

Legislative Public Forum

Medicaid 101

Sustainability of the Connecticut Medicaid Program

Implications for CT, Medicaid Clients and Healthcare Providers

Thursday, January 10, 2019 : 11:00 am – 1:00 pm
Room 2C - Legislative Office Building, Hartford

AGENDA

I - Welcome and Opening Remarks

Rep. Catherine Abercrombie, Co-Chair, Human Services Committee and Other Members of the Human Services Committee

II - CT Medicaid 101 Briefing for Newly-Elected and Seasoned Legislators and Officials - DSS Data Report Highlights: “10 Things to Know About CT Medicaid”

Kate McEvoy, Director, Division of Health Services, DSS

III - Presentation: CT Medicaid: Access to Care, Sustainability, Opportunities

Insight from CT Medicaid Providers and Stakeholders

IV - Question and Answer

V - Next Steps

VI - Adjournment

It's a new frontier...are we ready?



The future is upon us...

integrated, holistic, person-centered services & supports addressing physical, behavioral & non-medical needs.

Continued Innovation will result in:

- ✓ Enhanced population outcomes
- ✓ Improved consumer care experience
- ✓ Controls on the rate of growth and possibly reductions in the cost of care

Luckily it's not that complicated



Medicaid Innovation Working Group

Mission: *To promote a healthy community and health care economy, through enhanced awareness and understanding of Connecticut's Medicaid program in its current and potential innovations, and, by convening a varied group of stakeholders in support of:*

- (1) improved health care outcomes;*
- (2) improved patient experience;*
- (3) lower cost of care; and*
- (4) improved provider experience.*

The group has created a safe environment for open conversations between a varied group of stakeholders within Connecticut's health sector with a purpose to enhance Medicaid Innovation opportunities. **Be a resource to & advocate for...**

- ✓ The People of Connecticut Receiving Care
- ✓ The People of Connecticut Providing Care
- ✓ The People of Connecticut Paying for Care

It's not a pretty picture

- ✓ Deprivation in rates
- ✓ Sequestration
- ✓ Budget woes
- ✓ Gridlock
- ✓ Partisanship
- ✓ Disempowerment
- ✓ Confusion

Medicaid Innovation is pushing the system; Providers need support...

- ✓ Need to deal with experimental designs
- ✓ Transparency
- ✓ Technology and Handheld devices
- ✓ Agencies are starting to be bought out by private equity firms
- ✓ Business practices and workflows will need to change
- ✓ Data Analytics
- ✓ Mergers, Acquisitions, and New Players are creating unprecedented change and impact on control of the \$, and where to buy services



Oak Hill – 125 years of Specialty Healthcare and Special Education - \$100M budget

100% served on DDS POS contracts on Medicaid and will stay on Medicaid (CT-based workforce 1700, 77 Towns, 152 Programs, DDS serving over 17,000 CT citizens)

Current and future Participation in Medicaid Must Continue however,
(Rate Deprivation Impacts Sustainability/Viability/Growth/Future)

National focus on Long-term services and supports (LTSS) and rebalancing:

- a. Emphasis on home based care models
- b. Assistive Technology
- c. Align funding of similar services for waivers and State Agencies

Legislators should be aware of the interdependence when setting public policy – Be open to collaboration; understand Developmental Disabilities will continue to see change in funding with the Medicaid conversion. There will be fewer supports, fewer sheltered programs, more movement to independence; Payment models are changing towards value and for what works; Payment needs to cover costs to support staff and infrastructure such as Information Technology. An 1115 waiver creates space where we can reinvent, reimagine, and experiment.

Skilled Nursing Facility Care

Historically, nursing home care was one of the only long-term care services covered under the Medicaid program. We now have many other options of covered long-term services and supports provided in the home & community.

