

State of Vermont
Agency of Human Services

Vermont Long-Term Care Plan
1115 Demonstration - Choices for Care Program

NUMBER: 11-W-00191/1
Demonstration Year: 7

Combined Bi-annual Report for the period
April 1, 2012 – September 30, 2012

November 20, 2012

OVERVIEW

This report covers 6 months of operation of Vermont's 1115 Demonstration Waiver renewal for Choices for Care (CFC) Long Term Care Waiver Demonstration from April 1, 2012-September 30, 2012. The five year renewal period (2010-2015) was approved on September 21, 2010.

This report contains the following:

- Activities and Accomplishments
- Data Reporting

ACTIVITIES AND ACCOMPLISHMENTS

1. Money Follows the Person: As of September 30, 2012, the Choices for Care (CFC), Money Follows the Person (MFP) grant has helped 18 people receive help to transition from a nursing facility to a community setting on CFC services. Also during this reporting period, MFP has begun the process of developing a 24-hr home-based "Adult Family Care" option within CFC. Adult Family Care will resolve a barrier to transition that currently exists by enabling more participants who require 24-hour assistance to move to a home-based setting. Homes will serve one to two residents. It is expected that this option will be in place by 2013.

More information about Vermont's MFP Grant can be viewed at <http://www.ddas.vermont.gov/ddas-projects/mfp/mfp-default>.

2. Quality Management: The Quality Management team within the Adult Services Unit has continued to perform ongoing certification reviews of all CFC Case Management and Adult Day providers. All providers are up to date on their certification reviews with zero de-certifications during this reporting period. Written provider standards form the basis of the certification review process, which includes agency policy review, file reviews, interviews and complaint data. General areas of provider improvement identified during this report period include maintenance of records including legal Power of Attorney/Guardianship documentation, updating background checks for long-term employees in addition to continued development of a revised case management training program.

DAIL continues to maintain a contract with the VT State Long-Term Care Ombudsman to manage complaints both in licensed settings (nursing facility and residential care regardless of payment source) and for people on the CFC home-based option. During this reporting period, DAIL staff participated in quarterly meetings with the State Ombudsman to review reports, current topics and trends. Quarterly reports include all complaint data for people in licensed settings (nursing facilities and residential care homes, regardless of payment source) and for people in the home-base setting on Choices for Care. One topic of discussion was complaints received regarding the CFC financial eligibility process, which was likely related to some regional staffing challenges within the Department of Children and Families (DCF). Complaints included the length of time it took for processing eligibility, the amount of documentation requested during the income/asset verification process and lack of communication from DCF workers. DAIL

staff is working with DCF managers to share complaint information and help facilitate work around this topic, while the Ombudsmen continue work to resolve individual complaints. Overall, the Ombudsman program reported the following during this reporting period:

- April 1, 2012-Jun 30, 2012, (3rd quarter) -
 - 27 community based complaints were opened, 75.76% of which were closed during the quarter, either partially or fully resolved.
 - 135 facility based complaints were opened, 75.35% of which were closed during the quarter, either partially or fully resolved.
- July 1, 2012-September 30, 2012 (4th quarter) –
 - 25 community based complaints were opened, 88.46% of which were closed during the quarter, either partially or fully resolved.
 - 117 facility based complaints were opened, 88.3% of which were closed during the quarter, either partially or fully resolved.

NOTE: A correction from the previous CMS report, January 2, 2012-March 31, 2012 (2nd quarter) Ombudsman program reported 29 community based complaints were opened, 68.42% of which were closed during the quarter were either partially or fully resolved and 151 facility based complaints were opened 92% of which were closed during the quarter were either partially or fully resolved.

3. Nursing Facility Closure: The Division of Licensing and Protection (DLP) worked closely with CMS throughout the review and decertification of a nursing facility in the southeastern Vermont region. DAIL staff worked together with local providers, the nursing facility, the individual and their families to coordinate transitions for all 19 residents (14 CFC and 5 private pay) by the April 27th closure date. Sixteen individuals moved to other local nursing facilities and three individuals moved into a home-based setting.

