Monthly Briefing

Long-Term Services and Supports Reform

December 2021, Interim Study Committee on Public Health, Behavioral Health, and Human Services

Dan Rusyniak, MD, FSSA, Secretary

Indiana Family and Social Services Administration

Current as of December 16, 2021

Why Reform Indiana's LTSS System?

From 2010 to 2030 the proportion of Hoosiers over 65 will grow from 13% to 20%.

Choice: Hoosiers want to age at home

- 75% of people over 50 prefer to age in their own home – but only 45% of Hoosiers who qualify for Medicaid are aging at home*
- The risk of contracting COVID and impact of potential isolation drives an even increased desire to avoid institutional settings

Cost: Developing long-term sustainability

- Indiana has about 2% of the U.S. population, but over 3% of nursing facilities
- LTSS members are 4% of Medicaid enrollment, yet 28% of spend - only ~ 19% of LTSS spend goes to home and community-based services (HCBS)
- For next ten years, population projections show 28% increase in Hoosiers age 65+ and 45% increase in Hoosiers age 75+

Quality: Hoosiers deserve the best care

- AARP's LTSS Scorecard ranked Indiana 44th in the nation
- LTSS is uncoordinated and lacks cultural competency
- Payment for LTSS services is poorly linked to quality measures and not linked to outcomes

*Accurate as of January 2020

Connecting the Dots: mLTSS for Indiana

mLTSS builds on Indiana's long-standing, statewide partnerships offering comprehensive benefits to Hoosiers – **85% of current Medicaid members receive services through managed care plans**.

CHOICE

- Creates **better opportunities** for Hoosiers **to age at home**
- mLTSS plans responsible for making sure every **member** has **access to <u>all</u> eligible services**
- Promotes **integration** with the community and **consumer access** to LTSS

QUALITY

- Single point of **accountability**
- mLTSS is the **best path** for **aligning benefits** and improving experience **for duals** (80% of program)
- Extending care coordination to older Hoosiers and offering **single point of contact** for every member
- Comprehensive monitoring of **member satisfaction**

COST

- Creates **financial incentive** to improve health outcomes, especially for members receiving services in two programs: Medicaid and Medicaid
- Drives **system accountability**
- Promotes **rebalancing** of expenditures
- **Prevention** of waste & abuse

Advantages for Older Hoosiers

Topic	Current System	mLTSS Programs
Aging in nursing facility vs. aging at home	Drives individuals toward long-term nursing facility care	mLTSS has driven rebalancing across the country allowing individuals to choose to age at home
Fragmentation vs. "one-stop-shop"	Care is fragmented for individuals with both Medicaid and Medicare	mLTSS benefits aligned with a member's Medicare plan give members a "one-stop-shop" and drive alignment of outcomes
Limited care coordination vs. comprehensive care coordination	Service coordination for LTSS members is not always nimble or well-resourced to respond quickly or thoroughly.	Comprehensive care/service coordination for mLTSS members is foundational.
Poor outcomes vs. better quality of life	The current fee-for-service system does not consistently drive health and well-being outcomes or provider quality	Managed care plans consistently produce better outcomes & quality of life for members than traditional fee for service programs (CMS, 2020).

Indiana's Path to Long-term Services and Supports Reform

Our Objective

1) 75% of new LTSS members will live and receive services in a home and community-based setting
2) 50% of LTSS spend will be on home- and community-based services

Key Results (KR) to Reform LTSS

1. Ensure Hoosiers have access to home- and community-based services within 72 hours
2. Move LTSS into a managed model
3. Link provider payments to member outcomes (value-based purchasing)
4. Create an integrated LTSS data system linking individuals, providers, facilities, and the state
5. Recruitment, retention, and training of workforce

Stakeholder Engagement

Since January 2019, FSSA has conducted stakeholder engagement sessions to gather input regarding the future managed Long-term Services & Supports (mLTSS) program.

Stakeholder Engagement

212 Meetings to Date

100+ Individuals Have Participated

661 Responses to HCBS FMAP Survey.

Stakeholders include:

- Consumers & caregivers
- Providers
- AAAs
- Trade organizations

ADvancing States

National expertise from other states on mLTSS.

3 Meetings with OHC Advisory Committee

22 Focus groups

Environmental scan

Topics include:

- Consumers and caregiver focus groups
- Provider outreach and technical assistance
- Direct Service Worker Advisory Committee

Finance Workgroups

13 Meetings to date

4 Distinct workstreams

7 Technical Meetings with the Industry

Topics include:

