



Senate Committee on Health and Human Services

Health and Human Services Commission
Department of Aging and Disability Services

Executive Commissioner Thomas M. Suehs and Commissioner Chris Traylor
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Medicaid Long-term Services and Supports

- Medicaid is a jointly funded state-federal program that provides medical coverage and long-term services and supports to eligible persons.
- Medicaid long-term services and supports include:
 - Institutional services – nursing facilities and intermediate care facilities for persons with MR (ICF/MR)
 - Community-based services – programs designed to help individuals live as independently as possible. Individuals may receive community-based services in their own home, family home, group home, foster care home or assisted living facility, depending on the specific program

Eligibility

- To qualify for Medicaid long-term services and supports, individuals must meet both financial and functional eligibility criteria.
- Eligibility criteria vary across different programs and services.
- The Health and Human Services Commission (HHSC) determines financial eligibility and the Department of Aging and Disability Services (DADS) is responsible for functional eligibility.

Eligibility

- Financial Medicaid eligibility is automatically established if a person is eligible for Supplemental Security Income (SSI).
 - SSI is a federal income supplement program designed to help people who are aging, blind, or have disabilities and who have little or no income.
- If a person is not SSI eligible or not currently financially eligible through another Medicaid program:
 - HHSC determines financial eligibility for waiver programs with the same criteria used for persons in institutional settings. (Income level 300% of SSI income level or \$2,022 per month for an individual.)
- Functional eligibility is defined as an individual's requirement for assistance with activities of daily living caused by a physical or mental limitation or disability.

Medicaid Entitlement

- “Entitlement” means that the federal government does not, and a state cannot, limit the number of eligible individuals who can enroll in the program. Each individual who meets eligibility requirements must be served, and Medicaid must pay for any service included in the State Medicaid Plan.
- States are not allowed to establish waiting lists for entitlement services.

Medicaid Entitlement

The long-term services and supports Medicaid entitlements in the Texas state plan include both institutional and community-based services.

- Institutional entitlements
 - Nursing facilities
 - Intermediate care facilities for persons with MR (ICF/MR)
 - Hospice, a service that may be received in a home, community or facility setting
- Community-based entitlements
 - Primary Home Care (PHC)
 - Community Attendant Services (CAS)
 - Day Activity and Health Services (DAHS)

Medicaid Waivers

Federal laws and regulations also provide flexibility for states to design waiver programs to address the needs of a specific population.

- A “waiver” is an exception to the usual Medicaid requirements, granted to a state by the Centers for Medicare and Medicaid Services (CMS), usually to provide services in home and community-based settings rather than an institution.
- A state’s authority for waivers comes from the federal Social Security Act.
- A state must ensure cost neutrality of a waiver compared to the cost of the institutional entitlement.

Medicaid Waivers

- Waiver programs provide community-based services and supports to an individual who would have qualified for admission to a nursing facility or an ICF/MR (waive off either nursing facility or ICF/MR eligibility).
- In contrast to the entitlements, which are automatically available to individuals statewide who meet the eligibility criteria, waiver programs may limit:
 - Scope of eligibility
 - Geographical location in which services are provided
 - Scope of services
 - Amount of services
 - Number of people served
 - Delivery model of services

Medicaid Community Services Waivers

- Texas has eight Medicaid Community Services waiver programs providing long-term services and supports:
 - **Three waive off nursing facility eligibility:**
 - STAR+PLUS
 - Community-Based Alternatives (CBA)
 - Medically Dependent Children Program (MDCP)
 - **Four waive off ICF/MR eligibility:**
 - Home and Community-based Services (HCS)
 - Community Living Assistance and Support Services (CLASS)
 - Deaf-Blind with Multiple Disabilities Program (DBMD)
 - Texas Home Living (TxHmL)
 - **One waives off both nursing facility and ICF/MR eligibility:**
 - Consolidated Waiver Program (CWP)
- Waiver programs are administered by DADS, with the exception of STAR+PLUS, which is administered by HHSC.
- An individual can be enrolled in only one waiver program. Legislative appropriations determine the availability of waiver services.

