

COMMUNITY HEALTH ALLIANCE

HOUSING AS HEALTH CARE:
LONG-TERM SOLUTIONS
ARE AVAILABLE



Overview

1. Medicaid: Basic Training
2. The Challenge: Turning Medicaid Savings into Housing Dollars
3. Key Considerations

Medicaid: Basic Training

Medicare vs. Medicaid

☐ Medicare:

- Over 65, or Disabled
- Federally Managed program

☐ Medicaid:

- Resource & Need Based
- State – Federal Partnership

Medicaid: Basic Training (continued)

Social Security Act

- 1965 – Amended to include the authority for both Medicare and Medicaid.
 - Provides authority for states to administer their Medicaid program within Federal Guidelines.
 - CFR – Code of Federal Regulations
 - Nevada Medicaid State Plan
 - Administrative Rules (Medicaid Chapters)

- Nevada Medicaid, like all State Medicaid Programs, vary considerably across the country.

Medicaid: Basic Training (continued)

Different from Medicare

- ❑ Legal Authority based in Social Security Act
- ❑ Federal/State Program
- ❑ Eligibility and Services
 - Defined in the State Plan
 - Mandatory
 - Optional

Medicaid: Basic Training (continued)

Medicaid is a lot of Different Programs

- Insurance for low-income mothers and children
- Insurance coverage for persons with disabilities
- Medicare supplemental coverage for seniors and persons with disabilities
- Insurance for low-income adults (ACA Expansion states)
- Nursing home and long-term care coverage

Medicaid: Basic Training (continued)

Federal

- ❑ Center for Medicare and Medicaid Services (CMS)
- ❑ Provides guidance – CFRs
- ❑ Approves Medicaid State Plan
- ❑ Federal Financial Participation (FFP) - 65.75%

State

- ❑ Department of Health and Human Services
 - Division of Health Care Financing and Policy
- ❑ Manages programs based on:
 - Legislative authority
 - Medicaid State Plan
 - Medicaid Chapters
- ❑ State Financial Participation - 34.25%

For every \$100.00 in medical dollars spent, Feds contributes \$65.75 and State contributes \$34.25.

Medicaid: Basic Training (continued)

Medicaid and Money

- ❑ As a federal/state partnership program, general fund dollars must be available to receive the federal match.
- ❑ When general funds are tight, the Medicaid program must adjust programs to meet budgetary requirements.
- ❑ General fund to operate the program are appropriated by the Nevada Legislature.

Medicaid: Basic Training (continued)

Basic Principles of Medicaid

- Freedom of Choice
- Comparability
- State-wideness
- Payment in Full
- Right to Fair Hearing on Adverse Actions
- “Equally effective less costly service”
- Medically Necessary

Medicaid: Basic Training (continued)

Medicaid Services

- ❑ States participating in Medicaid are required to provide specific services: “Mandatory Services.”
- ❑ States have the option to provide others: “Optional Services.”
- ❑ State Plan services must be available to all Medicaid individuals who need the service and meet any medical requirements: “Entitlement Program.”
- ❑ A waiver program has received permission from CMS to do something different, thereby waiving CMS requirements.
 - Demonstration
 - Home & Community Based

Medicaid: Basic Training (continued)

Medicaid Mandatory Services

- Inpatient Hospital
- Outpatient Hospital
- Physician
- Nurse Midwife
- Nurse Practitioner
- Laboratory & X-ray
- Nursing Facility Care – for 21 years and older
- Medical/Surgical services of a dentist (“emergency”)
- Early & Periodic Screening, Diagnosis and Treatment (EPSDT). Services for individuals under 21 years of age. More on this later...
- Family Planning
- Home Health
- Non-emergency medical transportation
- Federally-Qualified Health Centers
- Rural Health Centers

Medicaid: Basic Training (continued)

Medicaid Optional Services

- Ambulatory Surgical Centers
- Adult Dental Services
- Audiology/Hearing Aids
- Eyeglasses/Optometric
- Psychology
- Freestanding Dialysis Clinic
- Targeted Case Management
- Mid-Level Practitioners
- Prescribed Drugs
- ICF/MR
- Speech, Physical & Occupational Therapies
- Personal Assistance
- Podiatry
- Hospice
- Home Infusion Therapy

Medicaid: Basic Training (continued)

Early & Periodic Screening, Diagnosis, and Treatment

- ❑ Partnership between providers & Medicaid, base on the principle that early detection & treatment of medical problems is best.
- ❑ Designed to encourage providers to screen for specific pediatric problems, order diagnostic services and treat problems found or refer elsewhere for treatment.
- ❑ State provides extended services to those under the age of 21 including all mandatory and optional services regardless of whether the state covers the service.

