



Health and Human Services Joint Appropriations Subcommittee
SENIOR AND LONG TERM CARE DIVISION
 2/14/2013

NP22222- Med Ben Personal Assistance Services (PAS) Refinance is offered as part of the Department's goal to rebalance Medicaid services by increasing the use of home and community based services and decreasing facility based care. Although this proposal is in the Senior and Long Term Care Division's budget, it is designed to serve people with developmental delays or mental illness as well as those who are aged, physically challenged, or have a traumatic brain injury. NP2222 combines two separate federal funding components (Money Follows the Person and Community First Choice Option) into a balanced approach. General Fund savings from the Community First Choice Option is used to finance the general fund costs of the Money Follows the Person initiative.

The new proposal nets to a request of \$17,077,248 in federal funds over the biennium. One FTE is being requested for 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 Community First Choice Option stakeholder group and the cross-division (SLTC, AMDD, DSD) connection. The table below shows this integrated budget for NP22222:

NP 22222 Personal Assistance Services Refinancing

| | | 2014 | | 2015 |
|-------------------------|---|---------------------|--|---------------------|
| PAS Refinance | | Total | | Total |
| FTE | 1 | \$ 64,005 | | \$ 63,881 |
| Operations | | \$ 2,875 | | \$ 1,500 |
| Contract | | \$ 205,166 | | \$ 150,401 |
| Operations and Benefits | | \$ 6,851,040 | | \$ 9,738,380 |
| Total | | \$ 7,123,086 | | \$ 9,954,162 |
| | | 2014 | | 2015 |
| General Fund | | \$ 0 | | \$ 0 |
| State Special | | \$ - | | \$ - |
| Federal Funds | | \$ 7,123,086 | | \$ 9,954,162 |
| Total | | \$ 7,123,086 | | \$ 9,954,162 |

The two components of NP22222 (Money Follows the Person and Community First Choice Option) are separately delineated on the following pages.

Money Follows the Person Rebalancing Demonstration Grant 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 home and community-based services as part of our effort to rebalance our 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 for people who are already receiving Medicaid funded care in an institutional setting and choose to move into certain types of community living arrangements. Montana will invest the savings garnered through the enhanced Federal Medical Assistance Percentage into increased home and community based services and supports, including diversion activities and waiver expansion.

Montana has been successfully moving consumers to community settings for decades. MFP will expand the State's existing transition efforts to individuals with more complex needs. Through the MFP demonstration project, the State will broaden its reach to further target individuals who are aged, have a physical disability, developmental disability, severe disabling mental illness (SDMI), serious emotional disturbance (SED), or other complex needs such as traumatic brain injuries (TBI) who have proven difficult or impossible to serve in the past.

Housing and provider/caregiver capacity constraints are both significant barriers in Montana. The 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 home and community based supports.

Eligible Individuals:

- 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
- MFP can be limited to a certain number of people, the following table describes who will be served

| 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 to be offered:

- 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 (34GF/66FF match becomes 17GF/83FF)
- Each individual must be tracked separately
- 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. 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.

The following table breaks out the Money Follows the Person component of NP22222:

| Money Follows the Person | | | | |
|--------------------------|--|---------------------|--|---------------------|
| | | 2014 | | 2015 |
| MFP | | Total | | Total |
| Operations and Benefits | | \$ 1,213,400 | | \$1,835,259 |
| Total | | \$ 1,213,400 | | \$1,835,259 |
| | | 2014 | | 2015 |
| General Fund | | \$ 409,280 | | \$ 619,951 |
| State Special | | | | |
| Federal Funds | | \$ 804,120 | | \$ 1,215,309 |
| Total | | \$ 1,213,400 | | \$ 1,835,260 |

Community First Choice Option (CFCO) is the second component of NP22222. CFCO services 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 **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.**
- CFCO is an entitlement. Any eligible individual who has a documented need for CFCO services is entitled to receive them.
- CFCO has a one year Maintenance of Effort requirement that applies to state spending on Medicaid Personal Assistance Services.
- CFCO requires the creation of 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.

The Community First Choice Option has a **permanent ongoing financial incentive – a six percent** increase in the federal share of Medicaid’s cost for CFCO services (aka the FMAP Rate).

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”.

If NP22222 is adopted, the majority of the increase in federal funding resulting from the enhanced matching rate is needed to pay for the additional requirements of CFCO. Any funds remaining after all of the costs of CFCO have been met can be used to pay for initiatives that enhance community-based in-home services, including things such as moving current Medicaid funded residents of facility-based programs into community-based services as part of the state’s Money Follows the Person grant.

The chart below outlines the Community First Choice Option portion of NP22222:

| Community First Choice | | | | |
|----------------------------|---|---------------------|--|---------------------|
| | | 2014 | | 2015 |
| CFC | | Total | | Total |
| FTE | 1 | \$ 64,005 | | \$ 63,881 |
| Operations | | \$ 2,875 | | \$ 1,500 |
| Contract for Level of Care | | \$ 205,166 | | \$ 150,401 |
| Operations and Benefits | | \$ 5,637,640 | | \$ 7,903,121 |
| Total | | \$ 5,909,686 | | \$ 8,118,903 |
| | | 2014 | | 2015 |
| General Fund | | \$ (409,280) | | \$ (619,951) |
| State Special | | | | |
| Federal Funds | | \$ 6,318,966 | | \$ 8,738,853 |
| Total | | \$ 5,909,685 | | \$ 8,118,903 |