Enrolling in a Waiver Program

- The most common route to enrollment in a waiver program is through the interest lists.
 - Individuals become aware of available programs through a variety of sources, including MR authorities, area agencies on aging, aging and disability resource centers, and DADS local offices.
 - Demand typically outweighs the availability of community services, so names of interested individuals are placed on interest lists.
 - When an individual comes to the top of a list, the eligibility determination process begins (this may include a functional and a financial assessment).
 - While on an interest list, many individuals receive other services.
- For Medicaid recipients living in a STAR+PLUS service area (Bexar, Harris/Harris Expansion, Nueces and Travis), enrolling in STAR+PLUS is required for:
 - People who have a physical or mental disability and qualify for Supplemental Security Income (SSI) benefits or for Medicaid due to low income.
 - People who qualify for the Community-Based Alternatives long-term services and supports waiver.
 - People age 21 or older who can receive Medicaid because they are in a Social Security Exclusion program and meet financial criteria for the long-term services and supports waivers.
 - People age 21 or older who are receiving SSI.
- Enrollment in STAR+PLUS is voluntary for children under age 21 receiving SSI.

Enrolling in a Waiver Program

In addition to the interest lists, access to DADS waiver programs is also available through other funding mechanisms.

- Expedited access to waiver slots for individuals moving to the community from a private ICF/MR with nine or more beds or a state supported living center
- Waiver slots for individuals moving to the community from a nursing facility
- Waiver slots for other targeted populations
 - Individuals at imminent risk of institutionalization
 - Children aging out of foster care
 - Children (up to 50 per year) transitioning from an ICF/MR of any size

Administrative Streamlining and Standardization

- To maximize efficiency, effectiveness and consistency, DADS launched the Waiver Streamlining and Standardization Initiative in February 2008 to review DADS long-term services and supports waivers and recommend areas for improvement.
- SB 705, 81st Legislature, requires DADS, in consultation with HHSC, to streamline the administration and delivery of services through waiver programs.
- Article II, Rider 39, SB 1, 81st Legislature, requires DADS to submit an annual report on efforts planned or implemented to streamline the administration and delivery of Medicaid long-term care waiver programs to the Legislative Budget Board and Governor.

Administrative Streamlining and Standardization

- The first Rider 39 report, submitted November 23, 2009, detailed completed efforts related to:
 - **Physician signature requirements**
 - Eliminated the requirement that a physician annually sign and attest to level of care forms for each individual in DMBD, CLASS and CWP.
 - Physician signatures are only required on the initial level of care form.
 - **Interest list closure codes**
 - Revised the codes used when an individual is removed from an interest list to allow more accurate reporting and trend analysis.
 - Existing codes were replaced with new codes that allow a greater level of specificity.

Administrative Streamlining and Standardization

- The Rider 39 report also addressed ongoing work in the Waiver Streamlining and Standardization Initiative related to:
 - **Forms analysis**
 - 38 eligibility, enrollment and service authorization forms were streamlined down to 11.
 - DADS continues to review forms for streamlining.
 - **CLASS provider handbook**
 - A streamlined handbook is scheduled for release by the end of fiscal year 2010 to coincide with the adoption of revised CLASS rules.
 - **Single service authorization system**
 - As resources are available, two separate service authorization systems will be consolidated into a single system to eliminate duplicate data and duplicate service authorization processes.
 - **Minor home modifications**
 - DADS is currently analyzing the feasibility of standardizing the lifetime individual cost limit for minor home modifications.
 - **Basic terminology**
 - DADS is reviewing, comparing, and to the degree possible, standardizing terminology used across waiver programs.
 - **Adaptive aids**
 - DADS is currently reviewing for possible standardization the processes and policies for procurement of adaptive aids.

Administrative Streamlining and Standardization

Rate methodologies in the waiver programs differ according to which agency originally developed the program.

