

MEDICAID LONG-TERM SERVICES AND SUPPORTS POLICY CHANGES REPORT



March 2019

Year One: October 2017 - September 2018

Background

The Oregon Legislature in 2017 directed the Department of Human Services' Office of Aging and People with Disabilities (APD) to reduce the growth in the APD budget for Medicaid long-term services and supports (LTSS) to ensure longer-term sustainability for Oregonians in need of services. It was determined that by better aligning eligibility criteria to federal and state intent – and by restructuring the number of hours an in-home consumer could receive – that the cost curve could bend, with the least possible impact to consumers. However, it was clear then and now, that a certain number of consumers would be impacted and lose eligibility for LTSS.

To ensure that the impact of the policy changes is documented, APD is tracking key data to determine if the changes are working as expected. Those key data points include:

- The number of individuals who have lost Medicaid eligibility for LTSS;
- What, if any services and supports those people are still receiving throughout our system after losing LTSS eligibility;
- The number of individuals not eligible for Medicaid LTSS upon initial application; and,
- The number of in-home consumers who had to move to a community-based or nursing-facility setting.

The data below shows the impact of the first year of the October 2017 policy changes compared with the prior year. This includes individuals assessed or reassessed from October 1, 2017, through September 30, 2018.

To accurately identify those who need assistance, DHS has historically used service priority levels (SPLs) to establish eligibility for Medicaid LTSS. Level 1 reflects the most impaired; individuals who are assessed at levels 1-13 are

eligible for Medicaid funded services. Medicaid consumers are reassessed annually.

Impact of the 2017 changes on existing consumers

| | October 2017 – September 2018 (new assessment criteria) | October 2016 – September 2017 (old assessment criteria) |
|--|---|---|
| Individuals reassessed | 29,692 | 29,741 |
| Total number of existing consumers who were not eligible for LTSS after their reassessment | 1,210 (4.1%) | 806 (2.7%) |

Outcomes for consumers not eligible for LTSS after reassessment

Of the 1,210 individuals who were initially reassessed as no longer eligible for LTSS from October 2017 through September 2018:

- 12 were eligible for Extended Waiver Eligibility (i.e., APD continued to pay for services);
- 268 continued to receive Medicaid LTSS due to hearings or other administrative processes;
- 206 were redetermined eligible for Medicaid LTSS following an additional review of their annual reassessment;
- 690 lost Medicaid LTSS eligibility after all reviews and appeals were completed. The following describes benefits they continued to receive; some individuals may have received more than one benefit:
 - 558 continued to receive some Medicaid-funded benefits:
 - 133 in Oregon Health Plan (OHP) only;
 - 166 in Qualified Medicare Beneficiary (QMB) Programs;
 - 259 in State Plan Personal Care with the following health benefits – 109 in OHP and 150 in QMB;
 - 36 in Oregon Project Independence (these individuals are also included in the QMB program numbers); and,
 - 166 individuals no longer received any DHS funded services.
- 34 passed away while still receiving Medicaid; i.e., they passed away sometime between their reassessment and when their case was due to be closed.

Service setting for individuals not eligible for LTSS after reassessment

Of the 1,210 individuals who were initially assessed as no longer being eligible for LTSS from October 2017 – September 2018:

- 906 individuals were receiving services in their own home;
- 209 individuals were receiving services in community-based care (adult foster homes, assisted living, memory care communities, or residential care facilities);
- 89 individuals were receiving services in nursing facilities; and,
- 6 individuals were receiving services through the Program for All Inclusive Care of the Elderly.

Impact on in-home consumers

We wanted to know if the policy changes resulted in in-home consumers having to move to another setting type. The data shows that the October 2017 policy changes had little impact on where in-home consumers receive services. There were 19,122 consumers receiving in-home services from October 30, 2017, through September 30, 2018. Of those consumers:

- 94% continued to receive services in their own home compared with 93.7% who continued to receive services in their home in the prior year when no policy changes were in effect;
- 3.1% moved to community-based care compared to 3.4% who moved in the prior year;
- 2.5% moved to a nursing facility compared to 2.6% who made the same change in the prior year;
- Less than 1% moved to Providence Elder Place.

Number of new applicants found ineligible for LTSS

| | October 2017 – September 2018 | October 2016 – September 2017 |
|--|----------------------------------|----------------------------------|
| Individuals Assessed | 15,408 | 15,466 |
| Individuals Assessed Over SPL 1-13 | 3,512 | 3,296 |
| Percentage of Individuals Assessed Over SPL 1-13 | 22.8% | 21.3% |

The chart shows that we assessed slightly fewer individuals in the 2017-2018 period and slightly more (216) individuals were determined not eligible. The combined factors – less individuals applying, and fewer found eligible – led to APD being able to meet the Legislature’s direction to reduce overall costs in the program.

Conclusion

We know these changes have been difficult for consumers and the staff who serve them. We want to continue to keep everyone informed of the impact, and related data, to ensure that the policy changes are in line with what the Oregon Legislature intended.

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