Transforming LTSS after COVID

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Dan Rusyniak, MD, FSSA, Secretary

Indiana Family and Social Services Administration

Where would you like to age?

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50% →

Reforming Indiana's LTSS System

From 2010 to 2030 the proportion of Hoosiers over 65 will grow from 13% to 20%.

Choice: Hoosiers want to age at home

- 75% of people over 50 prefer to age in their own home – but only 45% of Hoosiers who qualify for Medicaid are aging at home*
- The risk of contracting COVID and the impact of potential isolation drives an even increased desire to avoid institutional settings

Cost: Developing long-term sustainability

- Indiana has about 2% of the U.S. population, but over 3% of nursing facilities
- LTSS members are 4% of Medicaid enrollment, yet 28% of spend - only ~ 19% of LTSS spend goes to home and community-based services (HCBS)
- For the next ten years, population projections show 28% increase in Hoosiers age 65+ and 45% increase in Hoosiers age 75+

Quality: Hoosiers deserve the best care

- AARP's LTSS Scorecard ranked Indiana 44th in the nation
- LTSS is uncoordinated and lacks cultural competency
- Payment for LTSS services is poorly linked to quality measures and not linked to outcomes

*Accurate as of January 2020

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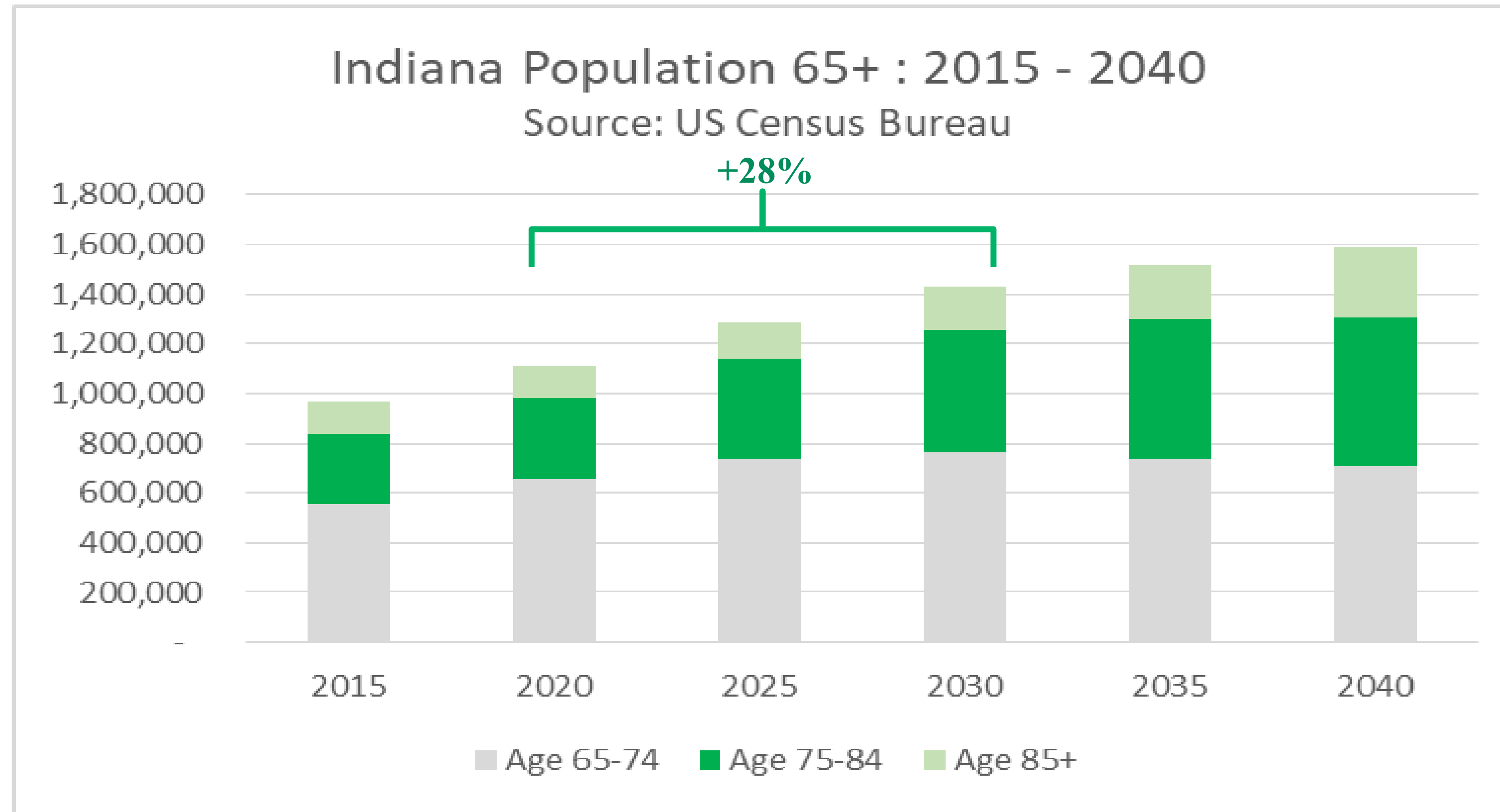
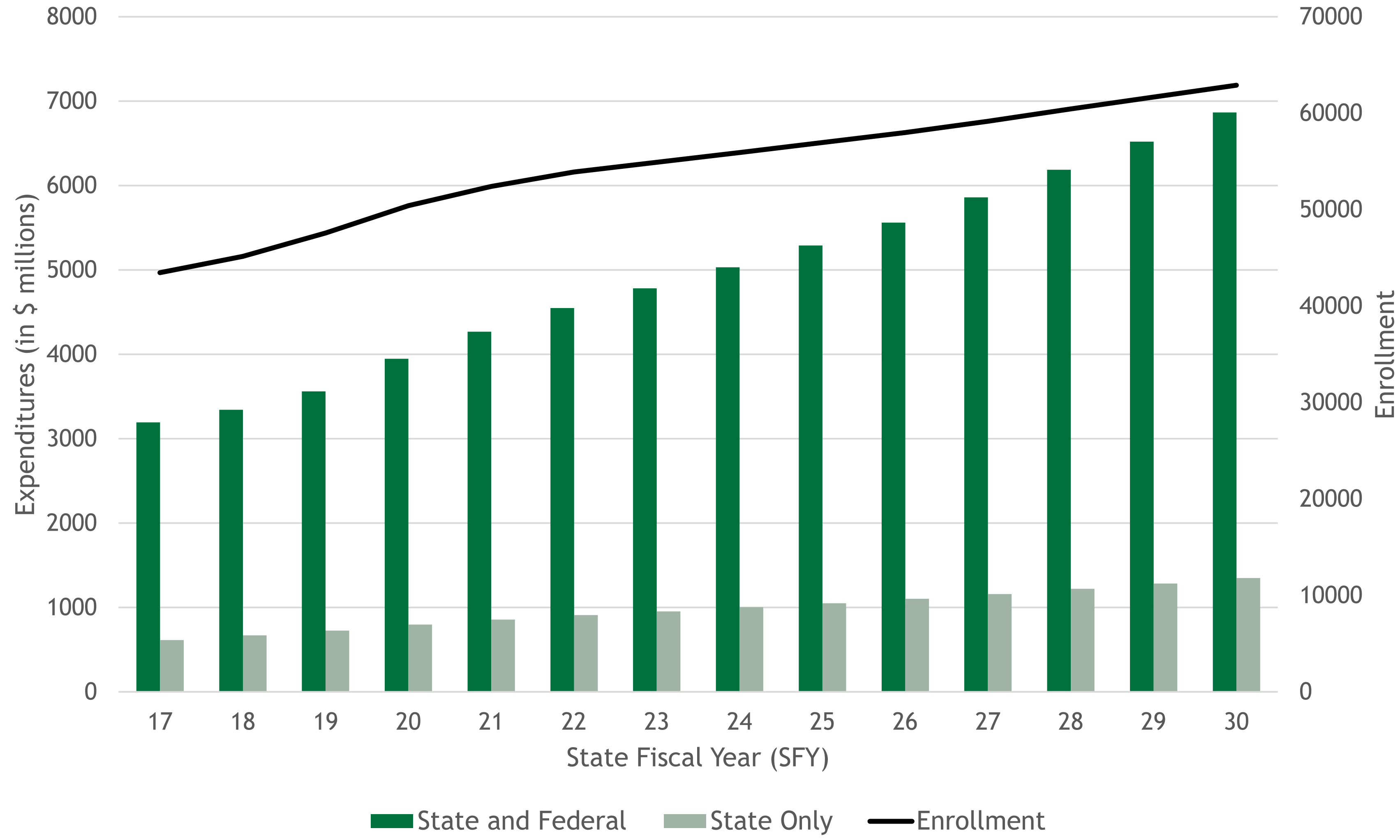
Population Projections – Continued Growth in Age 65+



