

OREGON PROJECT INDEPENDENCE
AND FAMILY CAREGIVER
ASSISTANCE PROGRAM 1115
DEMONSTRATION
WAIVER APPLICATION

Oregon Health Authority in Partnership with the
Oregon Department of Human Services, Aging and People with Disabilities
September 24, 2021

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OREGON Project Independence and Family Caregivers Assistance Program
1115 Demonstration Waiver Application

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Section I: Background and Context

Oregon has a long history of working to serve older adults and adults with disabilities through innovation and presented opportunities. In 1975, Oregon began a state-funded program called Oregon Project Independence (OPI). OPI provides in-home supports to older adults and individuals with Alzheimer's and other related dementia diagnoses. Since 2014, Oregon has also served younger adults with disabilities in select counties through an OPI pilot program.

In 1981, legislation created the Home and Community-Based Services (HCBS) waiver program. Oregon used the opportunity to begin offering a wide array of home and community-based services for older adults and adults with disabilities. Oregon has worked to reduce the number of older adults and adults with disabilities in nursing facilities and help them to live successfully where they want to live.

While Oregon is proud of the services it has been able to offer to older adults and adults with disabilities, a gap remains. A gap exists for individuals not yet eligible for Medicaid HCBS, yet who have limited income and are at risk of entering the Medicaid system. Some of these individuals receive care from family or unpaid caregivers, while others do not have a caregiver for support with Activities of Daily Living (ADLs).

What makes this gap a priority is Oregon's rapidly changing population. Oregon's population of older adults is in the early stages of growth. Currently, nearly 800,000 Oregonians are age 65 and over, with nearly 1,000,000 projected by 2030, or a 25 percent increase. Those age 65-74 are expected to increase 60 percent in the next ten years, from approximately 225,000 today to 360,000 in 2030. For those age 85 and older and most at risk of needing Medicaid long-term services and supports, the population is estimated to increase by 33 percent over the next 10 years, from approximately 90,000 in 2020 to approximately 120,000 in 2030.¹

Additionally, Oregon's population of adults 65 and older is becoming much more economically vulnerable. With the changes in retirement over the past several decades, Oregon's older adults are leaving the workforce with fewer assets. Additionally, successive recessions have eroded those assets. There is a

¹ Oregon Office of Economic Analysis, Economic and Revenue Forecast, June 2020.

substantial proportion with few to no retirement savings. They may not qualify for Medicaid long-term services and supports until they decline significantly in their abilities to live independently and spend down what little savings they have. As the percentage of older adults grows, so does the proportion of older adults at risk of needing publicly funded support to remain living independently.

The number of adults experiencing a disability is also growing in Oregon. In 2008, approximately 700,000 adults over age 18 experienced a disability; by 2016, about 900,000 adults over age 18 experienced a disability, nearly a 30 percent increase.² Many younger adults with disabilities experience barriers to employment. Others may be financially ineligible to access Medicaid long-term services and supports due to previous work experience.

The prevalence of Alzheimer's disease and other related dementias (ARD) is also growing. The number of people experiencing ARD in Oregon was approximately 76,000 in 2012; by 2030, it is estimated 120,000 Oregonians will be living with ARD.³

To add to changes in population size, Oregon's population is growing more diverse. In 2018, approximately 25 percent of Oregon's population identified as people of color, up 32 percent from 2008. While the proportion of the state who identified as people of color is about 13 percent lower than the national average for states, the increase in the proportion of the population was higher than the increase in the national average.⁴ Also, while the age demographics in Oregon's communities of color are younger than the white population, there is a lower proportion of communities of color accessing Medicaid long-term services and supports, particularly among Oregon's Latinx communities. This is relative to the population accessing long-term services and supports overall. The need for change, to a more consumer-directed and culturally and linguistically responsive system of services and supports, is imperative as Oregon's growing diverse population ages in the coming decades.

Currently, Oregon serves approximately 36,000 consumers with Medicaid long-term services and supports, with over half of these consumers being served in their own homes. Over 85 percent are served outside of nursing facilities. With

² Oregon Office on Disability and Health, Disability in Oregon, 2008; 2016.

³ The State Plan for Alzheimer's Disease and Related Dementias in Oregon, 2012.

⁴ Oregon Employment Department, "Racial and Ethnic Diversity in Oregon's Workforce," January 2020.

the current system serving this number of individuals, it is clear Oregon needs a more robust set of alternative services that can provide a limited, preventative array of services and supports so that a greater number of older adults and younger adults with disabilities can maintain their independence and continue living in their own homes.

The Oregon Department of Human Services (ODHS), Office of Aging and People with Disabilities (APD), in coordination with the Oregon Health Authority (OHA), plans to fill this gap through two programs, as noted in the following program overview. The programs have an intentional focus on person-centered, consumer-driven services to help more older adults and adults with disabilities maintain their independence with limited resources. Oregon is dedicated to creating services that are culturally and linguistically responsive to Oregon's diverse population, so all feel welcome to access services.

Program Overview

This Demonstration creates a federally matched program of Oregon Project Independence (OPI) and a new Family Caregiver Assistance Program (FCAP) for older adults and adults with physical disabilities who are not currently accessing Medicaid programs. These programs provide limited services and supports to individuals at risk of entering the Medicaid long-term services and supports system, with the intent to assist individuals to either avoid or delay entering the Medicaid system. Individuals found eligible would only receive the services defined below. They would not be eligible to receive additional services through the State plan or any other waivers. An individual eligible for any Medicaid funded program would be informed of their eligibility and allowed to choose which program from which they would like to receive services.

Current State:

As previously noted, OPI has been operative in Oregon since 1975. It currently serves approximately 2,000 older adults and, since 2014, it has served approximately 350 younger adults with disabilities in 12 of Oregon's 36 counties. The program is supported entirely by state funds and participant fees from consumers in the program with higher incomes. The program is currently administered by Area Agencies on Aging (AAAs).

The level of state funding for OPI has fluctuated over the last three decades making long term stability difficult and making it difficult to meet the demand for

these services. There is a high demand for the program. Each AAA experiences wait lists for people to access the program. Nearly 90 percent of OPI participants do not enter the Medicaid long-term services and supports system.

Support for family caregivers is primarily provided through the Older Americans Act program administered by AAAs. Like OPI, funding for these programs is limited. The average benefit for a family does not provide for adequate respite and supports to sustain the caregiving relationship between the consumer and the family or other unpaid caregiver. Additionally, demand routinely outstrips the available funding. Of all the older adults and people with disabilities who get long-term services and supports, the overwhelming majority of that care is provided by family or other unpaid caregivers, such as friends or neighbors.⁵ With the risk of caregiver burnout, there is a significant need for even a light amount of respite and other supports to sustain these caregiving relationships.

Future State:

With this Demonstration, Oregon will create a stronger infrastructure to sustain services and supports for older adults and adults with disabilities at risk of accessing current Medicaid long-term services and supports, while maintaining their independence.

For OPI, the program will build upon a sustainable foundation to serve more individuals with federal matching funds. Consumers will choose from a list of services for limited supports to help them maintain independence and live in their own homes. Federal matching funds will permit local programs to serve younger adults with disabilities, whose participation has been limited to only one third of Oregon counties. Oregon's current OPI program, as it exists today, would continue to be administered by AAAs as match for Older Americans Act funding.

Likewise, the FCAP, through a sustainable foundation of federal and state funds, will support consumers whose family members have chosen to care for their loved ones in their own homes. The program will provide a list of services from which the consumer can choose to support and sustain the caregiving relationship, whether it is caregiver respite, adult day services, transportation, assistive technology, caregiver training and education, or other services that the

⁵ AARP Public Policy Institute, Caregiving in the United States 2020, May 2020.

consumer finds compatible with the caregiving relationship they have with their caregiver.

With both programs, consumers will receive limited services tailored to their needs and life choices that are culturally and linguistically responsive to each consumer's needs. These programs can help avoid unnecessary hospitalizations or acute emergency medical care and out-of-home placement in an institutional or community long-term care setting.

These programs will further the objectives of the Title XIX program by assisting individuals to remain independent so they can delay or avoid entry into Medicaid services. This also furthers the sustainability of the Title XIX program by saving both federal and state funds in the future. The Demonstration will not modify or affect other components of Oregon's Medicaid and CHIP programs. The individuals served by these programs will have access limited to the Demonstration's benefits. They will not have access to Medicaid services provided under other State Plans or any Waivers in Oregon's Medicaid program.

Rationale for Demonstration:

Oregon's current system of long-term services and supports lacks programs to serve consumers who have limited income and resources but do not meet Medicaid financial eligibility requirements, as well as individuals who may have some needs for Activities of Daily Living that do not meet the current Nursing Facility Level of Care. These individuals often enter the Medicaid system after exhausting their financial resources or further loss of Activities of Daily Living. This Demonstration will provide limited support for this at-risk population to prevent or delay the need for Medicaid long-term services and supports.

