



Report

Pennsylvania's Governor's Office of Health Care Reform: Aging and Disability Resource Centers; Cash and Counseling; and Money Follows the Person – CMS Funded Demonstration Projects 2003-06 and 2006-09

New Freedom Initiative Open Doors

On February 1, 2001 President George W. Bush announced the President's New Freedom Initiative aimed at promoting full access to community life through efforts to implement the Supreme Court's *Olmstead Decision* (an overview of the decision is found on the final page of this report). Executive Order 13217 directed federal agencies to work together to remove barriers to community living for the elderly and persons with disabilities. This included developing supports to learn and develop skills, engage in productive work, choose where to live, and fully participate in community life.

Eight states (Arkansas, Florida, Minnesota, New Mexico, Pennsylvania, Texas, Vermont and Washington) volunteered to be part of a research study directed in 2003 by the Centers for Medicare and Medicaid Services (CMS) to examine the effects of management techniques and system changes that states would implement to rebalance Medicaid long-term care and long-term support programs. CMS defined rebalancing as reaching a more equitable balance between the proportion of total Medicaid long-term support expenditures used for institutional services (i.e., nursing homes and Intermediate Care Facilities for Mentally Retarded) and those used for community-based supports under state plan and waiver options. Rebalancing the long-term care system should offer individuals an array of options, including adequate choices of community and institutional services.

In September 2006, CMS awarded nearly \$20 million in Real Choice Systems Change for Community Living grants to states to further develop programs to reform Medicaid long-term care systems and opportunities offered by the Deficit Reduction Act of 2005 and those efforts begun in 2001. More information about the New Freedom Initiative is available at www.cms.hhs.gov/newfreedom.

States are working on labor force efforts, information technology capacity, quality improvement, practical housing initiatives, managed care and mental health initiatives at the community level, and efficiency and reconsideration of value of funding spent on historically high-cost populations.

Pennsylvania has also taken action in response to federal initiatives. In Pennsylvania:

- The Governor's Office of Health Care Reform is coordinating grants.
- Community Choices pilot projects for nursing home residents in several counties (Philadelphia, Washington, Greene, Fayette) are operational to give consumers real choice in home and community based services.

- Housing and labor force initiatives are underway (CMS grant for Housing and Long Term Supports, Department of Labor and Industry project on Employee Registries).
- Downsizing of county-operated nursing homes.

Pennsylvania has encountered challenges with these initiatives, including:

- Issues with the current case management structure,
- Separation of the aging and disability departments,
- State and county data systems issues, and
- The complexity of organizations.

Pennsylvania's Initiatives

Aging and Disability Resource Centers

Pennsylvania applied for and received a three-year (2003–06) CMS Real System Change Grant addressing "Aging and Disability Resource Center" totaling \$764,000. The project is to operate four demonstration resource centers by the end of the grant period which will assist consumers and family members who need information, counseling, assessment, and assistance in applying for long-term care services.

The Aging and Disability Resource Center (ADRC) goal is to serve everyone needing long-term care without regard to age or disability including older persons, persons with disabilities, and persons with mental illness and mental retardation. This includes those persons who may need long-term care services in the future and want to begin planning now, family members needing information on long-term services, and professionals working with individuals needing this care.

Grant activities include:

- One-stop shopping offering a resource for information, screening, assessment, and eligibility determination functions in one location.
- Consumer-focused services maximizing consumer choice, accessibility, and satisfaction.
- Simplified and streamlined access to service referrals.
- Outreach to consumers in nursing and rehabilitation facilities to help them apply for home and community based services.

Funded by the grant and coordinated by the Governor's Office of Health Care Reform (OHCR), two centers were established in 2006 in Cumberland and Allegheny counties. Pennsylvania's model is built upon the CareerLinks model on employment, offering one-stop referral and information regarding a variety of disability and aging systems. The Cumberland Link opened in Carlisle in April and is a collaborative effort with county programs on aging, housing, transportation, drug and alcohol, mental health/mental retardation, the public assistance office, Center for Independent Living, UCP, United Way, and the Carlisle Health and Wellness Foundation.

Allegheny Links' statistics indicate since January they have handled 317 incoming calls for information, of which 45 percent regarded housing, 20 percent were informational, 10 percent related to financial assistance, and 7 percent were health insurance related. Cumberland Links has 13 partner agencies including centers for independent living, county agencies, united ways, community foundations, and transportation. Over 100 consumers have been served. Each agency has a local advisory council to assist in referral and service access development.

CMS is offering an additional \$400,000 over two years (2007-09) to build on these programs. A recent ADRC State Advisory meeting focused on the successes and implementation of current

projects and discussion of additional components. Ideas included were to develop a “no wrong door” component, to have the links develop and do intake and assessment, or to add two additional pilots. Concerns were presented regarding the existing mental health and mental retardation systems extensive intake and assessment components and how this would function with the ADRCs, as well as future financial sustainability of the links. It was recommended that OHCR work closely with the existing state systems to address these issues. Governor Edward G. Rendell’s FY 2007/08 budget proposal included the continuation of the two existing ADRCs, with the establishment of at least one more center.