- For the next ten years, population projections show 28% increase in Hoosiers age 65+ and 45% increase in Hoosiers age 75+
- Annual LTSS cost increases of 6% seen over the last 5 years are not sustainable going forward given economic environment / budget constraints

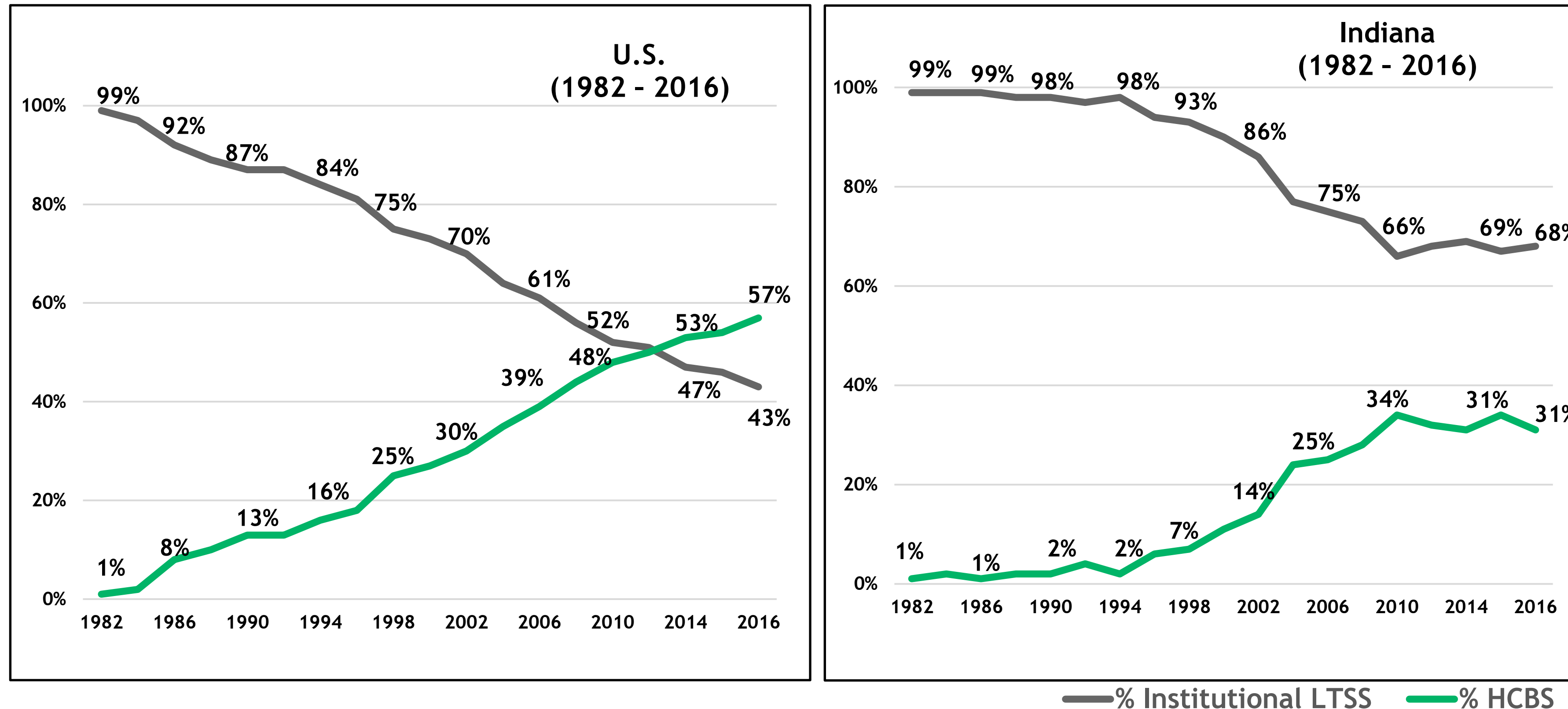
Projected growth rate



Indiana vs. The Nation

In SFY19, 19% of Indiana's total Medicaid LTSS expenditures went to HCBS while 81% went to institutional LTSS.