The following hypotheses will be tested.

Hypothesis	Evaluation Approach
The limited benefit program will give the consumer a higher quality of life and satisfaction with the services received.	The state will use an evaluation that compares the consumer's functional abilities with Activities of Daily Living at redetermination to track overall service outcomes and will use survey data of consumers to evaluate self-reported data on satisfaction and assessment of the quality of life.

Hypothesis	Evaluation Approach
The limited benefit program slows the projected increase in the number of individuals accessing Medicaid services and save federal funds for the Title XIX program.	The state will compare the number of individuals served and the federal cost per case against the projected number of people served in the Medicaid program and cost per case if no Demonstration existed.

Timeframe:

The state requests that the Demonstration operate for a five-year period, beginning on July 1, 2022, with possible renewal for additional five-year periods. The expansion of OPI and the new FCAP program would become operational on July 1, 2022.

Section II: Demonstration Eligibility

This Demonstration will not change the eligibility criteria or income standards for Oregonians currently accessing Medicaid-funded programs under the current State Plan or current Medicaid waivers. It will create a unique set of eligibility and income and resources standards for participants in the OPI and FCAP programs.

The proposed eligibility criteria for both programs are:

- Age 18 or older
- Income at or below 400% of the Federal Poverty Level (FPL)
- Resource limit up to the average cost of six months in a nursing facility
- Oregon will use its staff and methods to determine and verify financial eligibility for both income and resources through local APD offices and AAA offices that administer Medicaid programs (referred to in Oregon as Type B Transfer AAAs). These staff will also conduct eligibility redeterminations.
- Individuals may also receive Supplemental Nutrition Assistance Program (SNAP) and Medicare Savings Program (MSP) benefits, but not Medicaid.
- Service eligible
 - Oregon will use its Service Priority Level system. This system has 18 levels to describe needed assistance with Activities of Daily Living. Medicaid currently serves levels 1-13 through the 1915(c) and 1915(K). This program will serve individuals who fall within levels 1-

18. See Appendix A for the criteria for the Service Priority Level system.

Enrollment limits:

The state does not intend to place enrollment limits on the OPI and FCAP programs at this time.

Anticipated number of consumers eligible for program:

Currently, Oregon Project Independence, a state-funded program, serves approximately 2,350 individuals. This Demonstration would be projected to serve up to 4,500 (including the 2,350 currently served) individuals in Oregon Project Independence. It is projected that this Demonstration will serve up to 1,800 individuals and their caregivers in the FCAP.

Post-eligibility treatment of income:

This Demonstration will not utilize post-eligibility treatment of income, nor spousal impoverishment rules. Individuals served by this program will not be subject to estate recovery. Since this Demonstration offers consumers a limited, consumer-directed and consumer-specific array of services and supports, this will provide an incentive for consumers to access these services rather than having to access more costly and intensive services and supports in the Medicaid system.

Eligibility procedures:

There will be no changes in existing eligibility procedures. To determine income, Oregon will use the Social Security Income-related income methodologies currently in use for determining eligibility for Medicaid long-term services and supports through the 1915(c) and 1915(k).

Eligibility changes to methodologies or standards applicable in 2014:

There are no eligibility changes the state is seeking to the methodologies or standards applicable in 2014.

Section III: Demonstration Benefits and Cost-Sharing Requirements

Cost-Sharing Requirements:

The program will not have cost sharing or copayment requirements.

Expanded OPI Service Package:

The service package will replicate the current services offered in statute and rule for OPI. Consumers will work with their case manager to create a limited service plan that meets their needs to maintain their independence and quality of life in their home.

Applicants for the Demonstration services will be informed that they only have access to these limited services and will not be eligible to receive, nor have access to, Medicaid services under the State Plan or any of Oregon's Medicaid Waivers (other than Medicare Buy-in benefits). Individuals eligible for other Medicaid services will have the choice to enroll in any of the waivers or state plans for which they are eligible.

These services may include:

- In-home support or personal care services (in-home services to maintain, strengthen or restore an individual's functioning in one's home);
- Chore services (i.e., heavy housework or yard work provided on a one-time or intermittent basis to assure health and safety);
- Adult day services (non-residential community-based programs, providing services for part of the day);
- Registered nurse services (i.e., one-time or intermittent assessment, service planning, medication monitoring, provider training and education);
- Assistive technology and minor consumer home modifications;
- Emergency response systems (ERS);
- Home delivered meals;
- Services to support community caregivers and strengthen the natural support system of individuals;
- Evidence-based health promotion services (programs to help individuals adopt healthy behaviors, improve health status, or reduce use of health services);
- Options counseling (counseling to support informed decision making on services based on strengths, needs, and preferences);
- Assisted transportation options that allow individuals to live at home and access the full range of community resources; and

- Case management and service coordination (service designed to individualize and integrate social and health care options for the consumer).

Family Caregiver Assistance Program:

Consumers would be eligible to receive services and supports totaling no more than \$500 per month, with an annual increase in the monthly benefit limit to meet the annual increases due to inflation. Consumers and their unpaid caregivers will be able to design consumer-directed services that meet the consumer's needs while sustaining the needs of the caregiver and the overall caregiving relationship.

Applicants for the Demonstration services will be informed that they only have access to these limited services and will not be eligible to receive, nor have access to, Medicaid services under the State Plan or any of Oregon's Medicaid Waivers (other than Medicare Buy-in benefits). Individuals eligible for other Medicaid services will have the choice to enroll in any of the waivers or state plans for which they are eligible.

These services may include:

- In-home support services or personal care services (in-home services to maintain, strengthen or restore an individual's functioning in one's home);
- Adult day services (non-residential community-based programs, providing services for part of the day);
- Respite services;
- Emergency response systems;
- Special medical equipment and supplies;
- Supports for consumer direction;
- Assistive technology;
- Minor consumer home modifications;
- Home delivered meals;
- Assisted transportation, in conjunction with another service;
- Supportive services (counseling, groups) for individuals and their caregivers;
- Family Caregiver Hotline; and
- Education and training for unpaid caregivers.

Section IV: Delivery System and Payment Rates:

The Demonstration will utilize the existing fee-for-service delivery system and payment rates as they are currently constituted in the State Plan and Medicaid waivers in Oregon. The state will use the fee-for-service rates and the provider types identified in the State Plan. In the case of Consumer-Employed providers, rates are established through Collective Bargaining Agreements.

Fee-for-service rates for other services and supports not otherwise covered in the State Plan must be within the ranges published by the state for each service. Payment will not exceed the prevailing charges in the locality for comparable services under comparable circumstances, or the rates charged by AAAs for comparable services funded by other sources. Written procedures for determining rates that are reasonable and consistent with market rates will be in place. Acceptable methods for determining rates will include periodic market surveys, cost analysis, and price comparison.

Section V: Implementation of Demonstration

Timeline:

To implement this Demonstration, Oregon proposes a timeline with intensive, dynamic work with federal, state, local, community, and Tribal partners to support the milestones necessary for building the infrastructure necessary for program operationalization and implementation. This Demonstration will be implemented on the following schedule:

Year Zero:

- Build the infrastructure and technical assistance capacity for administering the Demonstration program, based on public comment and feedback on gaps to build up infrastructure and resource needs.
- Update eligibility and other systems so the financial eligibility for this Demonstration program, as well as the existing SPL system, can facilitate enrollment of Demonstration participants.
- Modify IT systems to facilitate eligibility, enrollment, and the provision and payment of benefits for the program.
- Leverage stakeholder and intergovernmental involvement: continue to engage and collaborate with AAAs, Tribes in Oregon, Centers for Independent Living (CILs), commissions, councils, advisory committees, providers, and interested stakeholders in program design and delivery planning.
- Plan and implement stakeholder and public engagement.
- Develop and implement training for staff, stakeholders, and community partners on program benefits and eligibility criteria.
- Develop reporting and evaluation framework, including methods of data collection and system design to facilitate data collection.

Year One:

The program will be operational, and individuals will be enrolled in the new program. The State will hold public meetings in the middle of year one to gather stakeholder and public feedback on the program's implementation. The State will work with the administering AAAs to identify barriers and best practices for achieving outcomes.

Years Two-Five:

The State will continue administering the program and conduct an ongoing evaluation of the Demonstration's outcomes, including the evaluation of functional outcomes for consumers and consumer satisfaction on the survey questions for self-assessing their ability to remain independent and maintain a high quality of life as they define it.

