

Establishing a Resource Allocation Model For Service Recipients With Intellectual and/or Developmental Disabilities



INNOVATIONS PLUS

Section 1: Welcome & Introductions

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Developing Assessment Informed Resource Allocation Frameworks

Session Law 2011-264...

- In 2011 the General Assembly enacted Session Law 2011-264 which provides for a major restructuring of the management, financing and delivery system for services for individuals with mental illness, intellectual and developmental disabilities (I/DD) and substance abuse disorders.
 - This restructuring will occur through the expansion of the 1915 (b)(c) Medicaid waiver, to be completed by July 1, 2013.
 - Among the many requirements (or anticipated results) of the legislation is that the State's 23 LMEs consolidate and convert into managed care organizations (MCO).
 - The law also requires the Department to explore the feasibility of utilizing the provisions of Section 1915(i) of Title XIX to provide habilitation services for individuals with I/DD that are eligible for Medicaid but not enrolled in the 1915(c) waiver or residing in Intermediate Care Facilities for the Mentally Retarded (ICFs/MR).
- The Innovations component of the waiver expansion specifies the use of a resource allocation system based on the Supports Intensity Scale (SIS) for the delivery of home and community based services to eligible individuals with I/DD.

Section 3: Overview of Innovations Plus



What is Innovations Plus?

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In 2011, the North Carolina legislature passed a new law. The law requires DHHS to change how services are delivered (Session Law 2011-264).

- ❑ The 23 Local Management Entities will become 11 Managed Care Organizations known as LME-MCOs.
- ❑ Services for people with I/DD will be funded through a Medicaid home and community based waiver program called “Innovations.”
- ❑ People will receive financial resources to get services based on their needs. Needs will be measured by the Supports Intensity Scale[®] (SIS) assessment. The SIS measures the level of support a person needs for daily life activities.

DHHS calls these changes “Innovations Plus” because it is based on the Innovations waiver started at the PBH LME-MCO. Soon the Innovations Plus program will be offered statewide.



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Tasks and Contract Teams

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Tasks to Complete

- Carry out communications plan
- Assess support needs of Innovations Waiver service recipients
- Review expenditure and utilization data per recipient
- Construct resource allocation models by LME-MCO
- Facilitate model validation process
- Account for infrastructure requirements
- Structure and undertake roll out of the models

Contract Teams

- Human Services Research Institute with Burns and Associates
- American Association on Intellectual and Developmental Disabilities
- Developmental Disabilities Training Institute



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Communications Plan

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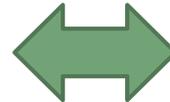
Establish a positive “framework” for the overall effort

Communicate with stakeholders

Provide accurate information on what is being done, the systems change process, and expected outcomes

Provide opportunity for people to learn more about the system changes being undertaken

Promote learning about service approaches that promote high quality services



Direct Interaction



Indirect Interaction

Local community forums and stakeholder meetings (e.g., meetings convened by DDTI on the Supports Intensity Scale)

Handouts (e.g., Frequently Asked Questions) and PowerPoint slide shows

Webinars

Website

Press Releases

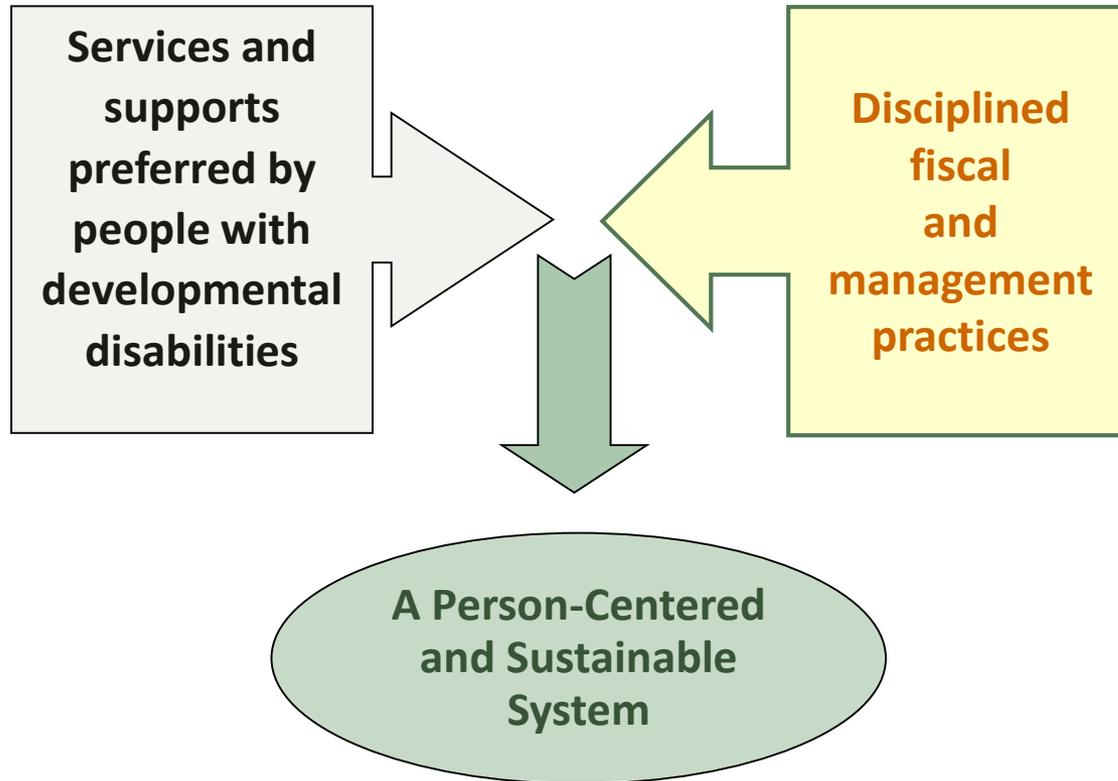
Model Development Process

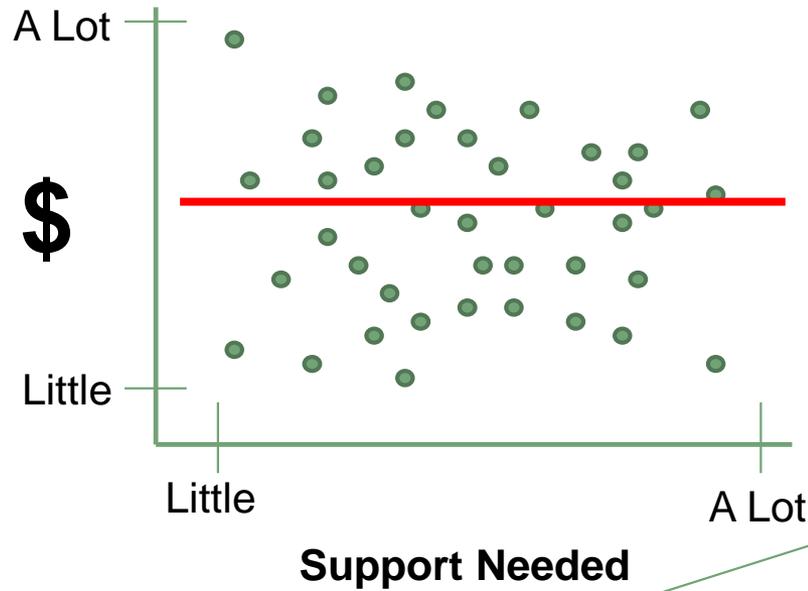
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- Resource Allocation is a way that policy makers can make disciplined fiscal choices that are fair, make the best use of available money, but also are consistent with driving system principles.
- Resources are allocated to people based on their assessed level of need and additional resources can be allocated based on medical necessity.
- The resulting model is a “best fit” solution so care must also be taken to accommodate individuals with extraordinary needs.



