

# **Money Follows the Person (MFP) Demonstration: State Program Goals, Features, and Implementation Progress**

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# Overview

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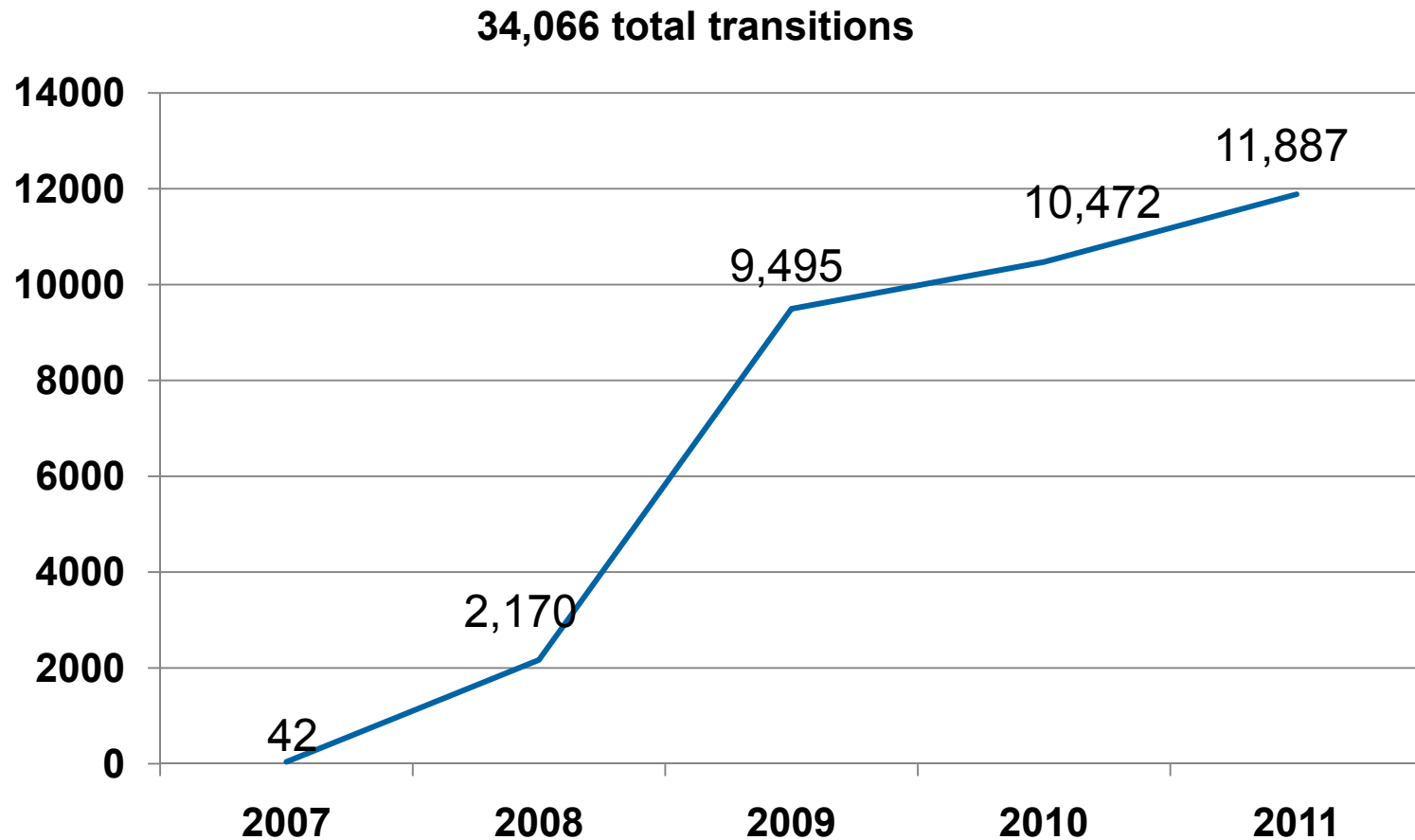
- **Diversity in state MFP transition goals**
- **Key differences in state transition program characteristics**
- **Current status of program implementation in states**
- **Challenges and barriers to implementation**
- **Implications for long-term care (LTC) rebalancing**

# Diversity in States' Transition Goals

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- **Number and type of populations to be transitioned vary among states:**
  - **By demonstration year**
  - **In distribution across five population groups**
  - **By percentage of MFP eligibles**
  - **By medical complexity and level of care needed**