4. State Audit: Pursuant to Vermont Act 63 (2011) the State Auditor's Office conducted an audit related to the CFC program. The objective of the audit was to determine whether and how DAIL could more effectively use performance measures to evaluate the success of the CFC program. A report and recommendations was released in April 2012. DAIL welcomed the opportunity to work with the auditor's office and felt it was particularly timely. The independent evaluators at the University of Massachusetts Medical School had just submitted their final evaluation of the program for years 1-6. The audit report and the evaluation report together gave DAIL and its Advisory Board an opportunity to improve the CFC performance measurement system for the next five years. (See #5. *Choices for Care Evaluation*) Vermont's move towards merging CFC and Vermont's Global Commitment 1115 waiver is another opportunity for DAIL to address report recommendations. The final audit report can be viewed at <http://auditor.vermont.gov/sites/auditor/files/Final%20CFC%20report.pdf>.

5. Choices for Care Evaluation: In spring 2012, the University of Massachusetts Medical School's Choices for Care Evaluation Team recommended that the CFC evaluation plan, along with the outcomes and indicators (originally proposed in 2008) be revised to ensure utility and flexibility, solid information on progress and actionable recommendations. This recommendation was accepted by DAIL and its advisory board. To this end, the

Evaluation Team revised the CFC evaluation plan from over 80 indicators to 35 indicators across 9 outcomes. One outcome related to public awareness of long-term care options was deleted, while another one related to the amounts and array of long-term services and supports was added to focus the evaluation on current CFC objectives. Other outcomes were refocused on more meaningful objectives; for example, the health outcome was shifted to highlight indicators about how CFC services help home and community-based CFC participants to maintain or improve health. Survey questions were added to the Market Decisions' survey of home and community-based consumers to address new indicators and to the survey process for nursing facility, ERC and assisted living residents to ensure that data were collected from CFC participants in all settings. The Evaluation Plan will be used as the framework for the Annual Evaluation Report due in April 2013. In addition, the Evaluation Team began conducting key informant interviews for a policy brief on CFC services for individuals with Alzheimer's disease and related disorders (due December 2012).

6. Case Rate Development: During this reporting period, DAIL has continued to evaluate the link between an individual's acuity and program expenditures in an effort to create "tiers" or "case rates" for people in home-based settings. The goal is to create a flexible "budget" for the person in a way that best meets their needs within the current available service options, all while remaining budget-neutral. Bi-weekly meetings have focused on refining the parameters of available data sets and linking them to accurate claims data for each individual. Once the data analysis is complete, DAIL will determine whether a direct link between assessment acuity and expenditures can be made in a way that is both accurate and useful to the identified goals.

7. Moderate Needs Program: The Choices for Care "Moderate Needs" program is an option for people who may not meet nursing home level of care, but require some services to assist them to remain independent in their home, preventing a more intense level of service. As of March 2012, there were approximately 1,100 people enrolled to receive Moderate Needs services, which is an increase of approximately 100 people from the last reporting period. Services are currently limited to case management, adult day and homemaker services. Services are also limited by the capped funding allocation to adult day and homemaker providers. As of June 30, 2012 (the end of the state fiscal year), the Moderate Needs providers as a group utilized approximately 77% of available Moderate Needs funds. DAIL is interested in exploring a more flexible, person-centered model in which the person chooses the services they need within a set budget. DAIL feels this may increase utilization of needed services and improve individual satisfaction. As of this reporting period, DAIL was still in the exploration phase of determining whether a transition from the current Moderate Needs structure to a more flexible model is feasible at this time.

