

Blue Ribbon Commission on Transitions to Community Living

Joint House and Senate HHS Appropriations Subcommittee

March 7, 2013



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Presentation Outline

- Origin of Commission
- Proceedings
- Report and Recommendations

“The Perfect Storm”

- CMS concerns about different eligibility criteria for Medicaid-funded personal care services in private residences versus adult care homes
- Federal law classifies facilities with more than 16 mentally ill residents—ages 21-64—as Institutions for Mental Disease (IMD)
 - IMDs are ineligible to receive Medicaid reimbursement
 - Some NC adult care homes housed 10+ mentally ill residents
- U.S. Department of Justice investigation of possible violations of the Americans with Disabilities Act and the Olmstead Decision concerning the housing of mentally ill persons in the least restrictive setting

S.L. 2012-142, Sec.10.23A

Transitions to Community Living Initiative

The General Assembly finds that the State's long-term care industry plays a vital role in ensuring that citizens are afforded opportunities for safe housing and adequate client-centered supports in order to live as independently as possible in their homes and communities across the State.

This role is consistent with citizens of the State having the opportunity to live in the most appropriate, integrated settings of their choice.

The General Assembly also is committed to the development of a plan that continues to advance the State's current system into a statewide system of person-centered, affordable services and supports that emphasize an individual's dignity, choice, and independence and provides new opportunities and increased capacity for community housing and community supports.

BR Commission Charge

(i) examine the State's system of community housing and community supports for people with severe mental illness, severe and persistent mental illness, and intellectual and developmental disabilities and

(ii) develop a plan that continues to advance the State's current system into a statewide system of person-centered, affordable services and supports that emphasize an individual's dignity, choice, and independence.

BR Commission – 32 Members

- House and Senate Members
- DHHS Secretary
- DMH/DD/SAS Director
- DMA Director
- Housing Finance Agency Director
- Mental Health and DD Services Consumer
- Banking/Financial Institution
- LME/MCO
- County Government
- NC Association of Long-Term Care Facilities
- NC Assisted Living Association
- Family Care Homes
- Group Homes
- Supported Housing Service Provider

Commission Proceedings

- Commission consisted of two subcommittees:
 - Adult Care Homes
 - Housing
- Each Subcommittee met four times
- Each submitted a report on findings and recommendations to the Full Commission
- Report from the Blue Ribbon Commission on Transitions to Community Living submitted to the 2013 General Assembly

Blue Ribbon Commission Adult Care Home Subcommittee Findings and Recommendations

#1 Explore Alternatives for Large Adult Care Homes

- Directs DHHS to work with the adult care home industry to explore business and service delivery alternatives for repurposing large (16+ bed) adult care homes
- Report findings and recommendations to the Joint Legislative Oversight Committee on Health and Human Services, on or before September 1, 2013.

#2 Mitigate the Loss of Medicaid Eligibility by Those Exiting an Adult Care Home

- Directs DHHS to consider all options to mitigate the loss of Medicaid eligibility by those exiting an adult care home and no longer receiving State-County Special Assistance as an adult care home resident for this specific population for a set period of time.
- DHHS shall report findings and recommendations to the Senate and House HHS Appropriations Subcommittees on or before March 1, 2013.

#3: Establish a Long-Term Care Continuum Workgroup

- Directs DHHS to establish a workgroup including stakeholders, Departmental personnel, and unbiased experts, to explore changes to North Carolina's long-term care continuum, including, but not limited to: expansion of waiver options and potential new licensure structure, and assuring that individuals are not unduly offered more restrictive placements than needed and are assured of receiving skilled nursing care as designated through assessment.
- Interim report due on or before April 1, 2013, and a final report of findings and recommendations on or before October 1, 2013, to the Senate and House Appropriations HHS Subcommittees

#4 Explore a Supplement to be Paid on Behalf of an ACH Resident

- Directs DHHS to explore establishing a process to allow payment by an individual or family member on behalf of a recipient of State-County Special Assistance when that recipient has lost their eligibility for Medicaid Personal Care Services (PCS), and those Medicaid PCS services are not covered under a Medicaid appeal process.
- DHHS shall report findings and recommendations to the Senate and House HHS Appropriations Committee on or before March 1, 2013.

#5 Study Tiered Personal Care Services

- Directs DHHS investigate tiered Medicaid Personal Care Services with eligibility criteria and a related rate structure based on assessed intensity of need. The Department shall consider coverage for medication management and for those individuals that have Alzheimer's disease or related dementias
- Report findings and recommendations to the Joint Legislative Oversight Committee on Health and Human Services, on or before October 1, 2013.

#6 Study State-County Special Assistance Rate Structure

- Directs DHHS to study State-County Special Assistance to:
 - 1) develop alternative cost methodology options for determining rates, and
 - 2) to investigate the feasibility of a tiered rate structure to address assessed resident needs based on the intensity of need, including medication management.
- Report findings and recommendations to the Joint Legislative Oversight Committee on Health and Human Services, and to the Senate Appropriations Committee on Health and Human Services and House Appropriations Subcommittee on Health and Human Services, on or before October 1, 2013.

