

# Creating Balanced Long Term Care Systems

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# Overview

- Money Follows the Person
- Long term care spending trends
- Balanced LTC systems
- Hallmarks of comprehensive systems

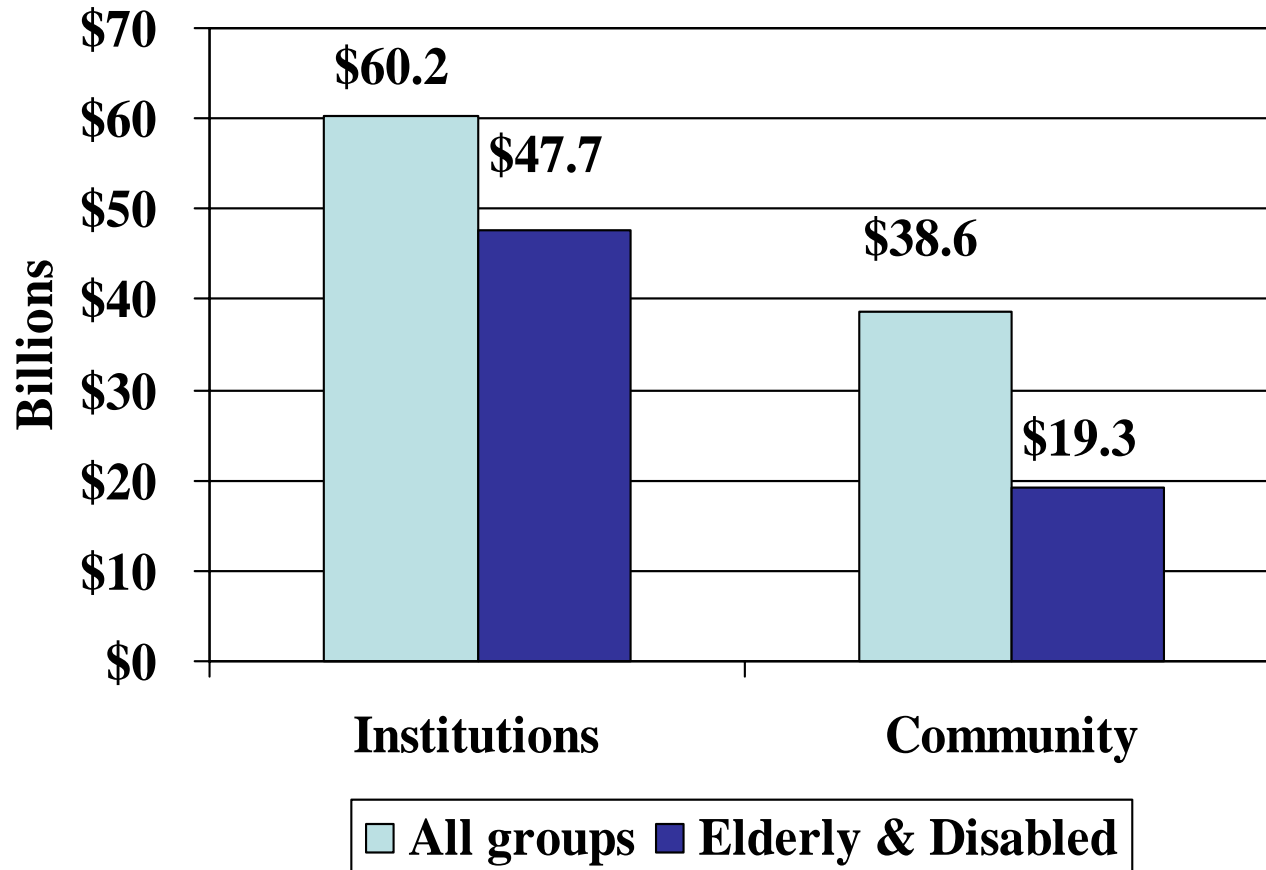
# Money Follows the Person

- The Concept
  - Medicaid funds that pay for care in institutions follows individuals who move to the community
- Setting neutral options through global budgeting
  - New Jersey, New Mexico, Oregon, Vermont, Washington

# What is a balanced system?

- 50-50?
- Percent of Medicaid spending
- Percent served in the community
- Days of service
- What is “community?”
- Effects of the service array
- Array and funding that supports consumer choice