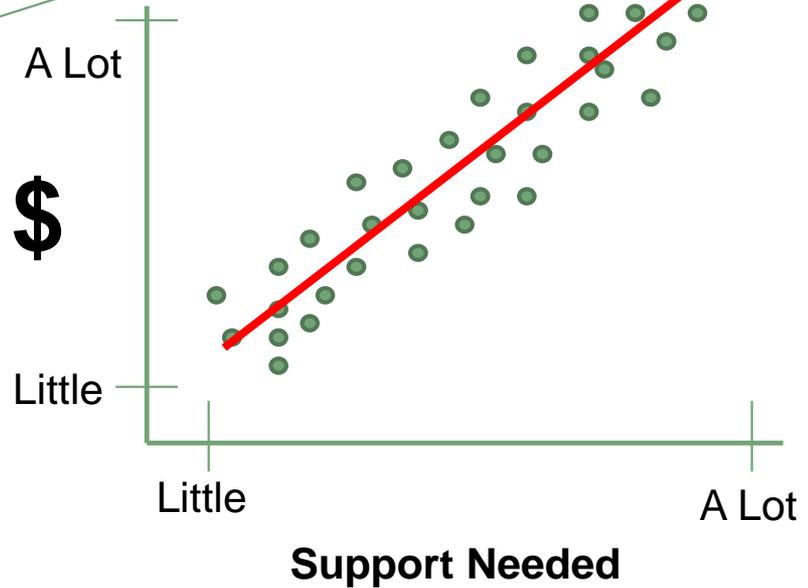
Blending Together Principles Related to Service Delivery and System Management





We want to move from a low correlation like THIS...

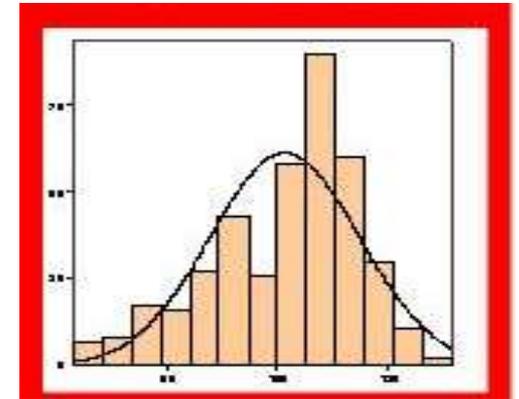
...to a high correlation like THIS



Success Requires Reliable Information

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- Information:
 - ✓ On the people served
 - ✓ On their need for support
 - ✓ To understand what different services cost and track spending
- This requires policy makers to settle on the types of services that should be offered, what they are willing to pay for these services, and what outcomes are expected.



Person-Centered
Budget Allocations

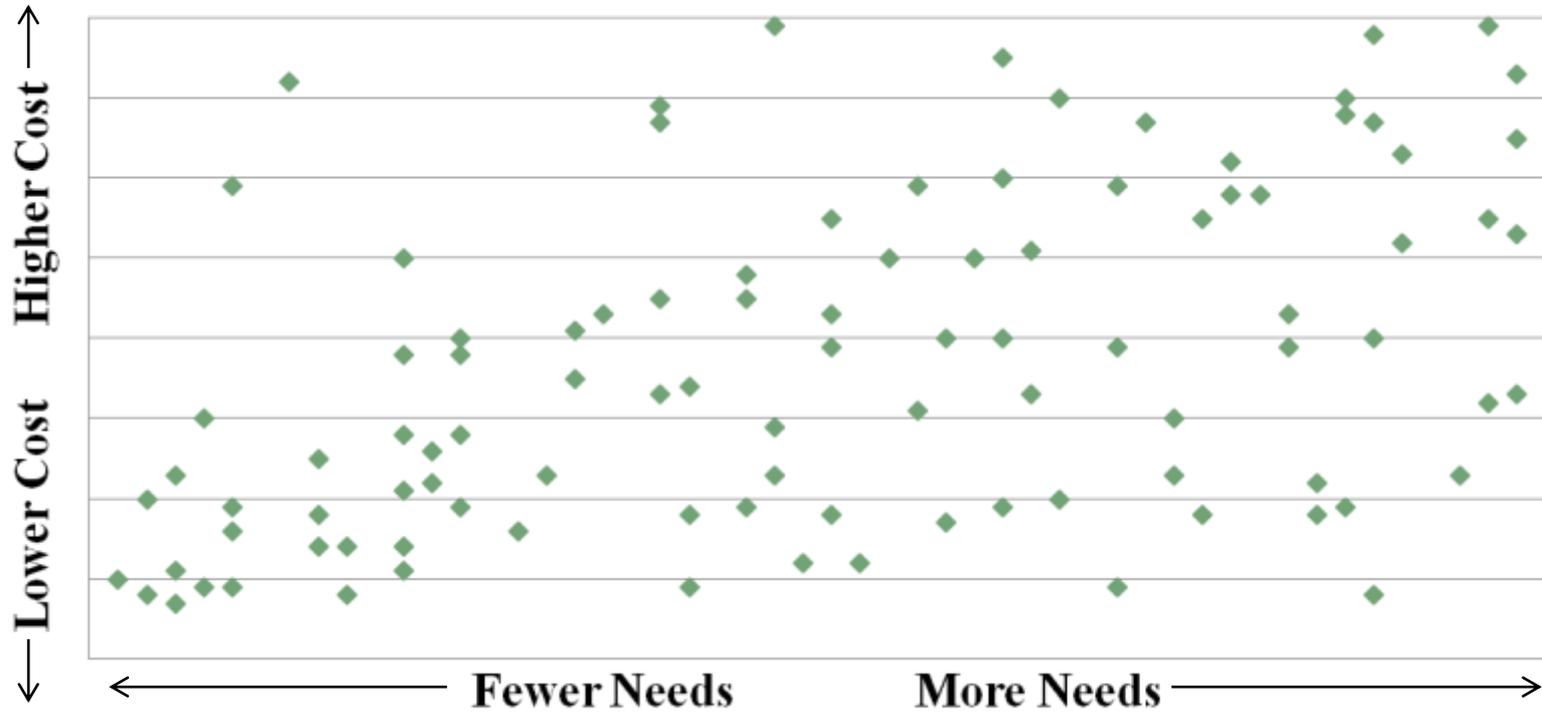
Adjusted Service
Utilization

An overall view - 1 ... What we Typically See

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Only a modest relationship between needs and supports with significant variability among individuals with similar needs (each diamond represents an individual)

