



# Balancing Incentive Program Evaluation: Baseline Status

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## RTI Team

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## Overall Research Questions

Did the Balancing Incentive Program succeed in reforming LTSS in the participating states?

Key question: When combined with other Medicaid state options, can a modest increase in the federal Medicaid matching rate combined with other requirements motivate significant changes in the Medicaid LTSS system among states that have lagged in the development of HCBS?

Baseline question: How far are states from meeting goals?

## Data and Methods

- Primarily document review, applications, and quarterly reports
- Use of annual expenditure reports by Truven Health Analytics

## Baseline Status

- Expenditures for FY 2009, regardless of when applied
- Infrastructure assessment depends on time of application
- 21 states at start (3 have since dropped out)

# Medicaid Spending for HCBS as Percent of Total LTSS

States	HCBS Medicaid Expenditures as % of Total Medicaid LTSS Spending, 2009
Total Balancing Incentive Program States	39.2
Total Nonparticipating States	50.2
Eligible, But Not Participating	38.6
Ineligible	59.5

## Baseline Status Spending by Target Populations (%)

State	Older People/Physical Disabilities	Intellectual Developmental Disabilities
Total BIP	31.2	60.7
Total, Not Participating	42.6	74.6
Eligible	26.9	68.8
Ineligible	53.7	79.4

## Participating States Infrastructure at Baseline

States	Single Entry Point	Core Stand. Asses.	Conflict-free Case Mgt.
All criteria met	0	0	0
Started on most criteria	7	9	2
Not started on most criteria	14	12	19



## Use of Medicaid HCBS Options

Option	Number of States
State Plan Personal Care	12
Section 1915(i)	3
Money Follows Person	21
Health Homes	4
HCBS Waiver	21

## Populations Targeted

<b>Population Group</b>	<b>Number of States</b>
Older People	17
Younger People with PD	17
IDD	18
SMI/Substance Use	16
HIV/AIDS	2
TBI	5
Other	4

## Conclusions

- At baseline, states vary in how close to required expenditure goal, but most relatively close
- At baseline, most states quite far from meeting infrastructure goals
- Few states target their efforts to specific populations

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# Balancing Incentive Program Overview Process Evaluation: Preliminary Findings

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## Methods

- Preliminary evaluation, from implementation through September 30, 2014
- Document review
  - Quarterly progress reports
  - States' Balancing Incentive Program applications and work plans
  - Summary briefs (Mission Analytics)
  - Other documents
- Includes 19 of 21 participating states
  - Nebraska did not begin participation until October 1, 2014
  - Pennsylvania's first quarterly report begins reporting as of October 1, 2014 (began participation in July 2014)

## Medicaid Coverage and Eligibility Options Used to Implement Balancing Incentive Program

- States used anywhere from two to seven Medicaid program types
- All states used Money Follows the Person (MFP) and 1915(c) waivers
  - 12 states expanded MFP programs
  - 14 states expanded existing 1915(c) waivers; 1 state added a new waiver
- About half (11) used state plan personal care programs, 10 used health homes, and 7 used 1115 Research and Demonstration Waivers
- Seven states used 1915(i) state plan options; three of those were existing at the start of the Balancing Incentive Program, and four were newly implemented after implementation of the Balancing Incentive Program

## How Did States Increase the Share of LTSS Dollars Spent on HCBS?

- Increase services available to current HCBS recipients (11 states)
- Increase payment rates for services to current HCBS recipients (6 states)
- Expand number of HCBS recipients being served (16 states)
  - Expand mental health services (9 states)
  - Support transitions from institutions to community (2 states)
  - Expand to serve new populations (8 states)
  - Reduce waiting lists/increase waiver slots (13 states)



## Achievement of No Wrong Door/Single Entry Point

- 11 states had developed standardized informational materials
- 5 states had trained staff on the eligibility determination and enrollment process
- 3 had implemented a process to guide individuals through assessment and eligibility determination
- 10 had established an NWD/SEP website
- 13 had established an NWD/SEP toll-free phone number
- Only two states had accomplished all of this by September 30, 2014 (Maryland & Missouri)
- States reported a variety of delays, despite which many accomplished these goals

## Achievement of Core Standardized Assessment

- 14 states had completed development of a Level I screen assessment
- 8 states had incorporated the required domains and topics in their assessments
- 8 states had trained staff at the NWD/SEPs to coordinate the core standardized assessments
- Six states had accomplished all of these activities by September 30, 2014 (Arkansas, Connecticut, Georgia, Missouri, New Hampshire, Texas)

## Conflict-Free Case Management

- 13 states had developed protocols for removing conflict of interest
- 6 states experienced delays, often related to working through issues with specific types of providers

# Populations Targeted

- State strategies to increase HCBS expenditures may be targeted to specific populations
- Most states targeted two or more populations
  - Most common were people with IDD (adults or children), older adults, younger adults with physical disabilities, and people with mental health or substance abuse disorders
  - Some states targeted people with HIV/AIDS or with traumatic brain injury
- Different strategies may be used for different populations
- Multiple strategies may be used for a single population

# Interaction With Other HCBS Programs

- Some states are using Balancing Incentive Program funds to support activities under MFP; other states are using MFP funds to support initial costs of Balancing Incentive Program infrastructure changes
- Similar two-way interactions of Balancing Incentive Program with State Innovation Model demonstrations and with ADRCs
- Balancing Incentive Program funds are being used by states to support other HCBS programs
  - Increase 1915(c) waiver slots, reduce waiting lists, increase provider payment
  - Support new state plan options
  - Increase development of and support for health homes
- CMS Enhanced Funding for Eligibility Enrollment Systems funds used by some states to support NWD/SEP IT systems

