Lessons Learned From the Balancing Incentive Program

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Balancing Incentive Program

- Authorized under the Affordable Care Act
- Designed to increase use of HCBS and improve the infrastructure
- States were eligible if less then 50% of their LTSS spending was for HCBS, in FFY 2009
- States received enhanced FMAP (2% or 5%, depending on baseline spending)
- States begin participation between April 1, 2012, and October 1, 2014
- The program ended September 30, 2015
- CMS has granted some states extensions of time to achieve goals or to spend FMAP received

Balancing Incentive Program Goals

- Increase share of LTSS expenditures used for HCBS
  - For states with <25% for HCBS at baseline (2009), increase to > 25%
  - For states with HCBS < 50%, but greater than 25%, increase to > 50%

- Improve infrastructure to ensure an equitable, user-friendly, consistent process
  - Create a No Wrong Door/Single Entry Point system
  - Design and implement a Core Standardized Assessment
  - Ensure Conflict Free Case Management

Focus of the Balancing Incentive Program

- Program included all populations receiving Medicaid LTSS
- Measures of expenditures were calculated across all populations
- Infrastructure changes were intended to create a more equitable process across populations (especially core standardized assessment)
- Approaches could have differential impact on population groups
- States had great flexibility in how they implemented the required goals

Presentation Structure

- Preliminary outcome findings
- Methods used to achieve goals
- Impacts of changes on people with intellectual or developmental disabilities

Methods

- Document review
  - Quarterly progress reports
  - States' Balancing Incentive Program applications and work plans
  - Summary briefs (Mission Analytics)
  - Annual report on LTSS Expenditures (Truven Analytics)
  - Other documents

Methods (cont.)

- Includes 18 of 21 participating states
  - Nebraska participated for less than one year
  - Two other states ended participation early; some data exist but are not included in the analyses presented here
- Outcome evaluation, from implementation through September 30, 2014
  - Will be updated through September 20, 2015, when final expenditure data are available (anticipated Spring 2017)
- Process evaluation, from implementation through September 30, 2015

Preliminary Outcome Evaluation Results

Outcomes Evaluated: Preliminary Results

- Percentage of LTSS expenditures for home and community-based services (through September 30, 2014)

- Infrastructure changes
  - No wrong door/single entry point
  - Conflict-free case management
  - Core standardized assessment

Medicaid Home and Community-Based Spending as Percentage of LTSS Among Balancing Incentive Program States: FY 2014

	2009	2014
Total HCBS/Total LTSS	40.7%	52.1%
Average Across Participating States	39.4%	50.2%

Medicaid Home and Community-Based Spending as Percentage of LTSS

- By FY 2014, in 9 of the 18 states, more than 50 percent of LTSS was for HCBS
- On average, Balancing Incentive Program states had greater percentage point increase in HCBS as a percentage of LTSS than in 5-year period before program
- Balancing Incentive Program States had greater increase in HCBS spending as a share of total LTSS expenditures than states that were eligible but did not participate

Medicaid HCBS as Proportion of Total LTSS Spending by Population Group, 2009 and 2014

	Older People and Younger People with Physical Disabilities		2009 Older People with I/DD	Average Across States
	2009	2014		
Balancing Incentive Program States	26.6%	30.8%	64.0%	70.9%
Eligible, but Not Participating States	26.9%	28.0%	68.8%	80.5%

Achievement of Infrastructure Requirements by States Participating in the Balancing Incentive Program, September 30, 2015

	NWD/ SEP	CSA Tools and Processes	CFCM	All Infrastructure Requirements Met	Infrastructure and Expenditure Requirements Met
Total States with All Infrastructure Criteria Achieved	14	15	17	14	9

Numbers shown are of 18 total states participating.

Preliminary Conclusions on Outcomes

- States increased the share of LTSS spending on HCBS, as of FY 2014
- States that participated in the Balancing Incentive Program had a greater increase in HCBS spending than did other States
- Increase in the share of LTSS expenditures spent on HCBS varied by population
- Most states achieved the required infrastructure changes

Process Evaluation Findings, as of September 30, 2015

No Wrong Door/Single Entry Point System

- Key Components
  - Standardized informational materials for consumers
  - Training staff on eligibility determination and enrollment processes
  - Implementing a clear and consistent process to guide people through assessment and eligibility determination
  - Establish a NWD/SEP website
  - Establish a NWD/SEP 1-800 telephone number for consumers

Achievement of NWD/SEP System

- Across all states, an average of 91 percent of required tasks were completed
- All but three states reported delays in planned completion
- Implementing the process was the most readily achievable task