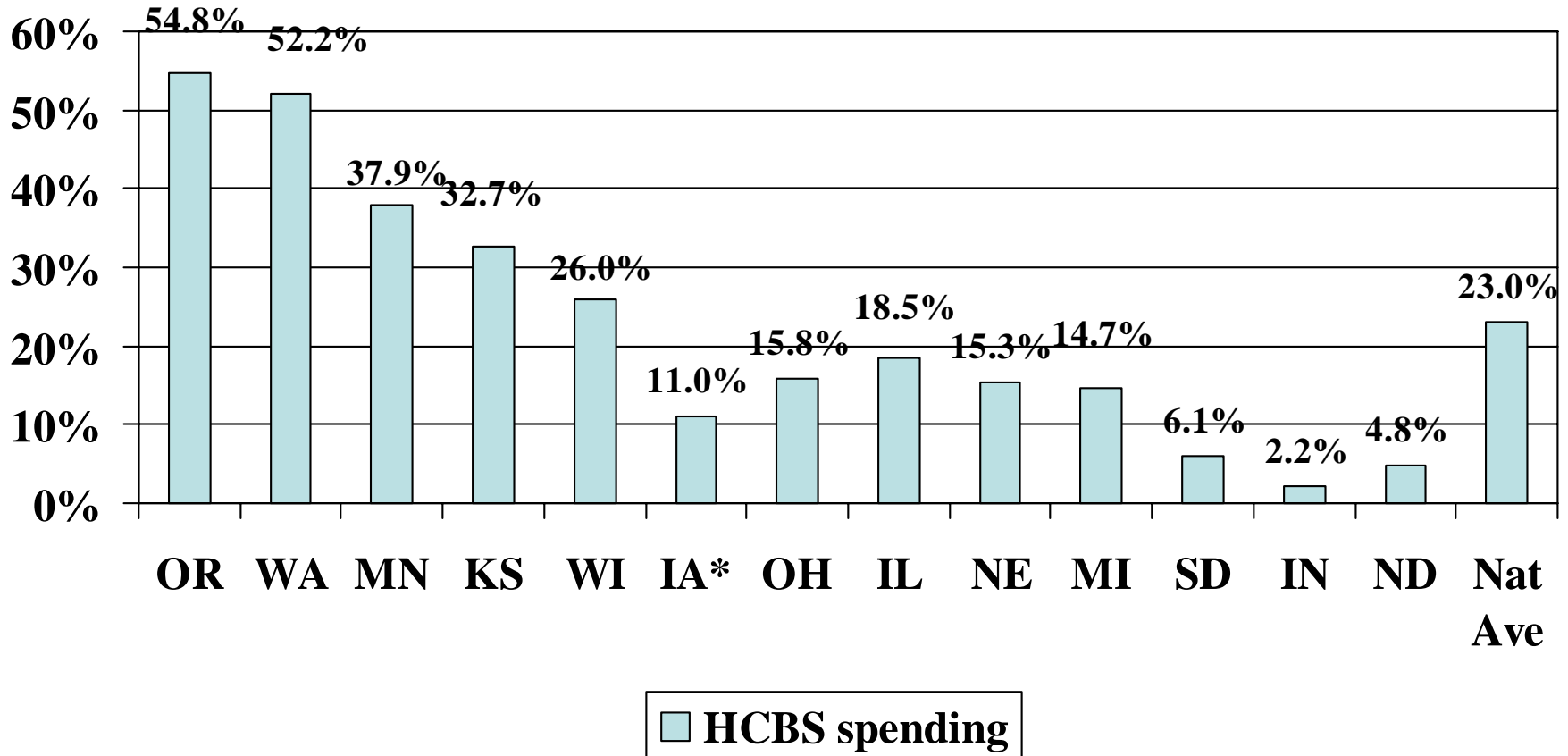
# FY 2006 Spending balance



Source: Thomson Healthcare

# Selected States FY 2006

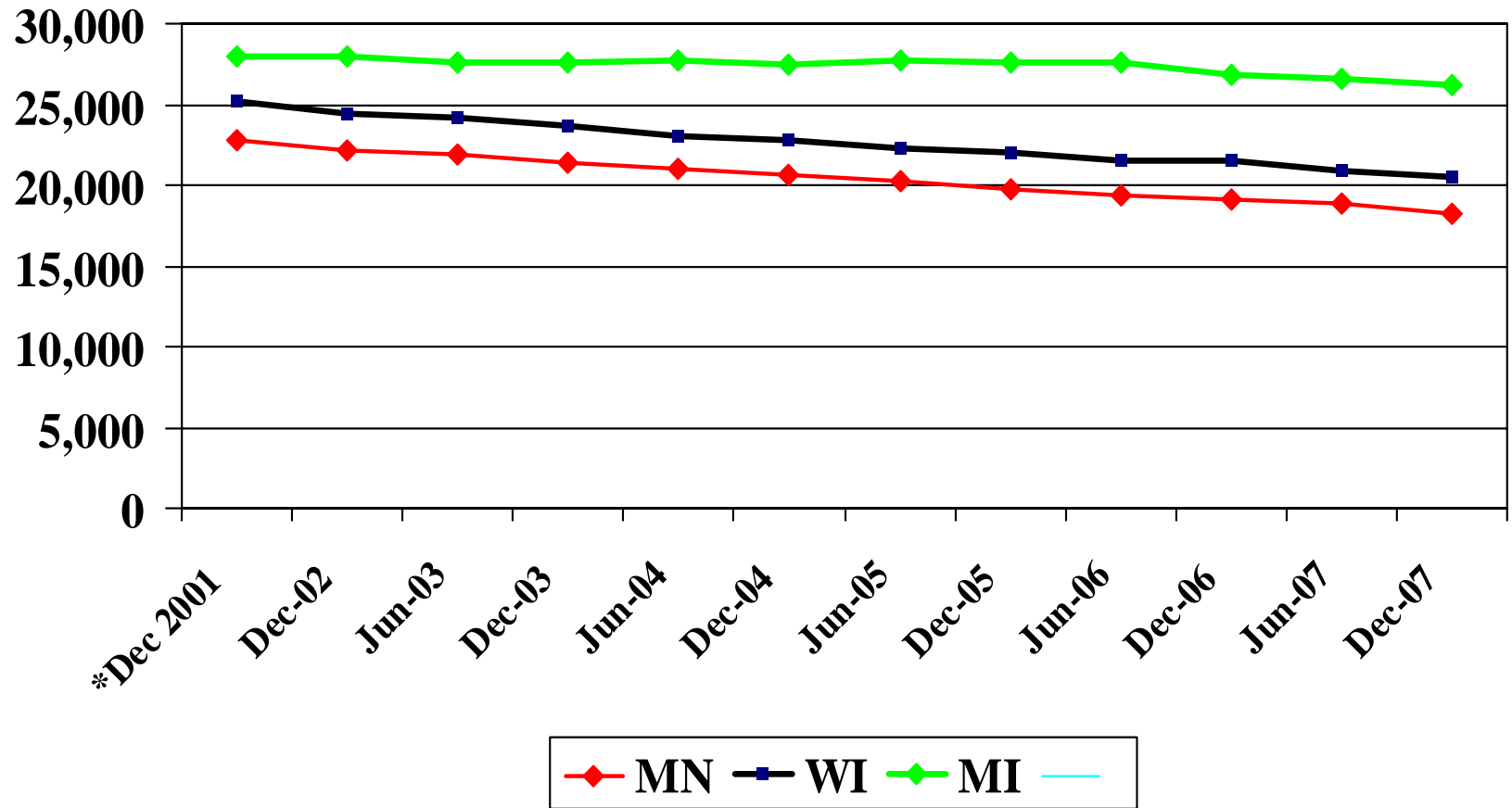
(Elders and adults with disabilities)



Source: Thomson Healthcare

Includes waiver & personal care, excludes home health

# Medicaid NF census



Source: OSCAR data

# Characteristics of comprehensive systems

- Philosophy
- Leadership
- One state agency manages all LTC
- Access to multiple financing sources (Medicaid HCBS & state plan, OAA, state general revenues)
- Single appropriation
- Streamline financial and functional eligibility
- Comprehensive/single entry point

# Comprehensive system...

- Standardized assessment tool
- Full array of services
- Information and assistance for all
- Consumer direction
- Nursing home relocation case managers
- Quality assurance program
- Integration with health care system

# Balancing strategies

- Consolidated organization structure (OR, VT, WA)
- Single long term care budget (OR, NM, WA)
- Global budget and home care entitlement (VT)
- Managed LTC (MN, WI)