Nursing Home Status in Connecticut

215 Nursing Homes (10 of which do not take Medicaid)

- 24,853 licensed beds - 22,401 residents of which 17,685 are Medicaid recipients -Statewide census of 85%
- Long standing moratorium on new nursing homes
- State officials estimate on oversupply of approximately 3,000 beds
- Between 1995-2018: 68 homes (6,619 beds) have closed, 14 homes have closed in the last three years

Workforce of approximately 30,000 people

Medicaid is the Source of Payment for 74% of Nursing Home Residents

Cost based reimbursement system, moving to an acuity rating system in the next few years

The statewide average Medicaid rate is approximately **\$234.09 per day, inclusive of room, board and care**

- **50% of that rate** is paid for by the federal government
- **The nursing home pays the state back \$21 a day** in the form of a nursing home user fee or provider tax
- Average private pay rate is \$432 a day due to a need to shift the cost, 9% pay privately
- Medicare pays for 13% of resident care – for short term, post-acute stays

In SFY 2017, Medicaid expenditures for nursing home services totaled approximately \$1.2 billion.

Rigorous Medicaid eligibility process with a 5 year look back of the applicant's finances

Opportunity for Innovation

Rightsizing and diversification of nursing home buildings and campuses

- Location, staff, expertise, experience
- A program to reduce or reconfigure beds and to update the nursing home physical plant to create modern nursing home environments for consumers who will need this high level of care

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Mag Morelli, President of LeadingAge Connecticut, mmorelli@leadingagect.org, 203-567-4477



Skilled Home Health and Hospice Agency Providers

Providing the Right Care, at the Right Cost, in the Setting People Prefer Most—Their Own Homes.

“We’re Not Your Mother’s Home Care” - We are High-Tech, High-Touch Nursing Care in Your Living Room

95 CT Home Health and 31 Hospice agencies licensed by the CT Dept. of Public Health (DPH), audited by the CT Dept. of Social Services (DSS), and federally certified by The Centers for Medicare and Medicaid Services (CMS) providing rehabilitation/therapy, chronic care management, medication management, behavioral home health, pediatric nursing, palliative care and hospice.

A highly regulated industry delivering services in compliance with physician orders and approved patient care plans. Home health reduces unnecessary and costly hospital readmissions by keeping individuals with chronic conditions stable at home.

An “on the ground army” with a workforce of 20,000 and a 100-year old history of community-based visiting nurse services in 169 CT towns and cities fostering the success of CT’s Long-Term Services and Supports Plan by facilitating personal independence, Aging in Place, and successful transitions from institutions to home and community-based settings through Medicaid programs like (MFP).

Home Health is not Home Care: Our license and certification requirements make us distinctly different from other community-based providers who provide supportive non-medical personal care services including homemaker and companion to assist with activities of daily living such as bathing, meal preparation and transportation.

Home Health agencies SAVE the State General Fund Money: DSS reports a \$103-million average savings each year. Since 2006, CT Home Care Program for Elders (CHCPE) saved the State a total of \$1.3-Billion.

Reducing Regulatory Burden: In 2017, we initiated a collaborative public-private partnership with DSS to apply LEAN Process Management to Medicaid home health care delivery to reduce waste and cost in the eligibility and authorization process to benefit Medicaid clients, the providers, Access Agencies and DSS. There is still much work to do, including modernizing the outdated DPH regulations for home health and hospice.

Home Health Agencies Opting Out as Medicaid Providers or significantly reducing the number of clients they serve due to longstanding inadequate reimbursement. Legislators must reinvest the significant Medicaid savings back into the provider safety net to continue the favorable cost savings trend and access to care.

Contact: Deborah Hoyt, President and CEO, CT Association for Healthcare at Home

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Behavioral Health Providers Statewide Who Serve Medicaid Members

Wheeler: Statewide integrated behavioral health and primary care provider; 1,000+ staff; 24,033 individuals and families served in FY2018

The Village for Families & Children: Providing behavioral health treatment and prevention services for children, adults and families in central and northeastern CT; 500 staff; 19,959 served in FY2018

Services—Wide array of behavioral health services, i.e., outpatient and intensive outpatient mental health and substance abuse treatment, Medication Assisted Treatment, Intensive In-Home Psychiatric, Group Home and Residential, etc.

Impact on Medicaid—In 2017, approximately 200,000 adult and 56,229 child Medicaid members accessed behavioral health services.

