for FY 2014 and FY 2015 for Medicaid-funded Nursing Facility Intergovernmental Payments (IGT) in the Senior and Long Term Care Division. The state match rate will decrease to 33.73% in FY 2014 and 33.78% in FY 2015. Over the biennium, the decrease in state special revenue of \$43,468 will be offset by the increase in federal funds of an equal amount. The total cost for the program does not change. (LFD book, page B-172)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ (25,759)	\$ 25,759	\$ 0
FY 2015	\$	\$ (17,709)	\$ 17,709	\$ 0
Biennium Total	\$	\$ (43,468)	\$ 43,468	\$ 0

PL 22210 – Required Overtime/Holiday/Differential Pay

- This present law adjustment is necessary to fund overtime, holidays worked, differential pay, and the corresponding benefits for the Montana Veterans' Home personal services related to operating a facility with 24-hour staffing requirements. The funding includes support of aggregate positions, which are used to provide coverage for staff on sick leave or vacation. This request is for \$418,520 in FY 2014 and \$433,463 in FY 2015 for a total request of \$851,983 in state special revenue funds from cigarette taxes over the biennium. (LFD book, page B-179)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ 418,520	\$	\$ 418,520
FY 2015	\$	\$ 433,463	\$	\$ 433,463
Biennium Total	\$	\$ 851,983	\$	\$ 851,983

PL 22211 – Facility Inflation MVH

- This present law adjustment is made to maintain existing services for the Montana Veterans Home in the Senior and Long Term Care Division. The request adjusts the FY 2012 base year expenses for inflationary increases in operations, medical and pharmacy costs. The total request is \$318,780 in state special revenue funds from cigarette taxes over the biennium. (LFD book, page B-179)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ 133,163	\$	\$ 133,163
FY 2015	\$	\$ 185,617	\$	\$ 185,617
Biennium Total	\$	\$ 318,780	\$	\$ 318,780

PL 22212 – Fed Authority for VA Per Diem MVH

- This request is for federal authority for the federal Veterans' Administration per diem rates that will be reimbursed for the domiciliary and nursing facility days of care at MVH in the 2015 biennium. VA per diem rates change on October 1st of each year, and this request estimates a 2% increase in the per diem payments in each year of the biennium. This funding shifts expenses from state special revenue (cigarette taxes) to federal funds. Over the biennium, state special revenue decreases by \$270,026 and federal revenue increases by a like amount. (LFD book, page B-180)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ (104,416)	\$ 104,416	\$ 0
FY 2015	\$	\$ (165,610)	\$ 165,610	\$ 0
Biennium Total	\$	\$ (270,026)	\$ 270,026	\$ 0

PL 22213 – Fed Authority for VA Per Diem EMVH

- This request is for federal authority for the federal Veterans’ Administration per diem rates that will be reimbursed for the nursing facility days of care at Eastern Montana Veterans Home (EMVH) in the 2015 biennium. The VA per diem rate increases effective October 1st of each year. This request estimates a 2% increase in these rates in each year of the biennium. Federal funds of \$164,756 will be passed through to the contractor, who operates this facility. (LFD book, page B-182)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ 64,914	\$	\$ 64,914
FY 2015	\$	\$ 99,842	\$	\$ 99,842
Biennium Total	\$	\$ 164,756	\$	\$ 164,756

PL 22214 – Aging Grant Funding

- This present law adjustment is made to recognize the anticipated federal grant increases for aging services in the Senior and Long Term Care Division. These grants are awarded as renewal contracts to the Area Agencies on Aging. These grants are funded with 100% federal funds. The total request is for \$2,075,612 in FY 2014 and \$2,319,771 in FY 2015 for a biennial request of \$4,395,383 federal funds. (LFD book, page B-184)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ -	\$ 2,075,612	\$ 2,075,612
FY 2015	\$	\$ -	\$ 2,319,771	\$ 2,319,771
Biennium Total	\$	\$ -	\$ 4,395,383	\$ 4,395,383

PL 22215 – State Supplemental Payments

- This present law adjustment reflects the anticipated cost of State Supplemental payments for the estimated 25 new individuals, who will be moving from institutional disability services into the community each year of the biennium. State Supplemental payments provide a supplement to SSI eligible individuals, who reside in designated residential care facilities. Monthly benefits are \$94 per month with an administrative fee of \$11.12 in 2014 and \$11.30 in 2015 for Social Security to process these payments. This funding is 100% general fund for the supplemental payment and the processing fee. The total general fund request is \$33,772 in FY 2014 and \$67,651 in FY 2015. (LFD book, page B-184)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 33,772	\$ -	\$	\$ 33,772
FY 2015	\$ 67,651	\$ -	\$	\$ 67,651
Biennium Total	\$ 101,423	\$ -	\$	\$ 101,423