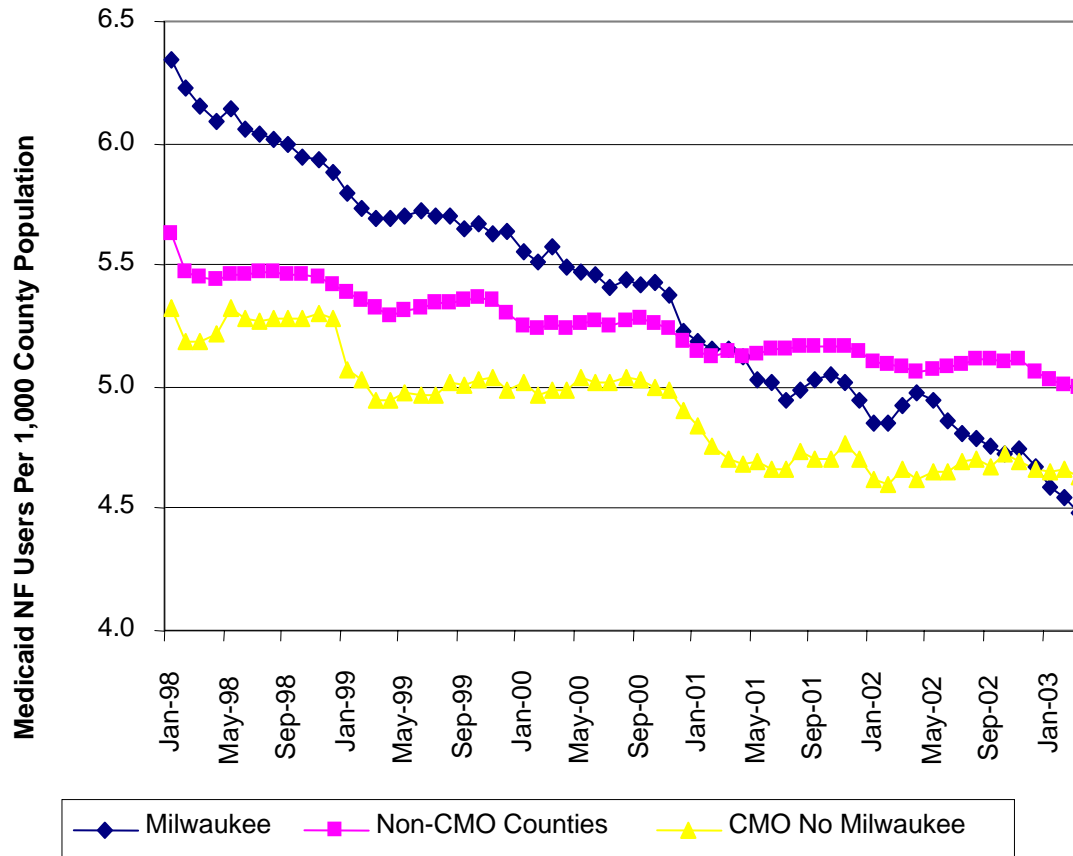
# Wisconsin Family Care: program goals

- Eliminate institutional bias
- Provide greater access to flexible services
- Promote independence and consumer choice
- Facilitate higher quality of life
- Eliminate fragmentation in services and funding

# Wisconsin Family Care Structure

- Resource Centers
  - Provide information & assistance to consumers, providers, family members
- Care Management Organizations
  - Arrange and manage long term care services
  - Capitated payment

# Nursing facility use declines



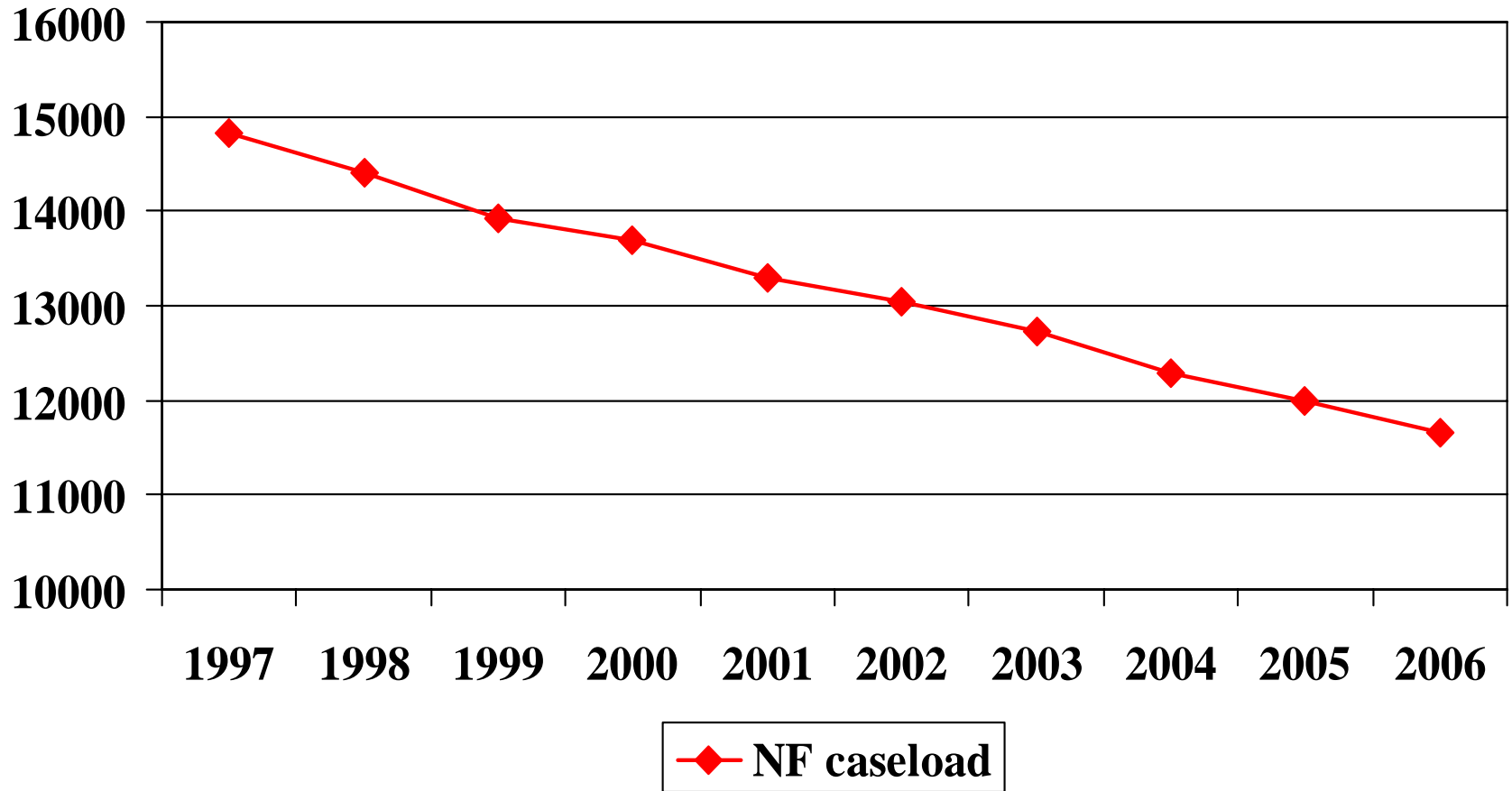
# Washington: Legislative direction

- State funded chore services since 1970s
- 1980s budget crises lead to greater reliance on Medicaid LTC benefit
- 1983 COPES Medicaid Waiver Program
- 1989 Medicaid Personal Care Program
- 1993 legislature approves funding to relocate 750 nursing home clients to HCBS