Stakeholder and Intergovernmental Engagement:

The State will engage stakeholders, intergovernmental partners, and also hold public meetings in Year Zero to inform potential individuals of the program. The state and some of its AAA partners will be responsible for determining eligibility and enrolling participants with a service plan. The AAAs will be responsible for ongoing case management.

Section VI: Demonstration Financing and Budget Neutrality

This Demonstration will be financed by services at the state's FMAP rate, and by staff support at the Medicaid administrative rate (50% federal funds).

To manage the expenditures in this Demonstration, Oregon proposes to use an aggregate approach to show the annual federal costs of individuals accessing Medicaid long-term services and supports with the Demonstration will not exceed the projected costs over the five years of the Demonstration absent the Demonstration.

To show budget neutrality, Oregon will use a baseline of historic federal expenditures for Medicaid long-term services and supports from CY 2016-2020, and the projected costs of the federal share for Medicaid long-term services and supports from CY 2022-2026.

A budget neutrality Excel workbook will be provided to include:

- Historical enrollment, trends, and expenditures;
- Estimated enrollment, trends, and expenditures for Medicaid consumers under the Medicaid long-term services and supports program *without the Demonstration*;
- Estimated enrollment, trends, and expenditures for Medicaid consumers under the Medicaid long-term services and supports program and the

hypothetical enrollment, trends, and expenditures for consumers in the OPI and FCAP programs *with the Demonstration*; and

- Budget neutrality summary of the costs *with and without the Demonstration*.

The other data shows the projected reduction in the rate of increase of the state's Medicaid LTSS caseload, comparing the projected rolling-month number of consumers from CY2022-2026 without the Demonstration, and the reduction in this projection for the five-year projection of consumers with the Demonstration in place.

To finance the non-federal share of the Demonstration, Oregon intends to use a proportion of state general fund dedicated to the OPI program, while Oregon intends to use state matching funds in the 2021-2023 Legislatively Adopted Budget for the FCAP. The federal match rates for services will be at the state's FMAP rate of match. The staffing for the programs, to be shared by the state and local AAAs, will be at 50 percent of Medicaid administration match.

Appendix F provides spreadsheets to illustrate the budget neutrality of this proposed Demonstration.

Section VII: List of proposed Waiver and Expenditure Authorities

At a minimum, the State requests the following waiver authorities:

Waiver Authority	Use for Waiver	Reason for Waiver Request
Section 1902(a)(10)(B)	Authority to vary the amount, duration, and scope of benefits for individuals participating in Oregon Project Independence and the Family Caregiver Assistance Program.	Individuals in the at-risk for Medicaid group will have access to a limited set of benefits that are less than individuals who receive Medicaid long-term services and supports.
Section 1902(a)(17)	Authority to apply a more liberal income and resource standard for	The State will establish a new eligibility category for individuals who do

Waiver Authority	Use for Waiver	Reason for Waiver Request
	individuals determined at risk for future entry into the Medicaid long-term services and supports system.	not currently meet the financial or institutional level of care eligibility criteria, but who are identified as being at risk for future need for Medicaid long-term services and supports.
Section 1902(a)(17)	Authority to provide the benefit packages of the Oregon Project Independence and Family Caregiver Assistance Program for the at risk for Medicaid group.	Individuals in the at-risk for Medicaid group established under the Demonstration will have access to a more limited set of benefits than individuals who qualify for Medicaid-funded long-term services and supports.

In addition, the State requests the following expenditure authorities:

Waiver Authority	Use for Waiver	Reason for Waiver Request
<u>Section 1903</u>	Authority to receive federal matching dollars for services provided to the at-risk for Medicaid group.	This expenditure authority will allow the State to receive federal matching payments for services delivered to the at-risk for Medicaid population.

Section VIII: Public Notice and Tribal Consultation

Background and Context:

In the 2019 Legislative Session, a bill to pursue federal matching funds for a family caregiver respite program was introduced. Although the bill did not pass, the Legislature directed the Oregon Department of Human Services, in concert with the Oregon Health Authority, to form an advisory committee to explore the possibility for federal matching funds for Oregon Project Independence and a family caregiver support program.

In the fall of 2019, APD staff initially researched potential mechanisms for federal matching funds through the Centers for Medicare and Medicaid Services (CMS). Staff also examined other state programs with concepts similar to those identified in the budget note. Staff found similar programs in Washington State, which used CMS's 1115 Model Demonstration Waiver as a mechanism to obtain federal matching funds.

OPI and FCAP have the potential to meet these aims by providing a lower level of services to individuals who have not yet entered Medicaid long-term services and supports. Oregon's waiver would be able to demonstrate consumers served could maintain their independence while preventing or delaying their entry into more expensive, higher level services and supports in the Medicaid system.

Advisory Committee Recommendations:

In January 2020, APD recruited and convened an advisory committee composed of 23 members. Members included consumers, representatives from consumer advocacy groups, Area Agencies on Aging (AAAs), consumer advisory committees, and providers. The advisory committee met three times and discussed APD-initiated proposals on program eligibility criteria and service packages, as well as other elements of an 1115 Demonstration Waiver, such as program administration and qualified providers.

The group agreed to a set of principles in conducting its work of recommending a program design and benefit package. These principles included:

- Honoring the values of the consumer's independence, choice, and dignity that is the cornerstone of the aging and disability policy of the state;
- Ensuring both older adults and younger people with physical disabilities have access to these services; and

- Using federal funds to build upon – rather than to undo – the existing OPI and family caregiver respite programs in the state.

The committee suspended meetings in March 2020 while responding to the COVID-19 outbreak, yet met again virtually on June 26, 2020, to consider and agree to the basic structure of the programs in the department’s application to CMS.

Since the committee’s recommendation, APD filed the final report to the Legislature in December 2020 in preparation for the 2021 Legislative Session. During the legislative session, APD received strong support to pursue an 1115 demonstration waiver to expand OPI and create the FCAP.

Tribal Consultation:

In accordance with 42 CFR 431.408(b), the State notified the Tribes, urban Indian Health Organizations, and other Tribal parties of its intent to pursue a Section 1115 waiver Demonstration and request a date for a formal Tribal Consultation on June 10, 2021. In addition, the State has received input from APD funded Tribal Navigators who serve as a liaison between tribal members and APD local offices.

Public Comment Period:

The Oregon Department of Human Services, in coordination with the Oregon Health Authority, is holding a public comment period beginning September 24, 2021, and ending October 24, 2021, at 5 p.m. (Pacific Time).

Public Notice:

The State will provide public notices about the Demonstration as follows:

- The full public notice posted on the State’s Demonstration website;
- The Oregon Health Authority and Oregon Department of Human Services can provide hard copies of the draft Demonstration application for public review, upon request;
- An abbreviated public notice published in the four Oregon newspapers with the largest circulation in cities with a population over 100,000;
- The abbreviated public notice emailed to the NewsFlash distribution list;
- The State email the full public notice to its comprehensive partner email list, with a link to the full draft Demonstration application;

- Hard copies posted at, and available, at the 52 local offices that serve seniors and people with disabilities;
- Notice posted on all APD social media sites; and
- The State email inbox to receive all public comment on the draft Demonstration application.

Public Hearings:

The State will hold two public hearings for the Demonstration application, which will include participation by Zoom or by phone on October 1, 2021, and October 4, 2021, as well as a presentation and public comment at the Oregon Home Care Commission public meeting on October 7, 2021. For specific meeting times and locations, see Appendix C.

Other Outreach:

The State will send materials and offer opportunities for feedback to groups and community organizations on its email list serve, such as:

- Tribal Navigators
- AARP Oregon
- Oregon Association of Area Agencies on Aging and Disabilities
- Oregon Health Care Association
- Association of Oregon Centers for Independent Living
- LeadingAge Oregon
- Long Term Care Ombudsman
- Service Employees International Union
- Oregon Law Center
- Disability Rights Oregon
- Coalition of Communities of Color
- SAGE Portland
- Additional organizations identified by stakeholders

Public Notice information is provided in Appendix C, the Tribal Consultation invitation letter is provided in Appendix D, and the summary and response to public comments will be provided in Appendix E.