	Develop Materials	Train Staff	Implement Process	Establish Website	Establish 1-800 Number	All Tasks
Number of states completed	15	15	16	14	15	14
Average percent completed	92	89	92	91	92	91
Number of states with delays	11	10	8	9	5	15

Core Standardized Assessment

- All states completed development of a Level I Screen Assessment to determine financial and functional status, and likely eligibility for services
- All but one state finished incorporating domains and topics into assessments to address all components of the CMS Core Dataset
- Most states trained staff at NWD/SEP in use of the assessment

	Develop Level I Screen	Incorporate Domains and Topics	Train Staff	All Tasks
Number of states completed	18	17	16	15
Average percent completed	100	96	93	96
Number of states with delays	9	9	10	13

Conflict-Free Case Management

- States must establish protocol for removing any conflict of interest that may exist when the same organization both develops the care plan and provides the service
- States must continually evaluate structures to ensure regulatory compliance
- Similar requirements exist for 1915(k) and State Plan HCBS
- All states met this requirement
- Five states reported delays

Optional State Goals

- Some optional goals stand alone
  - Expand mental health services (6 states)
  - Improve services for people with intellectual or developmental disabilities (2 states)
  - Improve quality measurement (4 states)

- Other optional goals support progress toward the required goals, especially the goal of increasing the share of LTSS spent on HCBS
  - Expand waiver slots/eliminate waiver waiting lists (10 states)
  - Expand state plan HCBS to serve more individuals, new populations (5 states)
  - Increase rates for HCBS (6 states)
  - Support transition from institution to the community (5 states)

States Used a Variety of Medicaid Coverage and Eligibility Options

	Money Follows the Person	1915(c) Waivers	Personal Care	State Plan		Health Homes	1115 R&D Waiver
				Option 1915(i)	Option 1915(k)		
TOTAL	18	18	10	5	4	10	7
Existing	11	5	9	1	0	3	5
Expanded	7	13	1	1	0	2	1
New	0	1	0	3	4	5	1

Interaction With Money Follows the Person

- Balancing Incentive Program funds were used to help support MFP goals
  - Educate nursing facility staff and residents about community-based supports available for transitioning to the community (2 states)
  - Expand the MFP program to other populations (1 state)

- Use MFP funds to further the goals of the Balancing Incentive Program
  - Support initial costs of implementing the three structural changes (7 states)
  - Develop new assessment tools and train staff in their use (2 states)
  - Use established stakeholder groups to support system change activities

Interaction of Balancing Incentive Program With Other Medicaid Programs

- Waiver slots could be increased either through 1915(c) funds or using Balancing Incentive Program funds

- Balancing Incentive Programs funds were used by some states to plan and implement new 1915(i) and 1915(k) state plan options

- Balancing Incentive Program funds were used in one state to support development of health homes and in another to increase Medicaid payment for providers participating in health homes

Interaction of Balancing Incentive Program With Other Medicaid Programs (cont'd)

- Balancing Incentive Program funds could be used to enhance states' ADRC; or ADRC resources could support state development of the NWD/SEP

- Other support for the Balancing Incentive Program came from CMS imitative of Enhanced Funding for Eligibility Enrollment Systems, and State Innovation Model Demonstrations

Stakeholder Involvement

- Formal advisory boards were convened in 15 states
  - Advisory boards included providers (9), policymaker (8), and consumers/advocates (8)

- Meetings with stakeholder groups were held in 9 states
  - Primarily involved consumers/advocates (8) and providers (8)
  - Some states (4) also met separately with policymakers

- Use of stakeholders to pilot test proposed actions or assessments (6 states), primarily with consumers/advocate (5 states) or providers (3 states)

Focus on Populations

- States could identify specific populations to focus efforts on, as part of their application and initial work plan

	People Age 65+	People with			
		Physical Disabilities	Intellectual/ Develop-mental Disabilities	Serious Mental Illness or Substance Use Disorder	Other Disabilities or Chronic Conditions
Baseline Plans	15	15	16	15	6
Actions Taken					
• Increase access	8	9	13	7	5
• Increase payment	5	5	4	2	5
• Other	5	3	3	5	2

Conclusions

- Despite delays, most states were able to accomplish the required infrastructure changes.

- States leveraged resources and opportunities from a variety of Medicaid programs to help achieve the required changes.
  - States may think globally about changes to the Medicaid system, and use various programs to achieve these goals

Conclusions (cont'd)

- Although infrastructure changes are designed to benefit all populations, other actions may not have benefitted all populations equally.

- Future efforts may seek to improve HCBS opportunities for populations that have higher rates of institutionalization.