#7 Habilitation Services for Adults with Intellectual/Developmental Disabilities (I/DD)

Directs DHHS to prepare a 1915 (i) option application with a narrow focus on habilitation services for adults with intellectual and other developmental disabilities. Eligibility for this 1915(i) option must be carefully constructed to consider assessed needs of the individual and to assure that these needs do not meet the criteria and intensity of need for ICF-IDD level of care. This 1915(i) option should be incorporated into the support needs process and the management and capitation of the LME/MCOs.

Additionally, cost containment and comparability must be addressed, and projections for costs and number of eligible recipients must be provided when the application draft is submitted for review to the Senate Appropriations Committee on Health and Human Services, and House Appropriations Subcommittee on Health and Human Services, on or before February 1, 2013. The Department shall not take further action on the application until there is approval by the NC General Assembly.

#8 Explore Service Delivery Options for Individuals with Mental Illness

- Directs DHHS to expand upon and develop new service definitions and delivery options to meet the needs of individuals with a primary diagnosis of mental illness by: (1) considering an addition and expansion of 1915(b)(3) services, and (2) review of State Plan services and making clinical and rate recommendations to amend the 1915(b) waiver upon approval of the NC General Assembly.
- DHHS shall report findings, anticipated costs, and recommendations to the Senate and House HHS Appropriations Committees on or before March 1, 2013.

#9 CAP-IDD (Innovations) Medicaid Waiver Slots

Directs DHHS to expand the number of available CAP-IDD (Innovations) Medicaid Waiver slots within current funding and to unfreeze current slots within current funding constraints.

Report on the status of the CAP-IDD (Innovations) waiver slots to the Senate Appropriations Committee on Health and Human Services, and the House Appropriations Subcommittee on Health and Human Services, on or before March 1, 2013.

Blue Ribbon Commission Housing Subcommittee Findings and Recommendations

Increase Number of Permanent Housing Units

- Direct that future State, federal or other sources of expansion funding provided to the NC Housing Trust Fund, the Key Program, and other state housing assistance programs be designated specifically to increase the number of permanent housing units, in addition to existing temporary or transitory housing
- In the absence of increased funding for this purpose, the State should consider targeting some portion of existing funding toward projects that increase supportive housing availability

Transitions to Community Living Fund

- Encourage that, of the \$10.3 million appropriated in S.L. 2012-142, Section 10.23A.(e), any unspent funds remaining on June 30, 2013 and any future funding provided for this purpose, shall not revert but shall be transferred to, and deposited into, a special reserve account within the Housing Trust Fund
- These funds shall be used only for the purpose of providing supportive housing to persons with mental disabilities and shall remain in a special reserve account until appropriated by an act of the General Assembly
- The special reserve account shall be terminated on June 30, 2020, and any funds remaining in the account on that date shall revert to the General Fund

Increase Availability of Rental Housing for Persons with Mental Illness

- Direct DHHS to evaluate the capacity of the automated databases used by state agencies to monitor the inventory of available rental housing and take the necessary actions to expand landlords' access to and use of these data systems.
- Directs North Carolina Housing Finance Agency and the Department of Health and Human Services to explore the possibility of increasing the percentage of targeted units in new developments from 10% to a greater percentage.

Tenant-Based Rental Assistance Program

- Directs DHHS and the NC Housing Finance Agency to develop a plan to establish a state funded and administered tenant-based rental assistance program (TBRA) specifically designated for the 3,000 persons who must be transitioned to community-based housing as required by the U.S. DOJ settlement agreement.
- The TBRA plan shall identify the housing needs within each MCO catchment area. No later than March 1, 2013, DHHS shall submit a preliminary plan, including budgetary and other resource needs, to the Chairs of the House and Senate Appropriations Committees, the House and Senate Health and Human Services Appropriations Subcommittees, and the House and Senate General Government Appropriations Subcommittees.

LME/MCO Community Partnerships

- Encourage LMEs to form partnerships with existing non-profit and other agencies that currently provide supportive housing assistance and other services to persons with qualifying disabilities in home and community-based settings.

Availability of Home and Community-Based Services

Directs DHHS and the LMEs/MCOs to determine the additional services and resources needed to support the transition of 3,000 mentally ill persons from adult care homes to community-based settings by June 30, 2020.

No later than March 1, 2013, DHHS shall submit a written report to the Chairs of the House and Senate Appropriations Committees, the House and Senate Health and Human Services Appropriations Subcommittees and the House and Senate General Government Appropriations Subcommittees.

Maximize Use of Assistive Technology

Directs DHHS and the LMEs/MCOs to identify specific assistive technology that can be used to divert or transition persons with mental disabilities from institutional settings.

DHHS shall develop a plan to maximize the use of assistive technology in the implementation of the U.S. DOJ settlement agreement.

No later than March 1, 2013, DHHS shall submit an assistive technology plan to the Chairs of the House and Senate Appropriations Committees, the House and Senate Health and Human Services