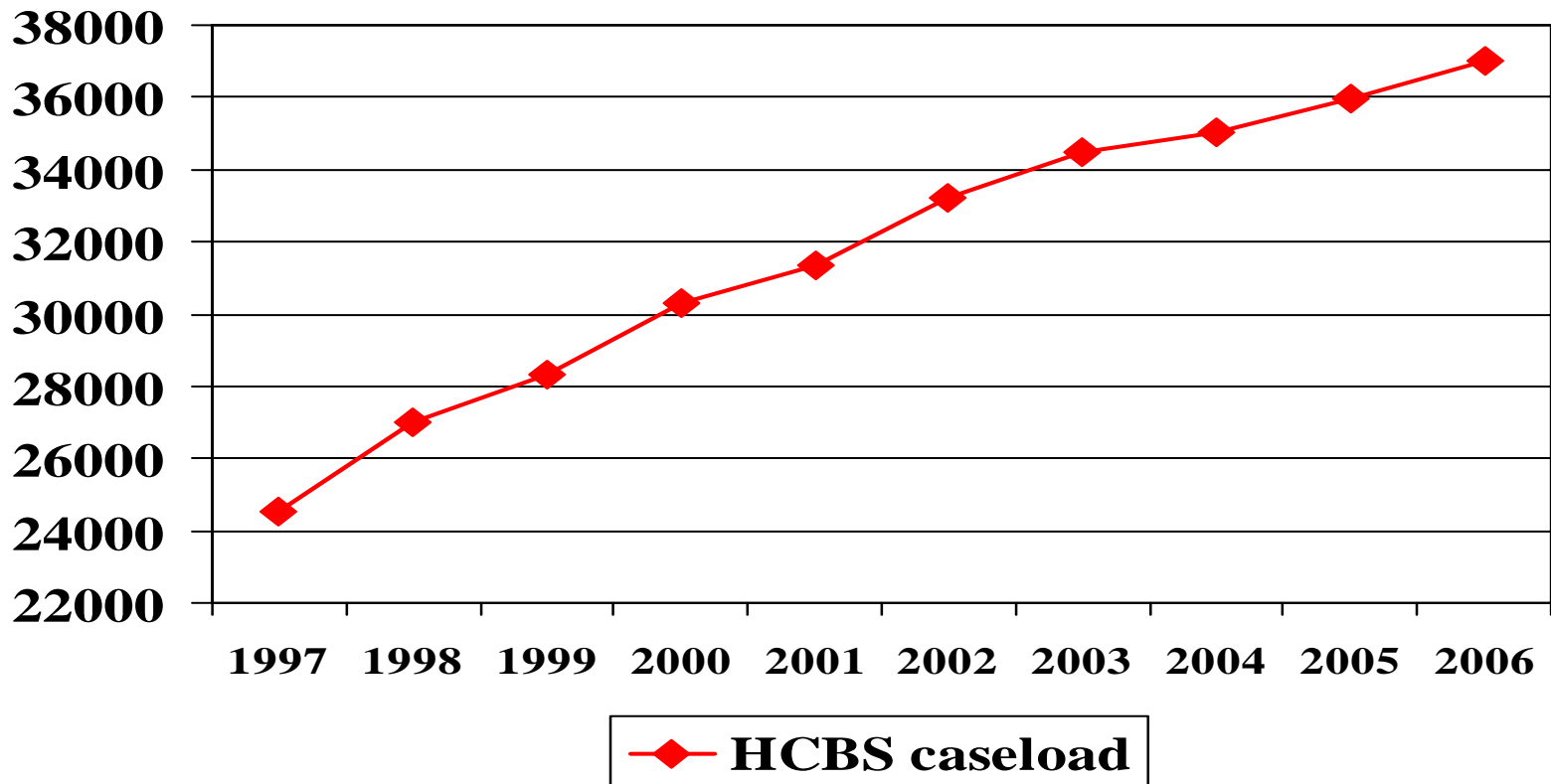
# Legislative direction...

- 95-97 budget reduces NH caseload by 1,600 clients
- NH “bed need” assessment includes availability of home/community care
- Budget structure consolidated with significant management flexibility
- Caseload Forecasting Council projects NH & HCBS trends
- NH caseload is falling while HCBS absorbs growth in service demand