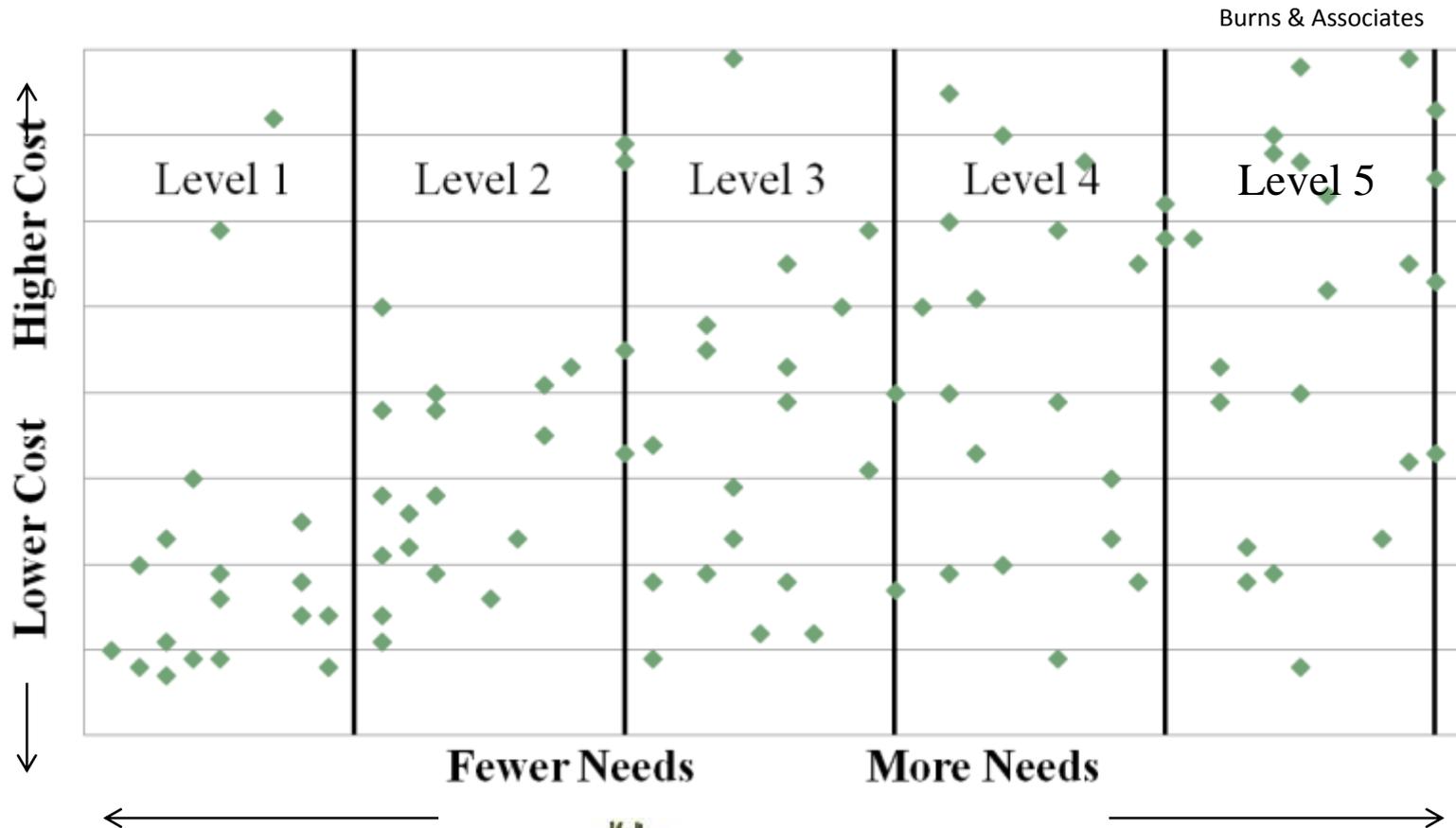
Burns & Associates



An overall view - 2 ... Tying Supports to Needs

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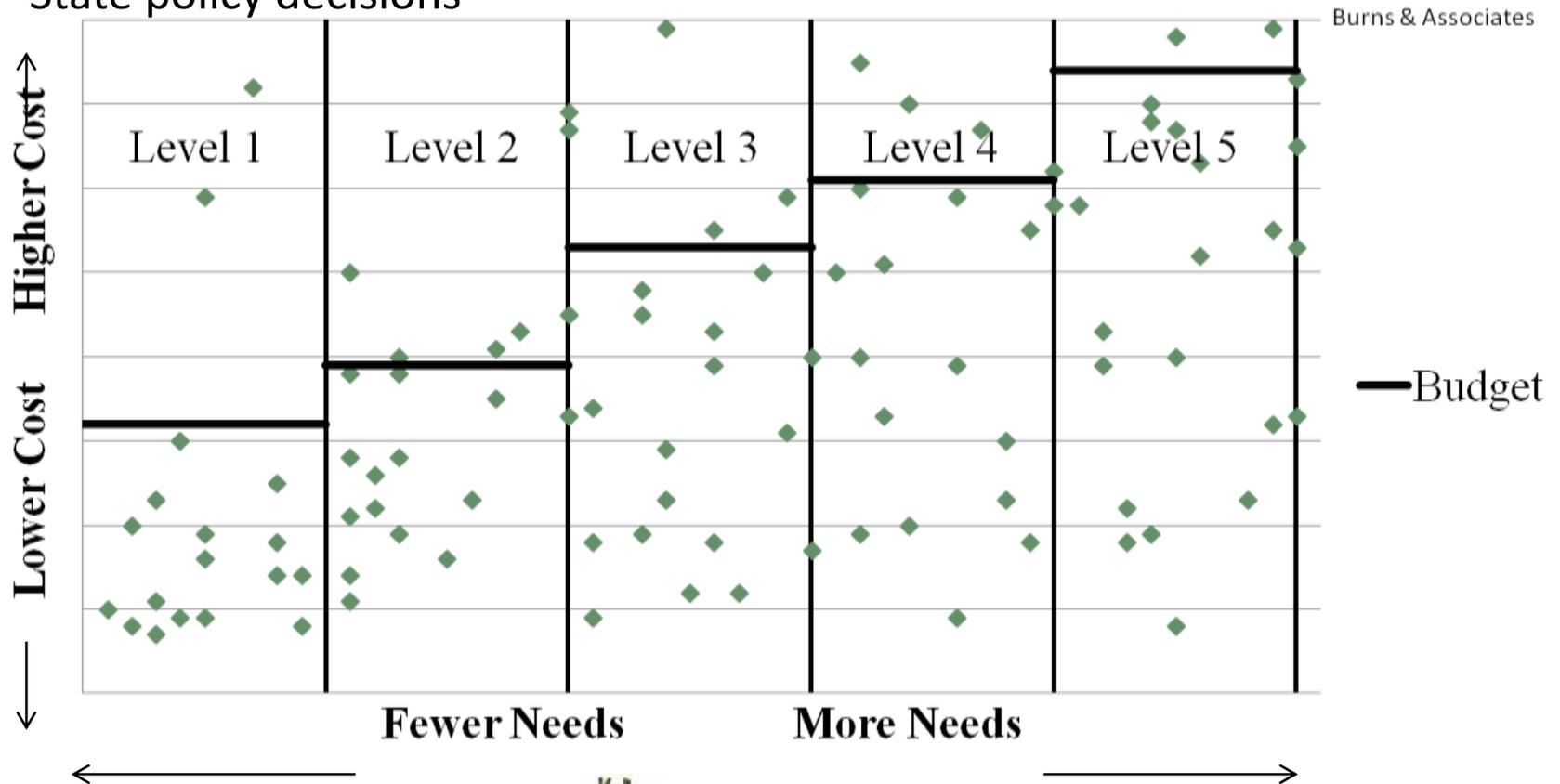
First, levels are established to group individuals with similar needs