Medicaid: Basic Training (continued)

Medicaid Waivers

- ❑ Allow the state to “waive” certain Medicaid requirements, including state-wideness, freedom of choice, and comparability.
- ❑ Not an “entitlement” – can have enrollment limits or waiting lists.
- ❑ Cost-neutrality requirements.
- ❑ Most common include: –
 - 1115: Waiver of variety of Medicaid policies for “research and evaluation”
 - 1915(b): Waiver of “freedom of choice,” e.g. managed care
 - 1915(c): Waiver of comparability allows states to target diagnoses, and option to waive state-wideness.

The Challenge

- ❑ Medicaid is increasingly a major component of State budgets.
- ❑ 5% of Medicaid enrollees account for 40-50% of Medicaid expenditures; so-called super utilizers.
- ❑ Many of the super-utilizers have significant needs in the social determinants of health; income, education, job insecurity, food insecurity, social exclusion and housing.
- ❑ A key social determinant is housing.
- ❑ ***Medicaid cannot pay for housing.***

What Can We Do?

- ❑ Convene stakeholders. This can include local government agencies and officials, state cabinet officers, Continuum of Care providers, health care and social service agencies, housing developers, public housing officials and State Medicaid.
- ❑ Consider options. Examine the different federal options available to state Medicaid agencies to cover supportive services, including tenancy support, and ensure that the most vulnerable populations have access.
- ❑ Prioritize Savings. Savings from reduced hospital and emergency department services, as well as other health care savings, must be prioritized to support additional support services and ***housing***.

What is Supportive Housing?

- ❑ Definition: Supportive housing is affordable housing that targets low-income populations and provides needed wrap-around services.
- ❑ Types of supportive housing services:
 - Tenancy supports
 - Intake and eligibility
 - Case management/care coordination
 - Representative payee services
 - Deposits, furniture and household items
 - Onsite monitoring and eviction protections
 - Health care
 - Primary care/behavioral health care
 - Medical case management
 - Referrals to social support services
- ❑ ***Medicaid can pay for many of these services.***

Stable Service Funding is Critical

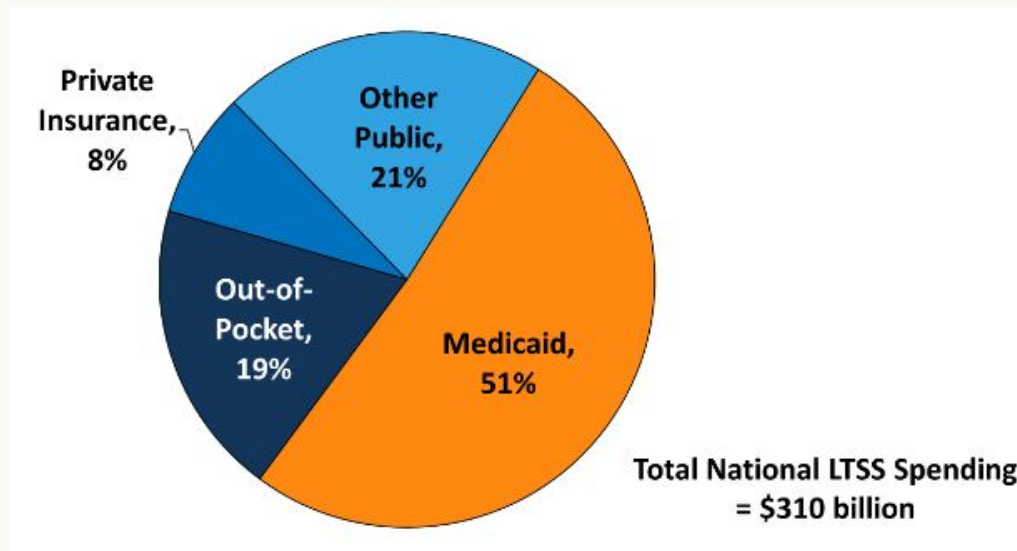
- Supportive Housing Without Medicaid:
 - Capital Financing. Usually a stable sources (e.g. tax credits) though limited.
 - Operating. Some sources of rental subsidies are stable, but there are few new dollars entering the system.
 - Services. **Very unstable.** Made up through multiple funding sources most of which are short-term or one-time grants.

- Supportive Housing With Medicaid
 - Capital Financing.
 - Operating.
 - Supportive Housing and Health Services. **Stable.**

Medicaid in the Mix

- Medicaid 101
 - Federal and state funded
 - State administered
 - Largest payer of Long-Term Services and Supports

Source: KFF CMS data 2013



Medicaid LTSS Options

Medicaid programs can use specific federal regulations to establish LTSS programs, often called “waivers,” because the Secretary allows states to waive certain sections of the Social Security Act. Each can provide “habilitative” services and each has different benefits and flexibilities.

- ❑ 1915(i) Home and Community-Based Service State Plan Option
 - Aged or disabled below 150% of poverty
 - Broad flexibility
 - Statewide/no enrollment cap
 - No cost effectiveness test vs. nursing home care
 - No waiver needed by the Secretary, just CMS approval of State Plan option.
- ❑ Health Homes State Plan Option
 - Medicaid eligible. Two or more chronic conditions and one serious MH dx.
 - Broad flexibility.
 - Can be geographically targeted.
 - Enhanced federal match for first 8 quarters.