HHSC efforts to bring uniformity to waiver rates

- 2010-2011 Biennium – registered and licensed vocational nurse and professional services rates were standardized across all DADS long-term services and supports waivers, including:
 - Physical, occupational and speech therapy
 - Behavioral support
 - Nutritional services
- Fiscal accountability for HCS and TxHmL will be replaced with attendant compensation rate enhancement.
 - Effective September 1, 2010
- Proposed 2012-2013 Biennium – standardized rates across all DADS long-term services and supports waivers for the following:
 - Supported employment
 - Employment assistance
 - Respite and social work

Policy Considerations

Differences Among Waivers

- Waiver programs were developed to address the needs of specific populations; as a result, service arrays vary widely.
- Any effort to consolidate waivers would require consideration of the differences among them such as:
 - Age of individuals served
 - Financial eligibility criteria (parental income)
 - Functional eligibility and assessment tools
 - Service array
 - Annual individual cost limits
 - Case management responsibilities
 - Provider licensing/certification requirements
 - Number of individuals on current interest lists
 - Time spent on interest list
 - Provider rates

Policy Considerations

Aging Out of Children's Medicaid Programs

- Children in Medicaid receive all medically necessary services.
- Children enrolled in a waiver program receive medically necessary services, including private duty nursing, through the Comprehensive Care Program (CCP) administered by HHSC.
- At age 21, an individual “ages out” of CCP and is no longer eligible for certain Medicaid services, such as private duty nursing.
- Transitioning into an adult waiver (e.g., CBA or STAR+PLUS) may change the individual's service plan, resulting in a reduced level of nursing services or a combination of nursing and attendant services when the consumer previously received only nursing.
- When some individuals who were receiving significant levels of private duty nursing through CCP age out, they are unable to receive DADS waiver services within the cost limit, making them ineligible for the waiver program.
- DADS Rider 36, 81st Legislature, authorizes DADS to use general revenue (GR) funds for individuals who cannot be served safely in an institutional setting and whose needs exceed the waiver cost limits.

Policy Considerations

Hospital Level of Care (HLOC) Waiver

- Texas is in discussions with Centers for Medicare and Medicaid Services (CMS) regarding the possible development of a new waiver to serve individuals with very high medical needs whose cost of service would exceed the cost cap of existing waiver programs.
- The proposed HLOC waiver would be narrowly targeted to provide a federal match only for individuals whose plan of care is extended with pure GR through DADS Rider 36, thus avoiding additional GR costs and the creation of a new interest list.
- The state has provided CMS with preliminary information and is awaiting CMS feedback before submission of a formal application.

Policy Considerations

STAR+PLUS Expansion

- 2010-11 General Appropriations Act
 - Article II, Special Provisions, Section 46, S.B. 1, 81st Legislature
 - Requires HHSC to implement the most cost-effective integrated managed care model for aged, blind, and disabled (ABD) clients in the Dallas and Tarrant service areas
- 2011 expansion of STAR+PLUS into Dallas/Tarrant
 - Dallas service area – anticipated 50,591 members
 - **Counties:** Collin, Dallas, Ellis, Hunt, Kaufman, Navarro, Rockwall
 - Tarrant service area – anticipated 27,737 members
 - **Counties:** Denton, Hood, Johnson, Parker, Tarrant, Wise
 - Total projected STAR+PLUS population in Dallas/Tarrant expansion: 78,328
- February 1, 2011 - operational start date

Policy Considerations

Potential Expansion Service Areas for STAR+PLUS

- The following areas have been identified as potential STAR+PLUS expansion areas due to the size of their SSI population and ability to support at least two managed care organizations:
 - El Paso
 - Lubbock
 - South Texas
 - Prohibition against the use of health maintenance organizations in the Valley
 - Texas Government Code Sec. 533.0025. DELIVERY OF SERVICES.
 - (e) Notwithstanding Subsection (b)(1), the commission may not provide medical assistance using a health maintenance organization in Cameron County, Hidalgo County, or Maverick County.

Policy Considerations

Utilization Review/Cost Savings

- A November 2009 State Auditor's Office report recommended DADS strengthen its process for reviewing HCS program plans of care to ensure appropriate levels of service for consumers.
- The report indicated expanding the review of plans of care could save costs and enable DADS to serve additional individuals who are on the HCS interest list.
- To address this recommendation and as part of its budget reduction efforts, DADS proposes to expand utilization review in HCS to focus on areas where limited utilization review currently occurs, with anticipated savings for FY 2011 of \$2 million general revenue (\$5.5 million all funds).

