

Medicaid Long-term Care Program

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Overview

- Program background
- Nursing facility transition
- Cost savings
- Billing data



Statewide Medicaid Managed Care: Fully Integrated Long-term Care Program

- Long-term Care program covers:
 - Nursing facility
 - Furnishes medical or allied inpatient care
 - Institution; more restrictive; generally more costly
 - Home and Community Based Services
 - Care in the home, family home, or assisted living facility
 - Designed to prevent or delay facility placement
 - Less restrictive, generally less costly



Member Characteristics

- All members must meet nursing facility level of care
- Enrolled in the program by:
 - Residing in a nursing facility or
 - Being scored as most frail and in need of services
- Average enrollee:
 - 67% age 75 and older
 - Needs assistance with more than one activity of daily living (e.g., bathing, dressing, eating, toileting), and 75% need help with three or more.



Nursing Facility “Transition”

- Transition: When a LTC enrollee leaves a nursing facility to move to a community setting
 - Community: Their own home, their family home, assisted living facility
- 12.1% **decrease** in the number of Medicaid recipients residing in a nursing facility since program implementation (2013-2016)



Who Makes Transition Happen?

- LTC plan care managers work with the individual to develop a plan for transition
- Modify their existing home (e.g., grab bars in bathroom) or locate a safe, affordable place to live
- Arrange for in-home supports (e.g., personal care aide, medical equipment and supplies, home-delivered meals)
- LTC plan can pay security and utility deposits, moving costs, basic home furnishings



Why is Transition Important?

- Enhances quality of life
- Complies with Americans with Disabilities Act and Florida Statutes
- Saves money



Transition Improves Quality of Life

- Living in the community means:
 - Being at home with loved ones
 - Living in a setting where they have cherished memories
 - Visiting with friends in a setting with which they are familiar and comfortable
 - Being a part of supportive communities
- 2016 LTC Enrollee Satisfaction Survey shows that:
 - 76% of respondents stated that their quality of life has improved since enrolling in their LTC plan.



Transition Complies with Federal & State Law

- Americans with Disabilities Act
 - Requires that individuals with disabilities be given opportunity to “receive services in the least restrictive setting appropriate to their needs”
- Florida Statute
 - Requires that the LTC program incorporate financial incentives to reduce the percentage of individuals on Medicaid in nursing facilities by 3% each year
 - Goal: No more than 35% of the state’s Medicaid long-term care recipients are in nursing facilities.



Transition Avoids Increased Costs

- Without the transitions that have taken place since the LTC program implementation, Medicaid LTC services would have cost an additional:
 - \$284 million in FY 2014-2015
 - \$432 million in FY 2015-2016
 - \$200 million per year in subsequent years



Transition Continues Even After a Year-Long Nursing Facility Stay

- Out of all LTC program enrollees who have transitioned from a nursing facility to a home-like setting, 64% transitioned **after** more than 60 days of enrollment in the health plan.
 - Enrollment in the LTC plan generally occurs after a 60 day stay in a nursing facility, so you can assume the stay began at least 60 days earlier
- 20 % of transitions occur after 365 days enrollment in the health plan.



Long-term Care Program Payments

- The Agency pays LTC plans a monthly capitation payment to provide services to their enrollees.
- Plans must pay for all covered services for their enrollees, regardless of whether the cost of those services exceeds the capitation rate received from the Agency.
- Plans are required to pay nursing facilities and hospice providers the rate set by the Agency.



LTC Plan Requirements for Prompt Payment of Nursing Facility Claims

- Plans have contractual requirements regarding the prompt payment of clean claims.
- The LTC plan must have a process for handling and addressing the resolution of provider complaints concerning claims issues.
- Providers can report any provider payment issues to the Agency.



LTC Plan Requirements for Prompt Payment of Nursing Facility Claims

- The Agency is required to contract with an organization to provide assistance with the resolution of claim disputes that are not resolved by providers and health plans.
 - The Agency currently contracts with Maximus, an independent dispute resolution organization.
 - All providers who provide services to recipients in licensed HMOs (including Medicaid and commercial HMOs) can utilize the Agency's Maximus Contract to file a dispute.