Section IX:

Contact information for State point of contact for the Oregon Health Authority:

Dana Hittle

Medicaid Director, Oregon Health Authority

500 Summer St NE

Salem OR 97301

503-945-6491

Dana.Hittle@dhsoha.state.or.us

Appendix A: Oregon's Service Priority Level System

Service Priority Levels: [OAR 411-015-0010](#)

**411-015-0010 Priority of Paid Services
 Service Eligibility Levels – Effective 10/1/17**

1	Requires Full Assist in Mobility (Ambulation <u>or</u> Transfer); & Eating; & Elimination; & Cognition (Need 1 Full Assist <u>or</u> 2 Substantial Assist)
2	Requires Full Assist in Mobility (Ambulation <u>or</u> Transfer); & Eating; & Cognition (Need 1 Full Assist <u>or</u> 2 Substantial Assist)
3	Requires Full Assist in Mobility (Ambulation <u>or</u> Transfer); or Eating; or Cognition (Need 1 Full Assist <u>or</u> 2 Substantial Assist)
4	Requires Full Assist in Elimination
5	Requires Substantial Assist in Mobility (Ambulation inside <u>or</u> Transfer); & Assist with Eating; & Assist with Elimination (Toileting <u>or</u> Bowel <u>or</u> Bladder)
6	Requires Substantial Assist with Mobility (Ambulation inside <u>or</u> Transfer); & Assist with Eating
7	Requires Substantial Assist with Mobility (Ambulation inside <u>or</u> Transfer); & Assist with Elimination (Toileting <u>or</u> Bowel <u>or</u> Bladder)
8	Requires Minimal Assist in Mobility (Ambulation only); & Assist with Eating; & Assist with Elimination (Toileting <u>or</u> Bowel <u>or</u> Bladder)
9	Requires Assist with Eating & Elimination (Toileting <u>or</u> Bowel <u>or</u> Bladder)
10	Requires Substantial Assist with Mobility (Ambulation inside <u>or</u> Transfer)
11	Requires Minimal Assist in Mobility (Ambulation only); & Assist with Elimination (Toileting <u>or</u> Bowel <u>or</u> Bladder)
12	Requires Minimal Assist in Mobility (Ambulation only); & Assist with Eating
13	Requires Assist with Elimination (Toileting <u>or</u> Bowel <u>or</u> Bladder) (13 is current cutoff for Medicaid)

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14	Requires Assist with Eating
15	Requires Minimal Assist in Mobility (Ambulation only)
16	Requires Full Assist in Bathing; or Dressing
17	Requires Assist in Bathing; or Assist with Dressing; or Full Assist with Grooming or Full Assist with Personal Hygiene
18	Independent SPL 1-17 & Requires structured living for supervision for complex medical problems or a Complex medication regimen

Appendix B: Long Term Services and Supports Form

Oregon Project Independence and Family Caregiver Assistance Program Waiver
Application

Long Term Services and Supports Form

Please complete this form if you indicated in Section III that the Demonstration will provide long term services and supports (LTSS).

Indicate the Population(s) that the following long-term services and support description applies to:

The populations served will be the older adults and individuals with physical disabilities in the Oregon Project Independence (OPI) and Family Caregiver Assistance Program (FCAP).

Administration of the Long Term Services and Supports Program

Will the LTSS component of the Demonstration be operated by one or more State agencies other than the Medicaid agency? Yes No

If yes, please provide the contact information of the key contacts at those agencies, including name, title, name of agency, address, telephone number, email address and fax number. Also describe the specific sub-population associated with the contact:

Mike McCormick, Acting Director
Office of Aging and People with Disabilities
Oregon Department of Human Services
500 Summer St NE, E-02
Salem, OR 97301
503-945-6229
Mike.r.mccormick@dhsola.state.or.us
Fax: 503-947-5044

Do other State agencies, that are not part of the Single State Medicaid Agency, perform Demonstration operational and administrative functions on behalf of the Medicaid agency?

Yes No

Do any contracted entities, including managed care organizations, perform Demonstration operational and administrative functions on behalf of the Medicaid agency or the waiver operating agency (if applicable)?

Yes No

Do any local or regional non-state entities perform Demonstration operational and administrative functions?

Yes No

If yes to any of the questions above, specify the types of State agencies, contracted entities and/or local/regional non-state entities and describe the specific functions that they perform. This includes individual enrollment, management of any enrollment or expenditure limits, level of care evaluation, review of service plans, prior authorization of services, utilization management, provider enrollment and agreements, rate methodologies, rules, policies and procedures, and quality assurance and improvement activities. Please describe how the Single State Agency oversees the performance of these non-State entities:

Function	State Medicaid Agency	Operating Agency (APD)	Local or regional non-state entity (AAAs)
Individual enrollment		X	X
Management of any enrollment or expenditure limits		X	
Level of care evaluation		X	X
Review of service plans		X	X
Prior authorization of services		X	X

Utilization management		X	X
Provider enrollment and agreements	X	X	X
Rate methodologies		X	X
Policies and procedures	X	X	X
Quality assurance and improvement activities		X	X

Operating Agency: The Office of Aging and People with Disabilities (APD) is located within the Oregon Department of Human Services (ODHS). Through an intergovernmental agreement (IGA), the State Medicaid Agency has delegated the operation of the LTSS waiver programs to ODHS.

Local or regional non-state agencies: The operating agency contracts with Area Agencies on Aging (AAAs) to perform certain operational and administrative functions at the local level. The operating agency has a contract that sets forth the responsibilities and performance requirements of the AAAs. The contract is available through the operating agency.

Oversight by the Single State Agency: The Oregon Health Authority (OHA) is the Single State Medicaid/CHIP agency responsible for the administration of programs funded by Medicaid and CHIP in Oregon. ODHS is the Operating Agency responsible for the operation of certain programs under Medicaid, including home and community-based services waivers.

Consolidation of Existing Waivers or Authorities into the Demonstration

Are existing State waivers or programs operating under other authorities are being consolidated into the Demonstration Program?

Yes No

If yes, identify the existing waiver(s) (1915(b),(c),(d),(e) or State Plan authorities (1915(a), (i), (j), (k), 1932) that are being consolidated into the 1115

Demonstration, including the names of the waivers or programs and identifying waiver numbers. Also indicate the current status of these waivers or authorities.

Because some AAA case managers that provide case management for Medicaid consumers will provide case management in this Demonstration, the Demonstration will be consolidated in the APD 1915(b)(4) #OR-11.

Describe how individuals in these programs will be transitioned to the 1115 Demonstration program and assured a comparable level of services, quality and continuity of care.

By its design – that those eligible do not currently access Medicaid – this Demonstration will not transition consumers currently accessing Medicaid long term services and supports under the APD 1915(b)(4) waiver.

Level of Care to Qualify for the Program

This Demonstration is requested in order to provide LTSS to individuals who, but for the provision of such services, would require the following level(s) of care, the costs of which should be reimbursed under the approved Medicaid state plan:

Indicate and describe the level of care criteria for participants in the Long Term Services and Supports Demonstration program, such as hospital, nursing facility, ICF-MR, IMD-hospital, IMD-nursing facility, or needs-based criteria. Identify which entity performs the initial and subsequent level of care evaluations and the frequency of such reevaluations:

Through this Demonstration waiver, the state seeks to provide services and supports to individuals who may be at risk of entering the system of Medicaid Long Term Services and Supports (LTSS). The level of care required for this Demonstration is outlined in state rule. Under current Medicaid LTSS, the Nursing Facility Level of Care (NFLOC) is defined by rule under a list of Service Priority Levels (SPL). Medicaid serves individuals in SPL 1-13. This Demonstration would serve individuals under the NFLOC of SPL 1-13, but also individuals meeting SPL 14-18. The SPLs, defined in Oregon Administrative Rule 411-015-0010, are listed below:

NFLOC (and level of care for Demonstration population):

SPL 1: Requires Full Assistance in Mobility, Eating, Elimination, and Cognition.

SPL 2: Requires Full Assistance in Mobility, Eating, and Cognition.

SPL 3: Requires Full Assistance in Mobility, or Cognition, or Eating.

SPL 4: Requires Full Assistance in Elimination.

SPL 5: Requires Substantial Assistance with Mobility, Assistance with Elimination and Assistance with Eating.

SPL 6: Requires Substantial Assistance with Mobility and Assistance with Eating.

SPL 7: Requires Substantial Assistance with Mobility and Assistance with Elimination.

SPL 8: Requires Minimal Assistance with Mobility and Assistance with Eating and Elimination.

SPL 9: Requires Assistance with Eating and Elimination.

SPL 10: Requires Substantial Assistance with Mobility.

SPL 11: Requires Minimal Assistance with Mobility and Assistance with Elimination.

SPL 12: Requires Minimal Assistance with Mobility and Assistance with Eating.

SPL 13: Requires Assistance with Elimination.

Additional level of care for Demonstration population:

SPL 14: Requires Assistance with Eating.

SPL 15: Requires Minimal Assistance with Mobility.

SPL 16: Requires Full Assistance in Bathing or Dressing.

SPL 17: Requires Assistance in Bathing or Dressing.

SPL 18: Independent in the above levels but requires structured living for supervision for complex medical problems or a complex medication regimen.

Oregon uses an automated assessment tool to evaluate and reevaluate level of care criteria, and it is available to CMS upon request through the Medicaid agency.