APPENDIX

STAR+PLUS

- Serves individuals age 21 or older who meet the medical necessity criteria for nursing facility admission in the Bexar, Harris/Harris expansion, Nueces and Travis service areas.
- STAR+PLUS is based on a combined federal waiver model whereby managed care organizations are responsible for coordinating acute and long-term services and supports through the use of a service coordinator.
- As of December 31, 2009, 164,636 individuals were enrolled in STAR+PLUS services, 13,545 were receiving CBA-like services and 4,092 were on the interest list.

STAR+PLUS Service Areas

Bexar Service Area

Atascosa, Bexar, Comal, Guadalupe, Kendall, Medina and Wilson Counties

Health Plans: Amerigroup, Molina, Superior

Harris/Harris Expansion Service Area

Brazoria, Fort Bend, Galveston, Harris, Montgomery and Waller Counties

Health Plans: Amerigroup, Evercare, Molina

Nueces Service Area

Aransas, Bee, Calhoun, Jim Wells, Kleberg, Nueces, Refugio, San Patricio and Victoria Counties

Health Plans: Evercare, Superior

Travis Service Area

Bastrop, Burnet, Caldwell, Hays, Lee, Travis and Williamson Counties

Health Plans: Amerigroup, Evercare

STAR+PLUS

- Services and supports include:
 - Direct care services (personal attendant services)
 - Nursing
 - Professional therapies (speech, physical, occupational)
 - Dental
 - Adaptive aids
 - Minor home modifications
 - Emergency response services
 - Home-delivered meals
 - Assisted living
 - Adult foster care
 - Transition assistance services
 - Respite care
- Managed care organizations are responsible for coordinating acute and long-term services and supports through the use of a service coordinator.
- Services may be provided to individuals who live at home or in a contracted assisted living facility.

STAR+PLUS

Example of a STAR+PLUS consumer

- A 58-year-old man with past history of congestive heart failure, morbid obesity and childhood polio who needs assistance from a caregiver provider in the home and a nutritionist-developed diet plan. In the past year he has lost over 100 pounds and is now able to leave home for his doctor visits.

Community-Based Alternatives (CBA)

- Serves individuals age 21 or older who meet the medical necessity criteria for nursing facility admission.
- There were 26,129 individuals receiving CBA services and 34,839 on the interest list as of December 31, 2009.
- Services and supports include:
 - Adaptive aids
 - Adult foster care
 - Assisted living
 - Emergency response services
 - Home-delivered meals
 - Medical supplies
 - Minor home modifications
 - Nursing
 - Personal assistance services
 - Rehabilitative therapies
 - Respite
 - Transition assistance services
- Services may be provided to individuals in non-STAR+PLUS areas who live at home or in a contracted assisted living facility.

Community-Based Alternatives (CBA)

Examples of CBA consumers

- A 40-year-old man with paraplegia as a result of a car accident who needs assistance with activities of daily living and medication administration.
- An 80-year-old woman with diabetes and congestive heart failure who needs assistance with activities of daily living (dressing, bathing, meals, light housework, etc.) and medication administration.

Medically Dependent Children Program (MDCP)

- Serves individuals under 21 years of age who meet the medical necessity for nursing facility admission.
- There were 2,653 individuals receiving MDCP services and 15,766 on the interest list as of December 31, 2009.
- Services and supports include:
 - Adaptive aids
 - Minor home modifications
 - Respite
- Services are provided to individuals who live at home.

Example of an MDCP consumer

- A child with complex medical needs due to post-encephalitis. MDCP provides respite to support the child's parents' ability to care for the child at home. Any medically necessary services are provided through the Comprehensive Care Program for Children (CCP).

Home and Community-based Services (HCS)

- Serves individuals of any age with MR (IQ below 70) or a related condition with an IQ below 75.
- There were 16,696 individuals receiving HCS services and 42,188 on the interest list as of December 31, 2009.
- Services and supports include:
 - Adaptive aids
 - Case management
 - Counseling and therapies (e.g., occupational, physical and speech therapy; dietary services; social work; behavioral supports)
 - Day habilitation
 - Dental
 - Financial management
 - Minor home modifications
 - Nursing
 - Residential assistance (e.g., group home or foster care home)
 - Supported home living
 - Supported employment
 - Support consultation
- Services may be provided to individuals who live at home, in a three- or four-person group home or a foster home.

