



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

DEC 23 2009

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401-1991

The Honorable Michael E. Busch
Speaker of the House of Delegates
H-101 State House
Annapolis, MD 21401-1991

Re: SB 620/HB 946 (Chapters 426 and 427 of the Acts of 2004) – Report on Home- and Community-Based Long-Term Care Services

Dear President Miller and Speaker Busch:

Enclosed please find a report pursuant to SB 620/HB 946 – *Money Follows the Individual Accountability Act*, which passed during the 2004 session of the General Assembly. The report addresses the Department's efforts to promote home and community-based services and to help nursing facility residents transition to the community.

If you have any questions or need more information, please do not hesitate to contact Shawn Cain, Assistant Director of Governmental Affairs at (410) 767-6509.

Sincerely,



John M. Colmers
Secretary

Enclosure

cc: Secretary Gloria Lawlah
Secretary Cathy Raggio
John Folkemer
Mark A. Leeds

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Money Follows the Individual Accountability Act Report December 2009

Health-General Article §15-135 requires the Department of Health and Mental Hygiene (DHMH) to report to the Governor and the General Assembly on:

- (1) DHMH's efforts to promote home and community-based services;
- (2) The number of nursing facility residents referred by nursing facility staff or identified on the Minimum Data Set assessments as expressing a preference to return to the community;
- (3) The number of nursing facility residents who transitioned from nursing facilities to home and community-based waiver services;
- (4) Any obstacles DHMH encountered in assisting nursing facility residents to make the transition from a nursing facility to a community-based residence; and
- (5) DHMH's recommendations for removing the obstacles.

This report is intended to satisfy these reporting requirements.

BACKGROUND

The Medicaid Program has offered home and community-based services as an alternative to nursing facility placement for many years. However, the range of options increased dramatically in 2001 with the implementation of both the Older Adults Waiver (administered by the Department of Aging) and the Living at Home Waiver (administered by the Department of Health and Mental Hygiene). The Living at Home Waiver, serving working-age adults with physical disabilities, was the first program designed to serve a significant number of people transitioning from nursing facilities back into the community. The Older Adults Waiver, serving individuals 50 years and older, also assists individuals with transitioning back to the community.

DHMH has both initiated and partnered with other State agencies and community organizations to promote home and community-based services. Strategies implemented over the past several years to reach out to nursing facility residents include:

- Peer to peer outreach services;
- Outreach worker training;
- Continuing education courses targeted to social workers and discharge planners about Medicaid home and community-based services;
- Development of a *Moving To Community* resource guide;
- Distribution of community options fact sheets to nursing facility residents, social workers, and administrators; and
- Development and distribution of a booklet which describes Maryland Medicaid Home and Community-Based Long Term Care Services.

Medicaid's home and community-based services waivers are limited by enrollment caps and budget allocations. Since the Living at Home and Older Adults waivers began, they have been inundated with applications – most of them from individuals who live in the community, but some from individuals who live in nursing facilities. As a result, the Living at Home Waiver in December 2002 and the Older Adults waiver in May 2003

closed to applicants from the community. Since that time, enrollment of applicants from the community has been limited.

As the Living at Home Waiver approached its enrollment cap in November 2002, DHMH announced a new “money follows the individual” policy. Under this policy, an individual who has been a nursing home resident, paid for by Medicaid, for at least 30 consecutive days, can apply for the Living at Home or Older Adults Waiver programs even if those waivers are closed to community applicants.

EFFORTS TO PROMOTE HOME AND COMMUNITY-BASED SERVICES

This section presents some of DHMH’s most recent efforts to promote home and community-based services.

Linking consumers with community supports

Hospital discharge project. A majority of all nursing facility admissions immediately follows an acute hospitalization. Hospital discharge planners are pressured to move patients out of the hospital as quickly as possible, and therefore the nature of hospital discharge planning tends to bias discharge planners toward sending patients to nursing facilities. DHMH believes that providing additional information and consultation to patients and their families during hospitalization could prevent some unnecessary, unwanted nursing facility admissions. Also, there may be cases where hospital discharge planners send a patient to a nursing facility for short-term rehabilitation, but the patient does not receive the support necessary to return to the community when his/her condition has improved.