PL 22216 – Motor Pool Car Request

- This request is to replace three cars used by Adult Protective Services and Community Services field staff. The cars being replaced were department-owned vehicles in Billings, Kalispell, and Great Falls. These vehicles were older and high mileage vehicles that were surplus as a result of repairs exceeding the value of the vehicle. (LFD book, page B-186)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 2,092	\$ -	\$ 373	\$ 2,465
FY 2015	\$ 2,092	\$ -	\$ 373	\$ 2,465
Biennium Total	\$ 4,182	\$ -	\$ 746	\$ 4,930

PL 22217 – Private Lease Adjustment

- This present law adjustment is made to maintain existing services for programs in the Senior and Long Term Care Division. This decision package is necessary to provide work space for employees in non-state owned buildings located throughout the state. This cost is funded at 82.14% general fund (\$3,955 in FY 2014 and \$10,557 in FY 2015) and 17.86% of federal funds (\$860 in FY 2014 and \$1,986 in FY 2015). (LFD book, page B-186)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 3,955	\$ -	\$ 860	\$ 4,815
FY 2015	\$ 10,557	\$ -	\$ 1,986	\$ 12,543
Biennium Total	\$ 14,512	\$ -	\$ 2,846	\$ 17,358

PL 22218 – EMVH Rent Annualization Fund Switch

- This proposal recognizes the lease agreement that has been entered into between the federal Veterans Administration and the state to pay for space occupied by the Community Based Outpatient Clinic at the Eastern Montana Veterans Home in Glendive. This request is a fund switch to reduce state special revenue from cigarette tax funding appropriated for operation of the facility and replace it with state special revenue from the lease payments made under this agreement by the Veterans' Administration. Total lease payments received in 2012 for six months were \$16,830, and this request annualizes these lease payments for a full year with \$16,830 in FY 2014 and \$16,830 in FY 2015. (LFD book, page B-182)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ -	\$	\$
FY 2015	\$	\$ -	\$	\$
Biennium Total	\$	\$ -	\$	\$

PL 22219 – Contractual Adjustments

- This request reflects costs associated with contracts that are administered by the SLTC Division and increased contract activity relative to these contracts. Contracts include one with a company to provide utilization review, level of care determinations, and prior authorization activities for programs in the division. The activity is funded at 75%/25% matching rate. Other costs provide for maintenance and enhancements to the Adult Protective Services computerized database used for tracking and reporting on abuse, neglect and exploitation activities and are funded at 96.5%/3.5%. This request is for \$27,967 in FY 2014 and \$49,699 in FY 2015 from the general fund and \$57,993 in FY 2014 and \$122,768 in FY 2015 from federal funds. (LFD book, page B-172, 188)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 27,967	\$ -	\$ 57,993	\$ 85,960
FY 2015	\$ 49,699	\$ -	\$ 122,768	\$ 172,467
Biennium Total	\$ 77,666	\$ -	\$ 180,761	\$ 258,427

New Proposals

NP 22101 – Aging Services - OTO

- This new proposal is a one-time-only request for \$1,500,000 of general fund in each year of the biennium to support existing aging programs and grants administered by Area Agencies on Aging for the provision of aging services, such as meals and in-home assistance. This funding has been appropriated in several legislative sessions as one-time-only and as such is removed from the base budget each biennium. This funding is necessary to sustain the current level of services from the 2013 biennium. This decision package is funded with 100% general fund. (LFD book, page B-185)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
FY 2015	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
Biennium Total	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000

NP 22102 – Southwest Montana Veterans’ Home

- This request is to provide funding for ongoing operating costs, 1.00 FTE state liaison and the federal VA per diem revenue pass through for the Southwest Montana Veterans Home in Butte. Sixty-five percent of the cost of construction for this facility will be coming from the Federal Veterans’ Administration, if the construction grant is approved during FY 2013. This is a 60- bed cottage concept campus that will be operated as a contracted state veterans' home and requires that a state liaison be on site at the facility. The assumption is the facility will be completed by June 2014. Therefore, startup costs and maintenance funding of approximately \$150,000 will be necessary in 2015. This new proposal requests 1.00 FTE and the necessary operating costs, which will be funded with state special revenue from cigarette taxes in the amounts of \$58,184 in FY 2014 and \$206,703 in FY 2015. VA per diem of \$1,113,615 in FY 2015 is a pass-through of federal funds to the contractor for operation of the facility. (LFD book, page B-182)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$	\$ 58,184	\$ 0	\$ 58,184
FY 2015	\$	\$ 206,703	\$ 1,113,615	\$ 1,320,318
Biennium Total	\$	\$ 264,887	\$ 1,113,615	\$ 1,378,502

NP 22222 – Med Ben Personal Assistance Services (PAS) Refinance

- This new proposal is being offered as part of the state’s goal of rebalancing its long term services and supports system with increased use of home and community based care and decreased use of facility based care. This proposal targets the full spectrum of consumers, including elderly, individuals with developmental disabilities, people with physical disabilities, and adults with severe disabling mental illness.

