

BALANCING INCENTIVE PROGRAMS 2.0:

WHAT ARE THE POSSIBILITIES FOR HELPING STATES IMPROVE THEIR LTSS INFRASTRUCTURE?

*Long-Term Care Discussion Group
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Which Organizations are Working to Help Shape a BIP 2.0?

- ▲ Altarum: a nonprofit health systems research and consulting organization, home to the Program to Improve Eldercare, which is dedicated to designing and implementing policy strategies, and testing care models on the ground, with the aim of ensuring older adults with disabilities can access and receive comprehensive medical and LTSS at an affordable cost.
- ▲ NCOA – a nonprofit advocacy and service organization with a mission of improving the lives of older adults, especially those who are struggling; NCOA’s social impact goal is to improve the health and economic security of 10 million older adults by 2020.
- ▲ MERCER – Mercer provides a full range of consulting services customized to the needs of government organizations. Our efforts are targeted to support state programs with the design and delivery of quality health care for individuals eligible for Medicaid and supports that help people with intellectual, physical, behavioral and age related disabilities to live in the community.
- ▲ BRANDEIS – Community Living Policy Center, Lurie Institute for Disability Policy at

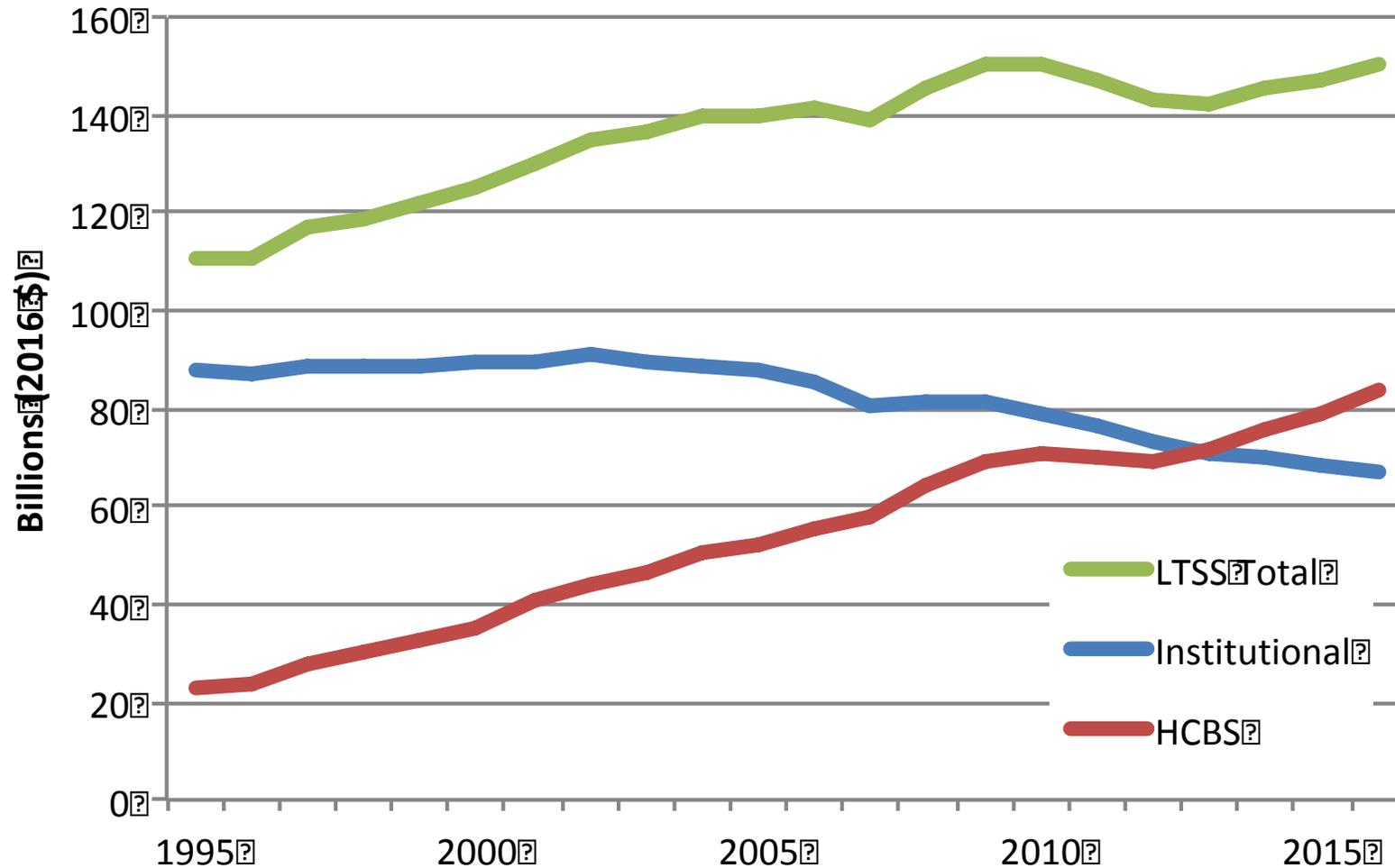
Examples of Social Determinants of Health That Are Key to Older People and Individuals with Disabilities

