The Future of the ICFMR Program

Values, Vision, Rebalancing & Funding

The department views the ICFMR program as a vital piece in maintaining a strong DD system in Ohio. This document was created as ~~a DRAFT~~ an outline of our vision for the ICFMR program in both the short-term and long-term and ~~will be used as a mechanism for obtaining~~ reflects feedback from stakeholders.

- The goal of the ICFMR program is to provide a bundle of services to those individuals whose needs cannot be met in community based settings through the utilization of waiver services or who choose to receive services in an ICFMR.
- The department is committed to encouraging continued rebalancing in the state of Ohio, through both the downsizing of large facilities and the conversion of ICFMR funded beds (and smaller homes) to home and community based waiver services.
- ***This is where the document should explain the policy rationale behind the above statement.***
- In accordance with the Office of Health Transformation's goal across all Medicaid programs, the ICFMR reimbursement methodology and IAF will be revised to be value driven and to more appropriately direct resources. These revisions will reflect the goals of improving the quality of services, connecting resources to the level of individual need, and assuring the long-term financial sustainability of the system.
- Ohio is committed to relocating all relevant operational responsibilities to DODD (including ALL ICFMR licensure responsibilities, with appropriate transitional assistance for affected providers).

WHAT WE VALUE

1. We value providing individuals and their families/guardians the maximum amount of choice in how and where they receive Medicaid-funded services.
2. We value allowing individuals to choose models where funding is tied to the person, not the bed.
3. We value allowing individuals to choose models where residential funding is separated from Day Services and where the individual is free to choose a different provider for each service.
4. We value allowing individuals to choose models where the owner of the property is not the provider of the service, so the individual can choose to change providers without having to move from their home.
5. We value models where payments for service are individualized to the extent practicable and are based upon individual needs.
6. We value allowing individuals to choose models where ~~individuals~~ they can live in community settings that look like other's homes and work in jobs that provide economic freedom.
7. We understand that based on their needs and circumstances, individuals ~~with complex needs or short term needs~~ may be willing to give up some of the advantages of 1-5 above to obtain a bundle of services in an environment tailored to meet their needs.
8. We value efficient service models, in order to be good stewards of tax payer dollars.
9. Our systems need to be aligned to support our values in a way that recognizes the impact of change.

ROLE OF ICFMR PROGRAM IN DD SYSTEM

Individuals with developmental disabilities have a wide range of service options to consider, including home and community based services (waivers), private intermediate care facilities and state operated developmental centers. The department's goal is to increase the number of individuals who have the option to receive services in home and community based settings. We do NOT envision identifying a specific number of beds to move from ICF to waiver; rather, we envision a system where individuals with the most severe disabilities and the highest needs, beyond those provided through waivers, typically would ~~be appropriate to~~ receive the bundle of services that are provided in private intermediate care facilities. As part of this vision, DODD has begun investigating a

tiered level of care rule with a waiver level of care below today's ICFMR level of care and a single service assessment model.

The department, along with a group of stakeholders, is in the process of reviewing the Individual Assessment Form (IAF) that is currently used to measure the resource needs of individuals in private ICFMRs. The results of these reviews will help us have a better understanding of the needs of the current residents in these facilities. It is the department's view that those individuals currently being assessed as "Typical Adaptive" may ~~not require the bundle of services provided by the ICFMR program~~ be able to receive services safely in a waiver setting if that is their choice and such a setting is available to them. The department also believes that a portion of the individuals with IAF results in the "High Adaptive Needs and/or Chronic Behaviors" RAC could also be served in community settings. DODD is committed to encouraging development of increased capacity of waiver services and to allowing appropriate transition time for individuals, providers and counties if individuals currently served in ICFsMR choose to move to waiver settings.

Private intermediate care facilities will also continue to need to be utilized as short term placements, providing individuals with the skills that are necessary for them to live in less restrictive settings. In these cases, discharge planning will need to take an enhanced role in the service planning process. The department envisions the county boards of dd taking a more active role in this process. ICFs also can provide short-term respite services for individuals in the community.