In 2003, DHMH implemented a hospital discharge planning initiative to provide augmented discharge planning services for patients at risk of nursing facility placement. This program began as a federally-funded initiative from a grant received by DHMH and currently continues with State funding in Worcester and Harford Counties. Nurses work directly with patients and family members, prior to the patient’s discharge from a hospital, to make arrangements or referrals for services needed when they return home.

Information on Medicaid’s community-based services. DHMH continues to offer a booklet that describes all of the long term care community-based services that are available through the Medicaid program. The booklet is designed to provide basic information for health care professionals, consumers, and families to assist them in making decisions about long term care services. DHMH will continue to update this popular resource on a regular basis. The information is also available online. http://www.dhmh.state.md.us/mma/longtermcare/pdf/2009/2009_2010_HCBS_booklet.pdf

Enrolling individuals from the Waiver Services Registry. Since the Living at Home and Older Adults waivers initially closed to community applicants, DHMH has maintained a Waiver Services Registry. The Registry is a central clearinghouse that collects contact information on individuals interested in receiving waiver services. Throughout 2008,

DHMH enrolled individuals from the Registry into the Waiver for Older Adults on a first come, first served basis to fill openings created by individuals who leave the program.

Money Follows the Person Demonstration. The Centers for Medicare and Medicaid Services (CMS) awarded Maryland a demonstration grant to improve the transition process and increase the number of transitions to the community. DHMH received formal approval of the State's Money Follows the Person (MFP) Operational Protocol on March 6, 2008 with an effective date of February 6, 2008. The goal of the MFP demonstration is to offer additional resources to individuals in nursing facilities by increasing outreach efforts and decreasing barriers to transition. New services under MFP include peer outreach and mentoring, enhanced transition assistance, housing assistance, flexible transition funds, and the addition of waiver services to existing waivers. In order to be eligible for MFP, a person must have resided in an institution¹ for at least 6 months, have at least one month of Medical Assistance eligibility prior to transition, and move into a qualified community residence.²

The first MFP participant moved to a community residence on March 18, 2008. Since then, 406 individuals have transitioned to the community from institutions, including 291 individuals from nursing facilities, 110 individuals from State Residential Centers (with 106 from Rosewood) and five individuals from chronic hospitals, through the end of September 2009.

After receiving approval from CMS in March 2008, DHMH has worked to implement the plans outlined in the approved Operational Protocol. The MFP Grant brought with it significant reporting requirements that required changes to the MMIS system, modifications to several Medicaid waiver tracking systems, and the development of an MFP web-based tracking system. DHMH has added services to the Living at Home and Older Adults waivers in order to improve the package of services available to those transitioning out of nursing facilities. Services added to the Living at Home waiver include Dietician/Nutritionist Services, Environmental Assessments, and Home-delivered Meals. Transition services were added to the Older Adults waiver and include \$3,000 in transition funds that can be used for items such as security deposits, moving expenses and essential furnishings, and set-up fees or deposits for utility services.

Several other efforts for nursing facility residents have been implemented in 2009, including peer outreach, program education, application assistance, and enhanced transitional case management that includes housing assistance. DHMH procured a contractor to perform peer outreach in nursing facilities beginning in May 2009 in the Southern region of the State which includes Montgomery, Prince George's, St. Mary's,

¹ Qualifying institutions include nursing facilities, State Residential Centers (ICF/MRs), State Psychiatric Hospitals (IMDs), and chronic hospitals.

² A qualified community residence is defined as a home owned or leased by the individual or the individual's family member; an apartment with an individual lease, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or the individual's family has domain and control; or a residence, in a community-based residential setting, in which no more than 4 unrelated individuals reside. Examples of community-based residential settings in Maryland include Alternative Living Units, Group Homes, Adult Foster Care Homes, CARE Homes, and small Assisted Living Facilities.