- ▲ Availability of resources to meet daily needs (e.g., safe housing and local food markets)
- ▲ Access to education, economic and job opportunities
- ▲ Access to health care services
- ▲ Quality of education and job training
- ▲ Availability of community-based resources
- ▲ Transportation options
- ▲ Public safety
- ▲ Social support
- ▲ Social norms and attitudes (e.g., discrimination, racism, distrust of government)
- ▲ Socioeconomic conditions (e.g. concentrated poverty)
- ▲ Culture, language and literacy

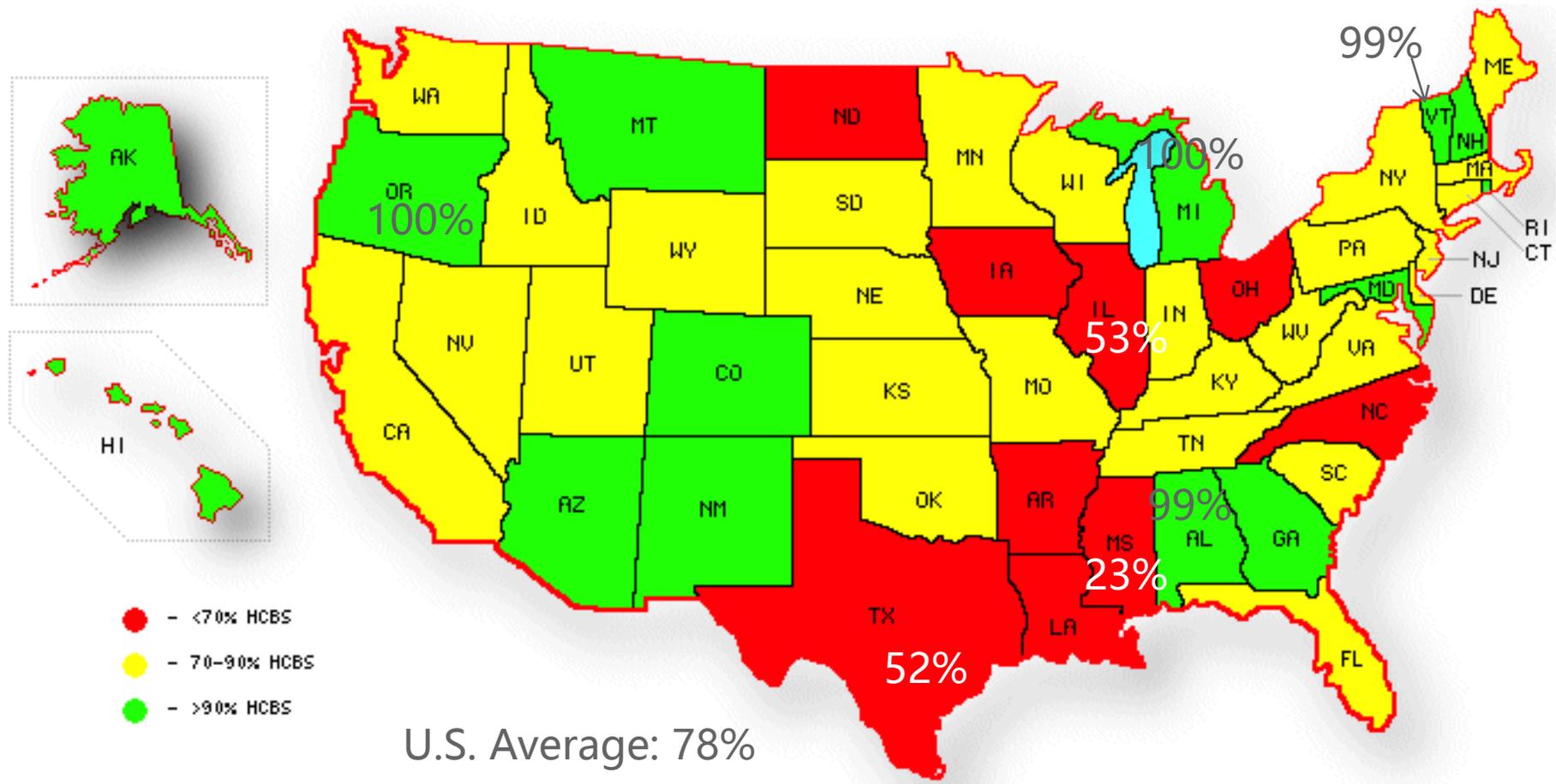
Background on “Balancing” within Medicaid LTSS

