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## Medicaid Sustainability:

### Health Homes for People with IDD and Other Provider Managed Integrated Service Delivery Models

**WHAT:** Call to Further Incentivize Health Homes for People with Intellectual and Developmental Disabilities (IDD) and Other Provider Managed Integrated Service Delivery Models

**FOR:** ANCOR Members/State Associations to Advocate with Members of the U.S. Congress, State Government Officials and State Legislators

**WHY:** ANCOR is committed to the identification and promotion of innovative and promising strategies to ensure the long-term fiscal sustainability of federal and state Medicaid spending. People with significant disabilities rely on Medicaid for long-term supports and services (LTSS), and the potent combination of federal and state fiscal pressures and demographics demand that stakeholders work together to advance solutions.

People with disabilities experience alarming disparities related to the prevalence of diabetes and hypertension and they have more than twice the incidence of diabetes compared to other populations, and a 10 percent higher incidence of hypertension.<sup>1</sup>

Under federal law, states have flexibility to design health homes to target individuals with two or more chronic conditions and/or serious and persistent mental health conditions. States can choose to include IDD as a designated chronic condition. In light of the health disparities, the higher level of utilization of medical services and LTSS, coordinated, integrated services for individuals in this population just make good sense!

Providers of community LTSS have been coordinating care for people with IDD for the last three decades through Home- and Community-Based Services (HCBS) §1915(c) waivers. These providers are ideal entities for states to look

*The current health care environment is arguably more dynamic than it has been in nearly 50 years – since the creation of the Medicare and Medicaid programs. Sweeping changes are being made to the U.S. health care system at the national and state levels.*

*The goals of health care reform are: (1) expanded coverage, (2) controlled health care costs; and (3) an improved health care delivery system. Many of these changes have begun and will continue to impact the Medicaid program, individuals with intellectual and developmental disabilities (IDD) and the providers who serve them.*

*Individuals with IDD are diverse in their backgrounds and aspirations for the future, as well as in their degree of disability and required supports. Yet, all have disabilities and will require a variety of supports for the rest of their lives. And Medicaid is a primary funding source for these supports and services.*

*The supports and services available to people with IDD are defined, in part, by federal policy and funding, which is designed, co-funded and managed by states and provided in local communities. At the same time, the need to reduce the growth of Medicaid costs is clear. So it is imperative that we build new Medicaid and Medicare delivery systems – including the IDD system – that have the capacity to reduce costs without harming care. **ANCOR encourages policymakers to have patience while cost savings are realized, and to continue to support and allow the maturation of these efforts.***

*As a national policy and practice expert for providing long term community supports and services that ensure full citizenship and engage community participation for people with disabilities of all ages, **ANCOR is committed to advancing Medicaid sustainability.***

*The Affordable Care Act (ACA) provides multiple opportunities for state demonstrations that integrate care. For people with intellectual and developmental disabilities (IDD), integration can take several paths. It can mean integrating physical health with long-term supports and services (LTSS). It can mean integrating physical and behavioral health services. It also can mean integrating Medicaid and Medicare services to achieve more person-centered LTSS.*

to in facilitating prevention, education and wellness – and to provide specialized knowledge regarding the particular needs of individuals with IDD. Consequently, health homes or other models of provider-managed, integrated service delivery systems are a logical way to improve personal outcomes for individuals with IDD – and to lower costs by integrating care.

The financial incentive for states is enhanced federal funding: eight quarters of 90 percent federal funds for the six new health home services states build into their health home design. Unfortunately, the enhanced funding begins with the administrative approval date, rather than the amount of time the individual is actually served and without regard to how quickly states get their health home programs up and running after federal approval or how quickly individuals are enrolled.

In order to support the health home and other approaches to integrating care, health care providers are implementing electronic health records and the requirements of “meaningful use”, many supported with federal funding. This technology is essential to improving the coordination of care, eliminating duplicative or unnecessary expenditures, as well as improving the quality of care. Providers of services to individuals with IDD should be included among those eligible for federal funding.



- **Call to implement health homes and other models that support the integration of health and long- term service and support needs, including services and supports for individuals with IDD.**
- **Change, through congressional action, the health home timeframe focused on programs to allow eight quarters of enhanced FMAP (federal medical assistance percentage), determined on a person-by-person basis rather than at the program level.**
- **Call for health information technology/electronic health record start-up funding for IDD providers.**

*In addition to Health Homes, other federal opportunities are available for states and providers to contain costs. Please see ANCOR's Brief calling for states and providers to leverage opportunities offered through Money Follows the Person (MFP), the Balancing Incentive Payment Program (BIPP), the §1915(i) State Plan Option, and the Community First Choice Option under §1915(k).*

<sup>i</sup> "Health Disparities and People with Disabilities." *American Association on Health and Disability*. Web. 11 June 2012. <<http://www.aahd.us/>>.