Charles, and Calvert counties. The contractor has performed outreach in 60 facilities and attempted in-person contacts with over 2,000 Medicaid-eligible facility residents through September 2009. DHMH is currently reviewing proposals for peer outreach contractors who will begin providing information about the demonstration and available home and community-based service options to nursing facility residents, their families, and facility staff in the rest of the State by December 2009. Enhanced transitional case managers began providing program education, application assistance, and enhanced transition assistance in July 2009. These enhanced transitional services will provide support to nursing facility residents in understanding their options, completing waiver applications, navigating community resources, identifying affordable and accessible housing options, applying for housing subsidies, and successfully moving from the facility to a community residence.

Maryland Access Point (MAP). Funded under a federal Aging and Disability Resource Center grant, the program has developed specifications for proposals for a web-based information system that will provide an extensive resource database with a user-friendly search capability, consumer needs assessment and personal folder, secure data sharing among agencies, and e-form capability, among other functions. In addition, the project is developing both virtual and actual single-points-of-entry for people seeking long-term care information, supports, and services. MAP sites are in operation in Howard, Worcester, Anne Arundel, Washington, Prince George's counties and Baltimore City. Sites in Wicomico, Somerset, Carroll, St. Mary's, and Montgomery counties have been approved but are not yet in operation.

Quality improvement efforts

The State is moving toward a more comprehensive quality management system across all home and community-based service programs using the CMS Quality Improvement Strategy. This effort is designed to develop a consistent and uniform strategy to measure and enhance performance across all community long-term care programs and services. The goals of this effort are to: (a) create a more evidence-based quality management system, (b) improve the ability of DHMH and other home and community-based services administering agencies and case managers to monitor service provision, (c) improve the capacity of the State to monitor and improve the quality of service from providers, (d) monitor the quality of care and life at the individual consumer level, (e) develop better quantifiable quality indicators, (f) improve infrastructure to collect and distribute the data, and (g) create more comprehensive and standardized quality reports in an effort to improve program performance as well overall operations.

To that end, DHMH has established a Waiver Quality Council consisting of representatives from each waiver administering agency, the Office of Health Care Quality, and Medicaid, who continually work towards these goals. Currently, two subcommittees of the Waiver Quality Council have been working on addressing provider barrier issues as well as the reporting system for complaints and incidents. The Department of Health and Mental Hygiene Reportable Event Policy and forms were revised and the draft document was presented to the Council for final review October

2009. The Council reviews quarterly waiver reports in an effort to track and trend reportable incidents/events across waivers. The identified areas of concern are discussed and recommendations are made to address problems. Lastly, the Council meets on a quarterly basis to share waiver information/issues in an effort to continually improve processes and services across all the waiver programs.

Quality Care Review Team. DHMH has a Quality Care Review (QCR) Team which is responsible for monitoring the various waiver programs. The QCR Team conducts annual reviews of a random sample of waiver participants. The review process includes on-site visits, clinical record reviews, observations, and interviews. The team conducts participant interviews to evaluate satisfaction and/or dissatisfaction with provider services and to identify any compliance issues. Reviews are conducted to ensure that participants' health, safety and welfare needs are addressed, and services are provided as specified in the participant's plan. Provider services must be based on acceptable standards of practice and in accordance with applicable regulations. Referrals are made to appropriate jurisdictional agencies when problems are identified (e.g. Office of Health Care Quality, Board of Nursing, and Office of Inspector General). The team is comprised of experienced registered nurses and social workers.

Additionally, the team generates findings and needed actions reports that may require a provider to submit a corrective and preventive action plan. Providers and vendors must submit acceptable plans which are reviewed by Department staff. The reports are also used to monitor case managers and provide on-going guidance, training, and technical assistance.

New Initiatives

1115 Waiver (300 percent of SSI) – Maryland seeks to assist the nursing home population in transitioning to their communities. It will do so by removing an artificial barrier to community-based services – the income requirements under a 1915(c) waiver which preclude waiver enrollment to individuals who have income in excess of 300 percent of the Supplemental Security Income level (i.e., \$2,022 per month in 2009).