Cash and Counseling

The Cash and Counseling initiative, being administered by the Governor’s Office of Health Care Reform, was supported through funds from the Robert Wood Johnson Foundation and CMS received in 2004. This project is an expanded model of consumer-directed support services and began with those individuals participating in the home and community-based waivers for the Department of Aging. The original intent was for this project to eventually include Office of Mental Retardation and Office of Social Programs waiver recipients.

One of the challenges faced by this effort was that the model would increase waiver costs. The national program office provided technical assistance to the state’s Departments of Aging and Public Welfare on designing service models to contain costs. This work plan was finalized in April 2006 with the assistance of the National Program Office to develop a detailed work plan on the implementation of the Cash and Counseling model. The revised plan has been forwarded for review with anticipation of a late 2007 implementation date. The grant project’s goals have been refocused to develop pilot sites using Department of Aging and attendant care waivers. During this planning phase, work groups continue to focus on supports brokerage and fiscal agent components.

Money Follows the Person

The Centers for Medicare and Medicaid Services (CMS) issued a grant application for the 2006 Money Follows the Person Rebalancing Initiative Demonstration Program. States may apply for a total of \$1.75 billion over five years to help shift Medicaid from its historic emphasis on institutional long-term care services to a system that offers more choices for seniors and persons with disabilities from all age groups, including home and community-based services. This rebalancing initiative was included in the President’s New Freedom Initiative of 2001 and the Deficit Reduction Act of 2005.

In 2003, the Pennsylvania’s Office of Health Care Reform received a grant for the initial rebalancing initiative. Demonstration sites were chosen in Allegheny, Delaware, Bradford, Sullivan, Susquehanna, and Tioga counties. Grantees were to work closely with the Nursing Home Transition Collaborative partners in the areas to assure coordination and mutual support.

In October 2006 Pennsylvania applied to CMS for an extension to the current demonstration project. In January 2007, CMS approved grants to 17 states totaling \$23 million. The Pennsylvania extension was not approved; however, the state has the option of reapplying later in the year. If approved, this program will provide a cross-age, cross- disability approach to target an estimated 2,600 qualified individuals residing in nursing facilities, state mental retardation centers, and state mental health hospitals. Funding would be used to support the development of community-based settings for individuals who are transitioning from facilities. It was planned that system enhancements would have included:

- Housing Coordinators
- Transition Consultants
- Restructuring of community-based programs, and
- Education/information for consumers, families, and professionals.

Medstat Report

Long Term Living Medstat Report and Council

In July 2005 the Pennsylvania Department of Public Welfare contracted with Thomson Medstat to evaluate long-term living programs in the state, with a special emphasis on the current structure of the Medicaid Home and Community Based Services (HCBS) waiver programs. *Home and Community Based Services Reform and Rebalancing Feasibility Analysis* offers recommendations regarding the future development of this system.

The demographics of Pennsylvania are fairly unique in that they are driving a high level of demand for publicly financed long-term care services. The state's population of those over age 65 is the second highest in the nation. Since the late 1990s Pennsylvania has made significant investments in expanding HCBS options and the waiver programs available to persons with mental retardation is currently above the national average. However, HCBS expenditures are below average for older adults and people with physical disabilities. The state is also unique in the number of HCBS waiver programs it currently administers. Medicaid supports are provided through 11 waivers that serve a variety of populations. The waivers are administered by four separate state agencies. The national average for waivers is 5.7 per state. Pennsylvania waivers include:

- Office of Mental Retardation: Consolidated and Person/Family Directed Support;
- Office of Child Development: Infants, Toddlers, and Family;
- Department of Aging: Aging;
- Office of Long Term Living: OBRA, COMMCARE, Independence, Attendant Care, Elwyn, Michael Dallas, and AIDS.

Long Term Living Council

Governor Rendell established the Long Term Living Council in November 2005. Members include cabinet secretaries for Aging, Public Welfare, Budget, OHCR and the deputy chief of staff. The agency goals include:

- Accelerating reforms of the state's long-term living system and building on successful initiatives.
- Positioning the state to meet future demand for services while addressing short- and long-term fiscal challenges.
- Improving coordination across state departments.

The Pennsylvania Community Providers Association is involved with all of the grants through state advisory committees and contacts with the Office of Health Care Reform. While committee meetings are sporadic and few, PCPA continues to monitor these initiatives.

Olmstead Overview

On June 22, 1999, the US Supreme Court issued its decision in *Olmstead v. L.C.* This lawsuit against the state of Georgia questioned the state's continued confinement of two individuals after state hospital's physicians had determined that they were ready to return to the community. The lawsuit was based on the Americans with Disabilities Act (ADA), saying this law required mental health programs to be administered in the "most integrated setting appropriate to the needs of

qualified individuals with disabilities.” The court rejected the state’s argument that the hospitalization continued due to funding decisions, not a decision to discriminate. They interpreted the ADA to mean that states could not legally require people with disabilities to remain institutionalized in order to receive health care services and this unjustified isolation was a form of discrimination.

The Pennsylvania Community Providers Association has developed an overview of the *Olmstead Decision*, national trends, and state efforts covering the past six years regarding this issue. For a copy of the overview contact Policy Specialist Linda Drummond (linda@paproviders.org) or access the association web site at www.paproviders.org.