- ▲ Significant progress over the past two decades in States shifting from institutional to home and community-based services
 - Olmstead Decision, Real Choice Systems Change Grants, Money Follows the Person, Community First Choice Option, Balancing Incentive Program, Managed LTSS
- ▲ Balancing Incentive Program (BIP) contributed to state progress, particularly states with the greatest need to “balance”
- ▲ Need to continue progress
 - Great deal of state variation
 - Variation among populations needing LTSS

"Balance" of the Medicaid LTSS System



Proportion of I/DD Medicaid LTSS spending devoted to HCBS



BIP Background

- ▲ BIP was enacted as part of the ACA, designed as a 5-year infrastructure grant program for states to use in improving, expanding Medicaid HCBS
- ▲ 21 states applied, 18 ultimately went forward; 3 required structural changes were to build/consolidate enrollment and eligibility to create NWD systems; to implement conflict-free case management protocols; and to move toward adoption of core standardized assessment procedures
- ▲ Funding provided in the form of FMAP enhancements

Resources Available to Balancing Incentive Program States

State	Enhanced FMAP-Total Dollars
Arkansas	\$67,424,092
Connecticut	\$72,780,505
Georgia	\$68,832,854
Illinois	\$90,311,013
Indiana	\$90,223,500
Iowa	\$61,769,421
Kentucky	\$25,579,577
Louisiana	\$82,248,147
Maine	\$21,246,061
Maryland	\$106,338,569
Massachusetts	\$110,668,102

Resources Available to Balancing Incentive Program States, cont.

State	Enhanced FMAP-Total Dollars
Mississippi	\$68,490,726
Missouri	\$100,887,328
Nebraska	\$8,122,707
Nevada	\$3,361,490
New Hampshire	\$26,458,827
New Jersey	\$108,490,368
New York	\$598,665,500
Ohio	\$169,076,032
Pennsylvania	\$96,785,656
Texas	\$277,769,869

BIP Background (2)

- ▲ Most BIP states required 7 years, not 5, to make progress toward the 3 structural required targets; NWD was the hardest, with 4 states falling short in achieving this goal
- ▲ Overall all states completed 2 of the 3 goals, and all made gains in shifting LTSS toward more HCBS; not all achieved the 50% of total expenditures goal that was set
- ▲ States were permitted to set their own goals as well, suggesting greater flexibility in a BIP 2.0 proposal could work well

Lessons Learned and Looking Ahead to a Possible BIP 2.0

- ▲ Original BIP worked well overall; a second BIP could include additional accountability for states to achieve their goals
- ▲ Using a grant methodology rather than FMAP would allow for greater flexibility for the use of funds but also the oversight of the funds in the event the State is not performing to progressing towards targeted goals
- ▲ .25% Increase for states already at 65% HCBS expenditures;
- ▲ .50% Increase for states already at 50% - 64% HCBS expenditures;
- ▲ 2.0% Increase for states already at 35% - 49% HCBS expenditures;
- ▲ 5.0% for states below 35%.

Lessons Learned and Looking Ahead to a Possible BIP 2.0, cont.

