



HANDOUTS

Long-Term Care System Task Force

September 16, 2004

**Department of Human Services Long-Term Care Services
Provided by Dept. of Human Services**

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Iowa Department of Human Services

Long Term Care Services

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Iowa Long Term Care Medicaid is a partnership between Iowa and the Federal Government which allows the Iowa Department of Human Services to provide a continuum of medical services to needy Iowans that:

- Pays Iowa Health Care providers about \$2 billion a year to care for, on average, 275,000 Iowans each month who can't afford to purchase health insurance which meets their health care needs.
 - About half of the Iowans receiving health care through Medicaid are children.
 - Health care spending for elderly and disabled Iowans, however, accounts for about three quarters (3/4) of the total cost of the program.
- Provides substantial financial support to Iowa counties to fulfilling their longstanding responsibilities to care for the mentally challenged and those with developmental disabilities

The Terms of the partnership are set out in the Iowa "State Medicaid Plan". This is a very lengthy document which:

- Explains how the Iowa Medicaid program works, who is eligible, reimbursement methods, and so forth; and
- Certifies that Iowa is aware of, and complies with, Federal Medicaid rules.

Every State's Medicaid program is unique- but they all have a lot in common.

- Overall, Iowa's program has more generous eligibility rules than programs in other States – but its guidelines are certainly far more restrictive than those of some states.
- Overall, Iowa's program is quite comprehensive in the services that it covers. (If you compare Medicaid's covered services with those of a commercial insurance plan, Medicaid appears more generous. But that is largely due to the fact that Medicaid pays for an array of long term care services for low income elderly and disabled.)

Who is eligible for Medicaid Long Term Care Services in Iowa?

What kind of care do they receive?

How much does it cost?

- **Elderly** (36,872 Iowans) with family income below 73% of FPL and no more than \$2,000 (single)/\$3,000 (couple) of countable assets and
 - Frail elderly (i.e. those eligible for nursing facility level of care) living in the community with incomes to 300% of the SSI level (which is equal to 221% of FPL).
 - Elderly living in nursing homes with incomes to 300% of the SSI level.
 - Elderly with income below 65% of FPL and not more than \$10,000 of countable assets and with extraordinary medical expenses.
 - Qualified Low Income Medicare Beneficiaries (QMBs). Medicare eligible Iowans with family income to 100% of FPL and no more than \$4,000 (single)/\$6,000 (couple) in countable assets. Medicaid pays the Part B premiums and Medicare co-payments and deductibles.
 - Specified Low Income Medicare Beneficiaries (SLMBs). Medicare eligible Iowans with family income to 120% of FPL and no more than \$4,000 (single)/\$6,000 (couple) in countable assets. Medicaid pays the Part B premiums only.
- **Disabled** (58,494 Iowans) with family income below 73% of FPL and no more than \$2,000 (single)/\$3,000 (couple) countable assets and:
 - MR/DD Adults with family incomes to 300% of SSI.
 - Adults with AIDS and/or Traumatic Brain Injuries with family incomes to 300% SSI.
 - Working Disabled with family incomes to 250% of FPL.
 - Disabled with income below 65% of FPL and no more than \$10,000 of countable assets and with extraordinary medical expenses.

Are there any low income Iowans who are not covered by Medicaid?

- Single individuals and childless couples (i.e. no minor children) between the ages of 21 and 64 are not covered by Medicaid no matter how little income they have – unless they meet the Social Security Act's definition of disabled.
- Iowans who can't afford health insurance, but don't meet the income and asset tests for Medicaid.