Institutional* and HCBS Spend as a % of Total: FY1982-FY2016



*Note: Indiana institutional LTSS expenditures include supplemental payments

2020 AARP LTSS Scorecard - Indiana rankings

Dimension	Rank	Number of indicators with trend*	Number of indicators showing:		
			Substantial improvement	Little or no change	Substantial decline
OVERALL	**44**	**21**	**4**	**16**	**1**
Affordability & Access	**41**	6	2	3	1
Choice of Setting & Provider	**48**	6	0	6	0
Quality of Life & Quality of Care	**19**	2	1	1	0
Support for Family Caregivers**	**51**	4	1	3	0
Effective Transitions	**25**	3	0	3	0

"State performance remained largely flat across most of the indicators."

Accessing LTSS Today: Grandma's journey

Grandma is 70 years old with Medicare and Medicaid. Her grandson is her primary caregiver but works full-time and lives with his family. She had a serious fall and suddenly needs to access LTSS. **Navigating today's complicated system for home-based services is challenging for her and her family.**

- To access services quickly
- To maintain independence and community
- Help with mobility and personal health

Precipitating Event → Accessing LTSS → Receiving Care

Falls at home

Goes to the hospital with a fracture

Discusses options with care team:

Navigates a confusing landscape of multiple LTSS programs to determine which one covers the services she needs

1 Enroll in a nursing facility

Moves to a nursing facility and never goes home

2 Wait ~ 6-7 weeks to determine eligibility for HCBS

While she is waiting, her caregiver would be overwhelmed with supporting her needs:

Transportation to physical therapy and appointments

Personal care

Household tasks and meals

LTSS Collaboration Vision (12/2019)

Issues:
- Time to access services
- Long-term financial viability
- Provider capacity
- Consumer and provider lack of knowledge regarding options or how to prepare

Want:
- Design a faster process for HCBS services
- Utilize best practices and evidence-based models
- Ensure consumer knowledge and choice
- Value person-centered care and services
- Improve coordination of services and collaboration between providers
- Use data and technology to inform and deliver services
- Better value caregiver supports
- Ensure program sustainability

Avoid:
- Unnecessary delays in accessing care
- Consumer to be confused or feel as though they have no options
- Exclusion of the consumer
- Unsustainability of LTSS
- Consumer demand exceeding available provider capacity

Deliberative and Confidential

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COVID-19

Nursing Homes and COVID-19

- Risk vs. Community
- Community spread = Facility Spread
- Staff → Patient
- Staffing Levels
- Urban Location and Number of Beds

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Enrollees over Time

35,000
30,000
25,000
20,000
15,000
10,000

Sep-17 Apr-18 Oct-18 May-19 Dec-19 Jun-20 Jan-21 Jul-21 Feb-22

A&D

SNF

Indiana's Path to Long-term Services and Supports Reform

Our Objective

1) 75% of new LTSS members will live and receive services in a home and community-based setting
2) 50% of LTSS spend will be on home-and community-based services

Key Results (KR) to Reform LTSS

1. Ensure Hoosiers have access to home-and community-based services within 72 hours
2. Move LTSS into a managed model
3. Link provider payments to member outcomes (value-based purchasing)
4. Create an integrated LTSS data system linking individuals, providers, facilities, and the state
5. NEW: Recruitment, retention, and training of workforce (in development - updates to come)

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Stakeholder Engagement Process

Since January 2019, FSSA has conducted stakeholder engagement sessions to gather input regarding the future managed Long-term Services & Supports (mLTSS) program.

Stakeholder Engagement

130 Meetings to Date

100 Individuals Have Participated

661 Responses to HCBS FMAP Survey

Stakeholders include:
- Consumers & caregivers
- Providers
- AAAs
- Trade organizations

ADvancing States

National expertise from other states on mLTSS

2 Meetings with OHC Advisory Committee

10 focus groups

Topics include:
- Consumers and caregiver focus groups
- Provider outreach and technical assistance
- Direct Service Worker Advisory Committee

Finance Workgroups

10 Meetings to Date

4 Distinct Workstreams

Topics include:
- Rate setting
- Supplemental payment
- Value Based Purchasing

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Key Result 1: Expedited Eligibility

Overall Objective: Ensure at risk Hoosiers have access to home-and community-based services within 72 hours

Expedited eligibility pilot:

- Launched pilot in Winter 2020
- 15 providers participating.
- ~2,170 applications processed
- ~1,930 individuals approved for immediate coverage

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Key Result 2: Managed LTSS

Why Managed Long-Term Services and Supports?

