Waiver Reimbursement and Technology Pilot OPRA Concept Paper

Background

Ohio's system of care for individuals with intellectual and developmental disabilities (IADD) is at a critical juncture. The number of individuals with IADD on waiting lists for services numbers almost 30,000. Direct care professional turnover is over 40% with wages below poverty for many. 90% of providers report having employees on public assistance. Our waiver reimbursement system is overly complicated, taking valuable resources away from direct care and diverting resources to administrative tasks. There are over 250 possible rates for one service alone. The billing system results in regular payment delays for providers. Waiver rates have been frozen since 2005 and were based on 2002 cost. The State of Ohio's budget outlook is bleak. While county boards continue to pass local levies at a very high rate, this is unlikely to continue and some counties face significant cuts due to the loss of the tangible personal property tax. The federal budget and deficit reduction negotiations will result in more responsibility for human services being placed on states. Our current system is unsustainable and in need of significant reform.

Proposal

The waiver reimbursement system is based on 15 minute units and ratios of staff to individuals with IADD. It is a fee-for-service system. The incentive for individuals and families is to press for more units of service, the incentive for providers is to deliver and bill for more units of service, and the incentive for funders is to restrict units of service. Also, there is virtually no mechanism for providers to be creative in order to achieve significant efficiencies within a 15 minute unit. As a result of changes to ratios or amounts of service, some minor, county boards and providers change the cost projection tool 4 – 6 times a year on average. Our convoluted system adds no value to the lives of the individuals receiving services and is detrimental to retaining qualified direct care staff.

Remote monitoring and remote monitoring equipment became available as an approved waiver service in July 2011. The hope was that this new service would promote independence, community integration, less reliance on paid staff and lower cost. The challenge has been that providers must capitalize equipment, staff training and site renovation in order to implement remote monitoring. There are no funds available to purchase equipment, as the waiver service only covers leasing equipment. To add to the challenge, the homemaker/personal care provider's revenue is decreased once remote monitoring is in place. Clearly, this is not a sustainable business model. The provider is taking the majority of the financial and programmatic risk while losing any efficiency dividends as cost savings go to the state and counties.

OPRA proposes realigning the incentives for individuals and families, providers and funders by using a weekly rate and technology-enabled supports. OPRA proposes testing a weekly rate in the Individual Options (IO) waiver system with up to 6 providers and using technology-enabled supports in at least one residence per provider. The weekly rate enables the system to shift resources from inputs to outcomes and allows providers flexibility in designing creative interventions to achieve outcomes. The incorporation of technology-enabled supports provides leverage to maximize direct support professional impact, so individuals with IADD may experience fulfilling, safe and self-directed lives. More people will be served off of the waiting lists. DODD, county boards, providers and their direct care staff will benefit from any efficiency dividends the pilot is able to generate. The state and counties will achieve significantly improved budget predictability.

A research component will study the impact of technology-enabled supports on the lives of individuals and on providers. Researchers will compare pre and post technology indicators across technology vendors and the providers in the pilot.

The proposed pilot participants are in the chart below.

County	Provider	Maximum # of Sites	Maximum # of Individuals in Pilot
Athens	Havar	40	45
Cuyahoga	Koinonia	5	20
Cuyahoga	Grand Manner	3	10
Hamilton	Ohio Valley Residential Services	18	100
Madison	Champaign Residential Services	24	50
Montgomery	Choices in Community Living	14	24
Total		86	249

In order to allow for some flexibility in the pilot, it is suggested that the pilot have the following limits: total number of sites limited to 100, individuals served limited to 300, participating counties limited to 5 and participating providers limited to 6. The actual number of people in the pilot will be the result of agreement between DODD, the county boards and the providers.

Waiver Reimbursement and Technology Pilot Phases

The suggested timeline for the pilot, by quarter, is below. OPRA proposes the pilot begin as soon as possible. The preliminary report will be completed in time for consideration of expansion during the State of Ohio 2014 – 2015 budget. The final report will be completed within 5 quarters of the initiation of the pilot. OPRA is happy to provide more detail, keeping in mind that the development of the work plan will occur in the first quarter of the pilot project.

Phase One

Quarter 1

- Develop work plan to phase in pilot cohorts in 2 groups of 3 cohorts
- Determine participants/settings
- Software implementation planning
- Achieve buy-in of other system partners
- Initiate pilot weekly rate
- Assessment meetings with individuals and team members
- Service planning with individuals and team members
- Training of individuals and staff
- Resolve technical issues with service planning, documentation and audit process
- Initiate pilot services
- Person centered software and other technology installation
- Resolution of issues
    - Connectivity
    - Replacement of equipment
    - Maintenance of equipment
    - Agreement(s) needed

Phase Two

Quarter 2

- Continue to initiate pilot services
- Regular meetings of pilot participants to provide feedback
- Personalization of technology based on feedback and outcomes
- Run parallel systems with staff remaining in place for between 1 – 3 months

Quarter 3

- Audit services billed compared to services provided as in the DBU-based system
- Determine amount to be paid back to CMS that would not have been covered by the current DBU-based system
- Preliminary evaluation
    - Broader system applicability
    - Outcomes (quality, access and cost)

- Clinical pathways – what works best for what type of person

Quarter 4

- Continue pilot services and weekly rate through Q6 (total of 12 months of technology and weekly rate being in place)

Quarter 5

- Final evaluation of pilot

Funding

The scope of the pilot and the activities included in the project funding will be clearly delineated and agreed upon by the pilot project steering committee prior to initiation of the pilot. The steering committee will include DODD, OPRA, OACB and The Arc of Ohio. As much as possible, Medicaid funding will be leveraged to offset the cost of the pilot.

DODD, county boards and providers will be provided with significant technical consultation and administrative support necessary to implement, monitor and evaluate the pilot.

Closing

Thank you for your consideration. OPRA looks forward to working with the Ohio Department of Developmental Disabilities, the Ohio Association of County Boards and the Arc of Ohio to promote sustainable solutions for individuals with intellectual and developmental disabilities and our system of care.