- Reductions in inappropriate ED utilization and readmissions
- Increased utilization of preventive and quality community-based services

Future Sustainability

- Stagnant reimbursement structure that doesn't cover costs
- Disincentives for serving Medicaid members when demand for behavioral health is high

Opportunities/Innovations and How We Can Work Together

- Integration of behavioral health and primary care
 - Medication Assisted Treatment (MAT) for opioid addiction
 - Evidence-based Practices
- Expansion of Patient Centered Medical Home approaches
- Focus on addressing disparities to care & social determinants of health
- Value-based and alternative payment arrangements
- Expanded efforts on prevention, in-home services, school-based health services, telehealth, and other alternative service approaches
- Collaborative State and Community Partnerships to support effective and efficient delivery of care

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Steven Moore, PhD, VP of Business Development, The Village for Families & Children, smoore@thevillage.org; 860-297-0523



Innovative Care. Positive Change.





Long-Term Care Services and Supports (LTSS)

CCC is the largest “access agency” in the state providing LTSS to Connecticut citizens. Most of these services are provided through contractual arrangement with DSS. Three other access agencies serve in this capacity—Agency on Aging of South Central CT, Southwestern CT Agency on Aging and Western CT Area Agency on Aging

Long-Term Services and Supports (LTSS)

An array of community based services that enable individuals to remain in the home of their choice, despite physical, behavioral, financial and related challenges

40% of Medicaid expenditures are for individuals in need of LTSS

Community LTSS costs far less on average than comparable institutional expense (40% less)

Money Follows the Person (MFP)

Provided choice for 5,500 Connecticut residents to move from a nursing facility to the community

These individuals reported 20% increase in the quality of their lives

Connecticut Home Care Program (CHCP)

Monthly average number of individuals on the state funded program 2,922; average monthly cost is \$862

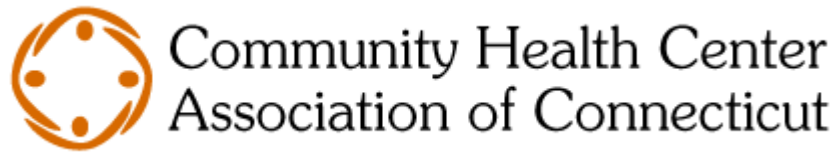
Monthly average number of individuals on the Medicaid Waiver portion of the program is 16,282; average monthly cost is \$2,003

Savings of \$360,873,052 generated through the Connecticut Home Care Program’s Medicaid Waiver; reduced utilization of nursing home beds

Take Aways

We are successfully rebalancing the LTC system in Connecticut; reducing dependence on skilled nursing facilities

We need to work together on comprehensive workforce development, enhanced quality of care, family caregiver support and adequate provider compensation to sustain the system



- 1) Federally-qualified health centers provide primary medical, dental and behavioral health care.
- 2) Health centers provide “universal access” to care – no one is turned away!
- 3) Health centers serve 392,000 CT residents, including 30% of the HUSKY population. Health centers employ ~4,000 people across the state.
- 4) Health centers SAVE MONEY in the HUSKY system.
- 5) Opportunities include: eConsults for specialty care, continued state investment in care management and community partnerships

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Advancing Telehealth in CT Medicaid

1. CHNCT Holdings, Inc. is a group of 7 FQHCs, serving almost 200k patients and 15% of the CT Medicaid population, in locations across the state.
2. These FQHCs are in the forefront of healthcare reform, actively pioneering innovation to improve care and lower cost.
3. Telehealth Defined: Combining communication technology with clinical practice to deliver healthcare services at a distance.
 - a) A method to improve patients' access to medical care, and reduce costs without compromising quality.
 - b) In recent years federal and a growing number of states' policies have encouraged the use of telehealth by formalizing payments for it.
4. Collaborate with DSS, evaluating telehealth solutions and proving value in a number of areas that will achieve better health outcomes and cost efficiencies:
 - a) Establishing reimbursement for eConsults .
 - b) Lower the risk of diabetic vision loss in the Medicaid population.
5. Opportunities for 2019 and beyond – where CT lags other states:
 - a) Remote patient monitoring for homebound individuals with chronic conditions.
 - b) Telehealth for substance use disorder and medication management – Telepsychiatry.



