

A.2 Benchmarks

(Approved by CMS June 28, 2010)

During the demonstration, the state intends to reach two required and three optional benchmarks to assess progress in transitioning inpatient facility residents to community living arrangements. Through utilizing new transition planning procedures and expanding service options, the state will enhance availability of local HCBS providers and build infrastructure. The demonstration project team will have the opportunity to facilitate changes to statewide electronic systems and administrative practices across multiple HCBS, resulting in a larger number of informed consumers who can express and act on a personal preference for HCBS, in lieu of facility care. Each benchmark achieves minor and comprehensive system changes. Systems changes will go well beyond the demonstration period.

Benchmark #1 (required). The state will identify and enroll eligible individuals according to the chart below during each year of the demonstration. Lead organizations that have entered into agreements with DHCS, the California Community Transitions project team, and other state department partners listed in Section C.1 may enroll demonstration participants. This operational protocol must be followed when transitioning and enrolling all participants. The state assumes oversight responsibility for the demonstration and will add additional lead organizations to accelerate enrollment and ensure that project benchmarks are met for each calendar year.

NOTE: The benchmarks for years 2008 and 2009 were modified from the application and previous versions of the protocol. The state will increase the number, and accelerate recruitment, of lead organizations.

Target Group Members Successfully Transitioned						
Calendar Year	Elderly	Developmental Disability	Physical Disability	Mental Illness	Dual Diagnosis	CY Total
2007	0	0	0	0	0	0
2008	0	0	2	0	0	2
2009	14	68	39	2	5	128
2010	20	200	80	10	15	325
2011	25	200	120	10	15	370
2012	9	97	49	10	10	175
2013	0	0	0	0	0	0
	68	565	290	32	45	1,000

Benchmark #2 (required). The chart below illustrates the state's annual benchmarks for total federal and state expenditures on home and community-based services during years 2005, 2006, and 2007, and for the demonstration period. Data will be gathered by date of payment. These benchmarks were based on past payments for Adult Day Health Care, Home Health Agency Services, Nursing Facility/Acute Hospital (NF/AH) waiver, Acquired Immune Deficiency Syndrome waiver, Developmental Disabilities waiver, Multipurpose Senior Service Program waiver, Assisted Living Waiver, and the Personal Care Services Program.

Calendar Year by Date of Payment	HCBS Expenditures	Number of Beneficiaries Served
2005	\$4,806,738,795.26 (Actual)	480,981
2006	\$5,367,018,034.65 (Actual)	503,517
2007	\$6,014,542,817.29 (Actual)	526,347
Measure of Success: Expenditures Exceed:		
2008	\$6,811,986,007(Estimated)	573,479
2009	\$7,428,286,526	583,615
2010	\$7,576, 852,257	
2011	\$7,728,389,302	
2012	\$7,882,957,088	
2013	\$8,040,616,230	
<i>Data Source: MIS/DSS and DHCS Fiscal Forecasting and Data Management</i>		

Actual expenditures for years 2005, 2006, and 2007 increased by approximately 11 percent. Estimated expenditures for 2008 for these same services are based on the May 2008-09 Medi-Cal Estimate for some services and for others on the actual expenditures (2005-07) from the Medi-Cal base, with regressions applied and trended forward. Estimated expenditures for each of the remaining years of the demonstration (2009-2013) for these same services were derived by multiplying the expenditure for the previous year by 2 percent, then adding the sum to the expenditure to get the next year's estimate.

NOTE: In an effort to lower the state's budget deficit, the Governor required departments to reduce current year spending for state Fiscal Year 2008-09 by ten percent. While not all services have been proposed to be reduced or eliminated, currently, it is uncertain how the Legislature will deal with the proposed reductions to health and human services programs. Therefore, a conservative projection was used for annual increases in HCBS expenditures for years 2008 through 2011 in comparison to the actual increase in the previous years (two percent vs. average 11 percent). This service cost increase is consistent with the projections in Section E, Final Project Budget.

Benchmark #3 (optional). The revised budget assumes \$20 million savings of state funds through the end of California Community Transitions. DHCS proposes to reinvest these savings to:

1. Develop, analyze and evaluate the efficacy of providing enhanced and/or expanded waiver and state plan HCBS services. These new or expanded scopes of service will be added to the state's list of covered services under Medi-Cal HCBS waivers.
2. Fund many more transitions from institutional care than are proposed under the demonstration. When conducting Preference Interviews with facility residents, transition coordinators will encounter not only Medi-Cal residents who qualify for the demonstration but also other residents who lack the knowledge about HCBS options, or who don't qualify to participate in CCT. . Transition coordinators will not turn away or delay the transition process for any Medi-Cal eligible person who wants to transition home if it is feasible and if an appropriate HCBS plan can be put in place.

Annual number of Medi-Cal eligible individuals the state will transition who do not qualify for the demonstration					
CY 2007	CY 2008	CY 2009	CY 2010	CY 2011	CY 2012
0	0	20	98	120	138
<i>Data Source = Written Reports to DHCS from Transition Teams</i>					

DHCS proposes to reinvest the \$20 million rebalancing fund to transition additional Med-Cal eligible facility residents who do not meet the eligibility to participate in the demonstration.