8. 24-hour Community-Based Care: Over the last several years, DAIL has identified a great need for community-based 24-hour long-term care in small family home settings. Fortunately, DAIL, through CFC, has been able to "pilot" a few specialized care plans using the state's existing model of Developmental and Traumatic Brain Injury home providers to successfully help serve people with the most complex care needs in small home arrangements. Each specialized plan is approved on a case by case basis when a person has complex care needs and no other way to meet those needs in the existing CFC

service system. As of this reporting period, CFC was serving 8 people with specialized 24-hour home care plans. A formal CFC “Adult Family Care” model is being developed through the MFP grant. (*See #1 Money Follows the Person*)

9. Dual Eligible Project: In 2011, Vermont was one of 15 states awarded a \$1 million CMS Demonstration Grant to develop a proposal on how best to serve the 22,000 Vermonters receiving both Medicare and Medicaid services (“dually eligible beneficiaries”). These individuals have among the most complex care needs yet the current system oftentimes fails in delivering comprehensive, effective and coordinated person-centered care. Vermont’s proposal will call for system wide changes to achieve better coordination and integration of services as well as streamline financing for this population whose expenditures totaled \$560 million in 2008. The Dual Eligible Project is working closely with Vermont’s health care reform efforts as well as the Blueprint for Health Chronic Care Initiative. Vermont submitted its Dual Eligible proposal to CMS in May 2012. If CMS funds the demonstration proposal, implementation would begin in early 2014. Information on Vermont’s Dual Eligible Project can be viewed at <http://humanservices.vermont.gov/dual-eligibles-project>.

10. Transition to Affordable Care Act (ACA) and Waiver Consolidation: In accordance with STC #21 of the Choices for Care Demonstration, Vermont submitted a preliminary plan for transition to ACA. The State supports the goals of the ACA to enhance access to affordable health care coverage, improve service delivery, and control program cost growth and is committed to working with CMS to ensure that state and federal health reforms are complimentary and coordinated. Individuals currently enrolled in the Choices for Care Demonstration would not experience any new eligibility changes in 2014. As part of the transition, the state will be renewing the Global Commitment to Health Waiver and plans to request consolidation of both 1115 waivers into one regulatory authority.

The state believes there are several immediate benefits to the consolidation of waivers. This includes the efficiency and clarity in using one regulatory framework (42 CFR 438) for all Medicaid operations. This is particular important in applying payment and health care reform efforts statewide. The administrative burden to the state in maintaining multiple and cumbersome regulatory frameworks and associated reporting and oversight structures is inefficient and costly at both the state and local provider levels. Additionally, beneficiary protections, outreach and access standards provided for under 42 CFR 438 would extend to all recipients and offer consistent standards for member rights, outreach, education, grievance and appeals process and a unified quality oversight plan for both state and provider operations.

Additionally, all Vermonters who are dually eligible for Medicare and Medicaid are currently enrolled in either the Global Commitment or Choices for Care Demonstrations for accessing their Medicaid benefits. Vermont currently is working with the Center for Medicare and Medicaid Innovation (CMMI) to develop a system of care that integrates Medicare and Medicaid benefits for these individuals. On May 9, 2012, Vermont submitted a Capitated Financial Alignment Demonstration application to CMMI, which proposes to utilize DVHA’s managed care model to serve the dual eligible population rather than contracting with one or more private Managed Care Organizations (MCO).

Vermont will soon begin a formal process of developing a Memorandum of Understanding with CMS to move forward with implementation. Expecting that the Dual Eligibles Demonstration Program will become operational on January 1, 2014, Vermont seeks to include the authorities for the integrated Medicare and Medicaid model, once they are approved by CMMI, as part of this single consolidated Demonstration.

Both the Global Commitment and Choices for Care demonstrations represent first in the country models of care and health care reform. Both have achieved success in balancing consumer choice and in containing costs while providing high quality care. To achieve administrative efficiency and seamless coverage for low income Vermonters and people with disabilities, the state is requesting extension and integration of both these waivers into one consolidated 1115 Demonstration project beginning January 1, 2014.

