

**MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
FY 2005 BOILERPLATE REPORTING REQUIREMENT**

**Progress on Medicaid Home and Community-Based Services Program
FY 2005 Third Quarter Report**

Section 1689

“Priority in enrolling additional persons in the Medicaid home and community based services program shall be given to those who are currently residing in nursing homes or who are eligible to be admitted to a nursing home if they are not provided home and community based services.”

Effective April 1, 2005, a portion of annual participant slots are prioritized for nursing facility transition and persons that age out of the Children with Special Health Care Service Program and nursing facility transitions to the community. In addition, the Michigan Department of Community Health (MDCH) has allocated 105 MI Choice Program slots for NF transitions for FY 2005. Persons identified with known open Adult Protective Service cases are also listed as a priority population. Analysis of claims data to evaluate the outcome of this policy change will not be available until approximately October 2005.

“The department shall implement screening and assessment procedures to assure that no additional Medicaid eligible persons are admitted to nursing homes who would be more appropriately served by the Medicaid home and community based services program.”

MDCH implemented revised functional/medical eligibility criteria effective November 1, 2004. Currently, all participants who are enrolled in the MI Choice Program are eligible to be admitted to a nursing home, according to federal Medicaid guidelines. The MI Choice Program meets the requirement that all persons must meet the nursing facility level of care and thus are at risk for institutionalization. Outcomes data analysis for this policy change will begin in August 2005.

“Within 30 days of the end of each fiscal quarter, the department shall provide a report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies that details existing and future allocations for home and community based waiver program by regions as well as the associated expenditures. The report shall include information regarding the net cost savings from moving persons from a nursing home to the home and community based services waiver program and the amount of funds transferred.”

The following is a summary of functional/medical eligibility reviews performed to date and findings:

**Michigan Medicaid Nursing Facility Level of Care Determination
Third Quarter FY2005**

Provider Type	April		May		June		FY2005 to Date	
	Ineligible	Total	Ineligible	Total	Ineligible	Total	Ineligible	Total
PACE	0	21	0	13	0	20	2	188
Nursing Facilities	28	4143	36	4330	34	3559	256	33,446
County Medical Care Facilities	1	615	2	500	2	680	31	4721
Hospital LTC Units	0	235	1	158	4	161	10	1515
Ventilator Dependent Care Units	0	26	0	38	0	23	0	206
MI Choice Program	39	732	31	660	40	662	257	7373
Total	68	5772	70	5699	80	5105	556	47,449

The table below identifies the funds allocated to each Waiver Program for FY 2005. Since providers are prospectively reimbursed based on the projected number of participants each month, and providers have 180 days from the service date to submit a 'suppressed' claim, there is no accurate account of actual quarterly expenditures at this time. Included below are the prospective reimbursement payments to date by waiver program. Although there are no dollar savings to report to date from nursing facility transfers, the Nursing Facility Transfer Initiative has successfully transferred 37 nursing home residents into community programs or into their own homes with no program necessary. MDCH plans to measure nursing facility bed occupancy changes starting in April 2005, allowing approximately a six-month lag review to allow time for facility billing. Data trends should be available in August 2005.

Waiver Program	FY 2005 Allocation	FY 2005 1 st , 2 nd and 3 rd Quarter Payments
A & D Home Health Care	\$3,061,194	\$2,447,294
AAA 1-B	\$11,655,419	\$8,482,605
AAA of Northwest Michigan	\$2,486,217	\$2,050,914
AAA of Western Michigan	\$5,946,234	\$4,654,799
Burnham Brook Center	\$7,199,744	\$5,060,275
Detroit AAA	\$9,554,942	\$7,509,832
Home Health Services, Inc.	\$6,481,295	\$4,897,515
Information Center	\$2,314,851	\$1,394,282
MORC	\$3,751,425	\$2,685,355
NEMSCA	\$2,531,973	\$1,850,947
Northern Lakes Community Mental Health Authority	\$2,240,607	\$1,556,230
Northern Michigan Regional Health System	\$1,639,764	\$1,029,558
Region 2 Area Agency on Aging	\$3,995,931	\$3,072,810
Region IV AAA	\$5,505,223	\$4,269,128
Region VII AAA	\$4,950,610	\$3,803,071
Senior Alliance	\$1,788,813	\$1,284,130
Senior Resources	\$5,355,087	\$4,123,318
Senior Services	\$2,493,090	\$1,598,190
Tri-County Office on Aging	\$6,607,348	\$4,479,490
Upper Peninsula AAA	\$6,422,238	\$4,819,778
Valley AAA	\$3,404,519	\$2,430,794
Total	\$99,926,524	\$73,500,315

“The department shall utilize a competitive bid process to award funds for the implementation of the new screening process to be applied to home and community based services and nursing facility services by Medicaid.”

MDCH implemented the Michigan Medicaid Nursing Facility Level of Care Determination process using a Department of Information Technology developed tool. Exception process reviews and nursing facility retrospective review activities were disseminated with other Medicaid utilization review requirements in the form of a Request for Proposal. A contract that includes the long-term care exception process reviews and retrospective reviews was initiated with the Michigan Peer Review Organization.