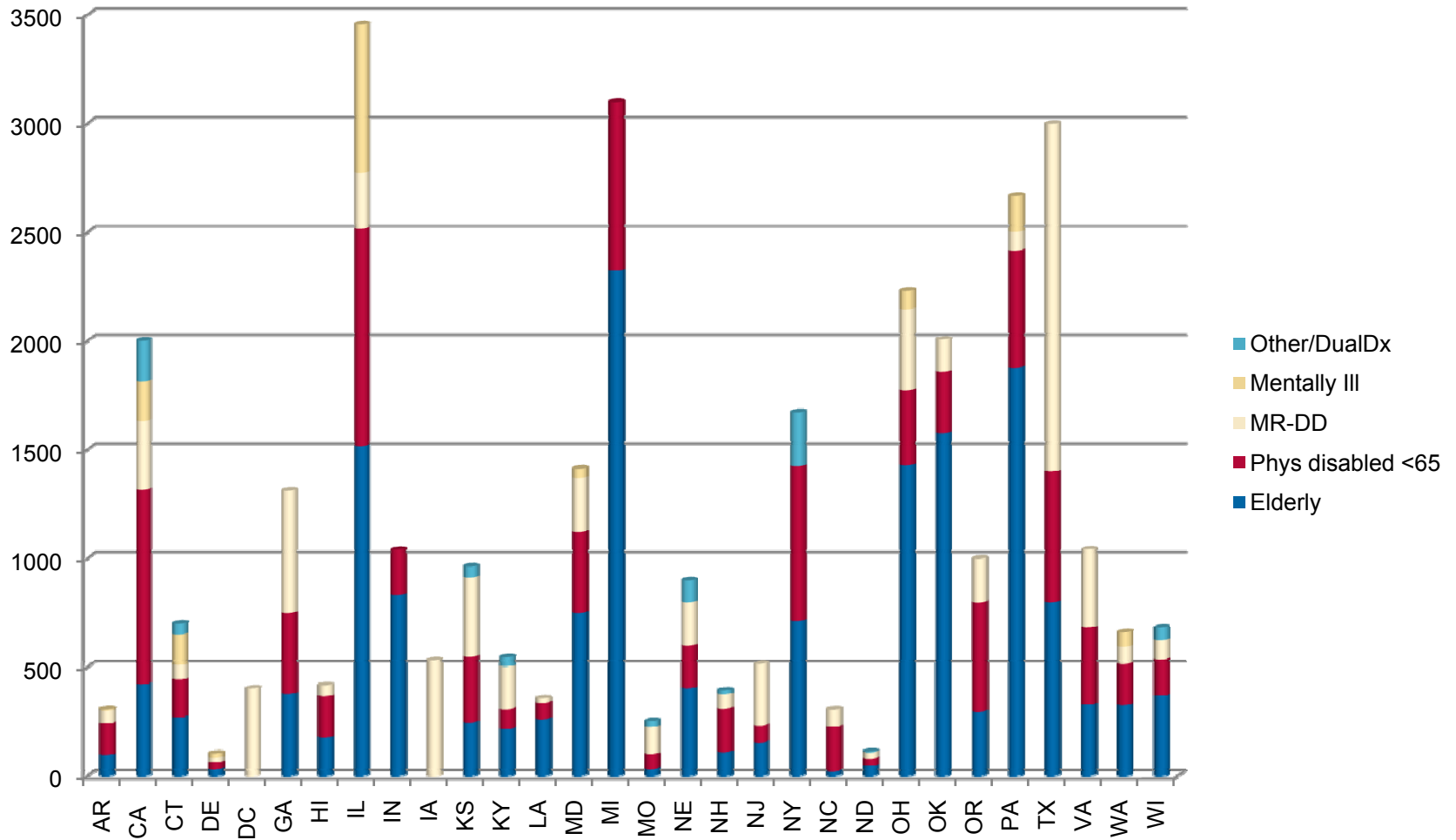
# MFP Transition Goals by Demonstration Year



Source: MFP 2009 Supplemental Budget Requests, December 2008.

# MFP Transition Goals by State and Target Group

## Total Transitions by Categories



# Common MFP Program Design Features

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- **Transition coordination—most states wish to increase capacity**
- **Strategies to ensure affordable, accessible housing**
- **26 of 30 MFP grantee states offering MFP Demonstration and supplemental services**
- **Most states planning to change Medicaid home- and community-based services (HCBS) policies to accommodate MFP participants during or after the one-year transition period**

# Approaches to Transition Coordination

Strategy	Number of States (n=30)
State and local government agency staff	11
Contracts with private organizations □ e.g., Centers for Independent Living, Area Agencies on Aging, case management agencies	10
Combined approach □ State staff for individuals with MR/DD* moving out of ICFs-MR** □ Private organizations for elderly and physically disabled individuals	9

\*MR/DD = Mental retardation or a developmental disability.

\*\*ICFs-MR = Intermediate care facilities for the mentally retarded.

# Strategies to Find Affordable, Accessible Housing

Strategy	Number of States (n=30)
Housing registries to find vacant units that are accessible to the disabled	28
Outreach and education to state and local public housing authorities, landlords, etc., to obtain preference for MFP participants	22
Housing task force or committee	19
Housing-related MFP benchmarks	13
Dedicated funding to pay for rental or “bridge” subsidies for MFP participants	10

# Types of MFP Demonstration or Supplemental Services

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- **Most demonstration and supplemental services are designed to support transition to the community**
- **Some states are testing whether specialized services reduce institutionalization or re-admissions:**
  - **Telehealth services in rural areas**
  - **Special mental or behavioral health services**

# Changes to Medicaid HCBS Policies

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- **New HCBS waiver programs to serve people transitioning from institutions**
- **Increase in HCBS waiver program capacity (“slots”)**
- **Increase in consumer direction options**
  - Nearly all states expanding consumer directed options in some way
  - Seven states have MFP benchmarks for self-direction

