TennCare

CHOICES

in Long Term Care

State Capacity to Implement Managed Long-Term Services and Supports: One State's Experience

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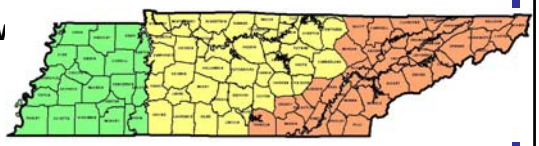
TennCare Overview



- Tennessee's Medicaid **Agency**
- Tennessee's Medicaid **Program**
  - Managed care demonstration implemented in 1994
  - Operates under the authority of an 1115 waiver
  - Uses managed care to cover persons otherwise not eligible for Medicaid
  - *Entire* Medicaid population (1.2 million) is in managed care
  - Medical, behavioral and (since 2010) LTSS administered by two NCQA accredited "At-Risk" Managed Care Organizations (MCOs) located in each region of the state (*mandatory* enrollment in managed care)
  - Statewide back-up plan (TennCare Select) manages care for certain special populations (e.g., children receiving SSI, children in State custody, persons enrolled in MR waiver programs) via an ASO (i.e., modified risk) arrangement
  - Prescription drugs administered by a statewide Pharmacy Benefits Manager
  - Dental Services for children under 21 administered by a statewide Dental Benefits Manager
  - MLTSS program is called "CHOICES"

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- Integrates TennCare nursing facility (NF) services and HCBS for the elderly and adults with physical disabilities into the existing managed care delivery system (roughly $1 billion); ICF/IID and ID waiver services remain carved out
- Amended contracts with existing MCOs selected via competitive bid process
- Blended capitation payment for all physical, behavioral and LTC services; risk adjusted for non-LTC rate component based on health plan risk assessment scores and for LTC component based on mix by setting
- MCOs at full risk for all services, including NF (not time-limited)
- Enrollment target for HCBS supports controlled growth while developing sufficient community infrastructure to provide care (persons transitioning from a NF and certain persons at risk of NF placement are exempt)
- Cost and utilization managed via individual benefit limits, levels of care (LOC), and individual cost neutrality cap (for those who meet NF LOC)
- Comprehensive person-centered care coordination provided by MCOs
- Consumer direction using an employer authority model

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Key Aspects of State Capacity

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- **State Medicaid Agency role and responsibilities**
- **Detailed program design and contract requirements,** including aligned financial incentives and enforcement mechanisms
- **Comprehensive readiness review strategy**
- **Ongoing monitoring and quality oversight**

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State Medicaid Agency

- **Organized around the delivery of managed care**
  --Managed Care Operations
  --Provider Networks/Services
  --Quality Oversight
  --LTSS (Audit & Compliance, Quality & Administration)
  "integrated" into the SMA
  --Member Services
  --Finance and Budget (Health Care Informatics)
- **Contractors** include actuary, EQRO, fiscal employer agent for consumer direction, legal consulting services, member services call center, advocacy/outreach call center; medical appeals vendor, MMIS vendor, SPOE, TPL vendor, member satisfaction survey
- **Partners/stakeholders** include contractors, MCOs, providers/organizations, members/advocacy groups, legislators, and taxpayers
- **Integrally involved in day-to-day program management and oversight/monitoring**

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Detailed program design and contract requirements

--Developed in consultation with partners/stakeholders
--Reviewed and amended at least every 6 months
--Aligned financial incentives and enforcement mechanisms, including CAPs liquidated damages, and capitation payment withholds

- **CRA available at:** http://www.tn.gov/tenncare/forms/middletnmco.pdf
- **Contracting considerations for members**
  --Freedom of choice
  --Continuity of care
  --Care coordination (model, processes, timelines, tools and staffing)
  --Consumer direction
  --Education/outreach
- **Contracting considerations for providers**
  --AWQP?
  --Authorizations
  --Reimbursement
  --Prompt pay
  --Training and technical assistance

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Comprehensive Readiness Review Strategy

- Review of key desk deliverables
- Onsite review of critical processes and operating functions
  --Care coordination
  --Service authorization
  --Training
  --Care coordinator ride-alongs
  --Demonstration of critical MCO systems – case management, tracking, service authorizations, claims
- Systems testing – end-to-end testing of eligibility, enrollment and encounters
- Other verification and validation activities
  --Key milestone deliverables: provider networks and service authorizations

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Ongoing Monitoring and Quality Oversight

- Uniform measures of system performance
- Detailed reporting requirements
- Ongoing audit and monitoring processes
  --Site inspections and inspections of work performed
- Measures to immediately detect and resolve problems, including gaps in care – Electronic Visit Verification
- Independent review (EQRO, TDCI)
- Key focus on member perceptions of quality
  --QOL/Member satisfaction survey
  --Consumer advisory groups
- Advocacy for members across MLTSS system

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Baseline Data Plan

- **Objective #1: Expand access to HCBS**
  - # NF versus HCBS participants
- **Objective #2: Rebalance LTSS spending**
  - Total NF versus HCBS expenditures
- **Objective #3: Provide cost-effective HCBS as an alternative to institutional care**
  - Average per person NF versus HCBS expenditures
- **Objective #4: Delay or prevent the need for institutional placement**
  - Average length of stay in HCBS
  - Percent of new LTSS members admitted to NFs
- **Objective #5: Facilitate transition from NF to HCBS**
  - Average length of stay in NF
  - # NF-to-community transitions

Takeaways and Advice to other States

- There is no perfect program/delivery system and no perfect way to assess State capacity to implement MLTSS
- Assessments of State capacity must be tailored to each State/program based on the State's experience, program design and the maturity of the program/managed care system
- There are best practice approaches to learn from one another and core capacities that are applicable across-the-board
- Be careful not to confuse the success of the model with the success of the implementation
- Continuous improvement applies to all aspects of the program, including oversight