# Washington: NF caseload trends

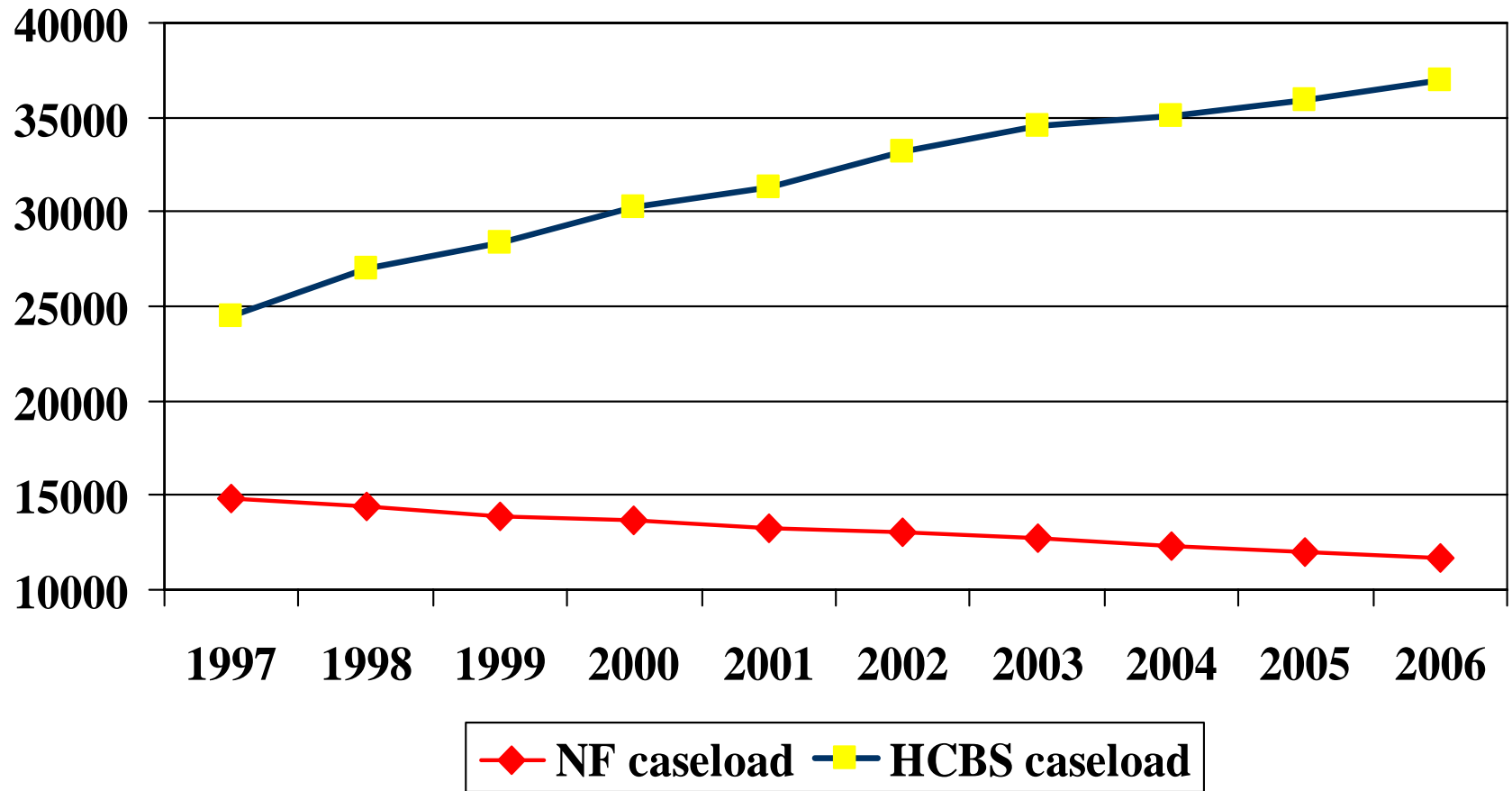


# Washington: HCBS trends



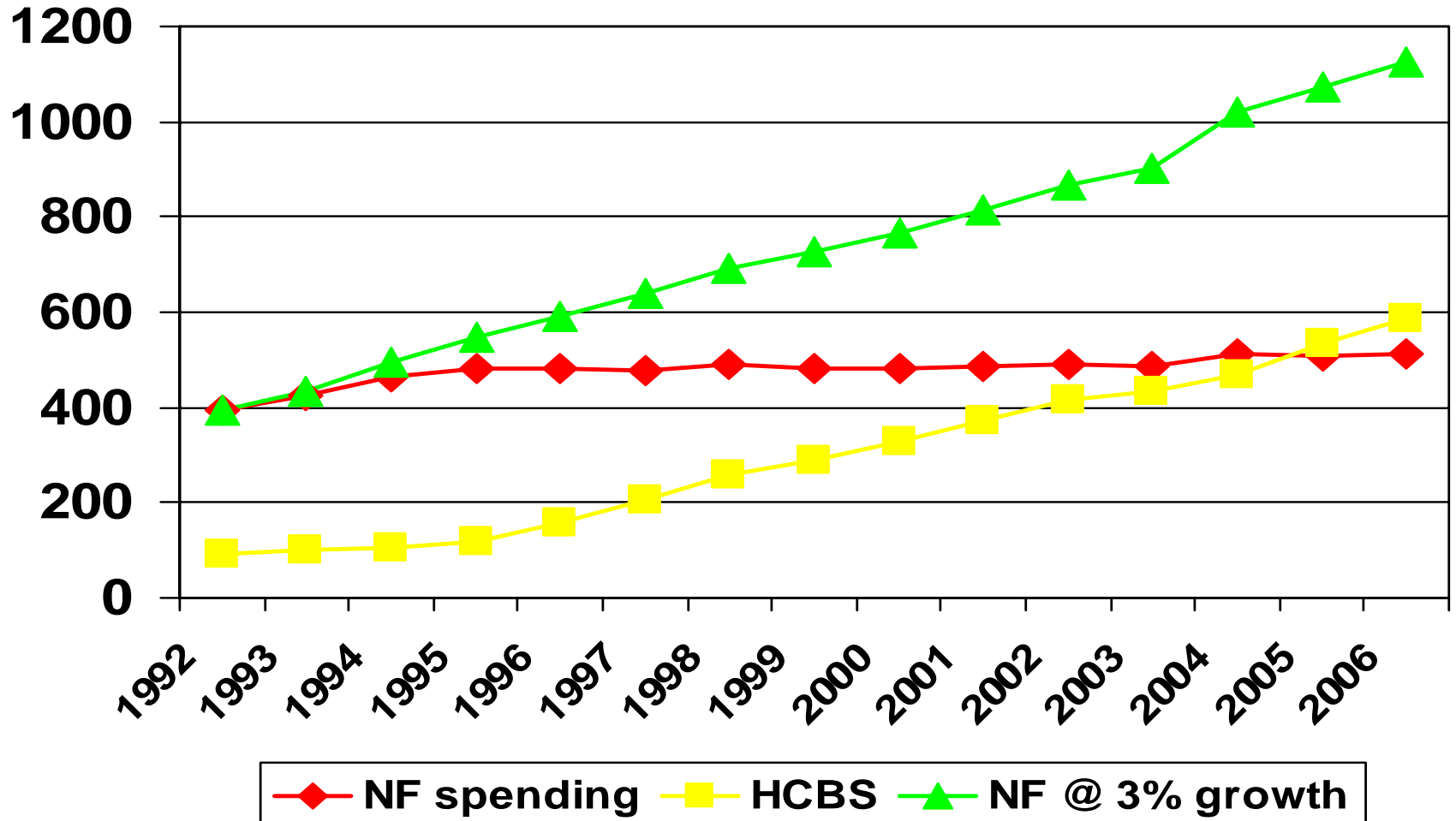
Figures for July each year

# Washington: combined caseload trends



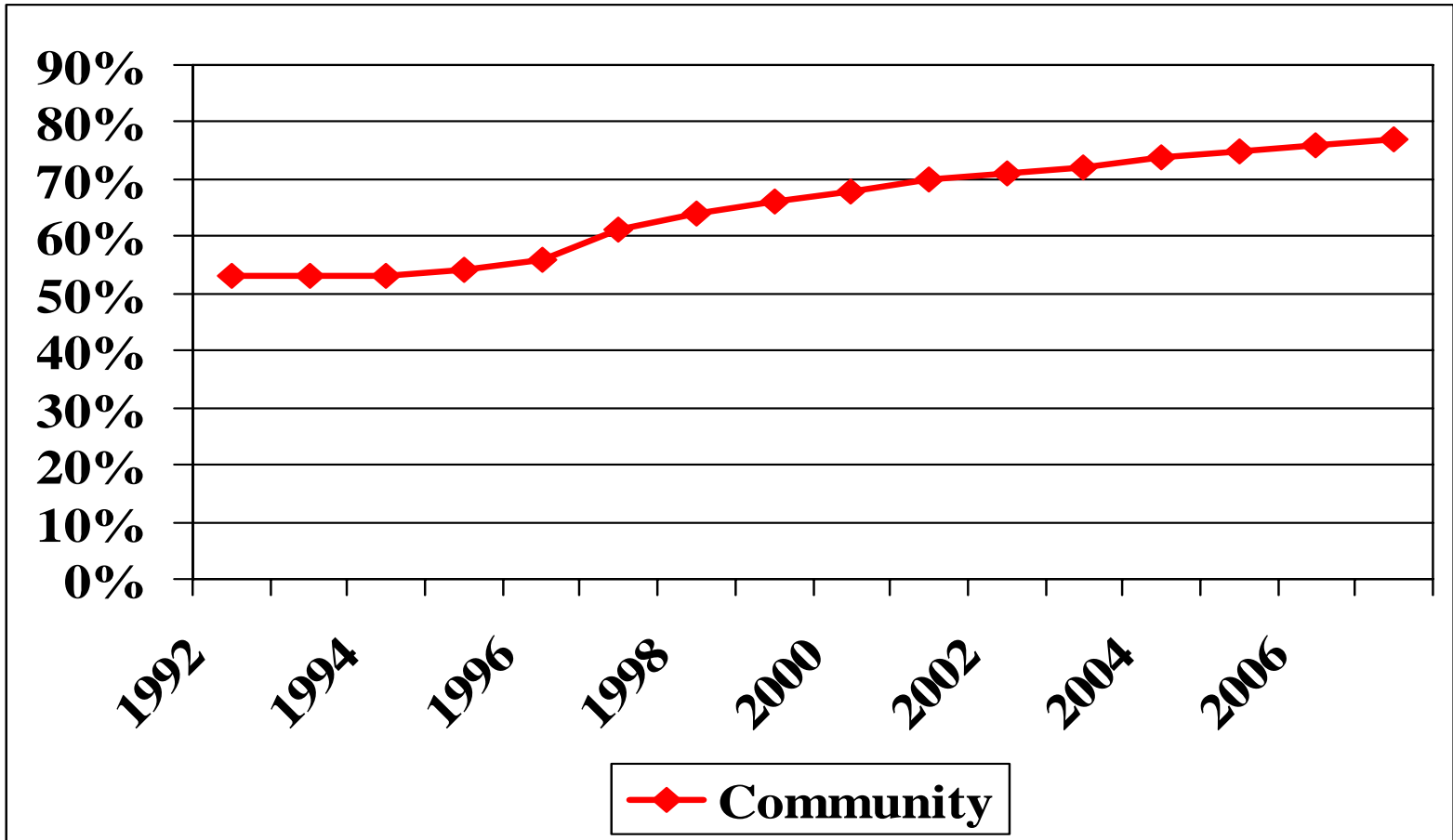
