

Home Care Presentation to Governor's Commission on Medicaid Care Management

SEPTEMBER 10, 2015



Who is the Granite State Home Health Association?

- A non-profit membership association representing 39 home care agencies licensed in NH.
- Most members are *Medicare-certified agencies* that provide a full range of skilled nursing and therapy services.
- 30 member agencies provide services to Medicaid beneficiaries enrolled in the **Choices for Independence** (CFI) waiver program.
- Non-profit community organizations: eg. Visiting Nurse Agencies (VNAs); Ascentria, statewide; AV Home Care, Berlin
- Locally-owned private businesses: eg. Interim Healthcare, statewide; Silver Touch, Merrimack; Lakes Region Care & Comfort, Laconia



What is CFI?

- **Medicaid-waiver program** for elderly and adult citizens in need of long term care services
 - Financial eligibility – determined by DHHS
 - Clinical eligibility – clinical assessment by DHHS-contracted RNs; determination by BEAS staff
- **Clients eligible for nursing homes can choose to receive services in home and community-based settings**
 - Mid-level care – residential care/dementia care
 - Home Support Services – adult day care programs, family care, personal emergency systems, kinship care, pill dispenser systems, **personal care service providers**, non-medical transport, case management
 - Home Health Care Services – **RN visits, home health aides, homemaker services**
 - Service array arranged by independent case managers; DHHS authorizes units of service
 - Providers are reimbursed only for *authorized* types and units of services
- **NH RSA 151 E:11 (II)**
 - Average annual aggregate cost of mid-level care cannot exceed 60% of nursing home cost of care
 - Average annual aggregate cost of **home services cannot exceed 50% of nursing home costs**
 - No person whose costs will exceed 80% of nursing home costs shall be eligible for mid-level or home services (unless waived by Commissioner.)

Home Care Services Provided to CFI Clients

- **Skilled nursing visits**

- Clinical assessments and care plans
- Wound care; catheter care
- Medication administration; filling pill planners
- Patient and family education
- LNA supervision

- **Home Health Aide/LNA visits**

- LNAs - BoN-licensed – 100 hours of training
- Observe and report medical conditions
- Bathing, toileting, dental care
- Assistance with transfers, dressing, walking
- Feeding assistance
- Assistance with medications

- **Personal Care Services**

- Unlicensed personnel -- about 10 hours of training
- Bathing, toileting, dental care
- Assistance with transfers, dressing, walking
- Feeding assistance
- Assistance with medications
- Transportation to grocery, pharmacy, etc

- **Homemaker Services**

- Light housekeeping
- Grocery shopping
- Laundry
- Meal prep

CFI Home Care Stats

- Approximately 2425 home care clients – SFY 15
- \$18,360 average annual cost per case – SFY 14 (includes all CFI services)
- Reimbursement:
 - RNs -- \$90.16/visit (Cost of visit= \$158)
 - HHAs -- \$29.60/visit less than 2 hours (Cost of visit = \$65)
 - HHAs -- \$5.74/15-minute unit (for visits of 2 hours or more)
 - PCSPs -- \$4.38/15-minute unit
 - Homemakers -- \$4.56/15-minute unit
- SFY 15 Estimated Annual Costs
 - RNs, HHA, and homemakers -- \$8.3 million
 - PCSPs -- \$24.5 million

Challenges & Opportunities

- Assuring the appropriate service array for each client
- 20-year history of inadequate reimbursement
- Inability of home care agencies to cover CFI losses with Medicare margins
- Workforce shortages
- Network adequacy – access to care
- Opportunity to fully utilize home care for preventive care, chronic care management, and reducing hospital/SNF expenses.

History of Inadequate Reimbursement for Home Care Services

1996 – HB 1522, created a Legislative Study Committee to review home health rate-setting

- Committee recommended DHHS develop a rate-setting methodology
- Urged House & Senate to budget for home health rate increases. There had been no rate increase for 7 years.

1997 -- Passage of HB 582 --NH RSA 126-A:18-a

- Commissioner shall adopt rules to establish a rate-setting methodology which establishes unit Medicaid reimbursement rates for home health services which reflect the average cost to deliver services. The commissioner shall consider the factors of economy efficiency, quality of care, and access to care in accordance with guidelines in federal regulations.
- DHHS shall annually, on or before October 1 establish unit rates for home health services paid under Medicaid which better reflect the average cost to deliver services.
- The Commissioner shall make an annual report on or before 11/1 relative to rates for home health services to the Speaker, Senate President and Finance Chairs.

History of Inadequate Reimbursement for Home Care Services

1998 – 1999 – DHHS engaged consultants to develop a complex rate setting methodology

1999 – One-time rate change in accordance with method, but no formal rulemaking

1999 – 2005 -- RSA 126-A:18-a was ignored for 6 years

- No rulemaking
- No rate review
- No changes to rates
- No reports

2005 – Home Care Association sued DHHS

2006 – DHHS settled lawsuit

- Agreed to comply with rule-making requirement for rate-setting, reporting and using best efforts to obtain a rate increase for CFI and Medicaid State Plan Services.

History of Inadequate Reimbursement for Home Care Services

2008 – Rate-setting rules go into effect – He-W 553

- *11 years after statute adopted*, DHHS established a *complex* rule (based on 1998 consulting recommendations) that requires annual updating.
- Absent annual update, rule requires Medicare market-basket increase to home health rates

2009 – Only year that DHHS partially complied with its rule

- Set SFY 2010 “per visit” rates for RNs and HHAs, but not PCSPs or homemakers

2010 – 2015 – RSA 126-A:18-a and He-W 553 ignored for 5 years

- No annual rate-setting review
- No annual market basket updates
- No rate adjustments since 2010; PCSP rate decreased in 2010

CFI Supports NH's Seniors in their Homes



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