

Our 2017 Elderly Waiver reform proposal seeks to make key improvement to this EW program which is used by over 30,000 Minnesotans annually to cover the cost of care that helps them stay in the community and reduce state spending on more expensive LTC settings. The proposal reforms both payment policies and the implementation process of EW while preserving and enhancing the now decades old Minnesota policy values that provide choice, access, and state budget savings. The goals of the reform proposal embrace and appropriately fund person centered care and services.

#### Reform Goals

- Support person dignity and person-centered planning.
- Assure person access to and choice of services and settings.
- Create transparent, timely, and collaborative processes.
- Incent quality and performance measures to improve outcomes and accountability.
- Align funding with workforce recruitment, retention, and regulatory requirements.

There are three areas of system redesign:

1. Collaboration & Accountability Towards Person-Centered Care
2. Quality & Performance Measurement
3. Elderly Waiver Payment

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## **Collaboration & Accountability Towards Person-Centered Care**

The current system from assessment to final payment authorization is not designed to allow for collaboration between the person, family, assessor, case manager, and provider. While major health reform activities have centered around sharing information among all those involved in providing care, the Elderly Waiver program is not designed for sharing information and improving care, and in fact prohibits open communication between assessors and providers.

#### Solutions

- Reform the Assessment process for inclusion, collaboration, and improvement of persons' health.
  - Information including case mix, assessment, and residential services workbook (where applicable) data must be shared with providers.
  - Providers will have the opportunity to provide additional information for consideration into the assessment and planned service authorization.
  - Developing standardized rules for when a reassessment or significant change assessment of a client may be requested and must be completed.
  - Creating policies allowing for clear avenues for provider staff to discuss client needs with assessor and case managers.
- Reform Medicaid assessment process to better align service authorization with persons' needs

- Allow for retroactive payment to 90 days before the date of Medicaid application if eligible.
- Require that the EW provider can be the “designated provider” to receive the waiver obligation/spend down amount (even under a health plan) and to have the provider informed of the amount asap – not having to wait for remittance advice form.

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## **Performance Measurement and Accountability**

One of the goals of reforming the Elderly Waiver program is to improve outcomes for persons and to create measures that can show that the state’s investments in the program are producing positive results. The outcome measures can also be used in the future to give providers incentives to improve outcomes by rewarding them with higher payments. We are proposing to start collecting the measures below for residential services providers under EW, with other provider groups to be added to the data collection process over time. To have an adequate population to measure performance between providers, the quality measures need to be based on all persons served by home care agencies that serve EW residential services persons.

### **Recommended Performance Measures**

- Formal customer satisfaction surveys: Similar to what is done in nursing facilities, the state will contract for annual interviews of clients to produce scores that are comparable across providers. Surveys will be conducted as using a sampling in AL settings similar to sampling done with NF surveys. Consider that most persons/families could fill questionnaires out themselves so using technology to get objective survey results rather than all face to face interviews.
- Survey results and OHFC complaints: Note survey findings only for level 3 or 4 citations with finding of harm; for OHFC complaints use only substantiated findings against a home care agency. Develop a scoring mechanism based on these.
- Workforce data: A workforce measure will be developed that focuses on Home Care staff retention to compare providers on their ability to provide consistent staffing which should improve persons’ outcomes.
- Staff training and education: A point score should be developed that gives higher scores to providers who have staff with greater levels of training and education, which gives an incentive to invest in these areas which will improve outcomes.

The Elderly Waiver program is part of the broader healthcare reform environment and has a role to play in improving overall health and satisfaction of the growing elderly population. While these measures should be effective at evaluating the performance of Elderly Waiver providers in many areas, there is a need for broader evaluation of the effectiveness of the program at reducing nursing facility placement, limiting hospitalizations, and otherwise creating efficiencies for the state. Those measures should be developed and tracked even if they are not applied as performance indicators for individual providers.

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## **Elderly Waiver Payment**

The following policy and payment changes to the Elderly Waiver program are centered around achieving the reform goals articulated above. The current rate system for services throughout the EW program, including residential services, adult day services, and other in-home services, are based on outdated, inadequate rates and policies that do not allow providers to effectively meet the needs of increasingly complex persons served by the EW program, as well as persons receiving Customized Living / 24-Hour Customized Living/Residential Care Services under the Community Access for Disability Inclusion (CADI) Waiver.

### **Issue: Licensed Nursing Services**

The persons receiving services through the Elderly Waiver program, particularly in residential settings, are becoming more clinically complex and have more comorbidities than ever before. The vital role of professional nursing in meeting the ongoing health and wellness of a person needs to be recognized.

Moreover, person needs change rapidly. Current assessment processes, so key to identifying services based on need, are not responsive to the person's need or a home care nurse's professional judgement.

### **Solutions**

- Create and allow specific licensed nursing services to be authorized and funded within the EW program (e.g. injections, catheterizations, wound care/infections, diabetic foot care, etc.) even if the provider is not Medicare-certified.
- Create a process to allow for emergency or "in lieu day" payments, where situations such as a hospitalization or nursing home placement is avoided by temporarily providing additional services (e.g. Reduce hospitalizations by allowing for home care nurse documentation of client needs to temporarily elevate payment to avoid hospitalization).

## **Issue: Cognitive and Behavioral Needs**

Present assessment definitions, case mix categories, and funding policy do not adequately address the behavior, cognitive, mental health needs of persons and the services they require.

### **Solutions**

- Develop a factor like the disability factor used for CADI Residential Care Services for cognitive and behavioral services and apply it to EW residential services. The factor would act as an umbrella to cover services such as:
  - Specialized supervision and payment for supervision for behavior as well as cognitive and mental health needs.
  - Behaviors as a supportive service.
  - Increased staffing and training of staff working with individuals with dementia.

## **Payment Rates and Structure**

The current assessment and rate authorization process creates critical workflow delays and impedes person-centered care. The underlying service rate structure is not responsive to market demands for caregiver wages and benefits and the current service rates do not match the realities of the labor market. In addition, the need for nursing supervision, training of unlicensed personnel, communication and record keeping have increased with changes to the Home Care Law and other regulatory requirements and that is not recognized by the EW program.

### **Solutions**

- Create service rates and categories based on the personnel employed using annual labor market information from the Minnesota Department of Employment and Economic Development (DEED). These should be applied to the component rates of residential services as well as adult day services and in-home service categories.
- Include an adjustment to the service rates and rate components that covers overhead and benefits, including payroll taxes, paid time off (PTO), health insurance, retirement, staff training, etc.
- Create a new rate value based on persons need for licensed nursing assessments, care planning activities, nursing supervision, 24-hour nursing availability, training of staff, and communication with physicians, pharmacies, family, and case managers.
- For adult day recipients, increase the cap on per day authorization of service from six hours to ten hours to reflect the reality of how long some people need to spend at a center on a day of service due to the work hours of the caregiver.
- For residential services recipients, pay providers the average 24-hour residential services rate (+20%) for the 1<sup>st</sup> 62 days. Case manager would create individualized payment to be effective on 63<sup>rd</sup> day. This would allow additional time for personalized care planning based on observed client needs.