

# **Medicaid Report to the Developmental Disabilities Council**

**December 18, 2009**

## Waiver/ICF Updates

### New Opportunities Waiver

Opportunities Allocated: 8,682  
Opportunities Filled: 6,759

- Resource Allocation has been approved by CMS.
- 2025 slots funded by the NOW trust fund are now being offered and 815 are filled as of 9/25/2009.
- 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: 1,012

- 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: 1,665

- 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.

### Residential Options Waiver (ROW)

Opportunities Allocated: 210  
Opportunities Filled: 0

- CMS has approved the ROW waiver.
- OCDD and Medicaid staff are working with Unisys to implement the programming needed for claims payment.

### Money Follows the Person Update

- In March the first person entered MFP and accepted a Children's Choice Waiver opportunity.
- Thirteen (13) more recipients have signed Consent Forms committing to transition via MFP.
- Programming and procedural issues are complete.

### Intermediate Care Facilities (ICF)

- Effective February 20, 2009 payments to ICFs were reduced by 3.5%
- Effective 9/1/2009 the rates were raised 1.59% to offset some of the February decrease.
- Leave day payments were reduced from 100% of the daily rate to 75% of the rate.

## **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.

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

Louisiana Medicaid is updating our standards used for determining length of stay approved for inpatient hospital stays. InterQual Criteria is nationally recognized and based on current standards of medical practice individualized to patient needs. 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.

This may affect recipients since we estimate that updating this criteria will result in shorter hospital stays and may require more in home care services provided for this population after discharge. Phase 1 of this project was implemented on November 16, 2009 and only applies to extension request in non state owned hospitals. Phase 2 will include all facilities and all hospital lengths of stay. Phase 2 is scheduled for June 1, 2010 implementation.

### **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.

### **Waiver Recipient in Hospital – DSW / Vermont Program**

After additional discussions Medicaid held a conference call with the Vermont Program Manager over Vermont's DD waiver. The payment for waiver services in Vermont is not similar to Louisiana's. In Vermont, providers are paid a bundled rate to manage a waiver recipient. The provider receives this pay whether the recipient is in a home, in a facility, on leave or in a hospital. Therefore, when a recipient is hospitalized, payments are continued and the worker will continue to visit the recipient to ensure that his/her social and emotional needs are met. Vermont's plan pays a combined rate for all services, including DSW services. On the other hand, Louisiana Medicaid pays by the service; thus Louisiana is not permitted to pay a worker (with the retainage exception explained previously) unless that worker is providing a service that is not duplicative. As an aside, Vermont told us that they have tried recently to get this same payment arrangement approved in an elderly waiver and CMS has questioned it and does not seem likely to approve it.