Richard Albrecht, Director Telehealth Network
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Oral Health and Medicaid

Delta Dental

- Not the current CT Medicaid dental administrator
- Largest US dental carrier; Mission - promote oral health through accessible, quality plans

Evidence of the correlation between oral health and overall health is increasing

- 120 diseases can be identified by an oral exam
- Direct relationship between periodontal disease, diabetes, heart disease, and pregnancy

Cost efficiency/outcomes improve with better education/awareness of oral health

- 35-40% of an employer's covered population have -0- dentist visits in a given year
- For those with a preventive visit, per person cost is \$264 less than those without a visit
- Early oral cancer detection can save lives and annual health care treatment costs
 - ✓ Cost is \$79,000 in year after diagnosis vs. \$7,400 for similar patients without cancer

Opportunity to improve the overall health of the Medicaid population

- Aggressively communicate importance of oral health to Medicaid participants
- Create plan design incentives to increase visits and prevention

Connecticut and Medicaid Innovation: Time for bold legislative action

Silver Fern Healthcare is an early stage, mission-based CT company - part of the local digital health community

- Our aim: to improve the quality of life and health outcomes for people living with chronic conditions
- We grew out of clinical research conducted in diverse Medicaid populations living with chronic diseases

Silver Fern provides innovative patient self-management assessment tools for clinical teams and healthcare systems

- We help our CT health plan partner provide wellness and chronic disease programs to CT State Employees
- We have begun discussions with CT DHS / DSS – we strongly support their Medicaid PCMH+ innovation
 - **Focus:** Diabetes epidemic: 9% of population living with diabetes and 30% at risk
 - Patients/families need self management support from primary care (lifestyle, treatment plan)

Recommendations to new CT legislators to foster innovation:

- Population health and big data, patient/family support technologies, financial incentives for clinicians/patients
- Current payment system has significantly weakened public preventative services at a time of high need
 - Critical to address the low Medicaid clinical reimbursements for prevention focused clinicians
 - E.g., certified diabetes educators (CDEs) are underutilized by primary care networks despite expertise
 - Payments low and limited in scope, CDEs not integrated into primary care systems, no virtual education,
- Important to support CT Medicaid Innovation growth efforts as part of a productive new era of healthcare in CT
 - Every dollar spent on prevention saves dollars in avoided specialist care and lost work productivity

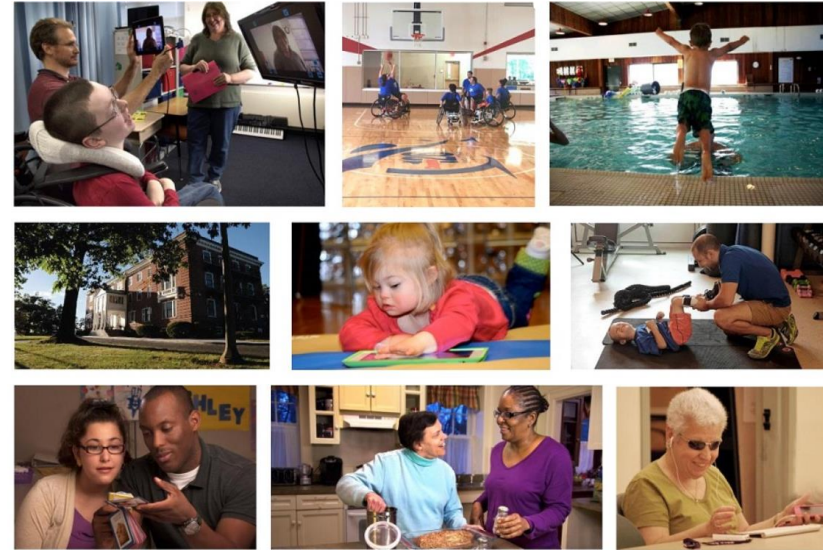
Contact: Garry Welch, Chief Scientific Officer, garry@silverfernhealthcare.com



- ✓ Services can continue to be innovated with the proper Medicaid rate structure.
- ✓ Transformation is happening and needs to be done collaboratively.
- ✓ Working together we can improve the health of all CT residents.



- ✓ 1 in 5 CT citizens rely on Medicaid, including children, seniors, veterans, and the disabled.
- ✓ Medicaid is a significant part (\$2.5B State + \$3.5B Fed) of the Total Healthcare Economy.
- ✓ Providers of Healthcare are often the largest employer in many communities.
- ✓ In total, a major driver in the CT State Economy, churning \$Billions, throughout CT Communities



Medicaid innovation is working and needs public policy support in order for CT to stay at the forefront of healthcare for our citizens.

Thank you!