Figures for July each year

# Washington LTC Spending trends (millions)



Based on data from the Washington Aging and Disability Services Administration

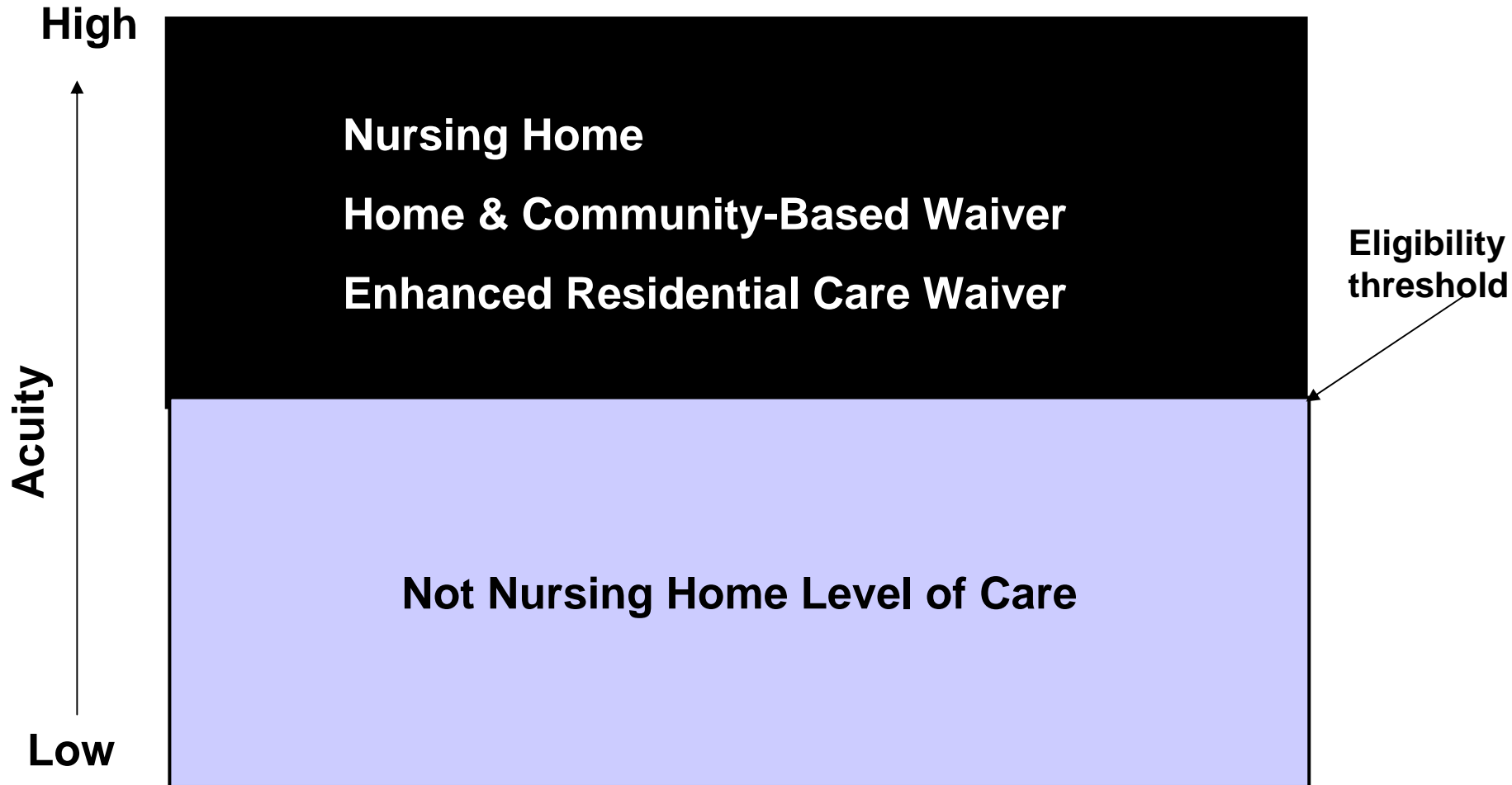