Choice

Increase in individuals receiving HCBS

- TN – 151% increase
- AZ – 88% of members in community and 70% in own home

Quality

Better health outcomes and member satisfaction

- TN – Over 90% mLTSS member satisfaction
- 7 States – Improved physical health measures

Cost

Reduce the rate of growth

- 7 States report decreased Medicaid expenditure growth rate
- Among 7 mLTSS states with HCBS waiver wait list 2 were eliminated and 4 decreased

*Source: Arizona For Better Medicaid, Growth in MLTSS and Impacts on Community-Based Care, July 2021 and Arizona for Better Medicaid, Managed LTSS Improves Quality of Care, July 2021

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Key Result 2: Managed LTSS

Overall Objective: Move LTSS into a managed care model

Population:

- Individuals 60+; Nursing facilities; Aged & Disabled Waiver services

Services:

- All state plan services
- Pharmacy
- Waiver service
- Incontinence supplies
- Transportation

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Key Result 2: Managed LTSS

Coordination of Medicaid and Medicare

- Duals are usually elderly and low income
- 3X more likely than Medicare-only beneficiaries to report poor health
- 3X more likely to be hospitalized due to COVID-19
- Navigating multiple systems is often confusing and disjointed (multiple cards, administrative processes, financing and benefits)
- FFS system often lacks care coordination

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Key Result 2: Managed LTSS

Alignment of Medicaid and Medicare

- 45% of IN duals (over 100,000) have chosen Medicare Managed Care
- Improving the coordinating between Medicaid and Medicare is a key component to LTSS reform
- Initial steps include:
  - Enhancing care coordination through new data exchange with the AAAs
  - Working more closely with the AAAs and State Health Insurance Program (SHIP)

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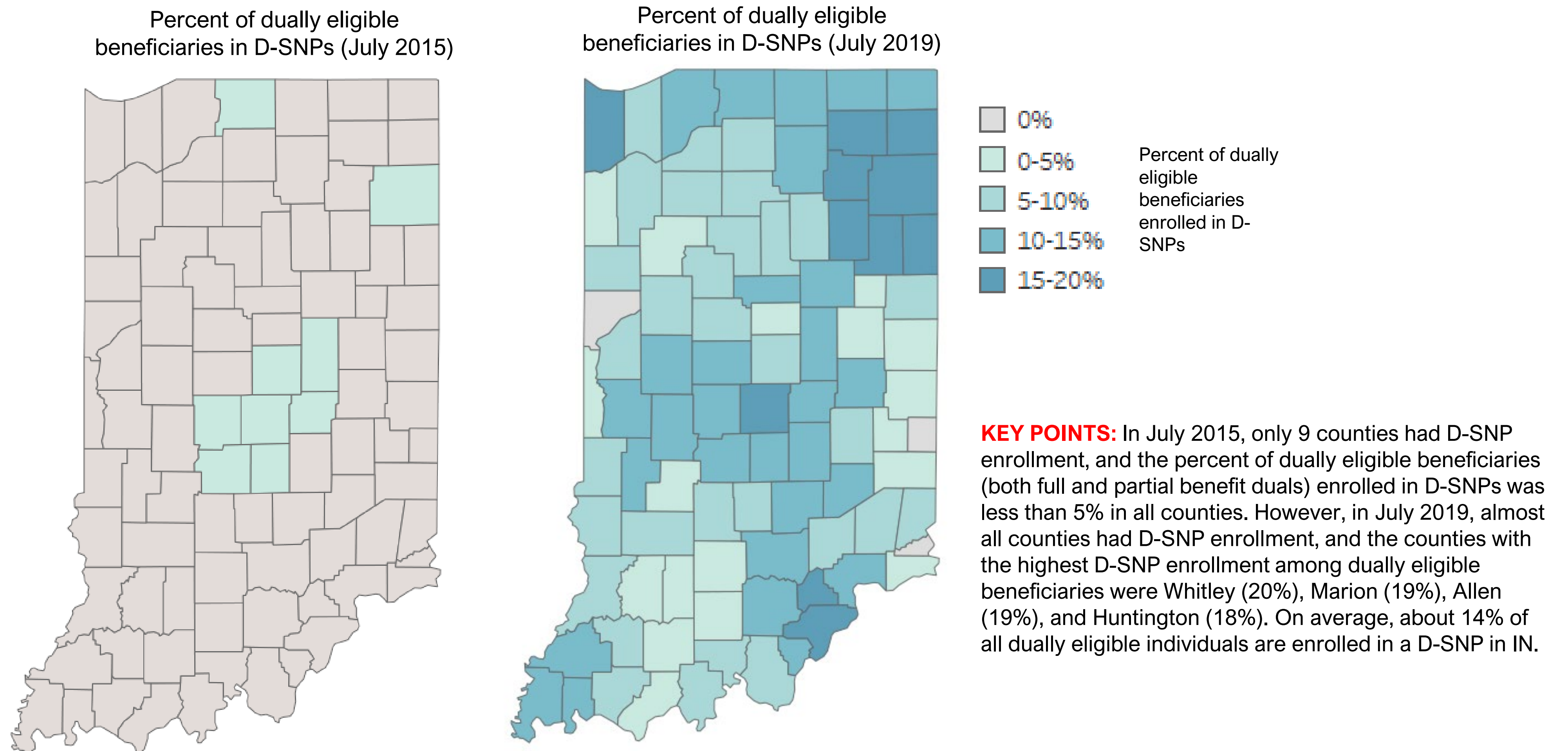
D-SNP Enrollment by County