LTC Plan Requirements for Prompt Payment of Nursing Facility Claims

- Clean claim:
 - A claim that can be processed without obtaining additional information from the provider or a third party.
- Electronically submitted clean claims:
 - Must pay within **10** business days of submission
- Paper clean claims:
 - Must pay within **20** business days of submission



Reasons Why a Nursing Facility Claim May Not Be Paid Timely

- Facility does not timely submit claims
 - LTC plans have no control over the time it takes for a facility to prepare and submit a claim
- Not a clean claim
 - E.g., Missing or inappropriate values in required claim fields.
- Claim requires additional documentation for payment
- Failure by plan to approve claim for payment.



Nursing Facility Claims Payment Analysis: Methodology and Assumptions

- The Agency analyzed paid claims data to determine how quickly LTC plans are paying nursing facility claims.
- The analysis uses calendar year 2016 data and includes:
 - Dates of Service January 2016 through December 2016
 - Dates of Payment January 2016 through December 2016
- January through September 2016 claims are reconciled to the LTC plans' financial reports (Achieved Savings Rebate)

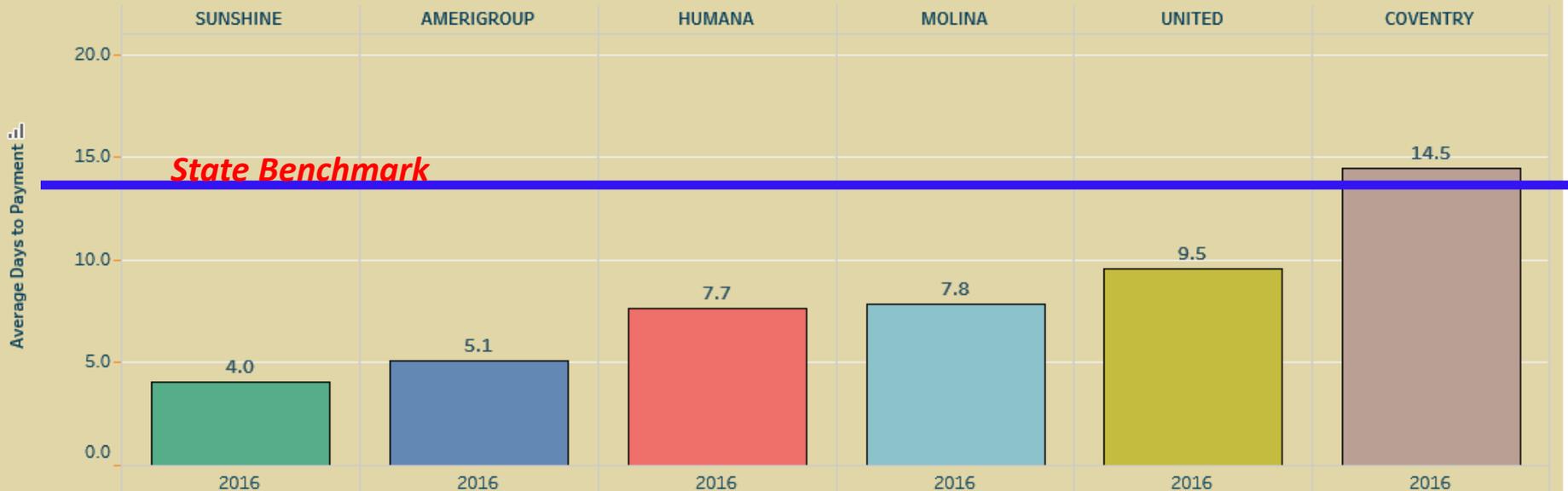


Nursing Facility Claims Payment Analysis: Methodology and Assumptions

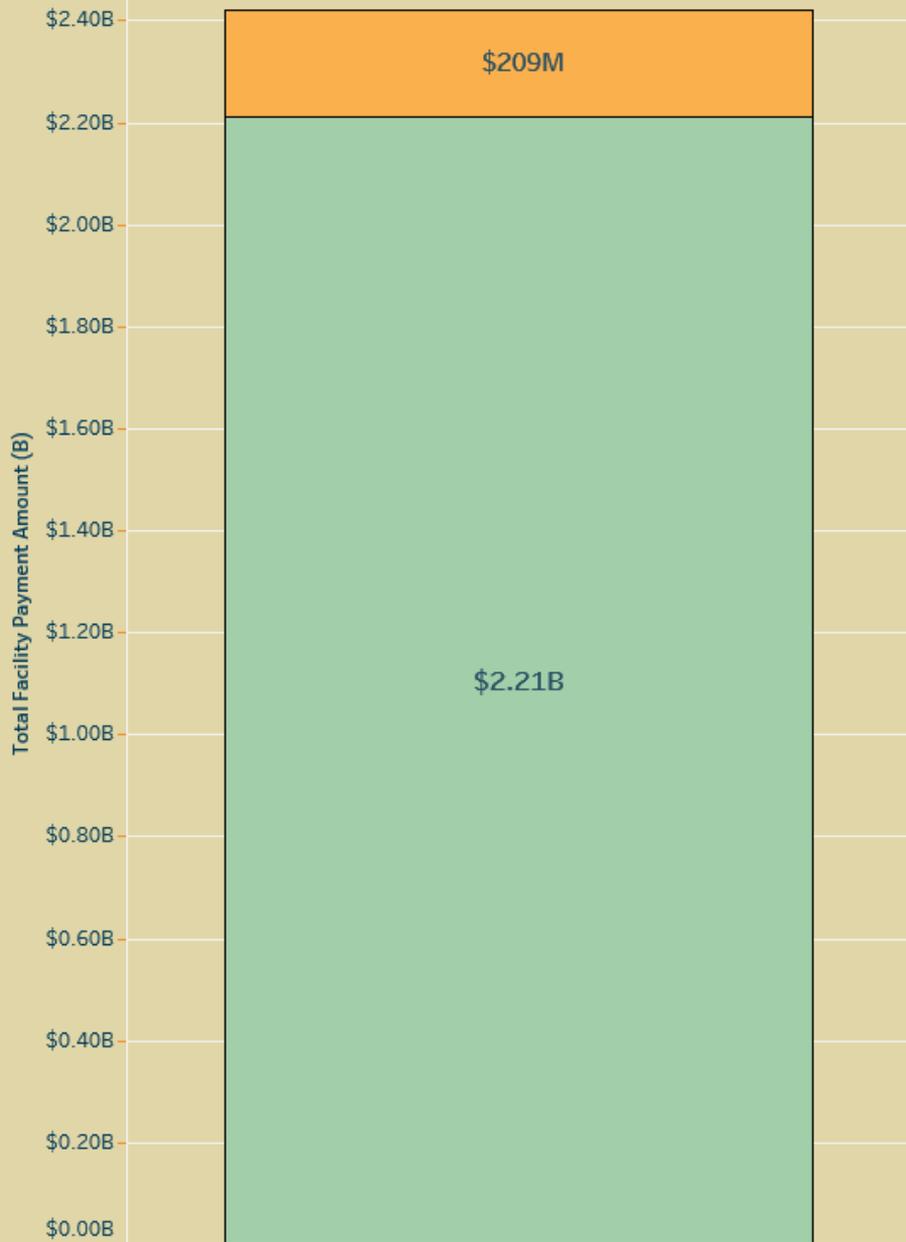
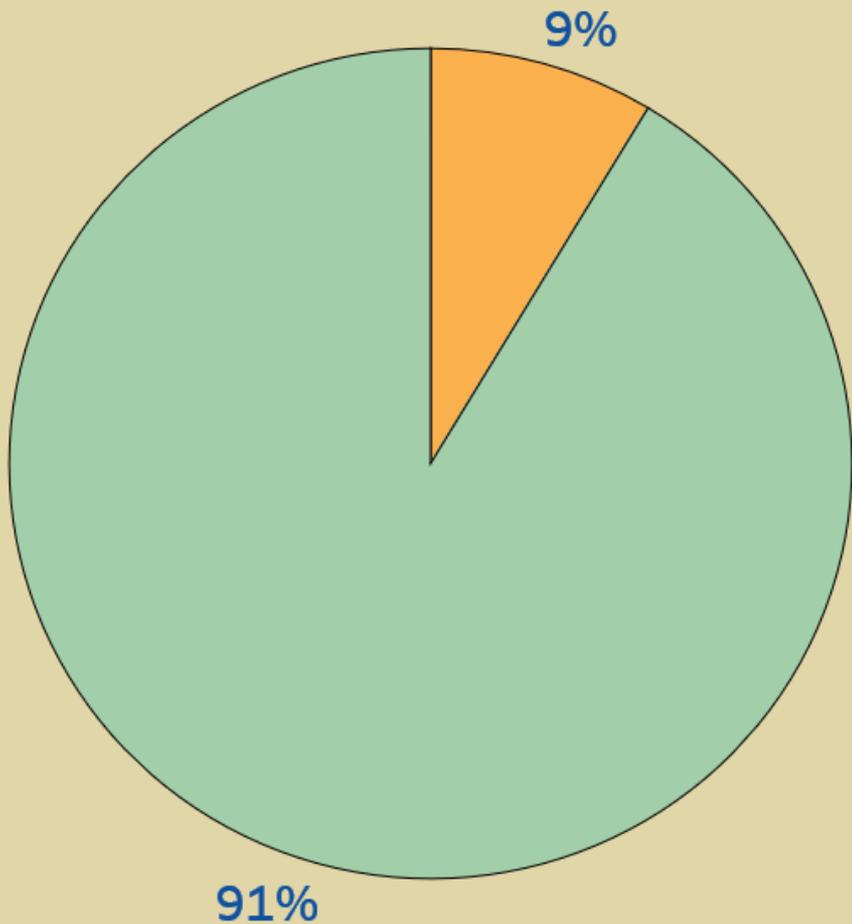
- Assumes all claims were submitted to the LTC plan 1 week after the date of service.
- 14 calendar days equates to 10 business days.
- All claims are treated as if they were submitted electronically, even though there is a longer timeframe to pay paper claims.
- Assumes all claims were clean.