An overall view - 3 ... Tying Supports to Needs

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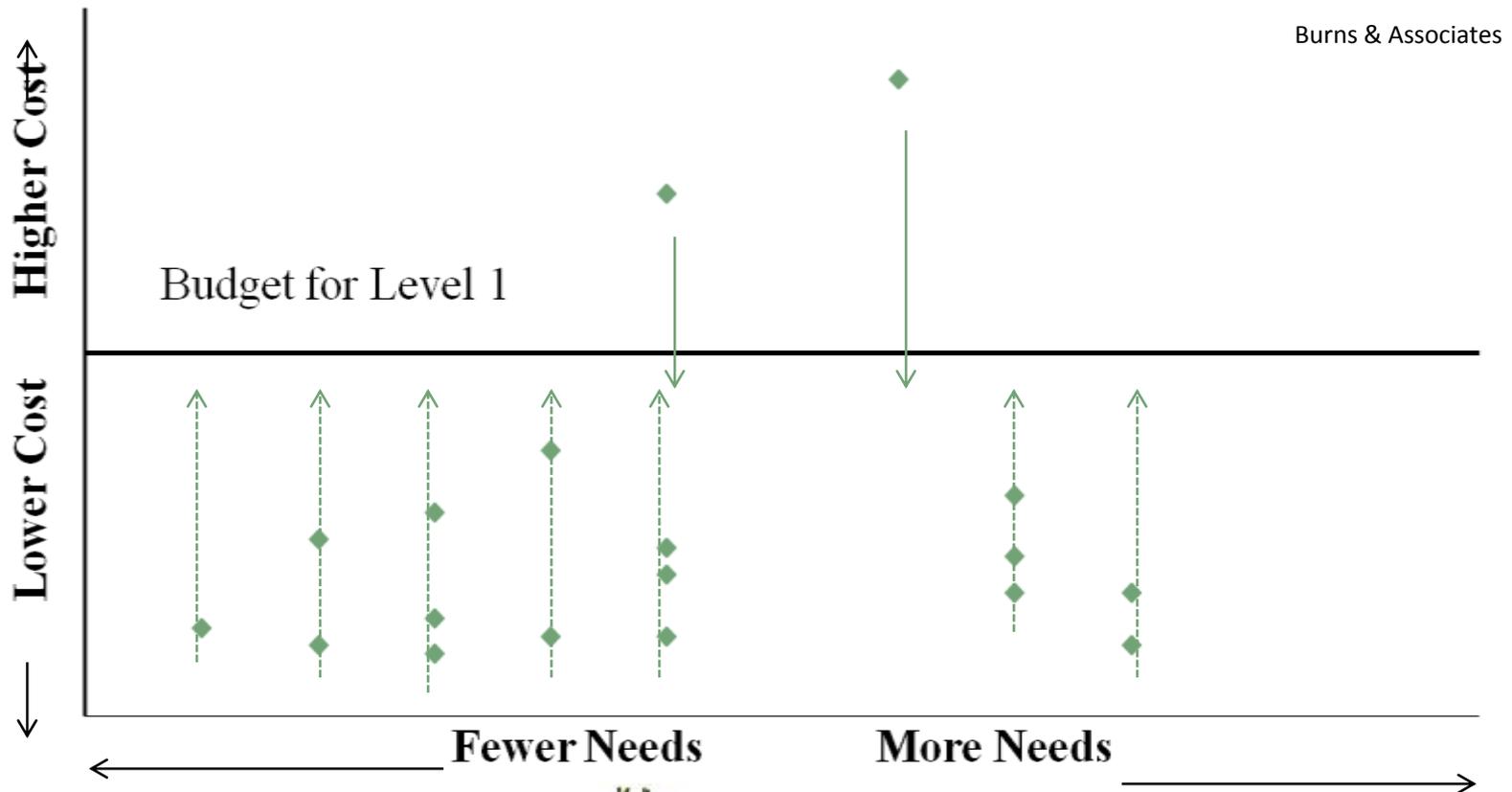
Then, a budget is established for each level based on utilization data and State policy decisions