Figure 1. D-SNP enrollment penetration among all dually eligible beneficiaries [1],[2] in IN, by county, 2015 and 2019



KEY POINTS: In July 2015, only 9 counties had D-SNP enrollment, and the percent of dually eligible beneficiaries (both full and partial benefit duals) enrolled in D-SNPs was less than 5% in all counties. However, in July 2019, almost all counties had D-SNP enrollment, and the counties with the highest D-SNP enrollment among dually eligible beneficiaries were Whitley (20%), Marion (19%), Allen (19%), and Huntington (18%). On average, about 14% of all dually eligible individuals are enrolled in a D-SNP in IN.

[1] This includes both full benefit and partial benefit dually eligible beneficiaries because both are allowed to enroll in D-SNPs in IN.
[2] The total numbers of dually eligible beneficiaries used as the denominator for percent D-SNP enrollment in 2015 and 2019 are from June 2015 and December 2018, respectively.

Key Result 2: Managed LTSS

Timeline

Milestone	Timeframe*
Request for Information (RFI) Co-Design Workgroup	Jan. 2021 to Early-Summer 2021
RFI Release	July 12, 2021
RFI Response Time	Late-Summer/ Early-Fall 2021
Request for Proposal (RFP) Release	Early 2022 (Q1) to ensure adequate time to incorporate all stakeholder inputs
RFP Award	Late 2022 (Q4)
Contracting/ Readiness/ Implementation	Late 2022 through 2023
mLTSS Implementation	Q1 2024
Public forums/webinars	Will be held and stakeholder engagement will continue past the implementation

*All dates are estimates and subject to change

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Key Result 3: Quality Outcomes

Overall Objective: Link provider payments to improved health and wellness (value-based purchasing)

Global quality strategy for LTSS reform

- Leveraging our purchasing power to achieve meaningful results
  - Strategically plan for high-quality mLTSS program
  - Develop measurable program goals
  - Identify robust performance measures
  - Align FSSA and Managed Care Entities (MCEs)
- RFP
  - Define program goals
  - FSSA to manage MCEs

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Key Result 3: Quality Outcomes

Overall Objective: Link provider payments to improved health and wellness (value-based purchasing)

- Older Hoosiers- Survey of Home and Community Based Services (HCBS) consumers to capture consumers' experiences and goals
- Caregivers- Survey of HCBS caregivers to understand their needs

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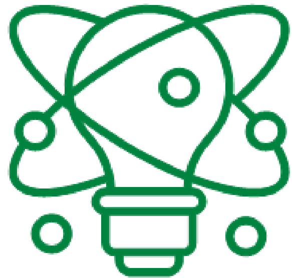
Key Result 4: Integrated Data Systems