Federal Poverty Levels

Monthly Income Limits

Poverty Level				
	1	2	3	4
65%	\$504	\$677	\$849	\$1,021
73%	\$566	\$760	\$953	\$1,147
100%	\$776	\$1,041	\$1,306	\$1,571
120%	\$931	\$1,249	\$1,567	\$1,885
133%	\$1,032	\$1,385	\$1,737	\$2,089
200%	\$1,552	\$2,082	\$2,612	\$3,142
250%	\$1,940	\$2,603	\$3,265	\$3,928

Optional Medicaid Services	Chosen by Iowa? Yes or No
1. Chiropractors' Services	Y
2. Private Duty Nursing Services	N
3. Clinic Services	Y
4. Dental Services	Y
5. Physical Therapy, Occupational Therapy, and services for individuals with speech, hearing and language disorders	Y
6. Prescribed Drugs	Y
7. Dentures, Prosthetic Devices, and Eyeglasses (includes all medical supplies and durable medical equipment, as they aren't separated on current reports.)	Y
8. Diagnostic, screening, preventive, and rehabilitative services (individual age 21 and older)	Y
9. Inpatient Hospital Services and Nursing Facility services for individuals age 65 or older in institutions for mental diseases	Y
10. Intermediate Care Facility (ICF/MR)	Y
11. Nursing Facility other than in institutions for mental diseases	Y
12. Inpatient psychiatric services for individuals under age 21	Y
13. Transportation (Note: Access is required. Provided as an administrative service)	Y
14. Podiatrists' services	Y
15. Optometrists' services	Y
16. Psychologists' services	Y
17. Medical Social Workers' services	Y
18. Christian Science Nurses	N

19. Christian Science Sanatoriums	N
20. Emergency Hospital Services (Note: Provided in a hospital which does not meet the condition for participation under Medicare or the services don't meet the definition of inpatient or outpatient hospital services.)	N
21. Personal Care Services	N
22. Home or Community-Based Services (waivers required)	Y
23. Hospice Care Services	Y
24. Respiratory Care Services	N
25. TB-Related Services	N
26. Critical Access Hospital Services (Note: Inpatient and Outpatient Hospital Services are mandatory. The designation as a Critical Access Hospital (CAH) for participation in Medicare as an option. CAH's are reimbursed based on cost versus other reimbursement methods.)	Y

MEDICAID LONG-TERM CARE PROGRAM SUMMARY

Intermediate Care Facility - \$391,749,671

Provide the necessary care and services to attain or maintain the highest practicable physical, mental and psychosocial well being of each resident, in accordance with the resident's assessment and care plan. Services include nursing, social work, activity programs, individual and group therapy, rehabilitation or habilitation programs, nutrition, comfort, grooming, medical equipment and supplies, specified nonlegend drugs and transportation.

Home and Community Based Services Waiver Programs

Provides service funding and individualized supports to maintain eligible consumers in their own homes or communities who would otherwise require care in a medical institution. These programs are limited to certain targeted consumer groups. Medicaid waiver program services are limited to certain target groups.

Waiver Program	Dollars	Begin Date
Elderly	\$31,267,081	8/1/90
Ill & Handicapped	\$14,163,390	10/1/84
Brain Injury	\$7,151,614	10/1/96
Physical Disability	\$1,578,247	8/1/99
AIDS/HIV	\$328,707	7/1/92
Mental Retardation	\$159,014,918	3/1/92

TOTAL ANNUAL COSTS IN \$M FOR Nursing Facilities and Home and Community Based Services Individuals.

Fiscal Year	NF Costs	HCBS Costs
1999	\$326M	\$85M
2000	\$356 M	\$103M
2001	\$369M	\$124M
2002	\$387M	\$152M
2003	\$398M	\$176M
2004	\$392M	\$214M

The average monthly number of clients/eligibles accessing nursing home services and HCBS services:

	<u>NF Clients</u>	<u>HCBS Consumers</u>
FY 04	13,951	14,098

The Total Annual Costs in \$M for Nursing Facilities and HCBS:

	<u>NF Clients</u>	<u>HCBS Consumers</u>
FY 04	\$391.7	\$213.5

The average monthly cost per client for Nursing Facilities and HCBS:

	<u>NF Clients</u>	<u>HCBS Consumers</u>
FY 04	\$2383	\$1262

Skilled Nursing Facility – FY 2004 \$14,011,455

Provide the necessary care and services to attain or maintain the highest practicable physical, mental and psychosocial well being of each resident that requires skilled services. Services are provided in accordance with the resident's assessment and care plan. Services include nursing, social work, activity programs, individual and group therapy, rehabilitation or habilitation program, nutrition, comfort, grooming, medical equipment and supplies, specified nonlegend drugs and transportation.