An overall view - 4 ... Tying Supports to Needs

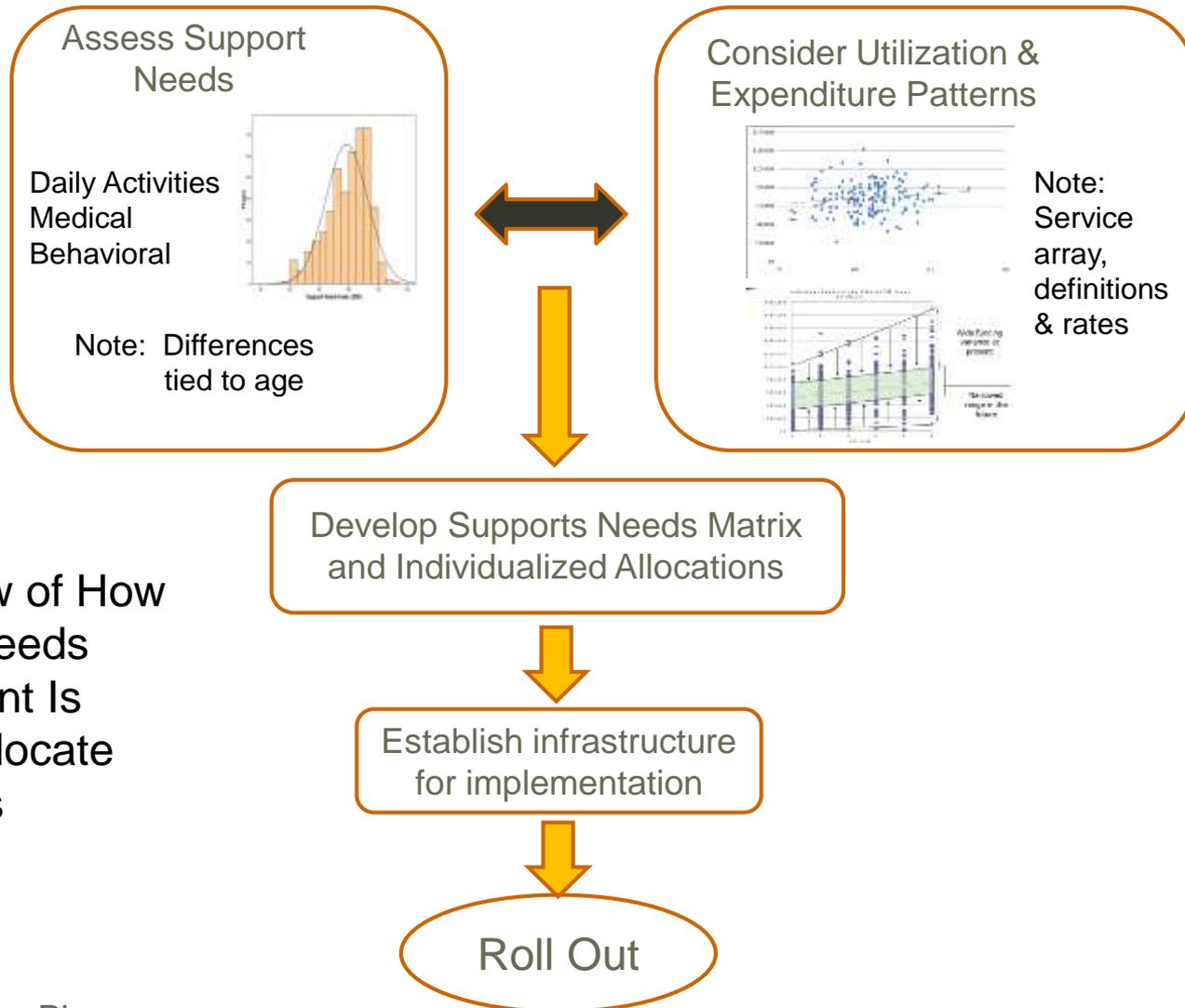
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Those above the budget for their Level are reduced (and may be stepped down over time); those below may or may not increase based on their decisions



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System Level Goals and Expectations for Individuals & Families



Quick View of How
Support Needs
Assessment Is
Used to Allocate
Resources

How Does this Apply in North Carolina?

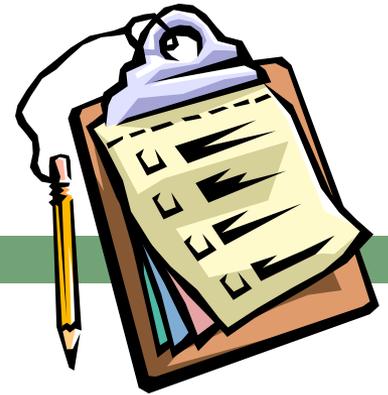
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- Statewide implementation of the Innovations Waiver is modeled after the Medicaid 1915 (b)(c) waiver at PBH. It requires the Supports Intensity Scale (SIS) to develop a resource allocation framework.
- We seek a funding model that is fair, efficient and sustainable but still presses for community integration and self-direction.
- Individualized budgets for services are designed so that:
 - ✓ low need = lower budget amount
 - ✓ high need = higher budget amount



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What Steps Are Taken?



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1. Policymakers set goals (examples: make the system more fair, serve more people).
2. Data is collected on support needs (NC will start with a stratified random sample).
3. Assessment levels are established.
4. The service array is considered, along with rates of reimbursement and preferred utilization rates by assessment level.
5. Level by level, base budgets are set according to the services people will likely receive, their utilization and how much it will cost.
6. Results are validated given review of a number of individual circumstances.
7. Various infrastructure requirements are accounted for.

Goals of the Innovations Waiver (Step 1)

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- Value and support waiver participants to be fully functioning members of their community
- Promote promising practices that result in real life outcomes for participants
- Offer service options that will facilitate each participant's ability to live in the homes of their choice, have employment or engage in a purposeful day of their choice and achieve their life goals
- Provide opportunities for all participants to direct their services to the extent that they choose
- Provide educational opportunities and support to foster the development of stronger natural support networks and enable participants to be less reliant on formal support systems.



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Develop a Sample (Step 2)

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To get started, we need to collect information on a representative sample of service recipients. A representative sampling plan includes service recipients from:

- Different age groups (child, adult)
- Each type of residential option (i.e., group home, in-home)
- Each of the proposed LME-MCO's



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Supports Intensity Scale (Step 3)

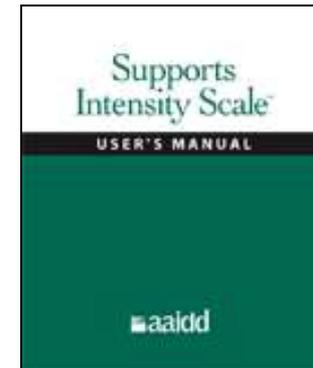
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The Supports Intensity Scale (SIS) is an assessment tool to measure the supports an individual needs to live a meaningful life in the community. It is used to inform supports planning and also resource allocation.

People are asked questions about their specific level of need for support in these areas:

- Home activities
- Community activities
- Health and safety
- Medical and behavioral challenges

For information on SIS reliability, validity & use by states go to: <http://www.siswebsite.org/>



SIS Assessment

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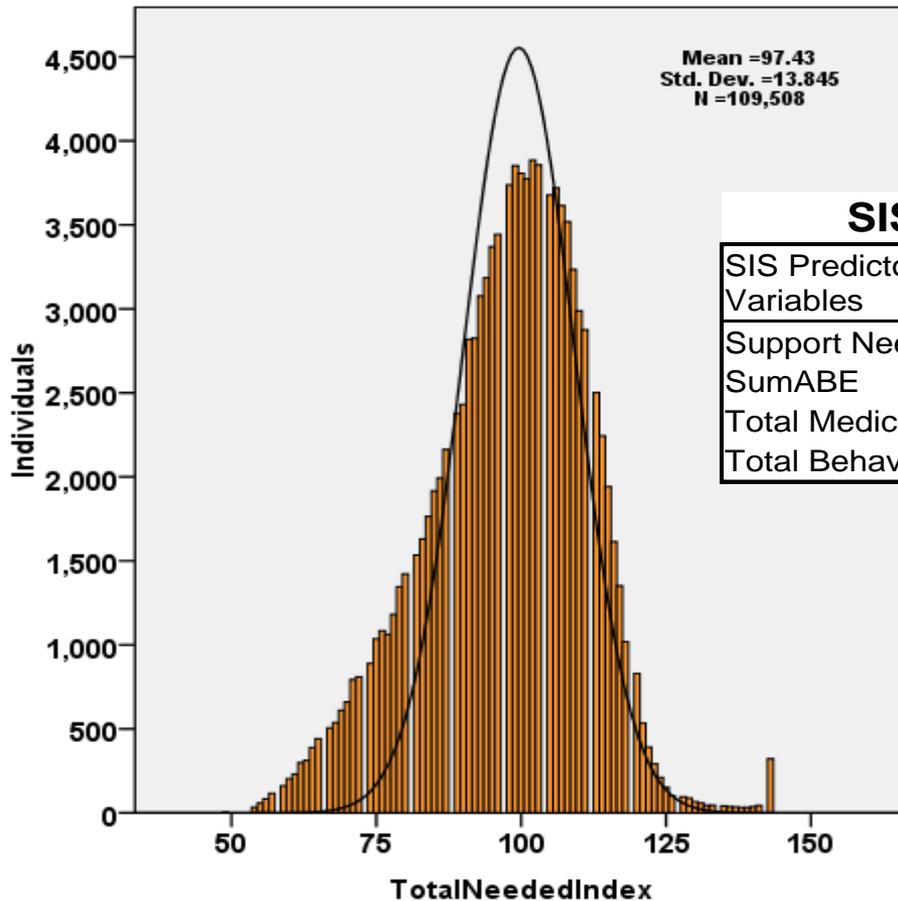
- The SIS is completed during a personal meeting with the person and others who know the person well.
- A certified SIS interviewer will ask questions and fill out the form about the kind of support a person needs throughout the day and night. AAIDD is partnering in NC to conduct the 5,200 SIS sample interviews.
- The SIS instrument contains questions about every day support such as help with preparing a meal or getting to a doctor's appointment, and questions about extra support for medical conditions and behavior that entail greater levels of support.
- SIS information for each person is entered into a database and level of need scores are generated.