DHCS began offering additional transition services in CY 2009 using CY 2008 enhanced FMAP revenue. The final reinvestment would occur in year 2012 using the 2011 enhanced FMAP revenue. DHCS estimates an additional 376 individuals can be transitioned from CYs 2009 to 2012. This estimate was derived by deducting the state's share in reimbursing the demonstration service costs from the estimated prior year enhanced FMAP revenue, and dividing the remaining revenue by the average waiver service cost (approximately \$50,000). The table above illustrates the number of additional Medi-Cal eligible individuals in each of the demonstration years (2007-2012).

Benchmark #4 (optional). During the demonstration period the state proposes to expand the number of newly-participating Medi-Cal HCBS waiver providers. Potential provider organizations include home health care agencies, MSSP sites, PACE projects, independent living centers, and other organizations serving elders and persons with disabilities;. The state proposes to enable these providers to play a critical role in Medi-Cal HCBS delivery. By participating as Medi-Cal providers, they will have the ability to provide services such as habilitation, case management and peer support, when appropriate, with a more consumer-oriented focus rather than a medical focus.

Originally, it was envisioned that lead organizations would play a leadership role over other community-based agencies in their localities, whereby lead organizations would pull together and direct teams of other community agencies to conduct transition coordination activities. However; experience has shown, that lead organizations work best when they conduct the majority of transition coordination activities rather than predominately directing the work of other agencies. Roles and responsibilities of lead organizations are outlined in a written agreement with DHCS. Although these are formalized written agreements, they do not include contract funding (zero dollar contracts).

Financing for each service covered under the demonstration is billed and paid through the electronic system administered by the Medi-Cal fiscal intermediary. The payment system for providers of transition coordination or other services is the same as for any approved provider type under Medi-Cal fee-for-service. The Medi-Cal training from the DHCS CCT project team and administrative supports such as the EDS Small Provider Billing Unit provide the incentive for more organizations and provider types to become HCBS providers.

The following chart illustrates the numbers of newly-participating community-based lead organizations and provider types that will become part of the Medi-Cal provider pool.

Annual numbers of newly-participating community-based organizations to become Medi-Cal Waiver providers during the demonstration period					
CY 2007	CY 2008	CY 2009	CY 2010	CY 2011	CY 2012
0	4	9	5	3	0
<i>Data Source = Medi-Cal Provider Enrollment Lists</i>					

The DHCS Long-Term Care Division will ensure that ALL interested and qualified community-based organizations and providers have the opportunity to participate in this demonstration, particularly in the designated regional areas. Public interest and provider successes under this demonstration will result in political momentum that could be the basis for future HCBS reforms.

Benchmark #5 (optional). Originally, the state proposed to transition 25% of the total facility Medi-Cal eligible resident population who participated in the Preference Interview process. The initial 25% goal was based on the DHCS experience with developing and testing the Preference Interview under a CMS Real Choice Systems Change Grant for Community Living, No. 11-P-92077/9, “California Pathways: Money Follows the Person.”

However, Lead Organizations have actually found that the percentage of residents who received Preference Interviews and then eventually transitioned is closer to a range of 30% to 85%. The large variance in this range is due to individual differences in the Lead Organizations such as geographic location, size of the local target population, local availability of housing and community services, and the degree of experience in transition work. Additionally, despite better screening protocols by the DHCS, determining eligibility is still a lengthy process.

The state proposes to transition a relatively conservative figure of 33% of the total facility Medi-Cal-eligible residents who are interviewed using the Preference Interview process discussed in this Operational Protocol. This 33% figure is based on the calculations explained below:

In the following Table, the actual number of facility residents receiving Preference Interviews is listed for CY 2008 and CY 2009. Estimates for CY 2010 and 2011 were calculated by comparing the ratio of residents actually transitioned in 2009 with the total number of those who received Preference Interviews in 2009. It turned out that the number actually receiving Preference Interviews in 2009 was about 3.04 times greater than the number actually transitioned in 2009. Therefore, the factor of 3.04 was used to estimate the numbers of residents who would receive Preference Interviews in 2010 and 2011 by multiplying the estimates of those transitioned in those years (see Benchmark #1) by 3.04.

Number of Medi-Cal residents in participating inpatient facilities who become educated about their HCBS options through the Preference Interview process				
CY 2007	CY 2008	CY 2009	CY 2010	CY 2011
0	36	383	988	1,125
<i>Data Sources: Paid claims and CCT project team based on TAR data system</i>				

The state assists Lead Organizations to identify eligible individuals in each facility using the Medi-Cal Management Information & Decision Support System (MIS/DSS). The DHCS CCT project team performs queries based on MFP eligibility requirements, i.e., length of time required in an inpatient facility and Medi-Cal eligibility. Lists of eligible individuals from this query are then faxed to Lead Organizations upon request.

NOTE: Though this benchmark is process-oriented, the state believes that conducting preference interviews using a one-to-one, face-to-face process is more effective than generalized public outreach procedures. It is a private and proactive process that is more likely to result in a meaningful conversation focused on the resident's unique circumstances. This proactive approach provides opportunities to discuss the concept of HCBS with residents who have given up on community living for a variety of reasons and with those who have what advocates call "learned dependence."