



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 20 2007

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

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

RE: SB 819 (2004SS) – Report on Status of CommunityChoice Managed Long-Term Care Program

Dear President Miller and Speaker Busch:

SB 819 (Chapter 4 of the Acts of 2004 Special Session 1) requires the Department of Health and Mental Hygiene (the Department) to annually report to the General Assembly on the status of the CommunityChoice Managed Long-Term Care Program (“CommunityChoice”). While the Department’s commitment to long-term care reform in Medicaid remains strong, we no longer plan to pursue CommunityChoice. This letter briefly explains this choice and outlines the Department’s current efforts and future plans for long-term care reform.

On March 16, 2007, the Department informed the members of the Medicaid and CommunityChoice Advisory Committees of the decision to no longer pursue CommunityChoice. This decision arose after the Centers for Medicare and Medicaid Services (CMS) indicated that the Department would receive a denial of the Medicaid §1115 waiver application for CommunityChoice. The denial created an opportunity for the Department to reevaluate its strategy for long-term care reform, while continuing to pursue the essential goals of CommunityChoice: improving access to home and community-based services, offering more consumer choice, promoting high-quality services, and balancing fiscal challenges. The Department is strongly committed to working with an inclusive group of stakeholders to develop a new plan to achieve these goals.

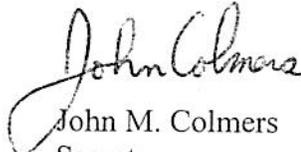


The Honorable Thomas V. Mike Miller, Jr.
The Honorable Michael E. Busch
Page 2

During this new phase of planning for system-wide long-term care reform, the Department has continued to pursue existing opportunities. On November 1, 2007, the Department submitted to CMS the operational protocol for the Money Follows the Person Rebalancing Demonstration (MFP). Once approved, this four-year program will allow the Department to receive enhanced federal match on services provided to individuals who transition to home- and community-based services after six months of residence in a qualified institution. The "savings" realized through the enhanced match must be spent on rebalancing the long-term care system by increasing the proportion of long-term care services provided in the community rather than in institutions. The operational protocol, which details the Department's plans for MFP, was widely distributed to stakeholders and is available upon request by email to MFP@dhmh.state.md.us.

In the coming months, the Department will continue to work with the Legislature, stakeholders, and other State agencies to further define our mutual goals for long-term care reform. SB 6 (Chapter 7 of the Acts of the 2007 Special Session 1) includes language expressing the intention of the General Assembly to increase access to long-term care services as part of the overall Medicaid expansion. We believe this goal is widely shared and is a key component of any plan for long-term care reform. Building from this consensus, we look forward to sharing a roadmap in the upcoming months that outlines a comprehensive strategy for reform and holds the consumer at the core of program development.

Sincerely,


John M. Colmers
Secretary

cc: John G. Folkemer
Anne Hubbard