“Buying the Bell Shaped Curve”

2011 -3- Years, 18 jurisdictions

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SIS Online Descriptive Statistics

SIS Predictor Variables	Individuals	Min	Max	Avg	Std. Deviation
Support Needs Index	109,508	49	143	97.43	13.84
SumABE	109,508	8	52	28.14	6.87
Total Medical 3a	109,508	0	32	2.19	3.27
Total Behavioral 3b	109,508	0	26	3.62	4.10



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Supplemental Questions & Other Factors

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The 4 SIS supplemental questions identify those with the highest level of medical and/or behavioral support needs.

- Training for Interviewers on the Supplemental Questions
- Establish a process for verifying affirmative responses to the questions

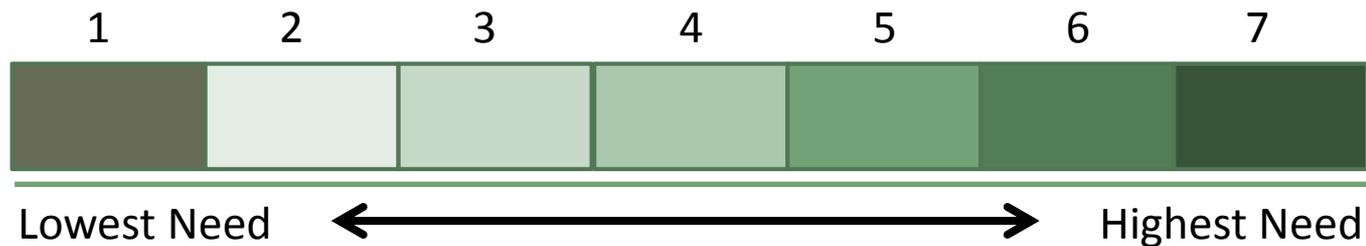
We also consider where people live and the individual's age.



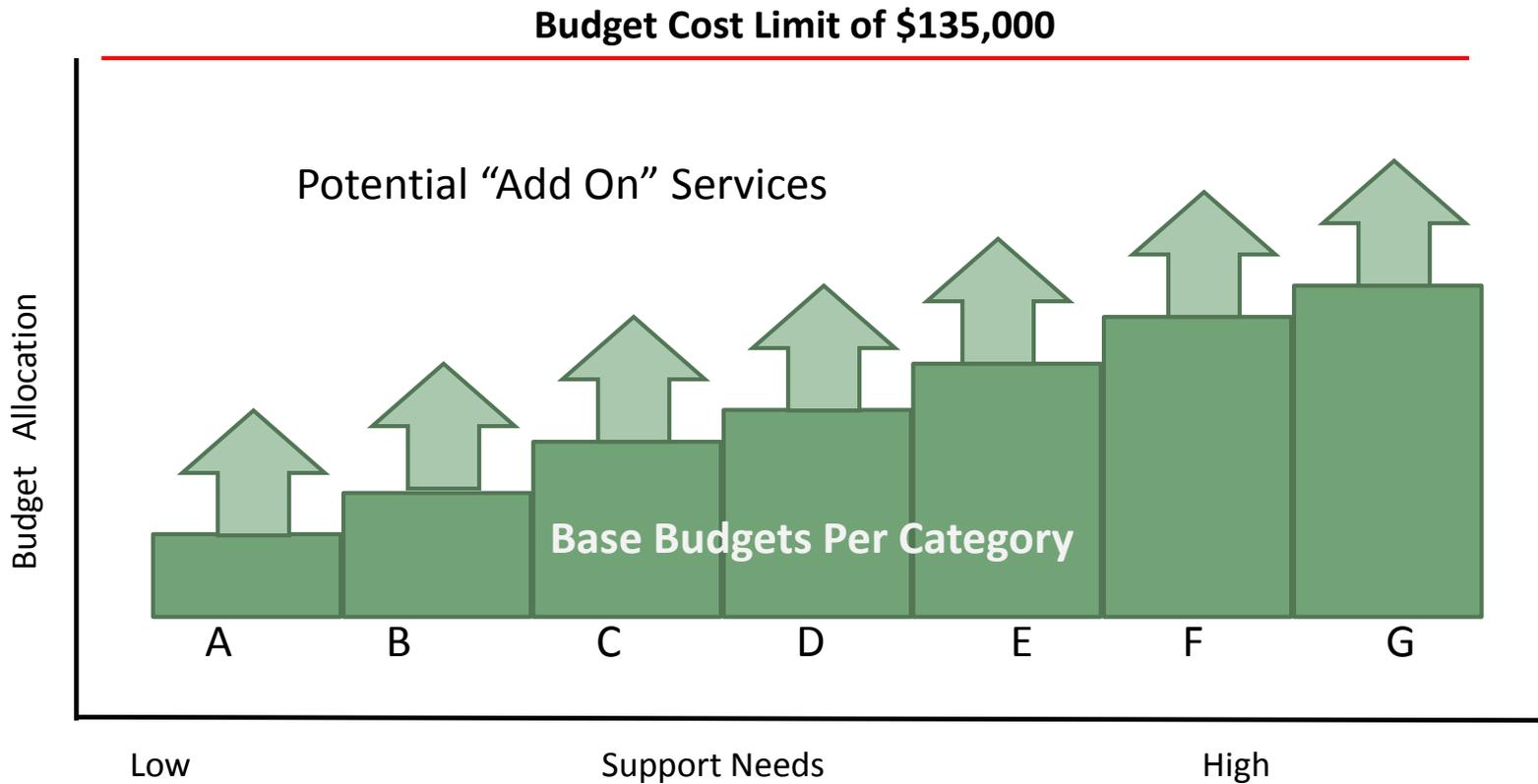
NC Resource Allocation Framework (Step 3)

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- LME-MCOs will use a model like that pioneered by PBH. It involves 7 funding levels that group people from least to highest support needs.
- Each level represents a certain amount of money for services. Each level is assigned a “base budget” so that all people in a level get the base amount of funds attached to that level.
- In some cases other services can be “added on” to get a higher personal budget allocation.
- Individual’s budgets can not be higher than the cost limit of \$135,000.