Individual Cost Limits

Do individual cost limits apply when determining whether to deny LTSS or entrance to the Demonstration to an otherwise eligible individual? Yes No

If yes, indicate the type of cost limit that applies and describe any additional requirements pertaining to the indicated limit:

- Cost Limit in Excess of Institutional Costs. The State refuses entrance to the Demonstration to any otherwise eligible individual when the State reasonably expects that the cost of the LTSS furnished to that individual would exceed the cost of a level of care specified for the Demonstration up to an amount specified by the State.
- Institutional Cost Limit. The State refuses entrance to the Demonstration to any otherwise eligible individual when the State reasonably expects that the cost of the LTSS furnished to that individual would exceed 100% of the cost of the level of care specified for the waiver.
- Cost Limit Lower Than Institutional Costs. The State refuses entrance to the Demonstration to any otherwise qualified individual when the State reasonably expects that the cost of LTSS furnished to that individual would exceed an amount specified by the State that is less than the cost of a level of care specified for the Demonstration. Specify the basis of the limit, including evidence that the limit is sufficient to assure the health and welfare of Demonstration individuals.

Long Term Services and Supports – Outreach, Education, Enrollment and Screening

Describe the Demonstration program's approach to Outreach, Education, Enrollment and Screening, including any coordination with a Money Follows the Person program. Include a description of the roles of the State and other entities in the processes.

Outreach media and materials will be delivered and disseminated to ADRCs, advisory boards and commissions, consumer advocacy agencies, and other stakeholder and intergovernmental partners. Education will be developed with APD and Oregon's 16 AAAs. APD will ask stakeholder, community and intergovernmental partners to assist with the dissemination of information. Oregon does not have a Money Follows the Person program.

Person-Centered Planning

Indicate who is responsible for collaborating with the individual in developing the Demonstration's person-centered service plan and for its final development:

- Case Manager Social Worker
 Other (please describe, include qualifications)

Supporting the Participant in Service Plan Development

Specify: (a) the supports and information that are made available to the individual (and/or family or legal representative, as appropriate) to direct and be actively engaged in the service plan development process and (b) the individual's authority to determine who is included in the process.

(a) Person centered case management and service planning has the person with the service needs engaged in the planning process, and it may include a representative who the person chose or who is legally authorized. The case manager identifies the person's strengths, preferences, needs, and life goals. In the FCAP, the caregiver may be involved in the person-centered case management planning as well.

Consumers, representatives, and caregivers are supported by:

- Reviewing information about the process and programs before service planning begins
- Scheduling a time and place for service planning at their choice and convenience
- Getting encouragement and full information from the case manager as the consumer creates the service plan with the case manager.

(b) Consumers are welcome to invite others to participate in the service plan development.

Service Plan Development Process

Describe the process that is used to develop the person-centered service plan, including:

- a. who develops the plan, what individuals are expected to participate in the plan development process;

The plan is developed by the consumer, and, if applicable, the consumer's chosen or legal representative, caregiver, or others invited by the consumer.

- b. the timing of the plan, how and when it is updated, including mechanisms to address changing circumstances and needs (and expectations regarding scheduling and location of meetings to accommodate individuals receiving services);

Assessments and service planning are held at times and locations or methods convenient to the consumer. Assessments occur on a twelve month basis, or when the circumstances and the needs of the consumer change significantly, or when the consumer requests an assessment. Assessments may lead to updated service plans, too.

- c. the types of assessments that are conducted to support the service plan development process, including securing information about the individual's needs, preferences and goals, and health status;

The state will use the SPL system to make an initial assessment with the consumer of the consumer's needs associated with Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs) and to determine eligibility. The assessment provides the foundation upon which the interactive service planning with the eligible consumer can begin.

- d. how the individual is informed of the services that are available under the Demonstration;

Consumers receive information on possible services and supports prior to the service plan development. The case manager provides information about all services at the service planning meeting.

- e. how the plan development process ensures that the service plan addresses the individual's goals, needs (including health care needs), and preferences;
The case manager will engage and encourage the consumer to articulate their life goals and preferences, including their health care needs and preferences.

- f. how Demonstration and other services are coordinated;

The case manager will engage the consumer in the options for services under the Demonstration as well as other services that meet the consumer's life goals and preferences. The person's life goals, strengths, weaknesses, and preferences, and the demonstration services along with other services that meet the person's needs and goals, become part of the service planning.

- g. how the plan development process provides for the assignment of responsibilities to implement and monitor the plan;

The service plan identifies roles and responsibilities for implementing the service plan, as defined by the consumer, within the consumer's service plan budget. The plan is monitored through routine contact with the consumer, caregivers, and other participants by the case manager.

- h. Indicate how and when the plan is updated, in addition to when the individual's needs change;

Service plans may be updated every twelve months during an annual assessment, or when a consumer's circumstances or needs change significantly, or at the request of the consumer.

- i. indicate the frequency with which the service plan is reviewed and the service delivery oversight process; and

The service plan is reviewed at least every twelve months, when the consumer's needs change significantly or at the request of the consumer; service verification is conducted through quality assurance activities.

- (j) Indicate whether the Demonstration allows for self-direction by budget, hire/fire authority or both.

The Demonstration gives the consumer self-direction for their service plan budget and hire/fire authority of service providers.

Criminal History and/or Background Investigations

Specify the State's policies concerning the conduct of criminal history and/or background investigations of individuals who provide Demonstration services:

ODHS is authorized to conduct reasonable screening of potential or current providers of demonstration services through Oregon Revised Statute 181.537 and Oregon Administrative Rule 410-007-0200 through 0370.

Are criminal history and/or background investigations required? Yes No

If yes, indicate the types of positions for which such investigations must be conducted:

- Administrative Staff Transport Staff
- Staff, providers and others who have direct contact with the individual
- Others (please describe)

Indicate the scope of such investigations:

- National (FBI) criminal records check State criminal records check only
- Other (please describe) **Oregon may require a national search using fingerprints and the FBI database under several circumstances.**

Abuse Registry Screening

Does the State maintains an abuse registry and requires the screening of individuals through this registry? Yes No

If yes, specify the entity (entities) responsible for maintaining the abuse registry:
OHA authorizes ODHS's Background Checks Unit to act on its behalf in carrying out criminal and abuse checks associated with programs or activities administered by the Authority.

Indicate the types of positions for which abuse registry screenings must be conducted:

- Administrative Staff Transport Staff
- Staff, providers and others who have direct contact with the individual
- Others (please describe)

Allowable Settings

Are Demonstration services provided in facilities subject to §1616(e) of the Act?

- Yes No

If yes, indicate the types of facilities where Demonstration services may be provided, any capacity limits for such facilities, the home and community based services that may be provided in such facilities, and how a home and community character is maintained in these settings.

Individual Rights

In addition to fair hearings, does the State operate other systems for dispute resolution, grievances or complaints concerning the operation of the Demonstration program's home and community-based services component?

Yes No

Quality Improvement Strategies

Provide a description of the quality improvement strategies to be employed in the operation of the Demonstration. In particular describe strategies to ensure the health and welfare of individuals to be served with Home and Community-Based Services, including the prevention of abuse, neglect and exploitation (e.g., critical incident management system, utilization review, case management visits, etc.), the single State Medicaid Agency oversight and involvement. Please also include the self-direction strategy if the Demonstration allows for self-direction.

The Oregon Health Authority (OHA), the State Medicaid agency, has ultimate approval authority for the design and implementation of this waiver, and approves all changes to the waiver through the waiver amendment process. OHA retains authority to discharge its responsibilities for the administration of the Medicaid program pursuant to 42 CFR 431.10(e). OHA delegates operational authority for LTSS provided through the waiver to the Oregon Department of Human Services (ODHS). Operational and administrative functions are performed by ODHS's Office of Aging and People with Disabilities (APD).

Utilizing the Quality Improvement System, this demonstration will ensure that all discovery and remediation activities have a process in place to ensure system improvement. The Oregon Health Authority and Oregon Department of Human Services will collaborate through inter-departmental meetings to coordinate these activities. These meetings will occur at least quarterly to report on the corrective actions and follow-up required to ensure system improvement. ODHS

and OHA staff re-evaluates the QIS at least once during each waiver renewal period (or more as deemed appropriate) and update the QIS strategies employed.

The Operating Agency contracts with 16 Area Agencies on Aging (AAAs) to perform operational and administrative functions ant the local level. The Operating Agency is responsible for assessing the performance of the AAAs.

The State requires the following types of critical incidents or events to be immediately reported for screening, review and follow up action by the appropriate authority: Abandonment, Abuse (including sexual, physical, and mental), Exploitation, Financial Exploitation, Neglect, and Self-Neglect. Adult Protective Services (APS) is a statewide program within ODHS that performs the intakes, screening, investigations and protective services.