Initially DHMH pursued a stand-alone 1115 research and demonstration waiver in order to serve these individuals in the community. CMS' budget neutrality policy, however, requires DHMH to place its entire nursing home expenditures at-risk. This means that if Maryland's nursing home population or service rates were higher than expected, Maryland would lose all of its federal-matching dollars for nursing home services. As a result, DHMH decided not to pursue a waiver under these terms. Instead Maryland requested that CMS permit us to serve these individuals as an expansion population under the current HealthChoice 1115 waiver. As an expansion population, total nursing home expenditures would not be at-risk. The limitation of this approach is that the costs of these people count against the HealthChoice budget neutrality cap, so Maryland set a cap on the program at ten individuals.

CMS approved our request in September 2009. Under this program, an individual who has been in an institution longer than six months and has income above 300 percent of SSI may move into the community and receive supports and services covered by Medicaid³. These individuals also are permitted to keep any income up to 300% of SSI. The cost of serving these individuals in the community, however, cannot be more than the cost of caring for them in the institution. .

Obviously, this is a short-term solution. DHMH wants to serve more than ten individuals in the community. Proposals such as Maryland's – removing barriers to community – need to be pursued vigorously. DHMH is urging CMS to revisit its budget neutrality policy.

Collaboration with other State Agencies

DHMH has collaborated with various State agencies to promote home and community-based services.

DHMH currently serves on various committees and workgroups including:

- Maryland Commission on Disabilities;
- Coordinating Committee for Human Services Transportation;
- Maryland Access Point (Aging and Disability Resource Center);
- Home and Community-Based Services Waiver advisory committees (Traumatic Brain Injury, Older Adults, and Living at Home);
- Money Follows the Person Demonstration stakeholder advisory group;
- Employed Individuals with Disabilities; and
- Inter-Agency Committee on Aging Services

THE NUMBER OF INDIVIDUALS REFERRED BY NURSING FACILITIES OR IDENTIFIED BY THE MINIMUM DATA SET

The Minimum Data Set is a federal assessment for all nursing facility residents. MDS assessments conducted at admission and annually ask whether the resident has expressed a preference to return to the community. A resident is defined as any person staying within the nursing facility, regardless of their expected duration of stay or if they maintain another official residence elsewhere. To determine the number of individuals

³ Through this 1115 waiver application, Maryland will provide Medicaid home and community-based services to individuals who meet the following criteria:

1. An individual must have resided in a nursing facility for at least six (6) months;
2. Medicaid must have paid the nursing facility for at least one (1) full month prior to the transition to the community;
3. The individual seeking to transition shall contribute any income in excess of 300% of SSI to the cost of care in the community and must meet existing asset limits;
4. The cost to Medicaid for the individual in the community must be less than the cost to Medicaid if the individual were to remain in the institution based on individual cost neutrality as described below.
5. An individual must be 18 years of age or older.
6. An individual must meet nursing facility level of care.
7. An individual must not be eligible for an existing 1915(c) waiver.

expressing a preference to return to the community, DHMH analyzed the records for residents who were in nursing facilities at the end of March 2009.⁴

DHMH's analysis indicates that 6,465 out of 24,302 total (27%) residents expressed a preference to return to the community. The numbers differ markedly when grouped by Medicare payer status. Medicare-covered stays are typically short term and associated with an acute hospital stay. Non-Medicare-covered stays can be more commonly defined as long-term care. Medicaid covered residents are also significantly less likely to express a desire to leave a nursing facility when compared to non-Medicaid residents during similar types of stays. Among the Medicaid-covered long-term care recipients, 14 percent indicated a preference to return to the community.

| Respondents expressing a preference to return to the community (2009) | | | |
|--|--------------------------------------|-----------------------------|-----------------------------|
| <u>Resident Type</u> | <u>Type of Stay</u> | | Total |
| | Medicare covered (Post-acute) | Other Long-Term Care | |
| Medicaid | 46% (476 / 1,027) | 14% (2,123 / 15,174) | 16% (2,599 / 16,201) |
| Non-Medicaid | 82% (2,746 / 3,360) | 24% (1,120 / 4,741) | 48% (3,866 / 8,101) |
| Total | 73% (3,222 / 4,387) | 16% (3,243 / 19,915) | 27% (6,465 / 24,302) |

**MDS survey results
March, 2009**

From 2001 to 2009, the proportion of respondents who express a preference to return to the community has generally increased.