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National Association of State Directors of Developmental Disabilities Services

Balancing Incentive Program and Systems Supporting Individuals with Intellectual and Developmental Disabilities

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State Systems Supporting Individuals with I/DD

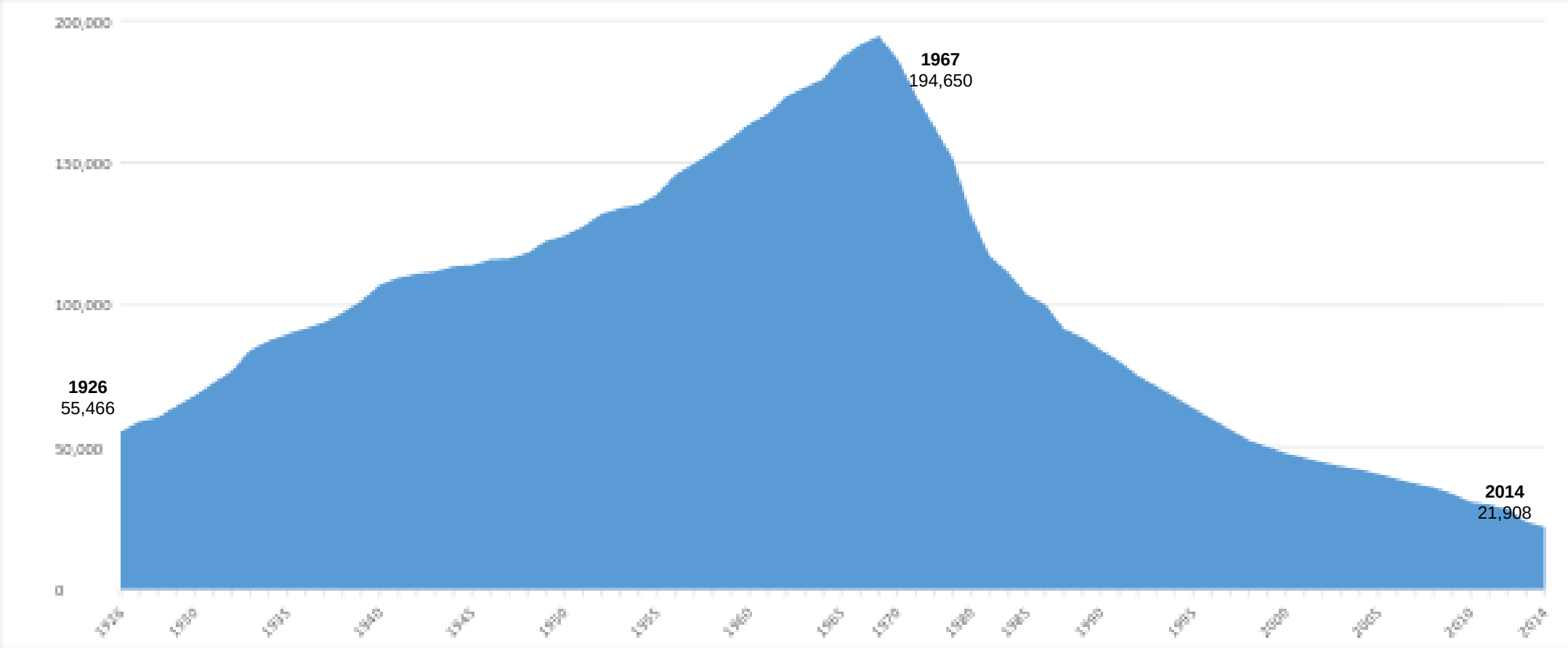
- State systems support 1.1 million individuals with disabilities and their families annually
- In Federal Fiscal Year (FY) 2014, federal and state governments spent approximately $41.8 billion on Medicaid LTSS for individuals with I/DD*
- In FY 2014, HCBS represented three-fourths of LTSS dollars targeted to people with developmental disabilities (75 percent)

Eiken, S., Sredl, K., Burwell, B., & Saucier, P. (2016, April). Medicaid expenditures for long-term services and supports (LTSS) in FY 2014: Managed LTSS reached 15 percent of LTSS spending. Truven Health Analytics. Retrieved from https://www.medicaid.gov/medicaid-chip-program-information/by-topics/long-term-services-and-supports/downloads/ltss-expenditures-2014.pdf.

State Systems, Cont'd

- The Balancing Incentive Program provided an opportunity for states to ensure continued progress toward the balance that had been achieved in the I/DD systems.
- I/DD systems were early adopters of the 1915(c) waiver authority in the late 1980s and early 1990s, contributing to the tipping of the balance toward HCBS.
- In some states, however, institutional reliance remains high.