Medicaid LTSS Options (cont.)

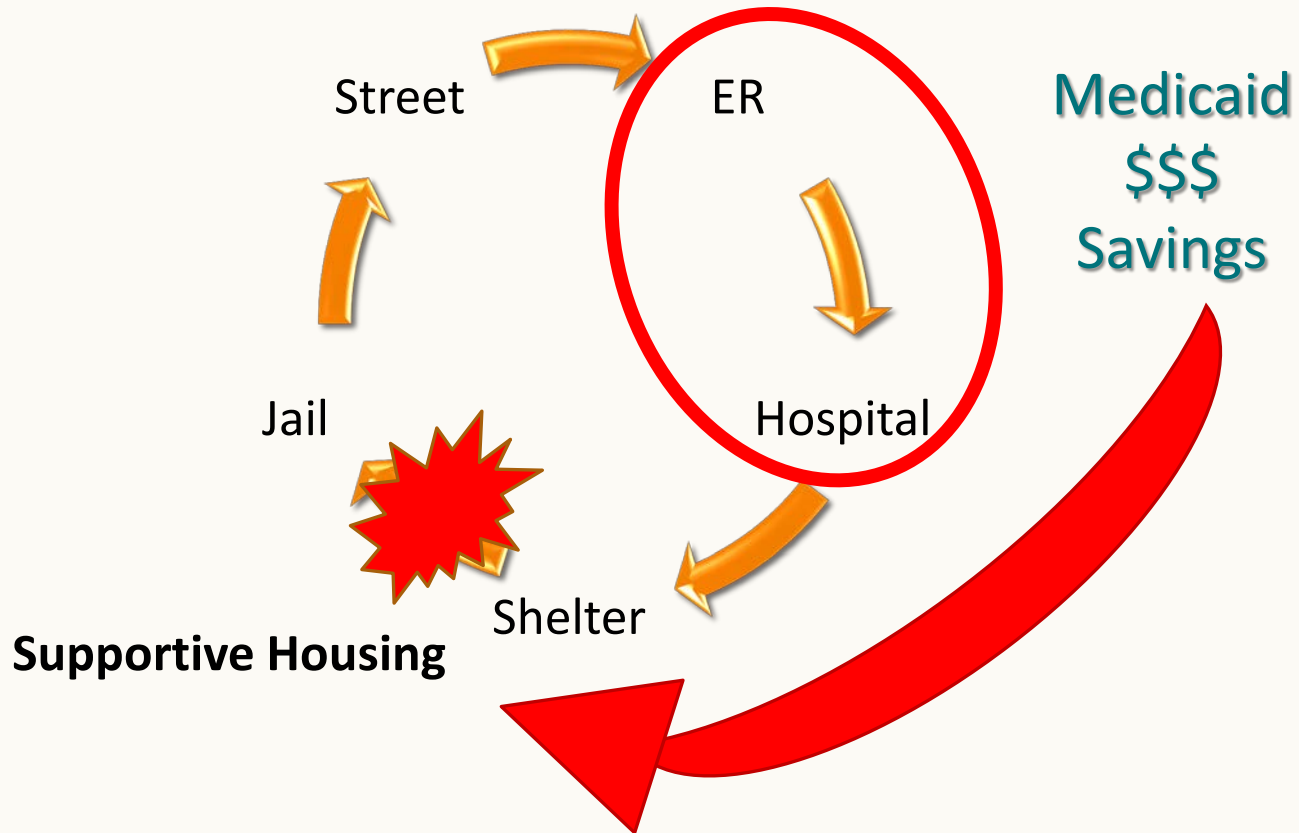
- ❑ 1915(c) Waivers
 - Aged and disabled individuals or those with MH dx requiring institutionalization.
 - Broad flexibility.
 - Must meet institutional level of care.
 - May target populations and geographic areas.
 - Must be more cost effective than institutionalization.

- ❑ 1115 Research and Demonstration Waiver
 - Broad eligibility and flexibility.
 - Usually limited to 3 or 5 years.
 - Must meet federal “budget neutrality” test.
 - Long negotiation process with CMS.

- ❑ Managed Care
 - Broad eligibility.
 - Must require Managed Care Organizations (MCOs) to cover services through the contract and capitated payment model.
 - Support services can be provided “in lieu” of medical services, but must be linked to improved health outcomes.

Follow the Money

□ Cycle of Spending



Key Considerations

- ❑ No wrong door!
- ❑ Person-centered care planning
- ❑ Medicaid dollars support building community capacity
- ❑ Prioritize Medicaid Savings
 - State general fund savings – More Housing
 - Medicaid savings – More Supportive Services
- ❑ Potential Hurdles
 - Keeping savings for housing
 - County financial participation in services



For More Information:

- Visit our website:
 - www.chanevada.org
- Like/follow us on Facebook/Twitter:
 - Community Health Alliance
- Call for an appointment:
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Questions?

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