Consumers develops a person-centered plan which addresses their service needs identified in the assessment. This plan includes demonstration services and other available services accessed by the consumer, and case management supports consumers to develop and implement their service plan, manager their services, and authorize demonstration services that meet the consumer's needs, preferences, and life goals.

Appendix C: Public Notice of Application

Public Notice: Oregon Project Independence and Family Caregiver Assistance Program Demonstration Waiver Application

The Oregon Department of Human Services (ODHS), Office of Aging and People with Disabilities (APD), working with the Oregon Health Authority (OHA), is applying for Section 1115 Demonstration Waiver authority to provide services to older adults and people with disabilities through Oregon Project Independence and a new Family Caregiver Assistance Program.

Public Input:

APD and OHA seek your comments, questions and suggestions on the proposed demonstration. APD has posted the full application and supporting materials at the following website: <https://www.oregon.gov/dhs/seniors-disabilities/KPLAN/Pages/1115-Demonstration-Waiver.aspx>. Copies of the full applications and supporting materials may also be requested by contacting APD Beth Jackson at Beth.Jackson3@dhsoha.state.or.us.

After receiving and reviewing public comment, APD and OHA will add the comments received and modify the application before submitting the application and materials to the Centers for Medicare and Medicaid Services (CMS).

The public comment period for this demonstration is from Friday, September 24, 2021, through Sunday, October 24, 2021, at 5 p.m. PDT. Comments received within 30 days of the posting of this notice will be reviewed and considered for revisions to or inclusion in the application. You can provide comments by:

- Attending one or both public meetings on the demonstration application (see public hearing information below);
- Attending the Oregon Home Care Commission meeting to learn about the demonstration application (see public meetings information below);

- Emailing public comments to APD Beth Jackson, Beth.Jackson3@dhsosha.state.or.us.
- Mailing public comments to: Oregon Department of Human Services, Attn: Beth Jackson, 500 Summer St NE, Salem, OR 97301.

Public Meetings:

The public may attend any of the following public meetings to learn more about the proposed demonstration, provide public comment and to observe any public comment offered on the proposed demonstration. The public may attend and participate by Zoom or by phone. Please note: If you wish to provide comment, please join the public hearing by Zoom or by phone no later than 15 minutes after the start time listed.

Public Hearing 1:

Friday, October 1, 2021, 11 a.m. to Noon. PDT

<https://www.zoomgov.com/j/1601654859?pwd=YXoyUUdqUU9NWXJLTUNJa3daVdyZz09>

Call: 1-669-254-5252

Meeting ID: 160 165 4859

Passcode: 075715

Public Hearing 2:

Monday, October 4, 2021, 9 to 10 a.m. PDT

<https://www.zoomgov.com/j/1603728424?pwd=eFZZbjRnMkViSyttQjFkbTV5QVE5QT09>

Call: 1-669-254-5252

Meeting ID: 160 372 8424

Passcode: 352331

Oregon Home Care Commission Meeting

Thursday, October 7, 10 a.m. to 1 p.m. PDT – By Zoom video conferencing or by phone

<https://www.zoomgov.com/j/1613757773?pwd=a2lxWFJUVDRqVlBlbkZWSmdaMlUrdz09>

Call: 1-669-254-5252

Meeting ID: 161 375 7773

Passcode: 045580

Background

In 1981, legislation created the Home and Community-Based Services (HCBS) waiver program. Oregon used the opportunity to begin offering a wide array of home and community-based services for older adults and adults with disabilities. Oregon has worked to reduce the number of older adults and adults with disabilities in nursing facilities and help them to live successfully where they want to live.

While Oregon is proud of the services it has been able to offer to older adults and adults with disabilities, a gap remains. The gap exists for individuals not yet eligible for Medicaid HCBS, yet who have limited income and are at risk of entering the Medicaid system. Some of the individuals receive care from family or unpaid caregivers, while others do not have a caregiver for support with Activities of Daily Living.

Currently, Oregon serves approximately 36,000 consumers with Medicaid long-term services and supports, with over half of these consumers being served in their own homes. Over 85 percent are served outside of nursing facilities. With the current system serving this number of individuals, it is clear Oregon needs a more robust set of alternative services that can provide a limited, preventative

array of services and supports so that a greater number of older adults and younger adults with disabilities can maintain their independence and continue living in their own homes.

APD, in coordination with OHA, plans to fill this gap through two programs: Oregon Project Independence (OPI) and a new Family Caregiver Assistance Program (FCAP). The programs have an intentional focus on person-centered, consumer-driven services to help more older adults and adults with disabilities maintain their independence with limited resources. Oregon is dedicated to creating services that are culturally and linguistically responsive to Oregon's diverse population, so all feel welcome to access services.

Overview:

This Demonstration creates a federally matched program of OPI and the FCAP for older adults and adults with physical disabilities who are not currently accessing Medicaid programs. These programs provide limited services and supports to individuals at risk of entering the Medicaid long-term services and supports system, with the intent to assist individuals to either avoid or delay entering the Medicaid system. Individuals found eligible would only receive the services defined below. They would not be eligible to receive additional services through the State plan or any other waivers. An individual eligible for any Medicaid funded program would be informed of their eligibility and allowed to choose which program from which they would like to receive services.

Both proposed programs would meet the following goals and objectives:

- Support older adults and people with disabilities to live their lives safely, with independence, choice and dignity;
- Delay or prevent a portion of consumers becoming eligible for the full Medicaid, and offer an alternative to those who may otherwise be Medicaid-eligible but who choose not to receive all Medicaid services; and
- Leverage avoided costs to maintain and improve Medicaid long term services and supports for consumers who utilize them.

With this Demonstration, Oregon will create a stronger infrastructure to sustain services and supports for older adults and adults with disabilities at risk of

accessing current Medicaid long-term services and supports, while maintaining their independence.

Through OPI, the demonstration will replicate the current OPI program while serving more individuals with federal matching funds. Currently, OPI serves approximately 2,350 individuals statewide. The demonstration is projected to serve up to 4,500 (including the 2,350 currently served) individuals in its initial years. Federal matching funds will permit local programs to serve younger adults with disabilities, whose participation has been limited to only one third of Oregon counties. OPI services include, yet are not limited to, case management, in home support and personal care services, adult day services, home delivered meals, assisted transportation, assistive technology, and other supports. Approximately \$5 million of General Funds allocated by the Oregon Legislature would not be matched to ensure that Aging and People with Disabilities (APD) can continue to provide OPI services to those who cannot participate in the Medicaid Program.

Through a sustainable foundation of federal and state funds, the new FCAP would support consumers whose family members have chosen to care for their loved ones in their own homes. Consumers would be eligible to receive services and supports totaling no more than \$500 per month, with an annual increase in the monthly benefit limit to meet the annual increase due to inflation. Consumers would be able to choose from a list of services to support and sustain the caregiving relationship, such as: caregiver respite, adult day services, transportation, assistive technology, caregiver training and education, and other services that the consumer finds compatible with the caregiving relationship they have with their caregiver. This program would not replace the Older Americans Act funded Family Caregiver services. Rather, it would build on that successful program to serve additional individuals. The demonstration anticipates serving up to 1,800 consumers and their caregivers in its initial years.

With both programs, consumers will receive limited services tailored to their needs and life choices that are culturally and linguistically responsive to each consumer's needs. These programs can help avoid unnecessary hospitalizations or acute emergency medical care and out-of-home placement in an institutional or community long-term care setting.

These programs will further the objectives of the Title XIX program by assisting individuals to remain independent so they can delay or avoid entry into Medicaid services. This also furthers the sustainability of the Title XIX program by saving both federal and state funds in the future. Specifically, as described below, this Demonstration will test the following hypotheses:

- The limited benefit program will give the consumer a higher quality of life and satisfaction with the services received; and
- The limited benefit program slows the projected increase in the number of individuals accessing Medicaid services and saves federal funds for the Title XIX program.

The Demonstration will not modify or affect other components of Oregon's Medicaid and CHIP programs. The individuals served by these programs will have access limited to the Demonstration's benefits. They would not be eligible to receive other Medicaid State plan or waiver services.

The proposed eligibility criteria for both programs are:

- Age 18 or older
- Income at or below 400% of the Federal Poverty Level (FPL)
- Resource limit up to the average cost of six months in a nursing facility, as the goal of these two programs is to make it possible for consumers to live independently at home.
- APD would use its Service Priority Level system. The system has 18 levels to describe needed assistance with Activities of Daily Living. Medicaid currently serves levels 1-13, while the focus of the demonstration would be individuals who fall within levels 1-18.