The Community First Choice Option (CFCO), a provision of the Affordable Care Act, is a new Medicaid Optional Service, which assists and supports people with disabilities and the elderly to live independently. States that adopt CFCO receive a 6% increase in the federal share of their Medicaid FMAP for CFCO services on a permanent basis. Most, but not all, of the services required under CFCO are also provided as part of the Medicaid Personal Assistance Services (PAS) option, which Montana currently offers. This new proposal converts approximately \$45 million in current Medicaid PAS services to CFCO under the new FMAP match. This conversion will free up about \$2.1 million in General Fund. The majority of this \$2.1 million must be used as state match to meet the additional requirements of CFCO along with a relatively small projected increase in utilization. Any remaining general fund after the costs of implementation of CFCO services are met will be used to pay for services for people, who are moving into a community setting from a nursing facility or intermediate care facility for people with developmental disabilities, as part of Money Follows the Person (MFP). By converting Medicaid PAS to CFCO and then reinvesting the general fund savings in Medicaid-funded CFCO, Montana is projected to generate approximately \$7.1 million in 2014 and approximately \$10 million in 2015 of additional federal revenue without the need for any additional state funding.

In conjunction with Community First Choice Option services, Montana has applied for a five-year Money Follows the Person (MFP) grant. Under MFP, Montana will expand the state’s existing transition efforts to individuals with more complex needs. As with CFCO, this grant will target a similar population as well as including youth with serious emotional disturbances. The state will provide existing Home and Community Based Services (HCBS) 1915c waiver and 1915i state plan services as basic services to consumers. Additional demonstration and supplemental services will augment the basic services to these consumers. Enhanced federal funding is available for 365 days for each individual, who successfully transitions into the community using MFP funding.

This new proposal nets to a request of 17,077,248 in federal funds over the biennium.

The CFCO portion of the new proposal requests 1.00 FTE program specialist, who will be responsible for CFCO provider agency enrollment, provider agency training, database system training, agency quality assurance review and case management training. Additionally, this FTE will coordinate the on-going CFCO stakeholder group and the cross-division (SLTC, AMDD, DSD) connection. **(LFD book, page B-173-175)**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ w	\$ -	\$ 7,123,086	\$ 7,123,086
FY 2015	\$	\$ -	\$ 9,954,162	\$ 9,954,162
Biennium Total	\$	\$ -	\$ 17,077,248	\$ 17,077,248,

NP 22901 – PRI Med Ben Core Nursing Homes

- This new proposal requests a 2% provider rate increase in each year of the biennium for Medicaid Benefits Core Services Nursing Homes in Senior and Long Term Care Division. The decision package requests \$8,578,709 in total funds. The biennial funding is \$2,896,467 in general fund and \$5,682,241 in federal funds. **(LFD book, page B-175)**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 958,145	\$	\$ 1,882,487	\$ 2,840,632
FY 2015	\$ 1,938,322	\$	\$ 3,799,755	\$ 5,738,077
Biennium Total	\$ 2,896,467	\$	\$ 5,682,242	\$ 8,578,709

NP 22902 – PRI Med Ben Core Home Based Services

- This new proposal requests a 2% provider rate increase in each year of the biennium for Medicaid Benefit Core Services for Home Based Services in Senior and Long Term Care Division. The decision package requests \$2,477,604 in total funds. The biennial funding is \$836,524 general fund and \$1,641,080 in federal funds. **(LFD book, page B-175)**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 276,720	\$	\$ 543,679	\$ 820,399
FY 2015	\$ 559,804	\$	\$ 1,097,401	\$ 1,657,205
Biennium Total	\$ 836,524	\$	\$ 1,641,080	\$ 2,477,604

NP 22903 – PRI Med Ben Waiver SLTC

- This new proposal requests a 2% provider rate increase in each year of the biennium for Medicaid Benefits Waiver Services in Senior and Long Term Care Division. The decision package requests \$2,209,218 in total funds. The biennial funding is \$745,908 in general fund and \$1,463,310 in federal funds. **(LFD book, page B-175)**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 246,745	\$	\$ 484,784	\$ 731,529
FY 2015	\$ 499,163	\$	\$ 978,526	\$ 1,477,689
Biennium Total	\$ 745,908	\$	\$ 1,463,310	\$ 2,209,218

NP 22904 – PRI Aging Services

- This new proposal requests a 2% provider rate increase in each year of the biennium for Aging Services in Senior and Long Term Care Division. The decision package requests biennial funding of \$633,858 in general fund. (LFD book, page B-185)

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2014	\$ 209,887	\$	\$	\$ 209,887
FY 2015	\$ 423,971	\$	\$	\$ 423,971
Biennium Total	\$ 633,858	\$	\$	\$ 633,858

LEGISLATION

The Division has no pending or requested legislation.

LANGUAGE

“County Nursing Home Intergovernmental Transfer may be used only to make one-time payments to nursing homes based on the number of Medicaid services provided. State special revenue in County Nursing Home IGT may be expended only after the office of budget and program planning has certified that the department has collected the amount that is necessary to make one-time payments to nursing homes based on the number of Medicaid services provided and to fund the base budget in the nursing facility program and the community services program at the level of \$564,785 from counties participating in the intergovernmental transfer program for nursing facilities.”