# WA Percent served in the community



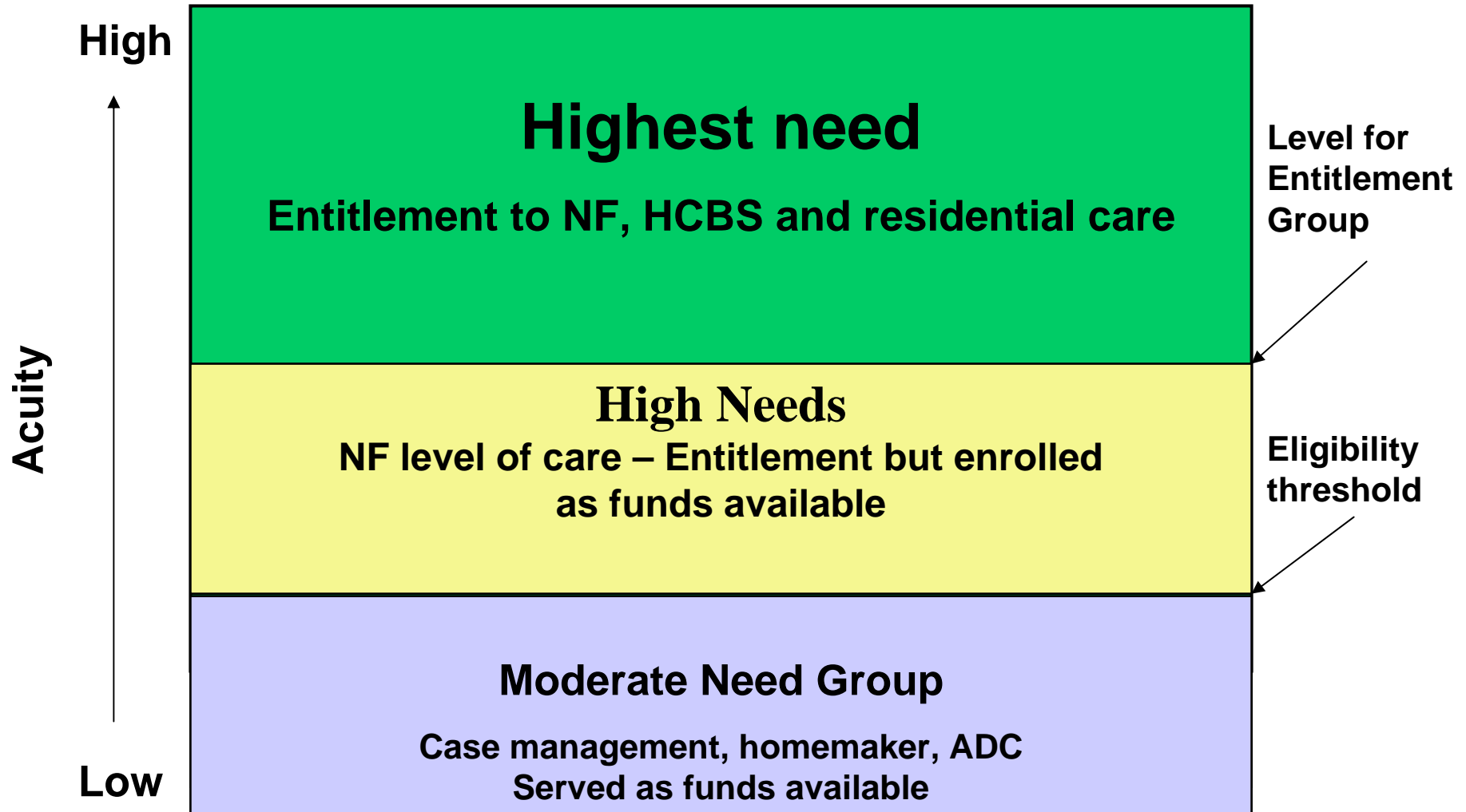
# VT: Choices for Care Demo

- Offer more choice
- Serve more people
- Manage costs
- Create better balance
- Emphasize prevention (moderate needs group)