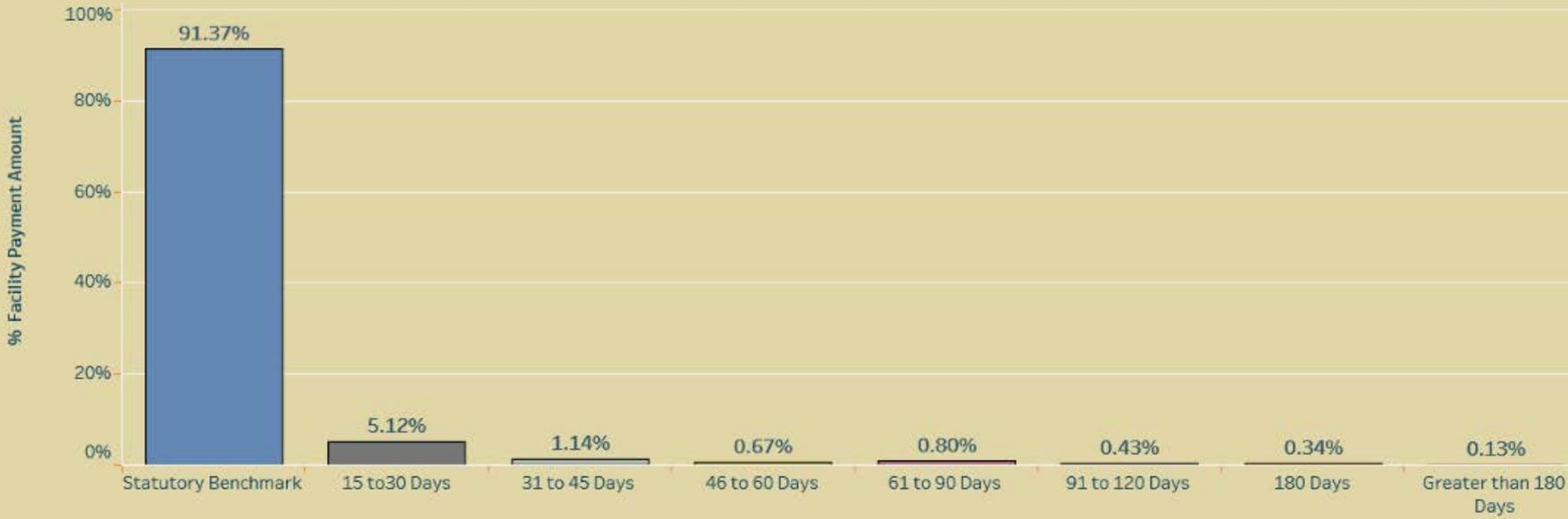
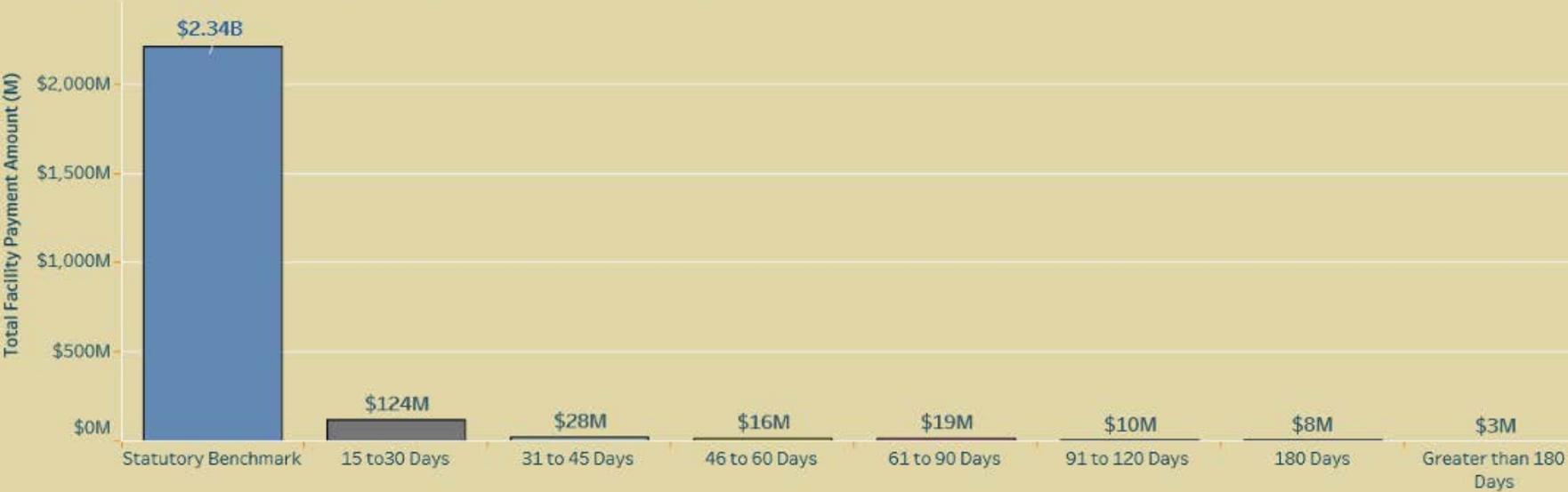
Summary of Payment Timelines and Associated Dollars



91% of Nursing Home Claims Paid Within State Benchmark



Summary of Payment Timelines and Associated Dollars



Source: LTC Encounter Dataset - Jan 2016 Last Update: 2/9/2017 1:46:25 PM Workbook: LTC Claims Payment Print Version Update 2-9-16

Enforcing Compliance with the Contract

- The Agency monitors health plans to ensure they comply with their contract, e.g.:
 - Weekly reviews of recipient and provider complaints
 - Analysis of dozens of regular reports from plans
- If plans are out of compliance with their contract the Agency can impose:
 - Corrective action plans
 - Monetary liquidated damages, and/or
 - Sanctions (monetary or non-monetary)
- Have assessed and collected \$80,000 in fines to two Long-Term care plans.



Questions?