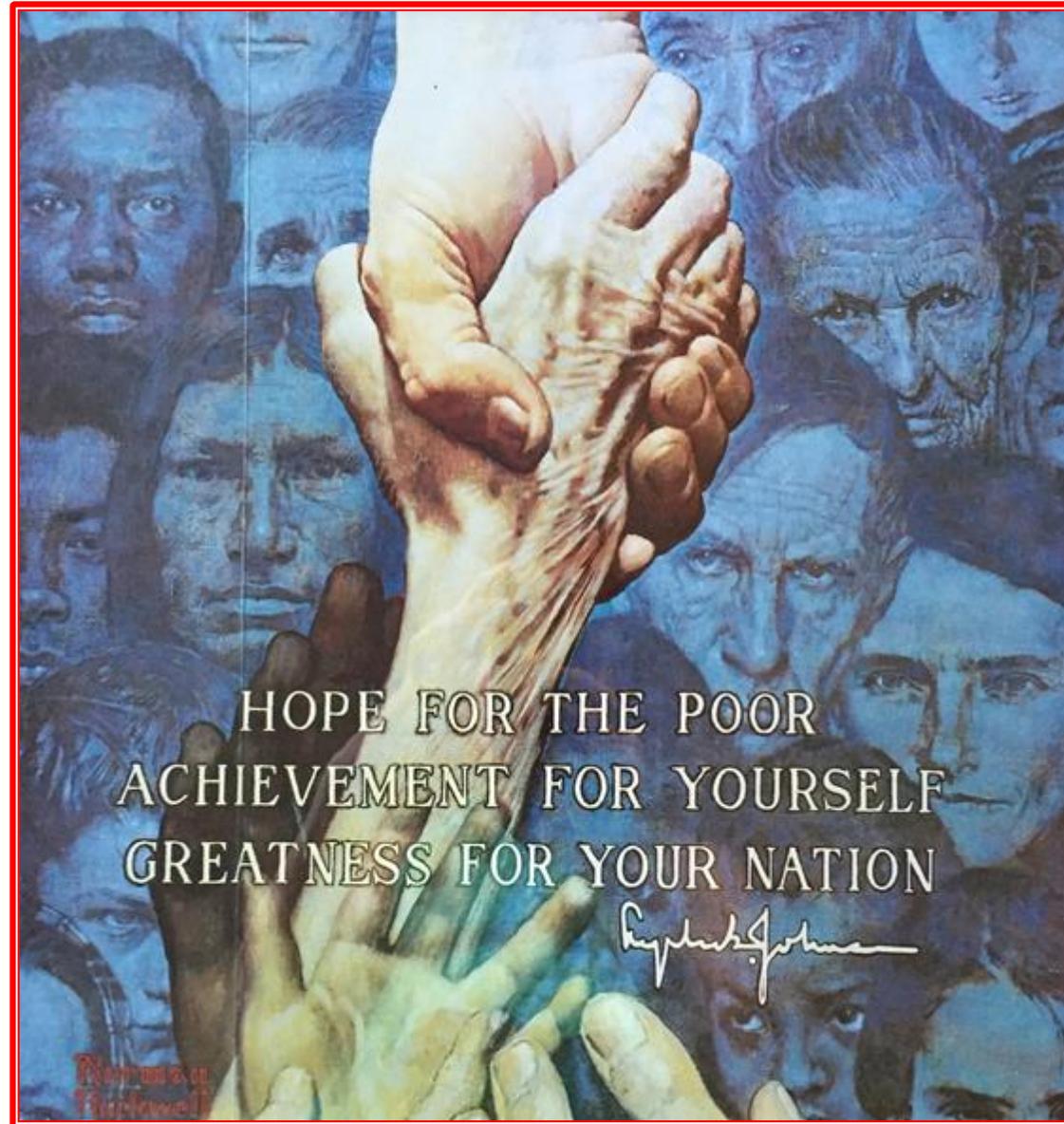
- ▲ Beginning in the 6th year of the program, the following HCBS enrollment criteria would be added to ensure that HCBS program expenditures impact and improves the number individuals being served:
- ▲ .25% Increase tied to expenditures threshold above, & 85% of people served in the community;
- ▲ .50% Increase tied to expenditures threshold above, & 75% of people served in the community;
- ▲ 2.0% Increase tied to expenditures threshold above, & 65% of people served in the community;
- ▲ 5.0% Increase tied to expenditures threshold above, & 50% of people served in the community.

BIP 2.0 Structural Targets

- ▲ **HCBS Quality and Information Technology** -Development and use of a core set of HCBS outcome and performance measures; Improvements in information technology, including successful application for HITECH 90/10 funding
- ▲ **Implementation of the HCBS Settings Rule**
- ▲ **Employment Supports** - Development of statewide infrastructure to support opportunities for competitive employment for individuals with disabilities.
- ▲ **Workforce and Unpaid Caregiver Supports** -Development of infrastructure to enhance to supply and retention of the direct support workforce; Development of infrastructure to support self-direction, including use of matching service registries and training for consumers who want to self-direct; Development of supports for family caregivers, including use of family caregiver assessments
- ▲ **Housing Supports** - Development of infrastructure for assessing the supply and availability of accessible housing in communities and across the state, linked to incentives for developers to create more housing suitable for lifelong use
- ▲ **No Wrong Door**—Development of a statewide system to enable consumers to access all long-term services and supports through an agency, organization, coordinated network, or portal that shall provide information about the availability of services, how to apply, referral services, and determinations of financial and functional eligibility for such services and supports, or assistance with assessment processes for financial and functional eligibility

Leverage Points

- ▲ Draft specifications include quite a few areas that could be included in a bill as structural targets; these could be narrowed, or some could be made mandatory while others are optional
- ▲ Goal is to reach all states with incentives to build infrastructure that expands Medicaid HCBS and also coordinates across to other programs serving beneficiaries in Medicare, older adults eligible for OAA services, etc.
- ▲ Preliminary bipartisan conversations have been held with House Energy & Commerce staff



Please contact us!

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