

Healthcare Reform: Implications for the Future of Aging Services

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Senior Summit 2010
The Future of Long Term Care
May 6, 2010
Topeka, KS



Patient Protection and Affordable Care Act (PPACA)

- **Signed into law March 23, 2010**
- **Many provisions related to LTSS/chronic care**
- **Six Categories**
 - **National LTSS insurance program**
 - **Medicaid**
 - **Other LTSS provisions**
 - **Chronic care coordination**
 - **Nursing home reforms**
 - **Geriatric workforce**

Community Living Assistance Services and Supports (CLASS) Act

- **Creates new federally administered, voluntary insurance program**
- **Individual employees of participating employers pay monthly premiums through payroll deductions (opt out provision)**
- **Premium amount (to ensure solvency) to be set by Secretary of DHHS**
- **No underwriting to prevent individual enrollment**
- **Cash benefit based on individual disability; no lifetime limits**

CLASS Act Benefits Eligibility

- **Individuals must have paid premiums for 5 years**
- **Have a disability expected to last 90 days plus**
- **Meet functional/cognitive limitations eligibility criteria established by Secretary**
- **Estimated average cash benefit - \$75/day - primarily HCBS benefit**

CLASS Administration

- **Implementation details not set**
- **Interaction with state programs**
 - **DHHS will contract with state and local entities for benefit counseling and appeals process**
 - **State role in disability determination and fiscal agent responsibilities for consumer direction**
- **State Medicaid agencies, DHHS and Treasury establish links between their enrollment and payment systems**
- **CLASS beneficiaries receiving Medicaid financed HCBS will retain 50% of CLASS payment – balance applied to Medicaid costs**
- **95% of CLASS benefit will be payable to Medicaid-eligible institutional residents**

Medicaid Provisions

- **State Balancing Incentive Payments – (effective 10/1/11)**
 - **Enhanced federal match to states that expand Medicaid funding for non-institutional services and supports**
- **States must:**
 - **Have “No Wrong Door – Single Entry Point System”**
 - **Adopt conflict-free case management**
 - **Use core standardized assessment tool**
 - **Collect data on service utilities, core quality measures and consumer outcome measures**

Medicaid Provisions cont.

- **FMAP Incentives**
 - **5% increase for all Medicaid HCBS spending 2011-2015 for participating states with less than 25% of FY 2009 expenditures allocated to non-institutional services (must achieve 25% HCBS by 2015)**
 - **2% increase for those spending less than 50% on HCBS in FY 2009**
- **Up to \$3 billion available for increases**

Community First Choice Option

- **Medicaid state plan option for attendant services and supports**
- **Permits exp. for month's rent, utility deposits and furnishings to support transition from nursing home**
- **Provided by agencies or consumer-directed options**
- **Beneficiaries must be nursing home certifiable**
- **No budget neutrality mandate; must be statewide**
- **States can adopt more generous institutional eligibility criteria of up to 300% of SSI income threshold**
- **Participating states get 6% increase in FMAP rate for state plan attendant services and supports expenditures**

Money Follows the Person Rebalancing Demos

- **Extends demo through 2016; effective 4/22/10**
- **Reduces institutional LOS needed to qualify for enhanced HCBS matching payments from 180 to 90 days (minus Medicare SNF days)**
- **Additional \$2.25 billion thru FY 2016**

Spousal Impoverishment

- **Beginning in 2014, a spouse living in the community can retain joint income, assets without jeopardizing other spouse's ability to become financially eligible for HCBS benefits**
- **Aging and Disability Resource Centers**
 - **Appropriates \$10 million/year for 2010-2014 to expand ADRC's role as a community access point.**

Workforce Provisions

- **Competitive grant awards to 6 states that:**
 - **Demonstrate approaches to implementing training that advances 10 core competencies for personal or home care aides**
 - **Develop training protocols and certification test**
 - **Includes evaluation component (up to \$5 million for each FY from 2010 – 2010)**
- **Establishes nationwide program to conduct national and state criminal background checks for DCWs (up to \$160 million to carry out program from FY 2010 – 2012)**

Workforce Provisions cont.

- **Creates traineeships for advanced practice nurses who are pursuing LTC, Geropsychiatric nursing**
- **Expands Geriatric Academic Career Awards (Title VII of PHSA) to new disciplines (nursing, social work, pharmacy, psychology, dentistry and other allied health)**
- **Authorizes new Geriatric Career Incentive Awards program – grants to foster interest among health professionals to enter geriatrics, LTC and chronic care management**
- **Authorizes \$10.8 million over 4 years in supplemental grants to Geriatric Education Centers to support training in geriatrics, LTC and chronic care management**

Chronic Care Coordination

- **Federal Coordinated Care Office**
 - **In CMS to improve Medicare/Medicaid service coordination for dual eligibles**
- **Reauthorizes Special Needs Plans through 2013 and maintains current moratorium thru 12/12 on geographic expansion for SNPs that do not have Medicaid contracts**
- **Medical Homes grant program to establish community health teams (enhanced primary care model)**
- **Independence at Home Medicare Demo – test use of primary care teams to coordinate care across all settings (enrollment limited to 10,000 beneficiaries)**

Chronic Care Coordination

cont.

- **National Pilot on Medicare bundled payments to coordinate post-acute care for beneficiaries hospitalized for 1 of 10 conditions (pilot begins 1/1/2013)**
- **Medicaid Bundled Payment Demo to be conducted in up to 8 states**
- **Community-Based Care Transitions Medicare Demo**
- **Accountable Care Organizations – supported by new Medicare Shared Savings Program – financial incentives to reduce Medicare expenditure growth and improve outcomes**

Nursing Home Reforms

- **Nursing Home Transparency and Consumer Information**
 - **Disclosure on ownership identity, members of governing body and organizational structure of officers, shareholders, partners, trustees with ownership interest**
 - **Medicare lost reports revised – direct and indirect care services, capital assets and administrative costs; direct care staff, resident case mix, employee tenure and TO, hours of care/resident/day**
 - **Improvements to Nursing Home Compare website**

Nursing Home Reforms cont.

- **Enhancing Compliance with Federal Rules**
 - **SNFs and NFs to establish internal ethics and compliance programs**
 - **Resident Bill of Rights specifies notification of facility closure and transfer processes**
- **Standardized form for SNF and NF residents/families to use in filing complaints with state survey/cert. agencies and ombudsmen programs**