- Rate setting
- Supplemental payment
- Value Based Purchasing

Key Result Progress Update

Key Result (KR)/Overall Objective	Progress Update
KR 1: Ensure at risk Hoosiers have access to home- and community-based services within 72 hours	• Ongoing conversations with CMS on long-term approach • Beginning work on necessary systems changes • ~2,590 applications processed; ~2,320 individuals approved for immediate coverage
KR 3: Link provider payments to improved health and wellness (value-based purchasing)	• Completed quality landscape assessment and met with stakeholders to review mLTSS quality goals on 11/19 • Continuing analysis of HCBS CAHPS and caregiver's surveys. Results will be available in early 2022
KR 4: Measure outcomes across the continuum of LTSS services	• Preparing to begin development of mLTSS surveillance plan in early 2022 • Supporting KR1's ongoing expedited eligibility evaluation • Assisting with D-SNP & AAA data exchange for improved care coordination
KR 5: Promote the recruitment, retention, and training of Direct Service Workforce (DSW)	• Received and reviewing over 80 applications for Direct Support Worker advisory group • Developing Scope of Work with Bowen Center for Indiana Direct Support Workforce Plan

Finance Workgroups

Overall Objective: Strategically transition current fee-for-service LTSS reimbursement structures to drive quality, alignment, transparency, person-centeredness, sustainability and to provide forward compatibility with managed care.

Workgroups

- Nursing Facility Base Rate Workgroup
- Nursing Facility Supplemental Payment Workgroup
- Nursing Facility Value Based Purchasing (VBP) Workgroup
- Home Health / Home & Community Based Services (HCBS) Waiver Workgroup

Update:

- Three recent, technical follow-up meetings were held with stakeholders from the nursing facility and hospital industries to discuss the following:
  - Updated industry recommendations for quality metrics to add to the Nursing Facility Supplemental (UPL) program and alternatives for transitioning the UPL program to managed care including comparisons of pass-through payments and directed payments
  - Review of the nursing facility Quality Assessment Fee (QAF) supplemental program and potential changes needed to transition to managed care or to use to fund a nursing facility closure program
  - Financial and administrative Impact of UPL changes on Regional County Hospitals with focus on unique arrangement at Health and Hospital Corporation
- Additional work is in process to prepare fiscal estimates for the transition to managed care and to prepare materials for meeting with CMS to discuss the UPL program

Managed Long-Term Services and Supports (Key Result 2)

Design Recommendations

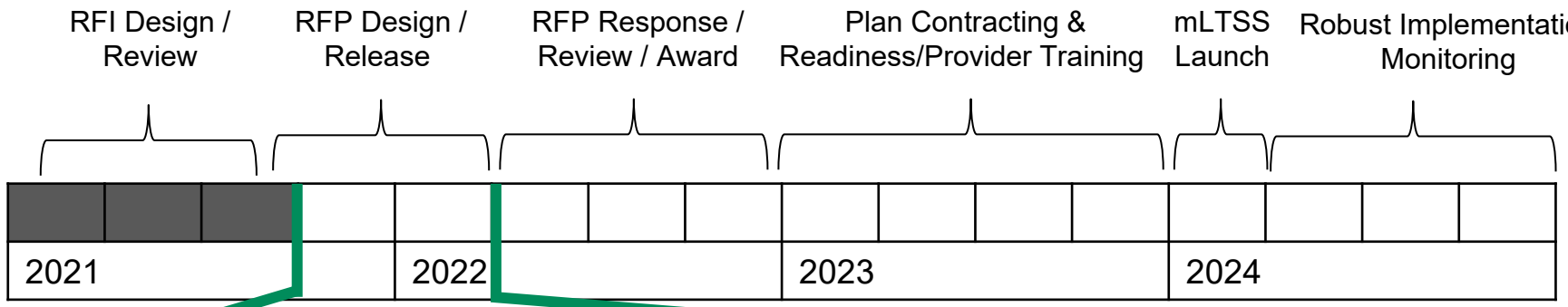
Indiana Family and Social Services Administration

Managed LTSS Timeline

Milestone	Timeframe*
Request for Information (RFI) Co-Design Workgroup	Jan. 2021 to Early-Summer 2021 (Complete)
RFI Release	July 12, 2021 (Complete)
RFI Responses Received and Reviewed	Late-Summer/ Early-Fall 2021 (Complete)
Continued Stakeholder Engagement on Design Topics	Fall-Winter 2021 – 2022 (Ongoing)
Request for Proposal (RFP) Release	Early 2022 (Q1) to ensure adequate time to incorporate all stakeholder inputs
RFP Award	Late 2022 (Q4)
Contracting/ Readiness/ Implementation	Late 2022 through 2023
mLTSS Implementation	Q1 2024
Public forums/webinars	Will be held and stakeholder engagement will continue past the implementation

*All dates are estimates and subject to change

Managed LTSS Timeline



November December	January February	March
• Discuss RFP requirements with stakeholders: - Quality Framework—Complete - Provider Protections—In process - Member Protections—In process - Intake and Care Coordination • Comprehensive RFI completed • Draft capitation payment rates	• Review Indiana's existing managed care contracts highlighting standard language and protections • Reconfirm design recommendations, and provide updates • Develop provider training materials based on results of ADvancing States' environmental scan	• Release Request for Proposal (RFP). • Begin provider training to continue all the way through 2024

mLTSS Quality Goals

The following three goals for our mLTSS program were developed based upon our quality landscape assessment. These were presented to stakeholders on 11/19.