Consumers participating in the demonstration programs would be exempt from estate recovery while they are accessing these programs. Consumers would not be subject to cost sharing requirements, and the demonstration will utilize the existing fee-for-service delivery system and payment rates as they are currently constituted in the State Plan and Medicaid waivers in Oregon. The demonstration would not have an impact on the current beneficiaries of Medicaid services, but these programs, by the demonstration's design, may serve new consumers in the future who may have otherwise entered into the current Medicaid system.

Additional Information:

Hypotheses and Evaluation Parameters

The following hypotheses will be tested:

Hypothesis	Evaluation Approach
The limited benefit program will give the consumer a higher quality of life and satisfaction with the services received.	The state will use an evaluation that compares the consumer’s functional abilities with Activities of Daily Living at redetermination to track overall service outcomes and will use survey data of consumers to evaluate self-reported data on satisfaction and assessment of the quality of life.
The limited benefit program slows the projected increase in the number of individuals accessing Medicaid services and save federal funds for the Title XIX program.	The state will compare the number of individuals served and the federal cost per case against the projected number of people served in the Medicaid program and cost per case if no Demonstration existed.

Waiver and Expenditure Authorities Requested

At a minimum, the State requests the following waiver authorities:

Waiver Authority	Use for Waiver	Reason for Waiver Request
Section 1902(a)(10)(B)	Authority to vary the amount, duration, and scope of benefits for individuals participating in Oregon Project	Individuals in the at-risk for Medicaid group will have access to a limited set of benefits that are less than individuals who

Waiver Authority	Use for Waiver	Reason for Waiver Request
	Independence and the Family Caregiver Assistance Program.	receive Medicaid long-term services and supports.
Section 1902(a)(17)	Authority to apply a more liberal income and resource standard for individuals determined at risk for future entry into the Medicaid long-term services and supports system.	The State will establish a new eligibility category for individuals who do not currently meet the financial or institutional level of care eligibility criteria, but who are identified as being at risk for future need for Medicaid long-term services and supports.
Section 1902(a)(17)	Authority to provide the benefit packages of the Oregon Project Independence and Family Caregiver Assistance Program for the at risk for Medicaid group.	Individuals in the at-risk for Medicaid group established under the Demonstration will have access to a more limited set of benefits than individuals who qualify for Medicaid-funded long-term services and supports.

In addition, the State requests the following expenditure authorities:

Waiver Authority	Use for Waiver	Reason for Waiver Request
<u>Section 1903</u>	Authority to receive federal matching dollars for services provided to	This expenditure authority will allow the State to receive federal

	the at-risk for Medicaid group.	matching payments for services delivered to the at-risk for Medicaid population.
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Financing and Budget Neutrality:

To manage the expenditures in this Demonstration, Oregon proposes to use an aggregate approach to show the annual federal costs of individuals accessing Medicaid long-term services and supports with the Demonstration will not exceed the projected costs over the five years of the Demonstration absent the Demonstration.

To show budget neutrality, Oregon will use a baseline of historic federal expenditures for Medicaid long-term services and supports from CY 2016-2020, and the projected costs of the federal share for Medicaid long-term services and supports from CY 2022-2026.

A budget neutrality Excel workbook will be provided to include:

- Historical enrollment, trends, and expenditures;
- Estimated enrollment, trends, and expenditures for Medicaid consumers under the Medicaid long-term services and supports program *without the Demonstration*;
- Estimated enrollment, trends, and expenditures for Medicaid consumers under the Medicaid long-term services and supports program and the hypothetical enrollment, trends, and expenditures for consumers in the OPI and FCAP programs *with the Demonstration*; and
- Budget neutrality summary of the costs *with and without the Demonstration*.

The other data shows the projected reduction in the rate of increase of the state's Medicaid LTSS caseload, comparing the projected rolling-month number of consumers from CY2022-2026 without the Demonstration, and the reduction in this projection for the five-year projection of consumers with the Demonstration in place.

Appendix D: Tribal Consultation Invitation



TRIBAL AFFAIRS

Kate Brown, Governor

Oregon
Health
Authority

500 Summer Street NE, E-86
Salem, OR 97301-1118
Voice: 503-945-9703

June 10, 2021

Dear Tribal Leader,

In our ongoing effort to consult with Oregon's Nine Federally Recognized Tribes and confer with the Urban Indian Health Program on issues that may impact the Tribes and the health of their members, this letter is being sent to inform you of an upcoming demonstration waiver application.

The Oregon Department of Human Services (ODHS), Office of Aging and People with Disabilities (APD) through the Oregon Health Authority, is preparing to submit the following 1115 demonstration waiver application to the Centers for Medicare and Medicaid Services (CMS) for approval.

The demonstration waiver would serve:

- Adults age 18 and older

Demonstration Waiver

The demonstration waiver is for two programs:

- Expanded Oregon Project Independence (OPI)
 - The expansion will replicate the current OPI program while serving more individuals with federal matching funds.
 - Currently, OPI serves approximately 2,350 individuals statewide. The demonstration is projected to serve up to 4,500 (including the 2,350 currently served) individuals.
 - Federal matching funds will permit local programs to serve younger adults with disabilities, whose participation has been limited to only one third of Oregon counties.
 - OPI services include, yet are not limited to, case management, in home support and personal care services, adult day services, home delivered meals, assisted transportation, assistive technology, and other supports.
 - Approximately \$5 million of General Funds allocated by the Oregon Legislature would not be matched to ensure that APD can continue to provide OPI services to those who cannot participate in the Medicaid program.
- Family Caregivers Services Program
 - Through a sustainable foundation of federal and state funds, this program would support consumers whose family members have chosen to care for their loved ones in their own homes.

OREGON Project Independence and Family Caregivers Assistance Program
1115 Demonstration Waiver Application

- Consumers would be eligible to receive services and supports totaling no more than \$500 per month, with an annual increase in the monthly benefit limit to meet the annual increases due to inflation.
- Consumers would be able to choose from a list of services to support and sustain the caregiving relationship such as: caregiver respite, adult day services, transportation, assistive technology, caregiver training and education, and other services that the consumer finds compatible with the caregiving relationship they have with their caregiver.
- This program would not replace the Older Americans Act funded Family Caregiver services. Rather, it would build on that successful program to serve additional individuals.

The proposed eligibility criteria for both programs is:

- Age 18 or older
- Income at or below 400% of the Federal Poverty Level (FPL)
- Resource limit up to the average cost of six months in a nursing facility, as the goal of these two programs is to make it possible for consumers to live independently at home.
- APD would use its Service Priority Level system. The system has 18 levels to describe needed assistance with Activities of Daily Living. Medicaid currently serves levels 1-13, while the focus of the demonstration would be individuals who fall within levels 1-18.

Please see the attach waiver application document for reference. If you would like to participate in a formal consultation/confer to discuss this topic please let me know via email at julie.johnson@dhs.ohio.state.or.us. If a formal consultation/confer is not needed; we invite you to provide any comments, suggestions or questions related to individuals receiving services through the Office of Aging and People with Disabilities to Beth Jackson, Oregon Department of Human Services, 500 Summer St. NE, Salem, OR. 97301-1079 or at Beth.Jackson3@dhs.ohio.state.or.us

Sincerely,



Julie Johnson
Tribal Affairs Director

Appendix E: 30-Day Public Notice Comments

To be completed.

Appendix F: Budget Neutrality Analysis

Summary Analysis:

Budget Neutrality Summary						
Without-Waiver Total Expenditures						
	DEMONSTRATION YEARS (DY)					TOTAL
	DY 01-CY2022	DY 02-CY2023	DY 03-CY2024	DY 04-CY2025	DY 05-CY2026	
Medicaid Populations						
Medicaid LTSS Service Population	\$ 2,060,311,766	\$ 2,204,607,549	\$ 2,359,010,466	\$ 2,524,227,640	\$ 2,701,014,200	\$ 11,849,171,620
Medicaid Pop 2						
Medicaid Pop 3						
DSH Allotment Diverted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other WOW Categories						
Category 1						\$ -
Category 2						\$ -
TOTAL	\$ 2,060,311,766	\$ 2,204,607,549	\$ 2,359,010,466	\$ 2,524,227,640	\$ 2,701,014,200	\$ 11,849,171,620
With-Waiver Total Expenditures						
	DEMONSTRATION YEARS (DY)					TOTAL
	DY 01-CY2022	DY 02-CY2023	DY 03-CY2024	DY 04-CY2025	DY 05-CY2026	
Medicaid Populations						
Medicaid LTSS Service Population	\$ 2,051,292,030	\$ 2,185,346,911	\$ 2,328,162,296	\$ 2,480,308,572	\$ 2,642,400,867	\$ 11,687,510,676
Medicaid Pop 2						
Medicaid Pop 3						
Expansion Populations						
OPI Population	\$ 16,070,712	\$ 18,864,660	\$ 22,137,948	\$ 23,706,540	\$ 24,654,384	\$ 105,434,244
FCAP Population	\$ 5,850,000	\$ 11,556,000	\$ 12,020,616	\$ 12,756,528	\$ 13,534,080	\$ 55,717,224
Excess Spending From Hypotheticals						\$ 330,517,213
Other WW Categories						
Category 3						\$ -
Category 4						\$ -
TOTAL	\$ 2,073,212,742	\$ 2,215,767,571	\$ 2,362,320,860	\$ 2,516,771,640	\$ 2,680,589,331	\$ 11,848,662,144
VARIANCE	\$ (12,900,976)	\$ (11,160,023)	\$ (3,310,394)	\$ 7,456,000	\$ 20,424,869	\$ 509,476