11. Choices for Care Reinvestments: DAIL was fortunate to receive legislative approval to use almost \$3.5 million in CFC SFY2012 year-end state General Funds (aka “savings”) to eliminate proposed SFY13 budget reductions and to “reinvest” in home and community based long term services and supports in Vermont. SFY13 reinvestments included \$1/day increase to the Assistive Community Care Service (ACCS) for licensed residential care homes, \$.15/hr wage increase for all consumer/surrogate directed employees, and the reversal of a 2009 2% rate reduction for all Choices for Care home and community-based services and Day Health Rehabilitation services for certified Adult Day providers. Rate changes were implemented July and August 2012. In addition to rate increases, DAIL was able to appropriate additional funds to Vermont Area Agencies on Aging for work related to self-neglect, family caregiver support, elder abuse, and nutrition and for mental health and aging initiatives.

12. Hospice and CFC Services: In 2011, DAIL revised its policy regarding dual participation in CFC and Hospice. The goal was to eliminate any possible barriers that may prevent people from choosing Hospice services and to address any unmet needs that a person may have that can be met with both Hospice and CFC services. A policy change was implemented for a trial period July 1, 2011 through June 30, 2012, allowing people to receive both Hospice and CFC simultaneously. DAIL, together with the home health agency hospice providers, collected data to determine the effects of the policy change. Data showed that the number of people participating in both CFC and Hospice statewide each quarter increased by an average of 15 people to an average of 23 people (53% increase) since the policy change July 1, 2011. In addition, the overall use of Hospice statewide each quarter has increased from an average of 579 people to an average of 690 people (19% increase) since the policy change. Though there is no data to indicate the direct cause of this growth in Hospice participation, it is a positive move towards the goal of higher overall utilization of Hospice services in Vermont. DAIL recommended continuing the policy for another year while working with the hospice providers to gather more information to determine if any trends develop in the utilization of both hospice and CFC home-based services.

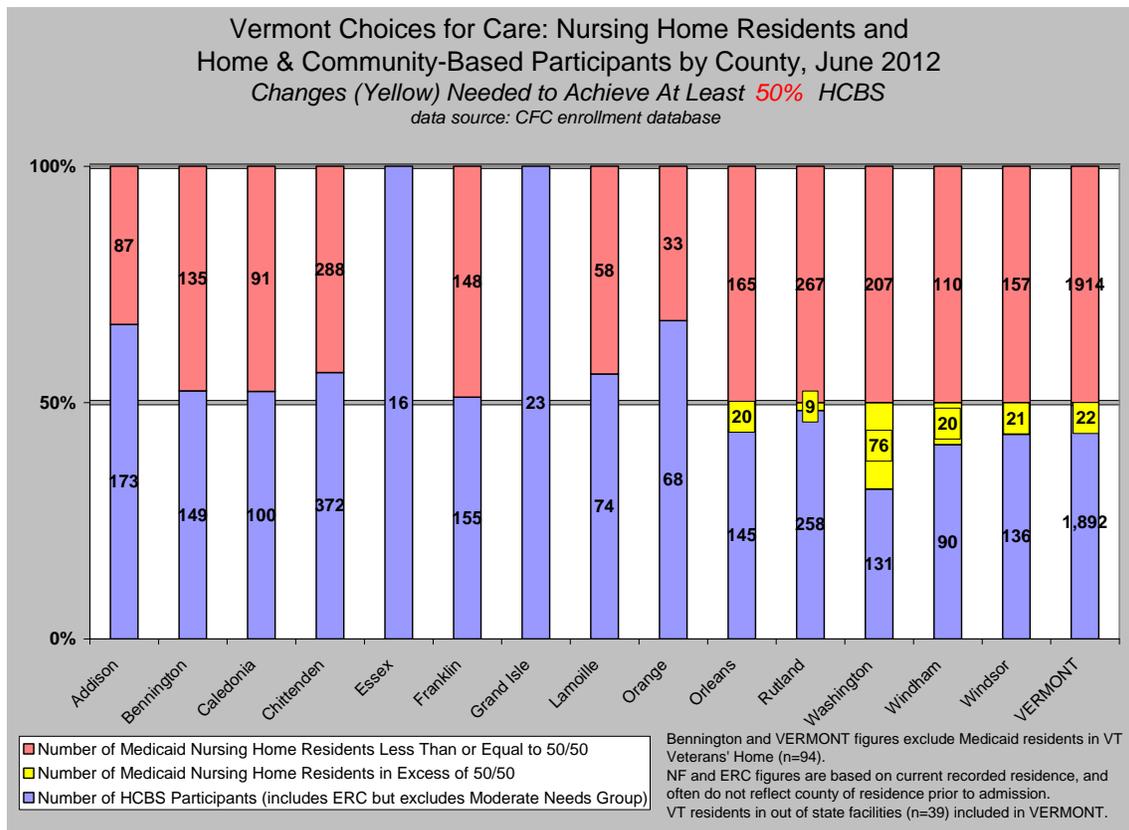
13. PACE Site Review: CMS made its annual visit to Vermont to perform a PACE site review August 27, 2012 through August 30, 2012. DAIL program staff participated in the review with the CMS review team. Findings, recommendations and outcomes will appear in the next CFC bi-annual report.