1	**Person-Centered Services and Supports** Develop service plans and deliver services in a manner that is person-centered, participant-driven, holistic, involves caregivers, and addresses SDOH.
2	**Ensuring Smooth Transitions** Ensure continuity of care and seamless experiences for participants as they transition into the mLTSS program or among providers, settings, or coverage types.
3	**Access to Services (Participant Choice)** Assure timely access to appropriate services and supports to enable participants to live in their setting of choice and promote their well-being and quality of life.

Policy Decisions Completed

Policy Decision	Final Recommended Decision
Quality definition	FSSA defined three primary goals to guide the mLTSS program. Those goals focus on: 1. Person-centered services and supports 2. Ensuring smooth transitions 3. Access to services (participant choice)
Benefit package	mLTSS services will include nursing facility services and current home and community-based waiver services (for those qualifying for LTSS according to State eligibility) in addition to traditional Medicaid services (e.g., hospital care, labs, preventive care). Medicaid Rehabilitation Option (MRO), Adult Mental Health Habilitation Program (AMHH) and Behavioral and Primary Care Coordination (BPCC) will remain available to members and be offered outside of the mLTSS benefit package. FSSA is planning to add two new HCBS waiver services (caregiver coaching and behavioral management support and goal engagement) and expand the use of self-direction.

Policy Decisions Completed

Policy Decision	Final Recommended Decision
Member supports and protections	Comprehensive set of member supports and protections that include the following: • Member choice of plan and setting • For those who do not choose a plan, auto-assignment enrollment for members that do not select a plan after becoming eligible that favors alignment with a member's Medicare plan (when applicable). • Establishment mLTSS member advisory committees • Requirements to assess mLTSS plan member satisfaction on a regular basis • Inclusion of caregivers supports including identification and assessment of caregivers, new members services supporting caregivers (e.g. caregiver coaching), and growth of existing services that support caregivers (e.g., structured family care) • Requirement of comprehensive network adequacy standards for all covered services to ensure members have access to quality providers • Continuity of care requirements at mLTSS program launch and throughout the program to ensure members can continue receiving services from their preferred providers

Policy Decisions Completed

Policy Decision	Final Recommended Decision
mLTSS Experience, Quality & Transparency Requirements	• mLTSS plan key staff members must have experience in LTSS • mLTSS plans will be subject to comprehensive reporting and quality oversight functions on a regular basis • All HCBS waiver monitoring activities, such as incident reporting, continue in partnership with the plans
Provider Protections	• Streamline provider network participation standards. To ensure quality and compliance, health plans may only credential providers who are enrolled with the Indiana Medicaid Program (IHCP). • Provider credentialing processes including standardized provider and health plan contract • Require and enforce strong claims payment standards to ensure timely payment *(see next slide for prior authorization)*

Policy Decisions Completed

Policy Decision	Final Recommended Decision
Covered Services Approvals/Prior Authorization	• Standardizing utilization management requirements and procedures to evaluate medical necessity, appropriateness and effectiveness • Prohibition on plan subcontracting of utilization management function • HCBS LTSS care plans will not require any additional prior authorization
Cultural Competency	• mLTSS plans will be required to submit a health equity and cultural competency plan that includes cultural and language accessibility standards, plans for serving members of all backgrounds, and plans for identifying and addressing inequities • Plans must also train staff on cultural competency
CMS Authority to Operate Program	• Utilize a 1915(b)/(c) waiver combination • Public hearings will be held on these waivers prior to submission to CMS

Policy Decisions Under Consideration

- FSSA is continuing conversations with stakeholders on key design considerations, including:
  - Care and service coordination under mLTSS
  - Reimbursement rates designed to drive quality, alignment, transparency, person-centeredness and sustainability

Next Steps

Stakeholder engagement will guide RFP process

Upcoming activities

- Continue stakeholder engagement sessions around key RFP policy decisions
- Continue stakeholder engagement sessions around Nursing Facility rates and UPL payments
- Update the policy decision log as decisions are reached through stakeholder sessions
- Share RFI summary with stakeholder who previously signed an NDA and participated in development.
- Review applications for the Direct Support Worker (DSW) Advisory Group
- Finalize Indiana Direct Support Workforce Plan Scope of Work with the Bowen Center
- Complete HCBS provider environmental scan analysis and finalize 2022 provider training calendar
- Begin 2022 provider training based on the HCBS Provider Environmental Scan results
- Complete analysis of HCBS CAHPS and Caregiver surveys

Legislature engagement

- Report to Legislative Council and State Budget by Feb.1, 2022 (HEA 1001-2021, Sec. 138)
- State Budget Committee to review overview of RFP (HEA 1001-2021, Sec. 138)