Example - Support Needs Matrix (Steps 4-5)



Individualized Budget Amount

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Individual budgets are created from the SIS information and funding levels. An individual budget is a guideline for the amount of money allocated for one person's services for the next year.

Individual budgets are made up of 2 types of services:

- 1. Base budget**– Created from the SIS assessment and assigned level. Everyone eligible for Waiver services will receive a base budget to spend on their services plus any additional funds necessary to provide medically necessary services.
- 2. Add on services** – Additional services as needed.



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Base Budget Services Include

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- Community Networking Services
- Supported Employment
- Day Supports
- In-Home Skill Building
- In-Home Intensive Supports
- Personal Care
- Residential Supports
- Respite



Add-On Budget Services Include

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- Assistive Technology Equipment and Supplies
- Community Guide Services
- Community Transition Services
- Crisis Services
- Financial Support Services
- Individual Goods and Services
- Natural Supports Education
- Specialized Consultation Services
- Vehicle Modifications
- Crisis Services
- Home Modifications



What Outcomes Are Anticipated?

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Once the new framework is implemented statewide, DHHS expects that two types of outcomes will result:

- **System Level Outcomes.** DHHS expects that the new Innovations Plus framework will provide a way to allocate resources that will make the system fairer, more efficient and sustainable.
- **Personal Outcomes.** DHHS expects that individuals will receive the services they need to achieve the goals targeted in each person's support plan, including goals to support community integration and self-direction.



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Facilitate Model Validation (Step 6)

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- ❑ Model validation refers to a review of a sample of individual case files to determine whether the resource allocation framework produces both adequate service packages and appropriate SIS Level assignments.
- ❑ HSRI will provide tools for each LME-MCO to self-validate their models and will facilitate the local process for validation.
- ❑ HSRI will provide technical assistance to LME-MCOs to validate the model locally. This includes provision of templates that can be used, assistance with recruiting local experts to participate in the review teams, and guidance over how to conduct the local validation processes.
- ❑ HSRI anticipates that local validation processes will involve review of approximately 100 case files by one or more teams.
- ❑ The SIS Level assignment will be reviewed and compared to the information in the file to determine – by team consensus – whether that assignment reflects the individual’s level of support needs, and then determines whether the individual budget amount assigned to the individual’s SIS Level will provide for the services necessary to meet those support needs.
- ❑ HSRI will assist the review team with preparation of validation reports that summarize the results of the review.

Account for Infrastructure (Step 7)

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Infrastructure refers to the operational components that undergird and support the functioning of the direct services system.

- Communication between state agencies and LME-MCOs along with agreement on division of responsibilities
- Maintaining model integrity over time (e.g., SIS assessments, service reimbursement rates, individual budget amounts)
- Rules and regulations to govern various aspects of service delivery (e.g., care coordination, contracting, notification of change in allocations, appeals)
- Quality monitoring and assurance
- Information exchange

Section 4: Implementation



Implementation

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- Implementation strategies need to maximize the potential for success, while minimizing undesirable impacts on people, providers and the system overall.
- Additional data must be collected to make the most informed decisions for roll-out.
- Policy decisions must be made and agreed upon to move forward with implementation.

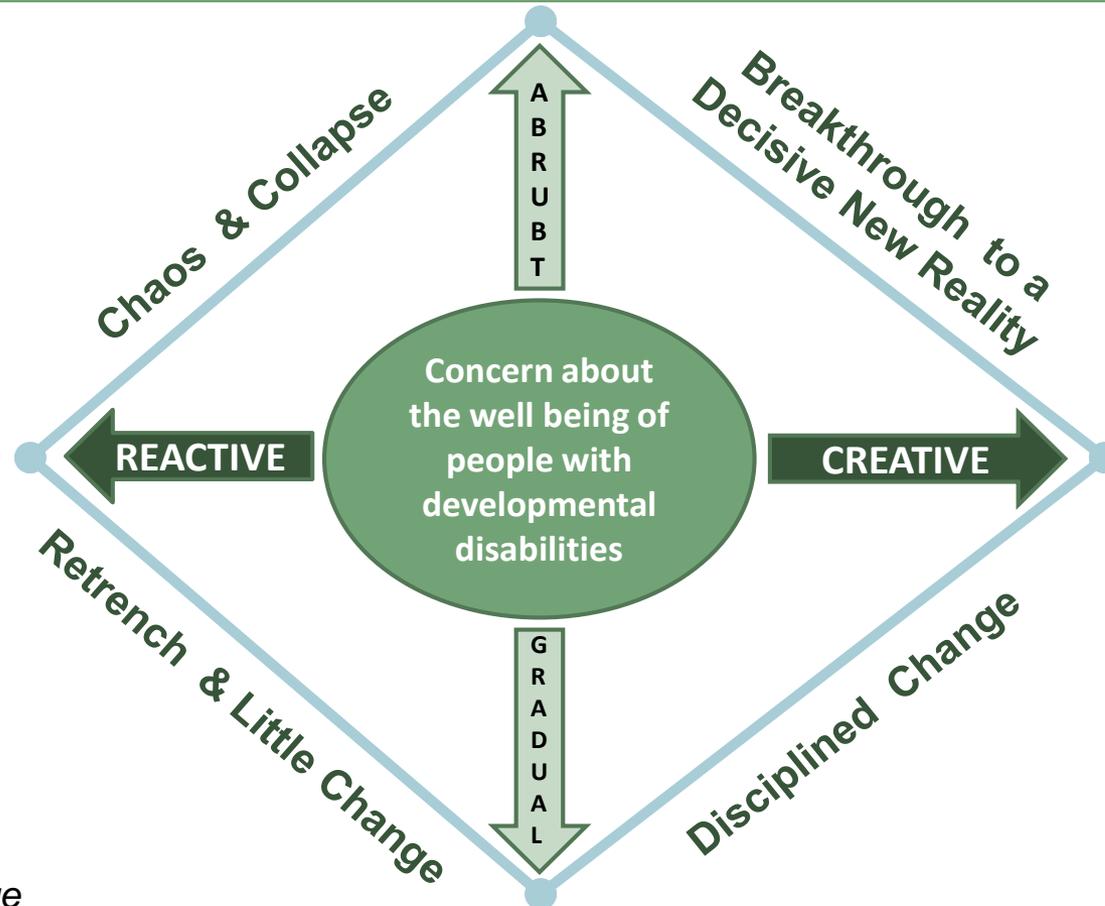
Points to Consider in Assessing the Impacts of Implementation

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- Some amount of disruption within a system is required to alter the status quo.
- Too conservative a strategy will do little to change past practices, giving opportunity for proponents of the status quo to “ride things out” so that things mostly stay the same.
- The greater the prospective negative impact to a system, the more conservative the implementation strategy should be.
- The stronger the relationship established between individual supports need and anticipated expenditures, the greater confidence there is in implementation.