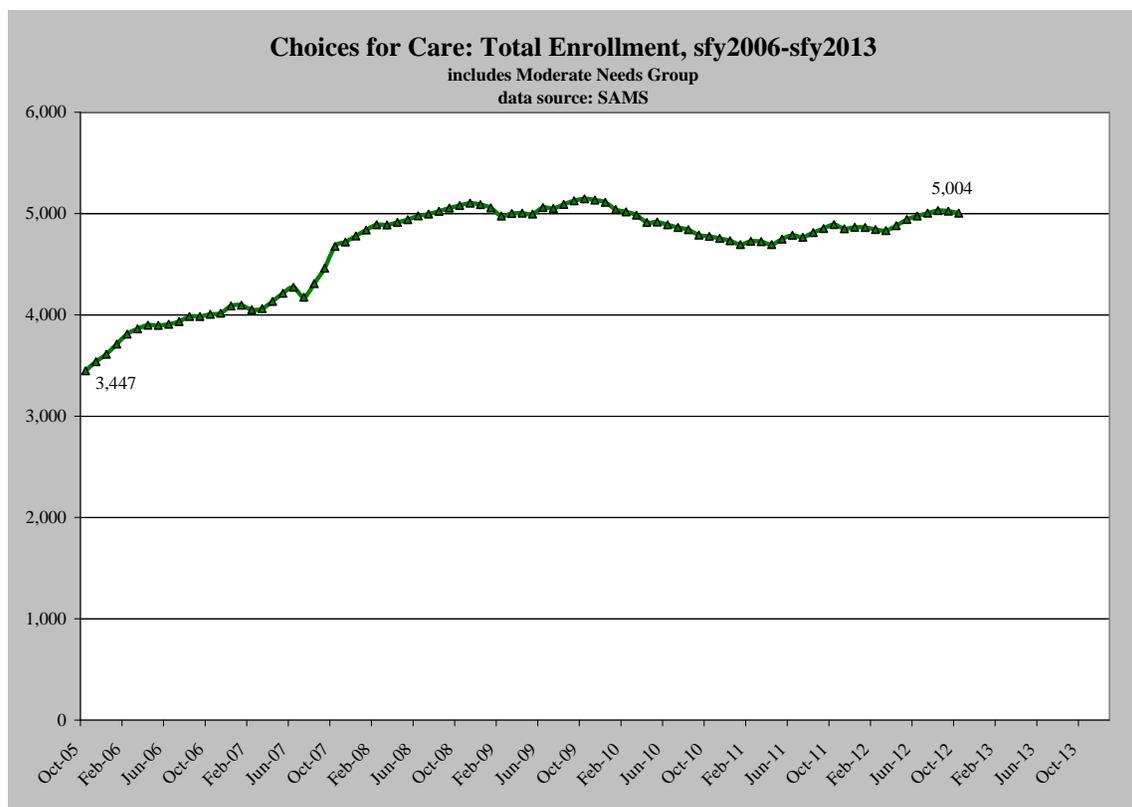
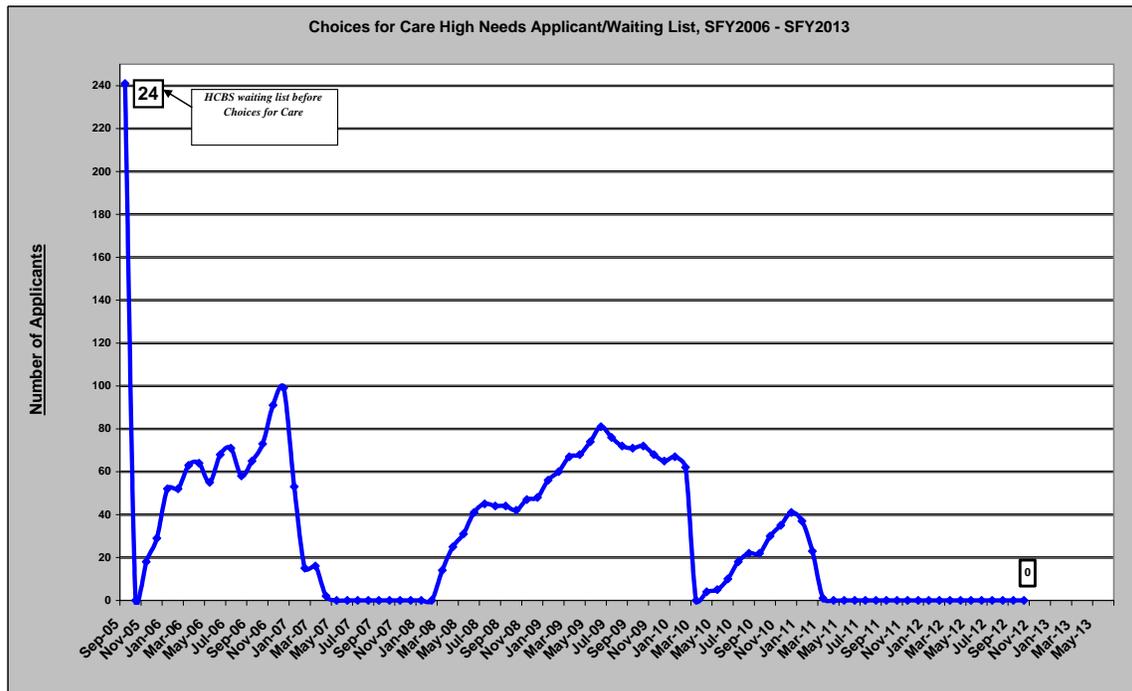
DATA REPORTING

In Vermont SFY12, approximately 7,595 people were served by the Choices for Care (CFC) program (4100 in home-based and community based options including Moderate Needs; 131 PACE; 3364 in nursing facilities). Overall, approximately 6% more people enrolled in home-based options, approximately 1.5% more in PACE and 2.5% less people in nursing facilities. (*Data based on claims analysis and PACE SAMS enrollments.*)

The following charts show Vermont's distribution of where people are choosing to receive their CFC long-term services and supports, the high needs wait list utilization over the years and the Moderate Needs program utilization.

Overall, in SFY 2012, more individuals chose home and community-based services than the previous year. In 9 of Vermont's 14 counties, more than 50% of people on Choices for Care utilized services in a home and community-based setting. It is expected with the additional effort of the Money Follows the Person (MFP) grant, Vermont will further expand the options to individuals who want to remain in their own homes and communities.





Full CFC program reports for this reporting period can be viewed at <http://www.ddas.vermont.gov/ddas-publications/publications-cfc/cfc-qrtrly-data-rprts/cfc-data-report-april-2012>.