

Medicaid Report to the Developmental Disabilities Council

March 25, 2009

Waiver/ICF Updates

New Opportunities Waiver

Opportunities Allocated: 8,682
Opportunities Filled: 6,353

- Resource Allocation requires a waiver amendment and CMS approval. OCDD has updated the waiver and is currently being evaluated by CMS. CMS has asked DHH some clarifying questions and DHH has responded. Target date for implementation is July 1, 2009.
- 2025 slots funded by the NOW trust fund are now being offered and 130 are filled as of 6/10/2009.
- Non-NOW Trust Fund Slots are frozen. Recent CMS clarifications regarding the American Recovery and Reinvestment Act of 2009 (ARRA) funding may reverse the freeze of this slots. DHH along with legal consultants are researching.
- Effective 2/1/2009 rates for NOW were reduced by 3.5% (excluding professional services, nursing services, PERS, environmental modifications and transition services). Impact on future rates changes cannot be determined until after the 2009 Legislative Session.

Children's Choice Waiver

Opportunities Allocated: 1,050
Opportunities Filled: 955

- The waiver was up for renewal in 2008/2009. Medicaid and OCDD worked to provide CMS with all requested information. The waiver was renewed on February 10, 2009 and extended for five (5) years.

Supports Waiver

Opportunities Allocated: 2,050
Opportunities Filled: 1,769

- This waiver is up for renewal. Medicaid and OCDD staff submitted the packet to CMS. CMS has responded with several clarifying questions but we expect renewal by July 1, 2009.

Residential Options Waiver (ROW)

Opportunities Allocated: 210
Opportunities Filled: 0

- This waiver is not yet approved by CMS. OCDD has submitted the waiver to Medicaid. Medicaid staff is preparing the finishing our review and is will submit to CMS within the week. Target implementation date is July 1, 2009.

Money Follows the Person Update

- In March the first person entered MFP and accepted a Children's Choice Waiver opportunity.
- Programming and procedural issues are complete.

Intermediate Care Facilities (ICF)

- Effective February 20, 2009 payments to ICFs were reduced by 3.5%
- Leave day payments were reduced from 100% of the daily rate to 75% of the rate.
- Impact on future rates changes cannot be determined until after the 2009 Legislative Session.

General Medicaid Issues Affecting the DD Population

Budget Reductions

- Continued budget deficit may result in further budget cuts to all Medicaid providers. This may result in rate reductions to waiver and ICF providers in SFY 09-10. Future rates changes cannot be determined until after the 2009 Legislative Session.

ASO Contract

Act 343 of the 2007 Regular Legislative Session directed DHH to establish an Administrative Services Organization (ASO) to oversee all behavioral health services. An ASO contract will allow Medicaid to better utilize the services which exist, cut costs per individual served, reduce fraud, increase the use of evidence-based interventions among providers and increase the availability of qualified mental health providers throughout the state. An ASO contract also has the potential to reduce redundancies throughout state agencies.

Update Medical Criteria for Inpatient Hospital Admissions and Length of Stay of Phase 2 of InterQual

Phase 2 of InterQual criteria would be applied to the following: initial inpatient admissions; concurrent review; implementation of specific Solucient data elements to include multiple diagnoses and/or surgeries for length of stay assignments; elective surgical procedure pre-certification; and a web based system for provider requests and responses. The implementation of this process would overall improve efficiencies and effectiveness to include improving the quality of care, decrease the cost of admissions, decrease the number of inappropriate admissions, facilitate appropriate discharge planning, automate manual process and assist in determining medical appropriateness for healthcare with an overall cost reduction expected.

Early Steps Rate Increase

The increase was funded by the 2008 LA Legislature with an effective date of September 1, 2008. The rate increase is necessary to ensure access to medically necessary services in the natural environment for children with developmental delays and provide a more equitable reimbursement to providers to continue their participation in this program.

La Health Care Quality Forum

This supports a comprehensive data warehouse across all medical benefit payers. It is designed to collect healthcare information which can then be utilized to improve and enhance the quality of health care to all patients. The Health Care Quality Forum's Medical Home Committee will assist the Medicaid program in enhancing coordinated care networks and establishing benchmarks by which the Medical Homes initiative will be measured.