# Stakeholder Involvement

- Formal advisory boards were convened in 12 states
  - Advisory boards included providers (8), policymaker (7), and consumers/advocates (8)
- Meetings with stakeholder groups were held in 8 states
  - Primarily involved consumers/advocates (8) and providers (8)
  - Some states (5) also met separately with policymakers
- Use of stakeholders to pilot test proposed actions or assessments (3 states); one state also pilot tested materials with providers

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# Institutional Arrangements in State Medicaid Governance and their Relationship to Medicaid Long-Term Service and Supports Policy Development

Katherine Rogers  
September 1, 2015



# Research Questions

- ▶ What institutional features of states and their Medicaid long-term care systems may be perceived to hinder adoptions of expansions in HCBS and thus states' intentional and rational progress toward LTSS system rebalancing?
- ▶ What institutional features might facilitate such adoptions?

# Organizing concepts

- ▶ Hierarchical arrangements
- ▶ Principal-agent chains
- ▶ Complex or networked governance structures
- ▶ Formal and informal rules about who participates
- ▶ Rules about what outcomes are acceptable

# Methodological Approach

- ▶ Looked only at sides of systems serving people who are elderly or who have physical disabilities
- ▶ States that were well-poised for rebalancing action but who did or did not implement the Balancing Incentive Program
- ▶ Case pool focused on a narrow geographic area and states with shared features in Medicaid programs
- ▶ Data collection combined state-centered document reviews, key informant interviews, and state participant interviews
- ▶ Only a third of the selected cases were able and willing to participate, Maryland and North Carolina

# Key Results

- ▶ There are *a lot* of groups within Medicaid involved in developing new programs and often *a lot* of sister agencies and stakeholder groups involved
- ▶ Both states cited the importance of engagement among these partners and stakeholders in moving reforms ahead
- ▶ North Carolina has 100 counties and very strong county or regional character within its program

# Translating the Results

- ▶ Complex networks and hierarchies can seem to slow down policy development processes, but in so doing, they can make it more incremental and thus more stable
  - ▶ Both states noted, in the words of one respondent, “everything seems to take longer than you expect” - despite that, Maryland has implemented a large number of reforms

# Translating the Results

- ▶ Both states' respondents noted the importance of engagement amongst stakeholders in advancing the goal of a high-functioning, rebalanced system

# Implications

- ▶ Relationships and coalition building perceived as highly important. State staff may perceive these as “soft skills” but may have a real role in pushing forward shared goals
- ▶ Hierarchy appears to have little impact, but dotted lines between agencies and levels of government may

# Implications

- ▶ Decentralization of program operations may have implications for program reforms and thus policy development
- ▶ Federal financial incentives are important
  - states more likely to implement desired policies with a financial carrot



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# Balancing Incentive Program: Early Findings: Iowa and Ohio

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# Case Studies: Balancing Incentive Program Implementation in Iowa and Ohio

## Case study purposes:

- Provide a more detailed examination of the strategies used by two states in implementing BIP
- Identify accomplishments and challenges
- Offer insights to other states on strategies they can adopt to rebalance LTSS expenditures and reform service delivery infrastructures

# Implementation Strategies Adopted by Both Ohio and Iowa

- Use multiple funding authorities and initiatives to increase LTSS financing balance
- Share responsibilities among several state agencies
- Supplement state staff with contractor expertise, particularly in engaging stakeholders
- Build on existing efforts
- Engage stakeholders in designing and implementing delivery systems reforms

## Iowa Rebalancing Accomplishments

- Achieved a 52% HCBS share of total Medicaid LTSS expenditures as of March 31, 2015
- Used Balancing Incentive Program enhanced FMAP to:
  - Eliminate HCBS waiver wait lists
  - Increase waiver slots for all populations targeting in particular individuals with intellectual disabilities
  - Increase habilitation and mental health services in its 1915 (i) program
  - Increase provider payment rates

## Iowa's Accomplishments in Adopting Delivery Systems Reforms

- *No Wrong Door/Single Entry Point*: ADRCs designated as single entry point, developing ability to serve multiple populations; developed website and toll-free number to increase access to LTSS
- *Core Standardized Assessment*: Tool tested for IDD, mental health; being developed for adults with disabilities, older people, brain injury
- *Conflict-Free Case Management*: Firewalls for AAAs; challenge in rural areas

## Ohio Rebalancing Accomplishments

- Achieved a 62% HCBS share of total Medicaid LTSS expenditures as of March 31, 2015
- Used Balancing Incentive Program enhanced match funds to eliminate wait lists for HCBS waiver services: More than \$116 million
- Stakeholders cited the important contribution of the Governor's leadership and the Governor's Office of Health Transformation

## Ohio Accomplishments in Adopting Service Delivery Reforms

- *No Wrong Door/Single Entry Point*: Designated AAAs lead entities; organizations from other delivery systems also serving as Single Entry Points; fully implemented by 9/30/15
- *Core Standard Assessment*: For those requiring institutional level of care; adults including older people, children, and people requiring IDD/ICF
- *Conflict-Free Case Management*: Firewalls for AAAs; challenges in rural areas



# Challenges Common to Ohio and Iowa

- Integrated data systems
- State procurement processes for acquiring expert consulting services
- Short timeframe for achieving Balancing Incentive Program goals

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