| Respondents expressing a preference to return to the community (2001-2009) | | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>Resident Type</u> | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Medicare covered (Post Acute Care) | | | | | | | | | |
| Medicaid | 34% | 38% | 38% | 44% | 41% | 42% | 41% | 35% | 46% |
| Non-Medicaid | 72% | 75% | 75% | 77% | 76% | 80% | 80% | 82% | 82% |
| <i>Total</i> | 63% | 66% | 66% | 68% | 68% | 70% | 70% | 71% | 73% |
| Other Long-Term Care | | | | | | | | | |
| Medicaid | 10% | 11% | 12% | 13% | 13% | 13% | 14% | 13% | 14% |
| Private Pay | 19% | 20% | 20% | 19% | 20% | 21% | 22% | 23% | 24% |
| <i>Total</i> | 13% | 14% | 14% | 14% | 15% | 15% | 16% | 15% | 16% |

⁴ Our approach largely replicates the approach that CMS uses for public reporting of these results on their website, using MDS assessments for currently active residents but looking back to the last assessment with a response for MDS question Q1a (even if that assessment was well before the first quarter of CY 2009).

THE NUMBER OF INDIVIDUALS WHO HAVE TRANSITIONED FROM NURSING FACILITIES TO HOME AND COMMUNITY-BASED WAIVER SERVICES

Since the Living at Home Waiver closed to community applicants in December 2002, 471 individuals have transitioned from nursing facilities to the community through the waiver. See Figure 1.

Since the Older Adults Waiver closed to community applicants in May 2003, 2,155 individuals have transitioned from nursing facilities to the community through the waiver. See Figure 2.

OBSTACLES CONFRONTED IN ASSISTING NURSING FACILITY RESIDENTS TO MAKE THE TRANSITION FROM A NURSING FACILITY TO A COMMUNITY-BASED RESIDENCE

There remain many challenges to helping nursing facility residents to return to the community.

Housing. Obtaining affordable, accessible housing is one of the more challenging aspects for nursing facility residents to return to the community. A variety of factors contribute to the housing problem including a general shortage of affordable housing, long waiting lists for subsidized housing, difficulty in obtaining rental assistance vouchers, unaffordable rents for persons receiving Supplemental Security Income (SSI), and shortage of accessible housing.

Transportation. A lack of reliable, affordable, accessible transportation makes it difficult for people with disabilities and the elderly to be involved in community activities. For nursing facility residents, a lack of transportation makes it difficult to explore community living or shop for housing. Once an individual transitions from a nursing facility into a home and community-based services waiver program, survey results have shown that transportation continues to be an issue, particularly for non-medical needs.

Information and communication. Many health care professionals do not fully appreciate the range of services and supports that are available to help people with disabilities living in the community. It is often reported anecdotally that nursing facility employees do not think any of their residents can move into the community. Likewise, many consumers and family members are unaware of the full range of community options.

RECOMMENDATIONS FOR REMOVING THE OBSTACLES CONFRONTED IN ASSISTING NURSING FACILITY RESIDENTS TO MAKE THE TRANSITION FROM A NURSING FACILITY TO A COMMUNITY-BASED RESIDENCE

Housing. The Money Follows the Person Demonstration will provides housing assistance to nursing facility residents who seek independent housing through enhanced transitional

case management services. Nursing facility residents receive assistance in identifying affordable and accessible housing options in their local communities, completing applications for housing subsidies and housing opportunities, and in overcoming barriers to obtaining community housing. Living at Home Waiver recipients currently receive some assistance in accessing housing resources through waiver case managers.

Transportation. Information is available, through DHMH, regarding options available to Medical Assistance enrollees for Medicaid-covered healthcare services. The information includes contact phone numbers, how to schedule transportation, and how to report complaints. It includes non-Medical Assistance transportation information in local areas as well. DHMH will continue to collaborate with the Maryland Department of Transportation and other agencies that fund human services transportation through participation on the Maryland Coordinating Committee for Human Services Transportation.

Information and communication. As noted above, through the Money Follows the Person Demonstration, peers will provide outreach, education, and peer support to individuals in nursing facilities. Six regional workshops have been included in Maryland's Money Follow the Person operational protocol for Fiscal Year 2010.