



## Sustaining Program-Funded Activities

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States participating in the Balancing Incentive Program are using Program funds to expand community long-term services and supports (LTSS) and build processes and systems that facilitate access to services. While certain Program activities incur a one-time only cost, others may require funding beyond the life of the Program. This memo provides examples of strategies for sustaining these rebalancing efforts with a focus on: enhanced services, structural changes, and No Wrong Door (NWD) activities.

### **Enhanced Services**

The Balancing Incentive Program provides opportunities to serve more individuals in home and community-based settings. States have created new services, added waiver slots, included new populations in existing waivers, and supported community transitions from nursing homes or psychiatric hospitals. To ensure that beneficiaries continue to receive these services after the Program ends, states must consider two aspects of sustainability: continuity of services and financing services.

### **Continuity of Services**

Most states are providing enhanced community LTSS through pre-existing Medicaid authorities, as opposed to separate programs solely managed and financed through the Balancing Incentive Program. This improves the likelihood that these services will continue after the Program ends. However, to make these services even more sustainable, states should consider strategies for incorporating the services into their State Plans. Several states (Connecticut, Iowa, Mississippi, and New York) are utilizing [1915\(i\)](#), a State Plan Home and Community-Based Services (HCBS) authority, as a sustainable mechanism for providing community LTSS. In addition, the Affordable Care Act provides states with opportunities through two initiatives. The [Community First Choice Option](#) lets states provide home and community-based attendant services to Medicaid enrollees with disabilities under their State Plans. This option became available on October 1, 2011, and provides a 6% increase in federal matching payments to states for expenditures related to this option. States pursuing this authority include Connecticut, Maryland, New York, and Texas. [Health Homes](#) is also an important Affordable Care Act initiative that provides reimbursement to care coordination services for individuals with two or more chronic conditions. States pursuing this initiative with their mental health populations include Iowa, Maryland, Missouri, and New York.

## Financing Services

Most states are working actively with their state policymakers, governor's office, and general assembly to incorporate the costs of these services, regardless of the Medicaid authority under which these services are provided, into future state budgets. For example, Georgia leadership has met with the Governor's Office of Planning and Budget, which has committed resources to sustain the waivers and the staffing required for Program initiatives. Maine's increased waiver slots have been written into the biennial budget by the state legislature. Additionally, if Maine's shared living and case management demonstration projects for the elderly are successful, the state will submit a request to Centers for Medicare and Medicaid (CMS) for those services to be added to the state's 1915(c) waiver for the aging and physically disabled.

To promote sustainability, states are keeping both their legislative and executive branches informed of their activities. Illinois has developed [fact sheets](#) on the Balancing Incentive Program and funded activities, and engages regularly with its governor's office. In its communications, Missouri makes the fiscal case for community LTSS by presenting cost comparisons of community-based care as an alternative to institutional care.

States are also using money saved through rebalancing efforts as another method of funding enhanced services. New Jersey's Managed Long Term Services and Supports (MLTSS) and an anticipated reduction in the aggregate Medicaid per member per month spending will yield savings that will support the expansion of services to additional populations.

## Structural Changes

Although the Balancing Incentive Program requires that structural changes be completed by the end of the Program, most activities will require additional funding after completion. These include the maintenance of the NWD information technology (IT) systems, informational websites, and toll-free numbers. In addition, state oversight activities associated with conflict-free case management or the continual engagement of stakeholders may require an ongoing funding source. While costs associated with some activities, such as website maintenance, may be nominal, other activities, such as maintaining a call center, could require a commitment of funds.

To sustain these activities, states have employed several strategies:

- **Cost containment and savings:** Mississippi vendors have been asked to anticipate and contain the costs of the final contract year, limiting them to simple enhancements and maintenance efforts. New Hampshire has developed a training center with more sustainable online tools, making future trainings possible at little cost.
- **Incorporating activities into pre-existing contracts or state functions:** Maine's toll-free community LTSS number is being transferred to a vendor that already manages a call center for the state, reducing startup costs. Missouri used internal IT resources to build its informational website and automated Level I screen. Because an outside vendor was not involved in product development, the maintenance of these tools has been easily

incorporated into the state's day-to-day operations. During the Program, Iowa has identified conflict-free best practices and incorporated standardized language regarding protocol and mitigation strategies into the state code. The continued implementation of these protocols and activities is becoming part of the state's everyday operations, thus promoting sustainability.

- **Enhanced Funding for Eligibility Enrollment Systems (90/10):** Through this initiative, CMS covers 90 percent of the costs of the design, development, and installation or enhancement of Medicaid eligibility determination systems. Both Texas and Connecticut are using these federal matching funds to cover the bulk of the costs of these NWD IT systems that extend beyond the requirements of the Balancing Incentive Program. Although these states will finish the required structural changes by the end of the Program, they will use the ongoing enhanced match to fund the additional features beyond September 30, 2015.
- **Money Follows the Person (MFP):** The program supports states in balancing their long-term service delivery systems, emphasizing the importance of HCBS over institutional care, by assisting Medicaid beneficiaries' transition from institutions to the community. Pennsylvania is using MFP administrative funds to update its Medicaid enrollment portal, incorporating the Level I screen and automating financial applications for waivers. Many other states are leveraging their stakeholder groups established through MFP to support Balancing Incentive Program system change activities. Given that the Affordable Care Act extends MFP through 2016 and the statute allows expenditures through FFY 2020 (ending September 30, 2020), these funds will be available to states after the Balancing Incentive Program ends.

## **NWD System**

The Administration for Community Living (ACL), CMS, and the Veterans Health Administration (VHA) aim to support states in developing a NWD system to assist individuals in accessing LTSS. These agencies envision a single statewide system of accessing LTSS for all populations and all payers. Organizations in a NWD system serve as the entry points for accessing community LTSS. With Program funds, states have developed and strengthened their NWD system with new physical locations and enhanced NWD system activities through new functions and processes.

The four primary functions envisioned for the NWD system include:

- State Governance and Administration
- Public Outreach and Coordination With Key Referral Sources
- Person-Centered Counseling
- Streamlined Access to Public LTSS Programs

States can support NWD activities after the Program ends through federal claiming for [administration](#) or services. New Jersey, Iowa, and [Maryland](#) are working with Aging and

Disability Resource Centers (ADRCs) to develop cost-allocation plans to determine the approximate amount of reimbursement they should receive for conducting Medicaid-related activities. These activities could include Level I screenings, information and referral, and options counseling. New Hampshire is also pursuing administrative claiming for NWD system staff who are engaged in Medicaid eligibility determination and outreach. Other activities, such as case management, can be claimed as a specific Medicaid service. To be claimed, services must be part of a Medicaid State Plan or waiver application.

Balancing Incentive Program states can also leverage the [grant funding](#) offered by the ACL, in partnership with CMS and the VHA, to support NWD activities. The [NWD grant](#) focuses on establishing “highly visible and trusted places available in every community across the country where people of all ages, incomes and disabilities go to get information and one-on-one person-centered counseling on the full range of LTSS options.” Fifty-four states and territories have received funding since 2003, including eight Part A states that were funded in 2012 for the [Enhanced NWD Options Counseling Program](#). In 2014, in addition to the 8 Part A state grantees, 25 states and territories were awarded planning [grants](#) to develop plans for establishing statewide NWD systems for all populations and all payers.

States should look to leverage all types of funding opportunities, at both the state and federal levels, to help sustain Balancing Incentive Program activities.