Going About System Change

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Sales & Savage



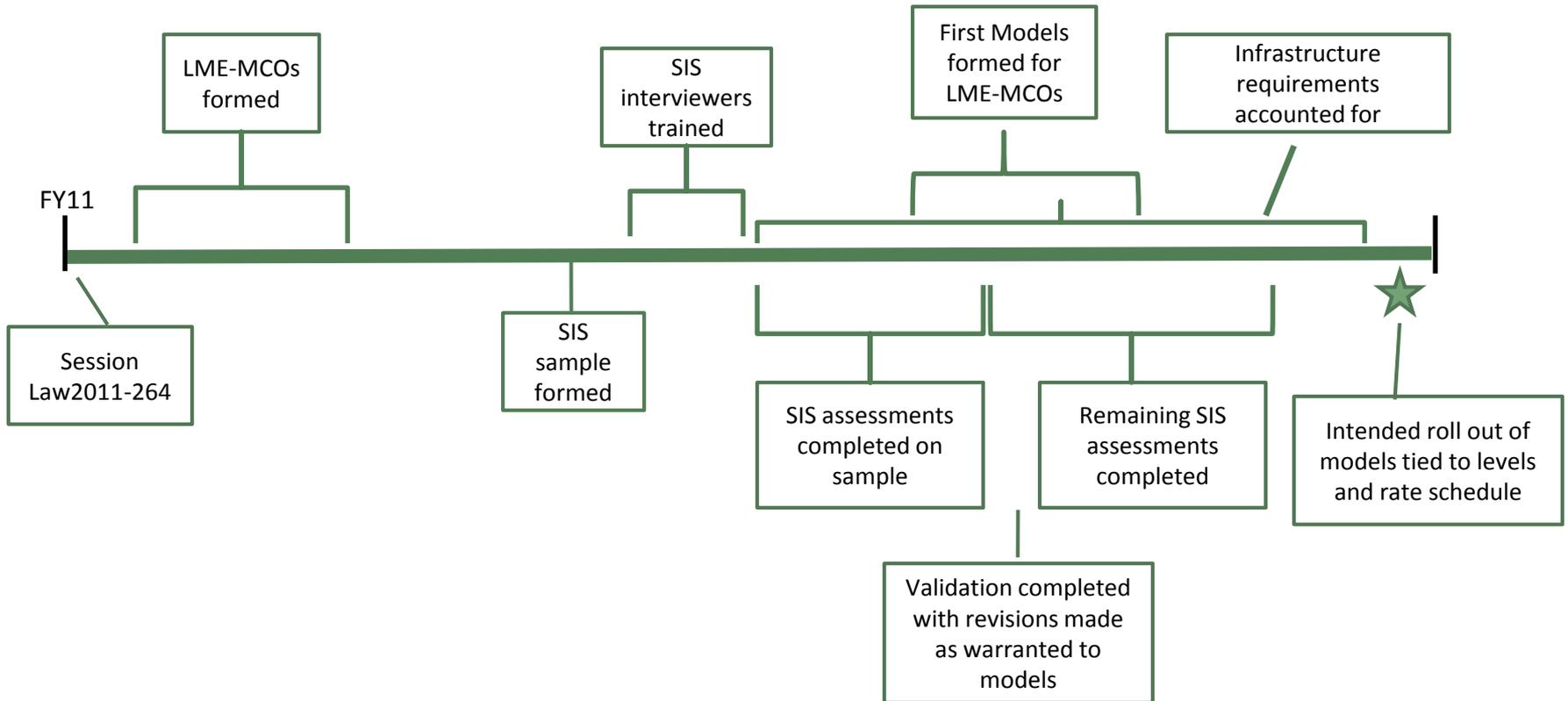
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Summary of Selected Implementation Experiences

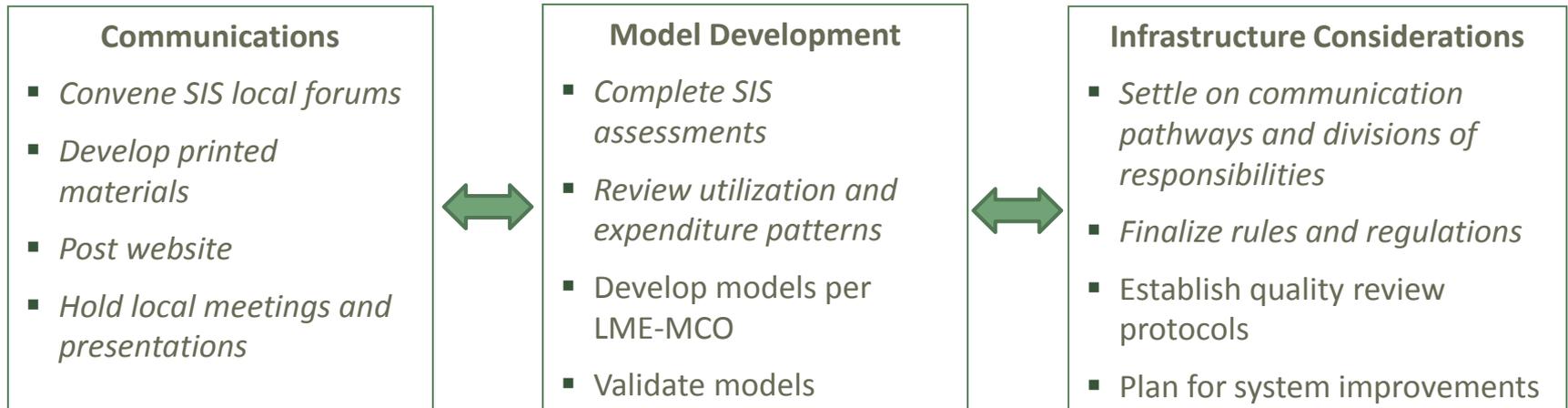
US State	Divide by system elements	Embed elasticity within the resource allocation model	Phase-in over time
Colorado	<ol style="list-style-type: none"> 1. 24 hr Residential 2. Non 24 hr Residential 		<ol style="list-style-type: none"> 1. 24 hr Residential (Jan. 2009) 2. Non 24 hr Residential (July 2010)
Louisiana		"Soft caps" where individual allocations were offered to guide planning processes	<ol style="list-style-type: none"> 1. "Soft Caps" for planning 2. Individuals on Waitlist
Oregon	<ol style="list-style-type: none"> 1. 24 hr Residential 2. Individuals whose budgets would increase 		Daily processing of Assessment Levels. Other services to come later
Georgia		Phase out old budgets over 5 years by increasing new funding amounts 20% per year	Phase in over five years to existing service recipients and to all new service recipients
North Carolina (PBH)			Phase in over 2 years to all service recipients by transitioning reimbursement rates gradually multiple times per year

Sequence of Actions

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Section 5: Next Steps



Italicized actions indicate ones that are highest priority over the next few weeks.