Average Daily Population of State-Operated IDD Facilities with 16 or More Residents 1926 through 2014[1]



Larson, S.A., Hallas-Muchow, L., Aiken, F., Taylor, B., Pettingell, S., Hewitt, A., Sowers, M., & Fay, M.L. (2016). In-Home and Residential Long-Term Supports and Services for Persons with Intellectual or Developmental Disabilities: Status and trends through 2013. Minneapolis: University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration.

NASDDDS
National Association of State Directors of Developmental Disabilities Services

State Systems, Cont'd

- States require infrastructure improvements, like those required by BIP, to ensure quality and choice within HCBS, and to spur the continued development of meaningful community-based, person-centered services.

BIP States and I/DD Systems

- 18 of the 38 states eligible based on 2009 spending levels participated in the Balancing Incentive Program
- Of those, 16 targeted children and adults with I/DD for Balancing Incentive Program rebalancing efforts
- These efforts were largely aimed at furthering or maintaining progress on community based LTSS for individuals with I/DD (the share of spending on HCBS was already at 60.7% on average across participating states[2])

1. Wiener, J., Karon, S., McGinn-Shapiro, M., Lyda-McDonald, B., Thach, T., Justice, D., et al. (2015, August). Descriptive overview and summary of Balancing Incentive Program participating states at baseline. RTI International. Retrieved from https://aspe.hhs.gov/execsum/descriptive-overview-and-summary-balancing-incentive-program-participating-states-baseline

State BIP Strategies for I/DD Systems

- Improve data and information technology
- Improve systems for conflict free case management
- Improve opportunities to gain key information to inform person-centered planning efforts
- Spur system transformation to further goals of community integration

State Example: New York

- CMS 2009 data showed New York HCBS expenditures at 46.7% (59.5% for I/DD)
- New York was eligible for 2% enhanced FMAP
- Approved effective July 1, 2013
- Received CMS award of $598,665,500
  - OPWDD received BIP funding that totaled over $356 million

State Example: New York, Continued

- OPWDD utilized funds for a variety of activities aimed at spurring greater opportunity for community based services:
  - Housing projects – worked to build partnerships with housing authorities in effort to increase availability of housing options and the number of housing units available to individuals being transitioned from institutional settings (no dollars used for housing directly)
  - Employment efforts – to increase the number of individuals engaged in competitive employment, supporting the transition of individuals from traditional day habilitation and sheltered workshops to integrated businesses.
  - Self-direction efforts – to support an increase in the number of individuals who choose to self-direct their services and supports

State Example: New York, continued

- Deinstitutionalization activities – to support the successful transition of individuals residing in Developmental Centers and campus-based and non-campus based Intermediate Care Facilities (ICFs) to home and community based settings

- Initiatives supporting the transition to managed care – to meet the organizational and structural challenges of providing new or expanded offerings of non-institutionally-based long-term services and supports during this transition, while maintaining high standards to deliver (and increasingly measure quality services) and organizational governance.

- Expand community capacity – NY START – a community-based program that provides crisis prevention and response services to individuals with intellectual/developmental disabilities and behavioral health needs, as well as their families and those who provide support within the community.

State Example: Ohio

- CMS 2009 data showed Ohio HCBS expenditures at 32.5%
- Ohio was eligible for 2% enhanced FMAP
- Approved effective July 1, 2013
- Received CMS award of $169,076,032
  - Department of Developmental Disabilities received an estimated $70 million.

State Example: Ohio, Continued

- Ohio engaged in a collaborative approach across the entire LTSS system.
- Utilized resources to
  - improve IT resources to support NWD
  - Develop and improve assessment tools and instruments
  - Build strategies to mitigate conflict within the case management systems within the state

Impacts

- State staff were asked to identify the biggest benefit to their state from BIP:
  - *"Investments made (1) to transition away from sheltered workshops to a different employment structure -- an integrated and community based business model; (2) to build robust care coordination models that are IT supported; and, (3) perhaps most significant, was the increasing attention paid to person-centeredness and culture change across the system."*
  - *"Focusing our energies on community transitions and the ability to utilize BIP dollars to fund innovative projects."*
- States also indicated a commitment to maintain those efforts that promise to the greatest degree possible.

Conclusion

- Systems supporting I/DD broadly benefited from the Balancing Incentive Program.
- Some states had very specific and targeted efforts aimed at the unique infrastructure and provider capacity within the I/DD systems
- Other states benefited from broad-based LTSS improvements within their states underwritten by BIP.
- BIP provided an opportunity for state agencies to partner and build organizational relationships that will continue to benefit individuals receiving LTSS.