Nursing Facility for the Mentally Ill - \$3,182,108

Provide the necessary care and services to attain or maintain the highest practicable physical, mental and psychosocial well being of each resident who are persons with a serious and persistent mental illness who also require nursing care. Services are provided in accordance with the resident's assessment and care plan. Services include nursing, social work, activity programs, individual and group therapy, rehabilitation or habilitation programs, nutrition, comfort, grooming, medical equipment and supplies, specified nonlegend drugs and transportation.

Intermediate Care Facility for Individuals with Mental Retardation - \$207,366,066
Provide the 24-hour care and services with continuous active treatment for individuals with mental retardation, in accordance with the resident's assessment and care plan.

Home Health - \$70,446,361

Provide an appropriate alternative to unnecessary institutionalization. The services provided in the Patient's home by a registered nurse, a licensed practical nurse, a home health aide, a speech therapist, a physical therapist, an occupational therapist, or a social worker employed by the agency.

Adult Rehabilitation Option (ARO) - \$30,308,635

Provide services that include rehabilitative skills training and support for chronically mentally ill individuals to promote their ability to be integrated in the community and avoid intensive and expensive levels of service such as inpatient psychiatric hospitalization.

Targeted Case Management - \$19,422,286

Provides for the coordination of services for individuals who are chronically mentally ill, mentally retarded or developmental disabled. Individuals who utilize this service need service coordination by a case manager due to their disability, as they are unable to function in the community independently. The targeted case manager assists the individual by identifying their strengths and arranging for assistance to either manage the disability or to assure basic needs are being met.

Hospice – This program serves approximately 1000 hospice recipients. To be eligible for the hospice program, an individual must be diagnosed with a terminal illness that if the illness runs its normal course, the patient has a life expectancy of six months or less. Clients receive palliative services during their terminal illness.

All regular Medicaid Services

Provides services including Physician, Clinics, Podiatric, Family/Pediatric, Certified Nurse Midwife, CRNA, Birth Centers, Family Planning Clinics, Psychologist, Transplant, Sterilization, Audiology, Pharmacy (drug and supplies), Durable Medical Equipment, Hospital (inpatient and outpatient), Dentist, Emergency Room Services, Ambulance, Hearing Aids, Optical & Optometric Services, Orthopedic Shoes, and Screening Center Services.

Non-Medicaid Services

Food Assistance Program (Food Stamps)

A nutrition assistance program designed to help low-income individuals the families buy and consume nutritional food.

Residential Care Facility and Residential Care Facility for individuals with Mental Retardation - \$7,702,016

Payment is made for residential care by the recipient of a State Supplementary Assistance grant and covers three or more meals per day, living and sleeping quarters, laundry, assistance with personal care, general supervision, activities and socialization experiences.

State Supplementary Assistance In-Home Health Related Care - \$7,148,000

Provides health care as an alternative to nursing home care. A consumer chosen provider provides the services in the home. The services are ordered by the person's physician and supervised by a registered nurse. Provides in-home health care services to approximately 1500 persons annually.

Dependent Adult Protective Services - \$1,840,471

Accepts reports of abuse and neglect of dependent adults. Completes evaluations and assessments on the allegations of abuse and neglect of adults who are not able to care or protect themselves. Completes approximately 2000 evaluations and assessments of abuse or neglect annually. Works with law enforcement and county attorneys to prevent person responsible for abuse from having access to other dependent adults. Creates and conducts multidisciplinary teams with local providers to develop care plans for abused dependent adults. Makes referrals for services for the abused or neglected dependent adult and person responsible for abuse. Provides mandatory reporter training to local mandatory reporters.

