

2013-15 Policy Option Package

Agency Name: Department of Human Services
Program Area Name: Aging and People with Disabilities (APD)
Program Name: Advocacy and Development Unit
Policy Option Package Initiative:
Policy Option Package Title: Care Coordination and Statewide ADRC Development
Policy Option Package Number: 108-11
Related Legislation:
Program Funding Team: Healthy People

Summary
Statement:

This Policy Option Package (POP) would fund the development of high quality care coordination services for Medicaid and non-Medicaid individuals with long term services and supports (LTSS) needs. Currently, case managers are only staffed at a level to provide generic, priority-based case management to individuals with Medicaid-funded LTSS. This POP would support staff to direct the work of care coordination between local APD and Area Agencies on Aging (AAA) offices and Coordinated Care Organizations (CCOs). Additionally, this POP would fund options counselors for its Aging and Disability Resource Connections (ADRC) program in local AAAs, in order to serve individuals with LTSS needs who are not Medicaid eligible.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Option Package Pricing:</u>	\$3,029,323	\$0	\$7,876,441	\$10,905,764

1. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This investment would develop a more robust system of care coordination for individuals accessing long term services and supports (LTSS), both inside and outside the Medicaid system.

For individuals accessing Medicaid LTSS, this investment would fund specialized care coordination staff who would work as a liaison between the local office and the newly-developed Coordinated Care Organizations (CCOs) in their communities. Local offices and CCOs have developed Memoranda of Understanding (MOUs) identifying five key areas of care coordination. Care coordination staff would provide the following functions for the local office and central office:

- Serve as a local liaison to the CCO as defined by the local MOU;
- Monitor, gather, document and analyze local office activities related to health systems transformation;
- Develop and adapt health system transformation training/technical assistance material for local office needs;
- Provide on-going technical assistance to managers, supervisors, and line staff around working with CCOs;
- Provide training to staff, consumers, and LTSS providers;
- Participate in future MOU negotiations; and
- Participate in statewide health system transformation training and policy development.

This investment would also support the development of health system transformation information system that interfaces information from DHS LTSS systems with CCO information systems, and a central office policy analyst to direct local office liaisons and track monitor and analyze care coordination between CCOs and the local offices.

This investment also develops a statewide Aging and Disability Resource Connection (ADRC) program to assist individuals who are not yet eligible for Medicaid LTSS. This investment includes 75 options counselors to help seniors, all individuals with disabilities, and veterans in navigating their options for long term services and supports. This investment in options counseling would help these individuals avoid or delay high cost services so that they can access needed assistance within their own resources. In addition, if these individuals may be eligible for Medicaid LTSS, options counselors will provide a seamless transition to the appropriate local office from which they can begin Medicaid-funded LTSS. Options counselors will assist them in the application for Medicaid benefits, and provide a seamless transition to the appropriate local office from which they can begin Medicaid-funded LTSS. Based on the “No Wrong Door” approach, the ADRC would become the recognized community resource where individuals go to answer their questions on LTSS, and would be regarded as the gateway for Medicaid and non-Medicaid options for LTSS.

2. WHY DOES DHS PROPOSE THIS POP?

DHS proposes this investment as a proactive measure to get the most out of health system transformation and to plan for the state’s growing need for LTSS, attributed to the anticipated growth of seniors and individuals with disabilities in the state.

CCOs will provide the health, behavioral health, and (in 2014) the oral health services for a large portion of individuals served by the Medicaid LTSS system. This POP will support the robust care coordination between CCOs and the APD and AAA local offices mandated by House Bill 3650 (2011). Care coordination

between the medical and LTSS system includes the identification of high needs members, the development of individual care plans, transitional care plans, interactive member engagement and member preferences, and the formation of member care teams. Successful care coordination between the medical and LTSS systems would leverage the resources of each system to facilitate communication, reduce redundant or inappropriate care and services, and result in cost savings for both systems.

The ADRC program is a resource for individuals needing information, referral and option counseling services for LTSS. They are not currently eligible for Medicaid LTSS, but are at risk of becoming so without the preventative and early intervention services provided by ADRCs. ADRCs are currently active in four local offices, serving 76 percent of individuals in Oregon in 13 counties. This POP will strengthen option counseling services in the existing ADRCs, and will provide the initial investment of establishing and strengthening options counseling in the areas of the state where ADRCs currently do not exist. A robust ADRC system would provide Oregonians with information and options to help them avoid or delay costly services, and with the growing population of seniors and individuals with disabilities in the state, help them avoid or delay spending down to Medicaid eligibility. Indeed, over 95 percent of seniors and individuals with disabilities do not access Medicaid-funded long term services and supports, This POP builds an infrastructure to help this population – as well as those eligible for Medicaid funded LTSS – achieve a life of independence while remaining healthy and safe.