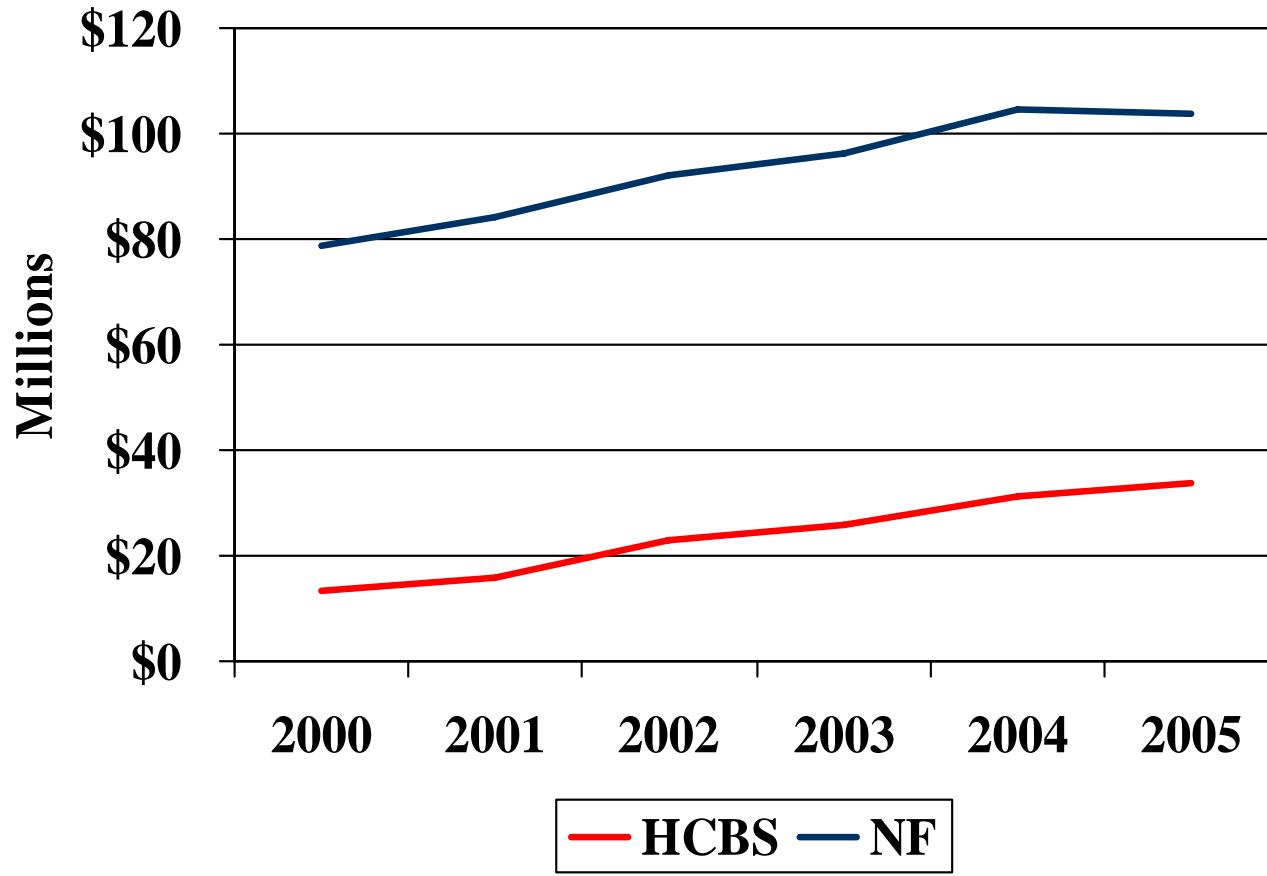
# Vermont - Previous system



# Demonstration



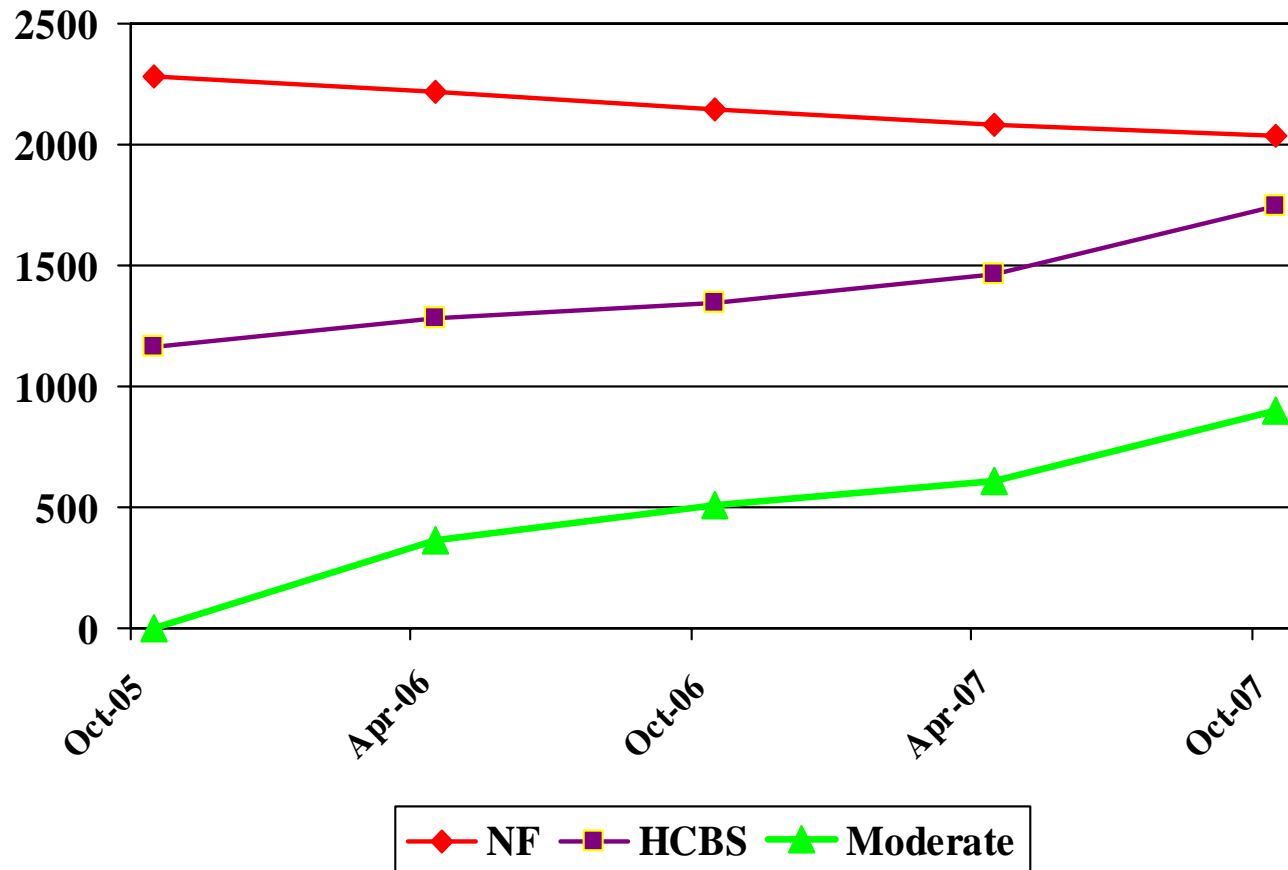
# Vermont spending trends



# Vermont: Caseload shift

	10/2005	10/2006	4/2007	10/2007
	2,286	2,143	2,086	2,035
HCBS	1,161	1,343	1,468	1,742
Moderate needs	NA	509	606	901
Waiting list	207	65	0	0

# Vermont caseload trends



# Goal: change trend line through choice