Home and Community-based Services (HCS)

Examples of HCS consumers

- A 35-year-old man living with his parents who are paid as his foster care providers. The parents provide assistance with activities of daily living and the consumer receives dental services through the HCS program.
- A 14-year-old girl living with her parents who receives support and supervision as well as training on activities of daily living from an HCS provider. All of her medically necessary services are provided through the Comprehensive Care Program for Children (CCP).
- A 27-year-old woman living in a group home with three other women receives assistance with activities of daily living and training on meal preparation and housekeeping from the staff in the home.

Community Living Assistance and Support Services (CLASS)

- Serves individuals of any age who have a disability other than MR that originated before age 22 and affects the person's ability to function in daily life, for example, seizure disorders such as epilepsy, autism spectrum disorders, spina bifida or cerebral palsy.
- There were 4,059 individuals receiving CLASS services and 28,973 on the interest list as of December 31, 2009.
- Services and supports include:
 - Adaptive aids
 - Habilitation services
 - Medical supplies
 - Minor home modifications
 - Nursing
 - Specialized therapies
 - Respite
- Services are provided to individuals who live at home.

Community Living Assistance and Support Services (CLASS)

Examples of CLASS consumers

- A 10-year-old boy with autism who receives habilitation (training on activities of daily living) from the CLASS provider. He also receives physical and music therapies. Any medically necessary services are provided through the Comprehensive Care Program for Children.
- A 50-year-old woman with cerebral palsy who receives habilitation services and massage therapy. The CLASS program has also provided home modifications to make her bathroom wheelchair accessible.

Deaf-Blind with Multiple Disabilities Program (DBMD)

- Serves individuals of any age with deaf-blindness and one or more other disabilities that impair independent functioning.
- There were 154 individuals receiving DBMD services and 227 on the interest list as of December 31, 2009.
- Services and supports include:
 - Adaptive aids and medical supplies
 - Behavioral support services
 - Case management
 - Chore services (heavy housework)
 - Habilitation
 - Nursing
 - Intervener services (to assist with communication/community access)
 - Occupational, physical and speech therapy
 - Orientation and mobility
 - Respite
- Services may be provided to individuals who live at home, or in a group home or small contracted assisted living facility.

Deaf-Blind with Multiple Disabilities Program (DBMD)

Examples of DBMD consumers

- An eight-year-old girl with deafness, blindness and MR who receives intervener and behavioral support services. Any medically necessary services are provided through the Comprehensive Care Program for Children.
- A 25-year-old man with deafness, blindness and mild cerebral palsy who resides in a DBMD-contracted assisted living facility. He receives physical therapy and intervener services.

Texas Home Living (TxHmL)

- Serves individuals of any age with MR or a related condition who live in their own home or their family's home.
- There were 966 individuals receiving TxHmL services as of December 31, 2009. There is no separate interest list for TxHmL. Names are drawn from the HCS interest list.
- Services and supports include:
 - Adaptive aids
 - Behavioral support
 - Dental
 - Minor home modifications
 - Skilled nursing
 - Specialized therapies
- The cost must not exceed \$15,000 per person, per year.

Texas Home Living (TxHmL)

Example of a TxHmL consumer

- A 21-year-old woman with diagnosis of MR living with her parents. In the past year, she has received day habilitation outside the home (training and activities to help an individual with a developmental disability achieve greater mental, physical, and social development), respite and dental services.

Consolidated Waiver Program (CWP)

- CWP operates in Bexar County as a pilot project (since 2001) and serves individuals on the interest lists for STAR+PLUS, CLASS, DBMD, HCS, and MDCP.
- There were 162 individuals receiving services through CWP as of December 31, 2009.
- CWP provides services to individuals who are eligible for nursing facility services as well as those who are eligible for ICF/MR services.
- Serves individuals of any age and provides a comprehensive array of services similar to those across other waiver programs.
- SB 705, 81st Legislature, discontinues the CWP program. As permitted by the law and to ensure no loss of federal stimulus funds, CWP will operate until at least January 1, 2011.
- When the CWP pilot ends, consumers will transition to other waiver programs.