3. HOW DOES THIS FURTHER THE AGENCY’S MISSION OR GOALS?

This POP meets the mission and goals of DHS and of health system transformation. Regarding the latter, its commitment to robust coordination between CCOs and the LTSS system is consistent with the triple aim of better health, better care, and lower costs. Regarding the POP’s commitment to care coordination for those getting both Medicaid and non-Medicaid LTSS, this POP directly advances DHS’s mission: “To help Oregonians in their own communities achieve well-being and independence through opportunities that protect, empower, respect choice and preserve dignity.” This POP advances APD’s mission as well: “To make it possible to become independent, healthy and safe.”

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

Yes – this POP is tied directly to DHS KPM 10: Access to Information and Referral and Information and Assistance Services for individuals not currently served by DHS. With its commitment to care coordination for those with Medicaid LTSS and without Medicaid LTSS, it is also tied to KPM 11 – Seniors Living Outside of Nursing Facilities.

5. DOES THIS POP REQUIRE A CHANGE(S) TO AN EXISTING STATUTE OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.

No – this POP furthers the aim of care coordination between CCOs and Medicaid LTSS as mandated by HB 3650 (2011), and the ADRCs are consistent with existing statute in ORS 410.

6. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

The alternatives to this POP include a more minimal collaboration between CCOs and the Medicaid LTSS system, and a scaled-back ADRC system. These alternatives were regarded as inadequate to the care and service needs of the individuals served by this POP, and would be more costly to the state in the future.

7. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

An inadequate collaboration between CCOs and Medicaid LTSS would result in less communication among medical and LTSS providers, poorer and less frequent care coordination between CCOs and local offices, and increase the likelihood of duplicative or inappropriate care or services. Failure to have a robust, statewide ADRC system would likely increase the number of seniors and individuals with disabilities not accessing key preventative services, or LTSS information services, and as a result, utilizing expensive and

inappropriate LTSS, and put them at risk of spending down to Medicaid eligibility. Given the growing senior population in Oregon, and the fact that the department's fastest growing group for Medicaid LTSS is younger individuals with physical disabilities, such a course is unsustainable within future forecasted resources. An investment in care coordination for current Medicaid-eligible individuals, as well as those not yet eligible for Medicaid LTSS, would avoid this fiscally unsustainable path while supporting the department's goals of keeping individuals independent, healthy and safe.

8. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

This POP will draw on local Area Agencies on Aging (AAAs) or Centers for Independent Living (CILs) for care coordination. The Type B Transfer AAAs will be the local office that coordinates care with local CCOs. Regarding the ADRC program, the department will partner with local AAAs (both Type A and Type B Transfer AAAs) as well as local Centers for Independent Living (CILs) and Community Developmental Disabilities Programs (CDDPs) to offer information and referral services, and options counseling. These entities will also assist individuals who may be eligible for Medicaid covered services.

9. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): October 1, 2013

End Date (if applicable): _____

a. Will there be new responsibilities for DHS? Specify which Program Area(s) and describe their new responsibilities.

- APD: oversight of Care Coordinators in local offices, facilitation of sharing information between CCOs and local AAA/APD Offices; training, technical assistance and support for statewide ADRC options counselors
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b. Will there be new administrative impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.

The ISS6 will build and maintain IT changes required to interface between the local offices and the local CCOs.

- c. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

Yes, there will be care coordination functions to case management between the CCOs and the local offices. It is estimated that of the 29,000 individuals served by APD for LTSS needs, approximately 6,000 will be prioritized for care coordination between the local offices and CCOs by July 2014.

- d. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

This POP will require the following classifications for permanent staffing: 75 Case Managers, 14 Program Analyst 2s, 1 ISS 6, and 1 Operations and Policy Analyst 3. Among the 75 Case Managers, some of the positions may be modified from existing positions.

- e. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**

The startup costs include modification to computer systems to interface CCOs and LTSS better, new materials, outreach, and training. Regarding training and outreach for ADRC options counseling, the department is awaiting decision on a three-year grant with the Administration on Community Living to cover these costs.

- f. What are the ongoing costs?**

Ongoing costs include staffing, outreach, training, and maintenance of systems changes.

- g. What are the potential savings?**

The potential savings include savings to Medicaid medical and LTSS costs and slowed growth in Medicaid LTSS caseload through the prevention and early intervention services of the ADRC.

h. Based on these answers, is there a fiscal impact? Yes.

TOTAL FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	\$641,579	\$0	\$636,854	\$1,278,433	9	7.92
Services & Supplies	\$140,436	\$0	\$140,409	\$280,845		
Capital Outlay	\$0	\$0	\$0	\$0		
Special Payments	\$2,247,308	\$0	\$7,099,178	\$9,346,486		
Other	\$0	\$0	\$0	\$0		
Total	\$3,029,323	\$0	\$7,876,441	\$10,905,764	9	7.92

What are the sources of funding and the funding split for each one?