

**Change Item Title: Reform 2020: First Contact – Simplification, Access, and Transitions Support**

<b>Fiscal Impact (\$000s)</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
General Fund				
Expenditures	1,907	(3,437)	(6,748)	(9,845)
Revenues	0	0	0	0
<b>Net Fiscal Impact = (Expenditures – Revenues)</b>	<b>1,907</b>	<b>(3,437)</b>	<b>(6,748)</b>	<b>(9,845)</b>

**Recommendation:**

The Governor recommends improving access to services and supports to assist older adults, people with disabilities, and their family members navigate long-term service and support options. The proposal streamlines preadmission screening and simplifies funding for MnCHOICES assessments for people over age 65. It expands the Return to Community model of ongoing follow up and support to new targeted populations, which provides ongoing savings to Medical Assistance. It also invests in development of a Home and Community Based services report card and an evaluation of services. The Return to Community expansion is effective January 1, 2014. All other elements are effective July 1, 2013. This proposal saves \$1.530 million and requires 7.0 FTEs in the 2014-15 biennium and saves \$16.593 million and requires 7.0 FTEs in the 2016-17 biennium.

**Rationale/Background:**

As our population ages, Minnesota will see increases in demand for publicly-funded long term services and supports, such as nursing home care and Elderly Waiver (EW) services. Strategies are needed to reach older adults and their family members early, before they become eligible for public programs, in order to provide decision support, assessment, and follow-up that can help them remain living in their own homes and use their own resources more effectively. Our systems for identifying individuals during critical transition periods (for example, from hospital to nursing home, or hospital to home) and for supporting this work must be updated and streamlined in order to meet the needs of current and future generations of older adults.

**Proposal:**

This proposal streamlines access to services and supports to assist older adults, people with disabilities, and their family members to navigate their long-term care options. There are five elements to this proposal.

- The Pre-Admission Screening (PAS) process, required for everyone admitted to a MA-certified nursing facility, is simplified to a regionalized, streamlined process for documenting the need for nursing facility services (establishing nursing facility level of care) and screening individuals for mental illness or developmental disabilities (OBRA Level I). It will be provided to people of all ages through use of virtual communications technology and will be managed by the regional Area Agencies on Aging and Centers for Independent Living. Consumers will be connected to follow-up assistance if needed, either to receive long term care options counseling through the Senior LinkAge Line or Disability Linkage Line, or a MnCHOICES assessment through the counties, depending on the person’s need and preference. This proposal also removes a current exception to the PAS requirement. Currently, people who are admitted to a nursing facility from a hospital are exempt from this requirement, if a physician has indicated the length of stay will be less than 30 days. This proposal removes that exception and requires that individuals admitted to a nursing facility from a hospital receive PAS.
- Funding for the MnCHOICES assessment for people 65 and older is simplified by eliminating the Long Term Care Consultation allocation currently funded through the daily nursing home rates. Currently, each nursing home must aggregate the funding and make monthly payments to the county. This funding mechanism would be replaced by a new method that reimburses counties directly using a time study methodology.
- The Return to Community (RTC) model of ongoing follow-up and support is expanded to new targeted populations. This intervention has demonstrated effectiveness in helping people remain in their homes,

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use less expensive services and reduce the risk of spend-down to expensive public programs. This part of the proposal is a key element of the Reform 2020 waiver application to CMS. The waiver request seeks federal financial participation funds to expand the Return to Community model. This model reaches people who are not yet on Medical Assistance and helps them use their resources to purchase services and understand what is available based on their resources. The expansion will reach people considering a move to registered housing with services (or assisted living) who then decide not to move or remain undecided; and people who have been readmitted to a nursing home and who have health conditions that are likely to be successfully managed at home vs. a health care setting.

- This proposal develops a Home and Community-Based Services report card to provide information to consumers to help them make informed decisions about services. DHS will build on past efforts to identify quality measures and will work with stakeholders to gather input into the measures that will be used in this report card.
- Lastly, the proposal also includes an impact evaluation to assess program outcomes. Evaluation is a federally required component of an 1115 waiver request

The Reform 2020 package contains elements that are contingent upon 1115 waiver approval by the federal government.

For more info: [www.dhs.state.mn.us/Reform2020](http://www.dhs.state.mn.us/Reform2020)

### Performance Measures:

This proposal will be successful if more people are served in their communities rather than an institution. Proposed performance measures include: 1) the percent of people who receive home and community-based waiver services at home; 2) the percent of people with low needs who receive services in an institutional setting; and, 3) the percent of people with low needs who receive home and community-based waiver services in a residential setting.

**Statutory Change:** M.S. §148E.065, subd 4a; 256B.0911 multiple subdivisions; 256.975; 144.0724, subd 4; 256.01, subd. 2, 24; 144.0724 subd 4; 256B.093 subd 4,5; 256B.49 subd. 12, 14; 256B.439, multiple subdivisions; 256.975 subd 7.

### DHS Fiscal Detail for Budget Tracking

Net Impact by Fund (000's)			FY 2014	FY 2015	FY 14-15	FY 2016	FY 2017	FY 16-17
General Fund			1,907	(3,437)	(1,530)	(6,748)	(9,845)	(16,593)
HCAF								
Total All Funds			1,907	(3,437)	(1,530)	(6,748)	(9,845)	(16,593)
Budget Detail	BACT#	Description	FY 2014	FY 2015	FY 14-15	FY 2016	FY 2017	FY 16-17
GF	33	MA-LF	(2,572)	(7,822)	(10,394)	(11,383)	(14,480)	(25,863)
GF	33	MA-LF	(1,614)	(2,409)	(4,023)	(2,409)	(2,409)	(4,818)
GF	33	MA-LW	3,477	3,477	6,954	3,477	3,477	6,954
GF	33	MA-LW	(3,793)	(4,562)	(8,355)	(4,562)	(4,562)	(9,124)
GF	34	Alt. Care	0	0	0	0	0	0
GF	53	Aging Grants	5,174	6,131	11,305	6,131	6,131	12,262
GF	53	Aging Grants	375	750	1,125	1,000	1,000	2,000
GF	55	Disabilities Grants	414	414	828	414	414	828
GF	14	CC Admin.	686	898	1,584	898	898	1,796
GF	Rev1	Operations-MMIS	(240)	(314)	(554)	(314)	(314)	(628)

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***Human Services***

Requested FTE's							
GF	14	CC Administration	6	7	7	7	7