

Indiana
Medicaid
Managed
Long Term
Services

(Privatization
Round Two?)

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M-S-L-T..... Wait, What?

Indiana has operated its Medicaid long-term services and supports on a fee-for-service basis.

For a significant number of Medicaid participants, those services will move to managed care as of January 1, 2024.

This is an introduction to Medicaid Managed Long-Term Services and Supports and where the state is at in its implementation.

What is Medicaid Managed Care?

Medicaid Managed Care is a delivery system that states use to manage Medicaid:

- **Access:** States contract with managed care organizations (MCOs), rather than directly with providers
- **Cost:** Plans are paid a set amount each month, rather than by service
- **Quality:** Quality standards are included in MCO contracts, rather than states working to improve quality provider by provider

States structure their programs by determining:

- **Who** can enroll (eligibility groups)
- **What** services plans will provide
- **Where** plans will operate (geographic reach)

Indiana Medicaid Managed Care Programs

Hoosier Healthwise
(Kids and Moms)

Healthy Indiana Plan
(General Medicaid)

Hoosier Care Connect
(Aged, Blind &
Disabled that are not
LTSS qualified)

PACE
(Dual Eligibles that
Qualify for SNF)

What is MLTSS?

The State Medicaid Agency contracts with MCOs to coordinate and provide LTSS

Usually covers home and community-based services (HCBS) as well as institutional care

May serve different populations: older adults, people with physical disabilities, and/or people with developmental/intellectual disabilities, or behavioral health needs.

Why MLTSS?

- More predictable costs for state budgets
- Administratively simpler for states
- Shifts risk from states to plans (and their contracted providers)
- Better care coordination
- Quality standards in contracts allow for performance monitoring

Potential benefits of MLTSS

- More care coordination
- Improved integration between acute care and LTSS
- More flexible benefits packages
- Accelerated rebalancing through global budgets
- Improved quality management

FSSA's take

LTSS Reform Overview

We are reforming our Long-Term Services and Supports (LTSS) program to align with our values of Participant **Choice**, **Quality**, and **Sustainability**.

Our objective

- 1) 75% of new LTSS members will live and receive services in a home and community-based setting
- 2) 50% of LTSS spend will be on home- and community-based services

1. Ensure Hoosiers have access to home- and community-based services within 72 hours
2. Move LTSS into a managed model
3. Link provider payments to member outcomes (value-based purchasing)
4. Create an integrated LTSS data system linking individuals, providers, facilities, and the state
5. Recruit, retain, and train of direct support workforce

MLTSS Quality Framework Goals:

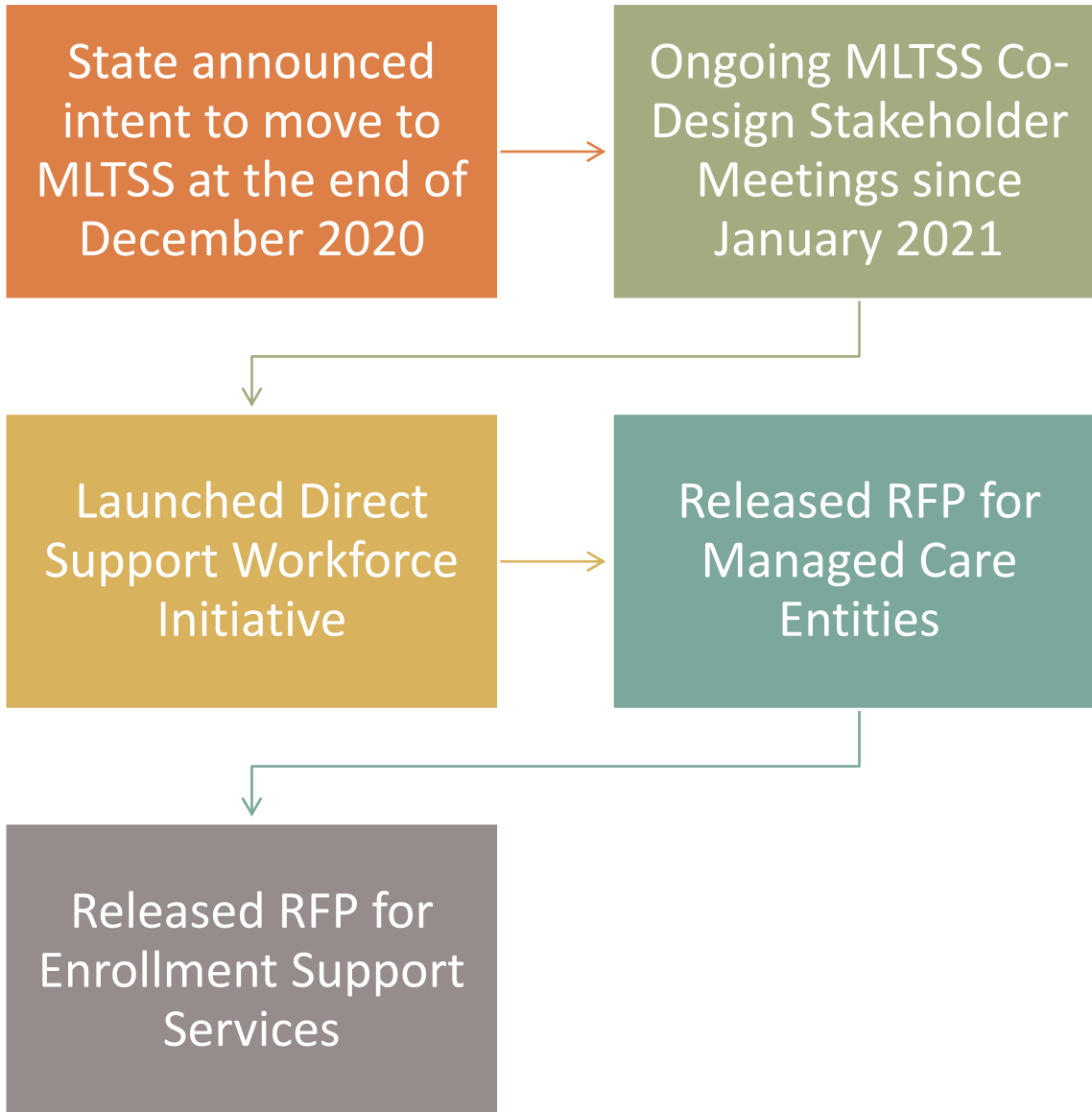
- Person-Centered Services and Supports
- Ensuring Smooth Transitions
- Access to Services (Participant Choice)

What Medicaid members are involved?

- Medicaid members aged 60 and older
 - Nursing facility residents
 - Aged and Disabled Waiver participants
 - Members who are aged, blind or disabled (Medicaid ABD / HCC) who do not require long-term services and supports
- Does not primarily include persons with intellectual or development disabilities
 - Does include nursing facility residents aged 60 +
- Does not include Aged and Disabled Waiver participants under the age of 60

Will affect all DSNP members

- The state will require alignment of Medicare Dual Eligible Special Needs Plans (DSNPs)
- An MLTSS member's Medicaid and Medicare DSNP plans will be provided by the same managed care entity (MCE).
- Only MCEs that are successful MLTSS bidders will be able to offer DSNP plans starting January 1, 2024.
- MCEs must have a statewide DSNP plan operating this year to bid for MLTSS, so there are more than 10 DSNP options now.
- The state will likely choose no more than 3 or 4 MCE's to operate MLTSS.



What has the state done so far?

State Transition to Managed Long Term Services & Supports 2024 Q1

- 3-4 managed care organizations will be selected to work in the State of Indiana
- No real protections were included for AAAs; RFP calls for “50% of work to be accomplished by previous providers” for first contract period (That could be AAAs or other current for-profit providers.)

What happens next?

- Continued stakeholder codesign group meetings
- RFP awards
- Significant readiness testing throughout CY 23
- Implementation

RFP awards – Q1 CY 23

Readiness – Q1-Q4 CY 23

Implementation - Q1 CY 24

Watch <https://www.in.gov/fssa/long-term-services-and-supports-reform/> and sub-pages for further updates

MLTSS won't fix things

Current HCBS system is significantly under funded

HCBS and LTSS work force shortage

Indiana's current enrollment broker does not do a good job navigating frail consumers