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HYPOTHETICALS ANALYSIS						
Without-Waiver Total Expenditures						
	DEMONSTRATION YEARS (DY)					TOTAL
	DY 01-CY2022	DY 02-CY2023	DY 03-CY2024	DY 04-CY2025	DY 05-CY2026	
Medicaid LTSS Service Population	\$ 2,060,311,766	\$ 2,204,607,549	\$ 2,359,010,466	\$ 2,524,227,640	\$ 2,701,014,200	\$ 11,849,171,620
TOTAL	\$ 2,060,311,766	\$ 2,204,607,549	\$ 2,359,010,466	\$ 2,524,227,640	\$ 2,701,014,200	\$ 11,849,171,620
With-Waiver Total Expenditures						
	DEMONSTRATION YEARS (DY)					TOTAL
	DY 01-CY2022	DY 02-CY2023	DY 03-CY2024	DY 04-CY2025	DY 05-CY2026	
Medicaid LTSS Service Population	\$ 2,032,510,918	\$ 2,145,529,445	\$ 2,264,782,683	\$ 2,391,227,394	\$ 2,523,672,325	\$ 11,357,722,765
OPI and FCAP Population	\$ 21,932,985	\$ 30,205,288	\$ 34,155,570	\$ 36,454,267	\$ 38,183,533	\$ 160,931,643
TOTAL	\$ 2,054,443,903	\$ 2,175,734,733	\$ 2,298,938,253	\$ 2,427,681,661	\$ 2,561,855,858	\$ 11,518,654,408
HYPOTHETICALS VARIANCE	\$ 5,867,863	\$ 28,872,816	\$ 60,072,213	\$ 96,545,979	\$ 139,158,342	\$ 330,517,213

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Analysis: Costs without Waiver:

DEMONSTRATION WITHOUT WAIVER (WOW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS										
ELIGIBILITY GROUP	TREND RATE 1	MONTHS OF AGING	BASE YEAR DY 00-CY2021	TREND RATE 2	DEMONSTRATION YEARS (DY)					TOTAL WOW
					DY 01-CY2022	DY 02-CY2023	DY 03-CY2024	DY 04- CY2025	DY 05-CY2026	
Medicaid LTSS Service Population										
Pop Type: Medicaid										
Eligible Member Months	1.9%		396,060	1.9%	403,387	410,850	418,450	426,192	434,076	
PMPM Cost	5.1%	0	\$ 4,861.54	5.1%	\$ 5,107.53	\$ 5,365.97	\$ 5,637.49	\$ 5,922.75	\$ 6,222.44	
Total Expenditure					\$ 2,060,311,766	\$ 2,204,607,549	\$ 2,359,010,466	\$ 2,524,227,640	\$ 2,701,014,200	\$ 11,849,171,620
Medicaid Pop 2										
Pop Type: Medicaid										
Eligible Member Months	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
PMPM Cost	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total Expenditure					#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Medicaid Pop 3										
Pop Type: Medicaid										
Eligible Member Months	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
PMPM Cost	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total Expenditure					#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Medicaid LTSS Service Population										
Pop Type: Hypothetical										
Eligible Member Months					403,387	410,850	418,450	426,192	434,076	
PMPM Cost					\$ 5,107.53	\$ 5,365.97	\$ 5,637.49	\$ 5,922.75	\$ 6,222.44	
Total Expenditure					\$ 2,060,311,766	\$ 2,204,607,549	\$ 2,359,010,466	\$ 2,524,227,640	\$ 2,701,014,200	\$ 11,849,171,620
OPI and FCAP Population										
Pop Type: Hypothetical										
Eligible Member Months					67,308	85,548	95,364	99,252	101,028	
PMPM Cost					\$ 325.86	\$ 353.08	\$ 358.16	\$ 367.29	\$ 377.95	
Total Expenditure					\$ 21,932,985	\$ 30,205,288	\$ 34,155,570	\$ 36,454,267	\$ 38,183,533	\$ 160,931,643

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Analysis: Costs with Waiver:

DEMONSTRATION WITH WAIVER (WW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS								
ELIGIBILITY GROUP	DY 00-CY2021	DEMO TREND RATE	DEMONSTRATION YEARS (DY)					TOTAL WW
			DY 01-CY2022	DY 02-CY2023	DY 03-CY2024	DY 04-CY2025	DY 05-CY2026	
Medicaid LTSS Service Population								
Pop Type:	Medicaid							
Eligible Member Months	396,060	1.9%	403,387	410,850	418,450	426,192	434,076	
PMPM Cost	\$ 4,861.54	4.6%	\$ 5,085.17	\$ 5,319.09	\$ 5,563.77	\$ 5,819.70	\$ 6,087.41	
Total Expenditure			\$ 2,051,292,030	\$ 2,185,346,911	\$ 2,328,162,296	\$ 2,480,308,572	\$ 2,642,400,867	\$ 11,687,510,676

OREGON Project Independence and Family Caregivers Assistance Program
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Medicaid LTSS Service Population							
Pop Type:		Hypothetical					
Eligible Member Months			397,944	399,840	401,736	403,736	405,576
PMPM Cost			\$ 5,107.53	\$ 5,365.97	\$ 5,637.49	\$ 5,922.75	\$ 6,222.44
Total Expenditure			\$ 2,032,510,918	\$ 2,145,529,445	\$ 2,264,782,683	\$ 2,391,227,394	\$ 2,523,672,325
							\$ 11,357,722,765
OPI and FCAP Population							
Pop Type:		Hypothetical					
Eligible Member Months			67,308	85,548	95,364	99,252	101,028
PMPM Cost			\$ 325.86	\$ 353.08	\$ 358.16	\$ 367.29	\$ 377.95
Total Expenditure			\$ 21,932,985	\$ 30,205,288	\$ 34,155,570	\$ 36,454,267	\$ 38,183,533
							\$ 160,931,643
OPI Population							
Pop Type:		Expansion					
Eligible Member Months			55,608	63,948	73,548	77,220	78,768
PMPM Cost			\$ 289.00	\$ 295.00	\$ 301.00	\$ 307.00	\$ 313.00
Total Expenditure			\$ 16,070,712	\$ 18,864,660	\$ 22,137,948	\$ 23,706,540	\$ 24,654,384
							\$ 105,434,244
FCAP Population							
Pop Type:		Expansion					
Eligible Member Months			11,700	21,600	21,816	22,032	22,260
PMPM Cost			\$ 500.00	\$ 535.00	\$ 551.00	\$ 579.00	\$ 608.00
Total Expenditure			\$ 5,850,000	\$ 11,556,000	\$ 12,020,616	\$ 12,756,528	\$ 13,534,080
							\$ 55,717,224

OREGON Project Independence and Family Caregivers Assistance Program
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Historical Data:

5 YEARS OF HISTORIC DATA						
SPECIFY TIME PERIOD AND ELIGIBILITY GROUP DEPICTED:						
Medicaid LTSS Service Population	HY 1- CY2016	HY 2-CY2017	HY 3-CY-2018	HY 4-CY2019	HY 5-CY2020	5-YEARS
TOTAL EXPENDITURES	\$ 1,468,754,075	\$ 1,525,717,039	\$ 1,668,460,937	\$ 1,760,711,703	\$ 1,925,462,818	\$ 8,349,106,572
ELIGIBLE MEMBER MONTHS	368,028	386,244	385,260	392,186	396,060	
PMPM COST	\$ 3,990.88	\$ 3,950.14	\$ 4,330.74	\$ 4,489.48	\$ 4,861.54	
TREND RATES			ANNUAL CHANGE			5-YEAR AVERAGE
TOTAL EXPENDITURE		3.88%	9.36%	5.53%	9.36%	7.00%
ELIGIBLE MEMBER MONTHS		4.95%	-0.25%	1.80%	0.99%	1.85%
PMPM COST		-1.02%	9.64%	3.67%	8.29%	5.06%

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