IMPLEMENTING REBALANCING EFFORTS

One of the Governor's policy priorities is to rebalance long-term care. This effort includes shifting resources from facility based services to home and community based services. It is important for us to understand both where individuals can best be served as well as their desire for where to receive services. There are approximately 2300 individuals who are residing in an ICFMR who are also on the waiting list for waiver services. ~~This~~ Although this number may be exaggerated to some degree, it tells us two things: 1) There are individuals who would prefer to receive waiver services and 2) There is currently not enough funding for waivers to serve those individuals. In order to serve individuals in home and community based settings using waiver services, a shift in financial resources as well as providers will be necessary. This shift is the "rebalancing" that will be necessary to allow more individuals to be served in community settings. Currently, the State is in the process of creating an application for the Balancing Incentives Payment Program (BIPP), which is a federal program to promote the balancing of funding between home and community based programs and institutional programs. We expect that the amount of state and federal funding for LTSS will remain flat or even decrease. Thus, redirecting resources from the ICFMR program may be the only way to increase HCBS services. This will be a challenging proposition, because there are individuals waiting for ICF services too, so great care will be needed to ensure this initiative results in a positive outcome.

To facilitate the shift of resources, both human and financial, the department has authority to approve (potentially up to 500) voluntary conversions of ICFMR beds to fund waiver services for individuals residing in ICFMRs. The department has been meeting with providers to inform them of this option. While there have been few providers seeking voluntary conversion to date, recently there have been several encouraging developments. The department will be collaborating with Providers on exercises (assessments/cost projection and related) to determine the mechanics of transitioning small facilities from ICF funding to waiver funding. The goal of these exercises will be to gather information to understand where additional supports and funding mechanisms beyond the current waiver services are needed for these transitions to be successful for both providers and individuals.

In addition to ~~converting~~ finding ways to make the conversion of ICFMR beds to waiver services feasible, there is a desire by the department to reduce the number of ICFMR beds located in a single dwelling. The private ICFMR program has a number of relatively large ~~institutional type~~ facilities. The desire of the department is, in appropriate cases, to encourage providers to downsize these facilities to smaller setting sizes located in residential communities. The department believes that even individuals who require the bundle of services that ICFMRs provide should have the opportunity to choose to reside in a smaller community based setting, if they desire. Therefore, the department will be working with individual providers to review and facilitate development opportunities, keeping in mind the goals of downsizing and community inclusion.

VALUE DRIVEN AND OUTCOME BASED FUNDING

The current funding model for the private ICFMR program needs to be revised to provide incentives for positive outcomes and providing high quality services. The current reimbursement methodology is cost based and there is ~~no~~ inadequate correlation to projected resource needs (from IAF results). Current funding relies heavily on how one facility's costs compare to other facilities, with no measure for health or habilitation improvements or declines. The current funding model ~~actually provides~~ may provide incentives for serving individuals with low resource needs who could have their needs met in home and community based settings.

The department will research how to include some of the following in the revised funding model:

- Value Driven funding
    - Additional funding for provider rebalancing efforts, as appropriate
    - Fixed funding model for those individuals with the lowest resource needs

        - Possibly using comparable waiver costs as funding level for that portion of the ICF's services
    - Funding those individuals with the highest service needs more appropriately
    - Examine the possibility of "carving out" truly medically based ICF facilities into a distinct funding model
    - Add-on for ICFs taking individuals from DC's
    - Providing a waiver add-on for individuals leaving a private ICF to waiver (in event of a bed conversion)
    - Other opportunities for ICFs to provide services for individuals who are receiving Medicaid services in higher cost settings (ex. hospitals for children on vents)
    - Research costs by setting size to see if there is an optimal setting size
- Funding for outcomes:
    - Progress towards goals in ISP
    - Improvement of behaviors (resulting in less staff needs)
    - Discharge planning efforts
- Setting aside funding to pay for quality measures
    - # of individuals in one room
    - Employee turnover and training
    - Incorporation of family and/or individual choice (room décor, outings, meals, etc.)
    - Incorporation of family, volunteers, community members in individual's life
    - Capital investments as appropriate
    - Individual and/or family/guardian satisfaction

As mentioned at the beginning of this document, these ideas are meant to be conversation starters for the policy stakeholder group to begin discussions on these items. They are ideas we are considering; it is our expectation that the ICF Policy Committee will help refine and develop a joint vision/policy and guiding principles.