# Current Implementation Status: Start Dates

October 2007–April 2008	June–October 2008	After January 2009
Maryland	Arkansas	Connecticut
Missouri	California	Illinois*
New Hampshire	Delaware	Indiana*
Oregon	District of Columbia	Louisiana*
Texas	Georgia	North Carolina
Washington	Hawaii	New York
Wisconsin	Iowa	Oklahoma
	Kansas	
	Kentucky	*Expected to begin in summer 2009.
	Michigan	
	Nebraska	
	New Jersey	
	North Dakota	
	Ohio	
	Pennsylvania	
	Virginia	

# Transitions to Date

	Elderly	Phys. Disabled < 65	People with MR-DD	People with Mental Illness	Other	Total
2007 and 2008	469	438	554	2	19	<b>1,482</b>
January–June 2009	548	703	653	11	17	<b>1,932*</b>
Cumulative	1,017	1,141	1,207	13	36	<b>3,414*</b>
Percentage of total transitions to date	30%	33%	35%	<1%	1%	<b>3,414*</b>
Percentage of total transitions planned	47%	27%	20%	4%	2%	

\*Preliminary count based on reports submitted as of Sept. 18, 2009.

Source: MFP grant progress reports.

# Drop in Total Transition Goals Over Time

Date	MFP Demonstration Stage	Total Transition Goal
January 2007	State grantee applications	~37,700
June 2008	CMS* approval of all states' operational protocols	35,572
January 2009	2009 supplemental grant requests and OP amendments	34,066
2010	2010 supplemental grant requests (due 11/1/09) and OP amendments	?

\* Centers for Medicare & Medicaid Services.

# Implementation Challenges Common to All MFP States

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- **Extensive reporting requirements**
  - Involves programming changes to Medicaid Management Information Systems
- **Qualified residences limited to homes, apartments, and small-group homes**
  - Limits assisted living options in most cases
- **Eligibility limited to residents with institutional stays of at least six months**
  - Hardest group to transition

# Some Challenges Are State-Specific

Experience and Capacity at Start of MFP	Key Implementation Challenges
Substantial	<p>Develop new service categories to assist people with more extensive needs</p> <p>Expand capacity of existing transition programs</p>
Moderate	<p>Scale up transition capacity by increasing transition coordinators or agencies</p> <p>Develop transition services for new populations</p>
Minimal	<p>Conduct outreach</p> <p>Hire or train transition coordinators</p> <p>Recruit providers to deliver new services</p>

# Housing and HCBS Barriers in Many States

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- **Lack of affordable and accessible housing**
  - In 2008, 71 MFP candidates could not enroll or transition through MFP for this reason
  - Half of MFP states reported that shortages of affordable, accessible housing units, or lack of housing subsidies, led to fewer transitions

# Housing and HCBS Barriers in Many States (cont'd)

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- **Inadequate community-based services**
  - In 12 states, shortages of HCBS or direct-care workers affected timing or number of transitions
  - New York and Hawaii experienced delays in implementing new HCBS waivers in which MFP participants were to enroll

# State Budget Crises Affecting Implementation Progress

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- **Economic downturn has strained state Medicaid management resources and HCBS capacity**
- **18 MFP state grantees report that state budget crises will affect many MFP components**
  - **E.g., fewer staff to manage program, reduced waiver slots, provider payment delays, freezes on hiring or contracting**

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# Implications for LTC Rebalancing

# MFP: Not the Next Era of Deinstitutionalization

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- **There have been few MFP transitions relative to those eligible to transition**
  - But if most planned MFP transitions occur, the rate of transitions among long-term residents would rise significantly
- **There have been fewer transitions than expected**
  - In the initial years
  - Over the entire demonstration period, depending on how long it is extended

# MFP: Not the Next Era of Deinstitutionalization (cont'd)

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- **As a consequence, extra revenue to states from enhanced federal matching assistance percentage (FMAP) will decline**
  - **Drop in revenue will reduce funds for system rebalancing**

# Broader View of MFP Role in LTC Rebalancing

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- **Best case**
  - Critical to ensuring individual rights under Olmstead
  - Show how Medicaid HCBS systems can serve people with greater levels of need
- **Risks/unintended consequences**
  - Could reduce resources available to divert unnecessary institutional admissions or reduce lengths of stay
  - MFP participants displace HCBS waiver participants

# For More Information

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- **National Evaluation of the MFP Demonstration Grant Program: Reports from the Field**
  - **No. 1: Transitioning Medicaid Enrollees from Institutions to the Community: Number of People Eligible and Number of Transitions Targeted Under MFP**
  - **No. 2: Implications of State Program Features for Attaining MFP Transition Goals**
  - **No. 3: Early Implementation Experience of State MFP Programs (forthcoming)**

Available at:

<http://www.mathematica-mpr.com/>

or

[http://www.cms.hhs.gov/DeficitReductionAct/20\\_MFP.asp](http://www.cms.hhs.gov/DeficitReductionAct/20_MFP.asp)