Overall Objective: Measure outcomes across the continuum of LTSS services

- Created an integrated cloud environment that will capture data from sources such as admission, discharge, or transfer (ADT) alerts and can enable use of data to inform the work we are doing now, during, and after the LTSS transition



Knowledge is Power
Quality measurement, research, and evaluation is critical

Timing is Everything
The right data for the right use at the right time

Visibility is Key
Stakeholders and decision-makers should understand the "whole picture"

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Key Result 5: Workforce

Overall Objective: To promote the recruitment, retention, and training of Direct Service workforce

Strategic planning is ongoing

- Collaboration with FSSA divisions, other state agencies, federal agencies, and external partners
- Immediate focus is to strengthen the pipeline of Direct Services Workers (DSW)
- Community, Regional, State-wide collaboration
- Advancing States
- HCBS enhanced FMAP investments

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Finance Workgroups

Overall Objective: Strategically transition current fee-for-service LTSS reimbursement structures to drive quality, alignment, transparency, person-centeredness, and sustainability, and to provide forward compatibility with managed care.

Workgroups

- Nursing Facility Base Rate Workgroup
- Nursing Facility Supplemental Payment Workgroup
- Nursing Facility Value Based Purchasing (VBP) Workgroup
- Home Health / Home & Community Based Services (HCBS) Waiver Workgroup

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Finance Workgroups

Strategic Objectives for Nursing Facility Reimbursement Design

To develop Nursing Facility rate setting methods that comply with Centers for Medicare and Medicaid Services (CMS) rules and achieve the following:

- **Alignment** - Bring continuity and alignment across the rate methodologies, providing a consistent framework and supporting payment rates that advance FSSA goals.
- **Sustainability** - Facilitate adequate participant access to quality services, as required by CMS. Cost effective, provide for long-term workforce growth and provider stability, and affordable by the State. Reduce administrative burden. Ensure predictability.
- **Promote Person-Centeredness and Value-Based Purchasing** - Striving to align provider and participant incentives to achieve access to person-centered services, encourage services that drive healthy outcomes and participant satisfaction.
- **Reduce Disparities** – Analyze and quantify disparities in access, quality, site of care, and person-centeredness, then build payment structures to level the playing field.

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Finance Workgroups

Process Framing and Tactical Objectives for Nursing Facility Reimbursement Redesign

- **Conceptual Design:** Create a high-level conceptual design for the new nursing facility rate setting methodology that is informed by program goals and stakeholder concerns.
- **Stakeholder feedback**: Stakeholder feedback is being solicited on the high-level design to help shape program details. As details are developed, feedback and refinements will be shared through a collaborative process.
- **Funding**: FSSA intends to preserve the aggregate nursing facility funding that would have been available under the current rate methodology.
- **Timing**: The state is exploring the potential for implementing the new rate methodology prior to the transition to managed care. Due to the complexity of rating revisions, the earliest target date being considered for the new approach would be January 1, 2023.
- **State direction**: The state intends to direct MCE base rate reimbursement for at least five years. Supplemental payments will continue to require state involvement.

Accessing LTSS Today: Grandma's journey

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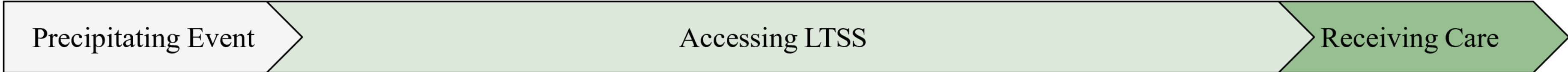

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- Personal care
- Household tasks and meals

Accessing LTSS in the Future: Grandma's journey

Grandma is 70 years old with Medicare and Medicaid. Her son is her primary caregiver but works full-time and lives with his family. She had a serious fall and suddenly needs to access LTSS. **She navigates a streamlined processes that helps her age at home.**

Grandma wants:

- To access services quickly
- To maintain independence and community
- Help with mobility and personal health

Precipitating Event → Accessing LTSS → Receiving Care

- Falls at home
- Goes to the hospital with a fracture
- Gets expedited eligibility
  - Has one managed care plan that coordinates with Medicare for services
- Receives services within 72 hours. She can choose where to get her LTSS.
- Chooses to go home –she receives in-home care provided through visits from her:
  - Physical therapist
  - Home health aide
  - Nurse
  - Caregiver

Thank you