Central Abuse Registry - \$82,486

Completes child and dependent adult abuse background checks on prospective health care employees for employers. Completes Record Check Evaluations on prospective employees with criminal or abuse backgrounds to determine employability. The Central Abuse Registry completes approximately 36,000 background checks and 4800 Record Check Evaluations annually.

Senior Living Trust Conversion Grants

Per Senate File 2298, twenty million dollars has been allocated for FY 05 for the Senior Living Trust Fund Grants. This funding has been allocated to provide grants to nursing facilities for conversion to assisted living programs or to provide long-term care alternatives or to provide grants to intermediate care facilities for persons with mental retardation for conversion to assisted living. The FY 05 allocation is as follows:

- Up to 25% (\$5,000,000) is designated to reduce the numbers of persons in the state resource centers and other ICF's/MR.
- Funding (\$7,000,000) will be transferred to the Iowa Finance Authority to develop two revolving loan programs. \$5,000,000 has been allocated to further develop affordable assisted living and housing for seniors and persons with disabilities.

\$2,000,000 has been allocated to the loan program that will encourage the expansion of adult day services, respite services and congregate meals.

Previous Senior Living Trust Fund Conversion Grants

- Grant year 2000-2001
 - Grants were allocated to 25 agencies for a total of \$9,974,461.
 - As of 10/03 17 agencies have completed their approved projects. 8 agencies have not completed their approved project.
- Grant year 2001-2002
 - Grants were allocated to 10 agencies as of 10/03. As of 5/04 8 agencies are proceeding with their application for a total of \$3,080,000.

The Legislature allocated \$20,000,000 for these grants of which \$16,626,148 has been taken back by the Legislature.

New Initiatives/Requirements

- Iowa is developing a Preferred Drug List for prescription drugs.
- Iowa is in the process of expanding its “lock-in” program (controls utilization by very high end users).
- Iowa has planned expansion of its disease management program.
- Iowa has planned expansion of its primary care case management program.
- The Rebalancing Initiative Grant-
 - To develop a uniform methodology, incorporating person-centered planning, for calculating all individual budgets while demonstrating cost neutrality;
 - Develop a Independent Support Broker and financial management function to support a self directed service delivery system;
 - To provide a statewide marketing campaign about the availability of long term care choices to address unrecognized barriers to community integration and to build the capacity of key stakeholders to implement and utilize self-direction in HCBS.
- The Medicare Prescription Drug (Part D)
- Universal Assessment pre-admission screening tool.
- The Quality Assurance and Quality Improvements HCBS Grant:
 - To enhance the existing Quality Framework for traditional HCBS;

- To evaluate and monitor a consumers success with self directed services.
- Integrating Long Term Supports in Affordable Housing Grant – Application made by the Iowa Finance Authority
 - Establishing the “Integrating Long-term Supports with Affordable Housing” Subcommittee of the Olmstead Real Choices Consumer Task Force;
 - Holding a Summit on Housing for People with Disabilities each year of the grant to assess progress in implementing the Housing for Persons with Disabilities State Action Plan;
 - Creating an accessible housing search website that people with disabilities can access on the internet or through an aging and disability resource center;
 - Providing technical assistance to housing developers to create 3 demonstration models of affordable, accessible housing with access to long-term supports that can be replicated;
 - Reducing barriers for consumers who desire to move from an institution to the community by providing outplacement counseling and assisting with transition costs; and
 - Creating an educational initiative to reduce barriers to homeownership, including counseling.
- The Robert Wood Johnson Cash and Counseling Project:
 - Expands consumer choice and control over program support expenditures.
 - Creates a system that has the potential to be far more cost-effective and prevents and/or delays the need for more costly institutional services.
 - Creates public policy that has high expectations for individuals with disabilities.
 - Expands the workforce of personal assistance service providers in the home *and* at work.