

Home Care Presentation to Senate Finance Committee

MAY 1, 2015



Who is the Granite State Home Health Association?

- A non-profit membership association representing 39 home care agencies licensed in NH.
- Most members are *Medicare-certified agencies* that provide a full range of skilled nursing and therapy services.
- 31 member agencies provide services to Medicaid beneficiaries enrolled in the **Choices for Independence** (CFI) waiver program.
- Non-profit community organizations: eg. Visiting Nurse Agencies (VNAs); Ascentria, statewide; AV Home Care, Berlin
- Locally-owned private businesses: eg. Lakes Region Care and Comfort, Laconia; Interim, statewide; Silver Touch, Merrimack



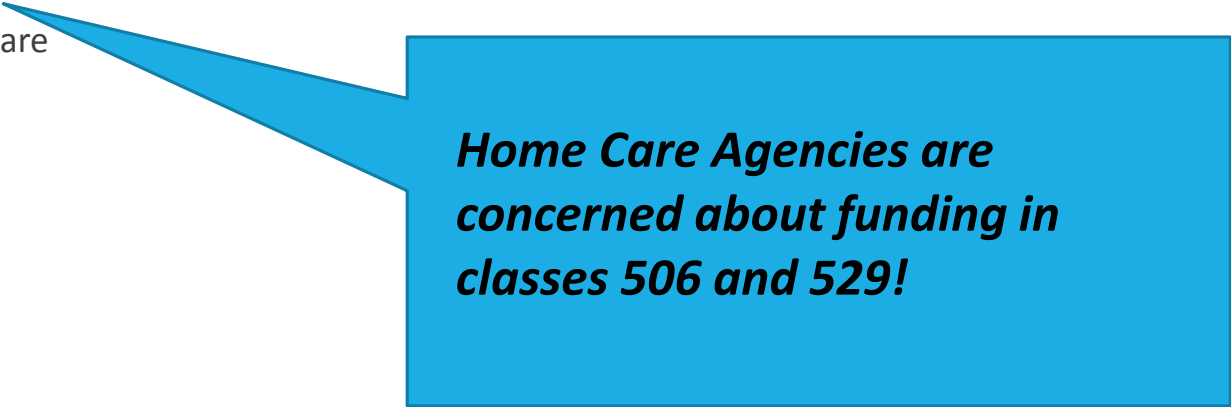
What is CFI?

- **Medicaid-waiver program** for elderly and adult citizens in need of long term care services
 - Financial eligibility – determined by DHHS
 - Clinical eligibility – clinical assessment by DHHS-contracted RNs; determination by BEAS staff
- **Clients eligible for nursing homes can choose to receive services in home and community-based settings**
 - Mid-level care – residential care/dementia care
 - Home Support Services – adult day care programs, family care, personal emergency systems, kinship care, pill dispenser systems, **personal care service providers**, non-medical transport, case management
 - Home Health Care Services – **RN visits, home health aides, homemaker services**
 - Service array arranged by independent case managers; DHHS authorizes units of service
 - Providers are reimbursed only for *authorized* types and units of services
- **NH RSA 151 E:11 (II)**
 - Average annual aggregate cost of mid-level care cannot exceed 60% of nursing home cost of care
 - Average annual aggregate cost of **home services cannot exceed 50% of nursing home costs**
 - No person whose costs will exceed 80% of nursing home costs shall be eligible for mid-level or home services (unless waived by Commissioner.)

HB 1 Classes for CFI

BEAS Accounting Unit 5942 – 3 Class Lines

- 505 – Mid-Level
- 506 – Home Support Waiver Services
 - Personal Care Service Providers
 - Many other services *not* offered by licensed home care agencies
- 529 -- Home Health Care Waiver Services
 - Nursing Care
 - Home Health Aide Visits
 - Homemaker services



Home Care Agencies are concerned about funding in classes 506 and 529!

Home Care Services Provided to CFI Clients

- **Skilled nursing visits**

- Clinical assessments and care plans
- Wound care; catheter care
- Medication administration; filling pill planners
- Patient and family education
- LNA supervision

- **Home Health Aide/LNA visits**

- LNAs - BoN-licensed – 100 hours of training
- Observe and report medical conditions
- Bathing, toileting, dental care
- Assistance with transfers, dressing, walking
- Feeding assistance
- Assistance with medications

- **Personal Care Services**

- Unlicensed personnel -- about 10 hours of training
- Bathing, toileting, dental care
- Assistance with transfers, dressing, walking
- Feeding assistance
- Assistance with medications
- Transportation to grocery, pharmacy, etc

- **Homemaker Services**

- Light housekeeping
- Grocery shopping
- Laundry
- Meal prep

History of Inadequate Reimbursement for Home Care Services

1996 – HB 1522, created a Legislative Study Committee to review home health rate-setting

- Committee recommended DHHS develop a rate-setting methodology
- Urged House & Senate to budget for home health rate increases. There had been no rate increase for 7 years.

1997 -- Passage of HB 582 --NH RSA 126-A:18-a

- Commissioner shall adopt rules to establish a rate-setting methodology which establishes unit Medicaid reimbursement rates for home health services which reflect the average cost to deliver services. The commissioner shall consider the factors of economy efficiency, quality of care, and access to care in accordance with guidelines in federal regulations.
- DHHS shall annually, on or before October 1 establish unit rates for home health services paid under Medicaid which better reflect the average cost to deliver services.
- The Commissioner shall make an annual report on or before 11/1 relative to rates for home health services to the Speaker, Senate President and Finance Chairs.

History of Inadequate Reimbursement for Home Care Services

1998 – 1999 – DHHS engaged consultants to develop a complex rate setting methodology

1999 – One-time rate change in accordance with method, but no formal rulemaking

1999 – 2005 -- RSA 126-A:18-a was ignored for 6 years

- No rulemaking
- No rate review
- No changes to rates
- No reports

2005 – Home Care Association sued DHHS

2006 – DHHS settled lawsuit

- Agreed to comply with rule-making requirement for rate-setting, reporting and using best efforts to obtain a rate increase for CFI and Medicaid State Plan Services.

History of Inadequate Reimbursement for Home Care Services

2008 – Rate-setting rules go into effect – He-W 553

- *11 years after statute adopted*, DHHS established a *complex* rule (based on 1998 consulting recommendations) that requires annual updating.
- Absent annual update, rule requires Medicare market-basket increase to home health rates

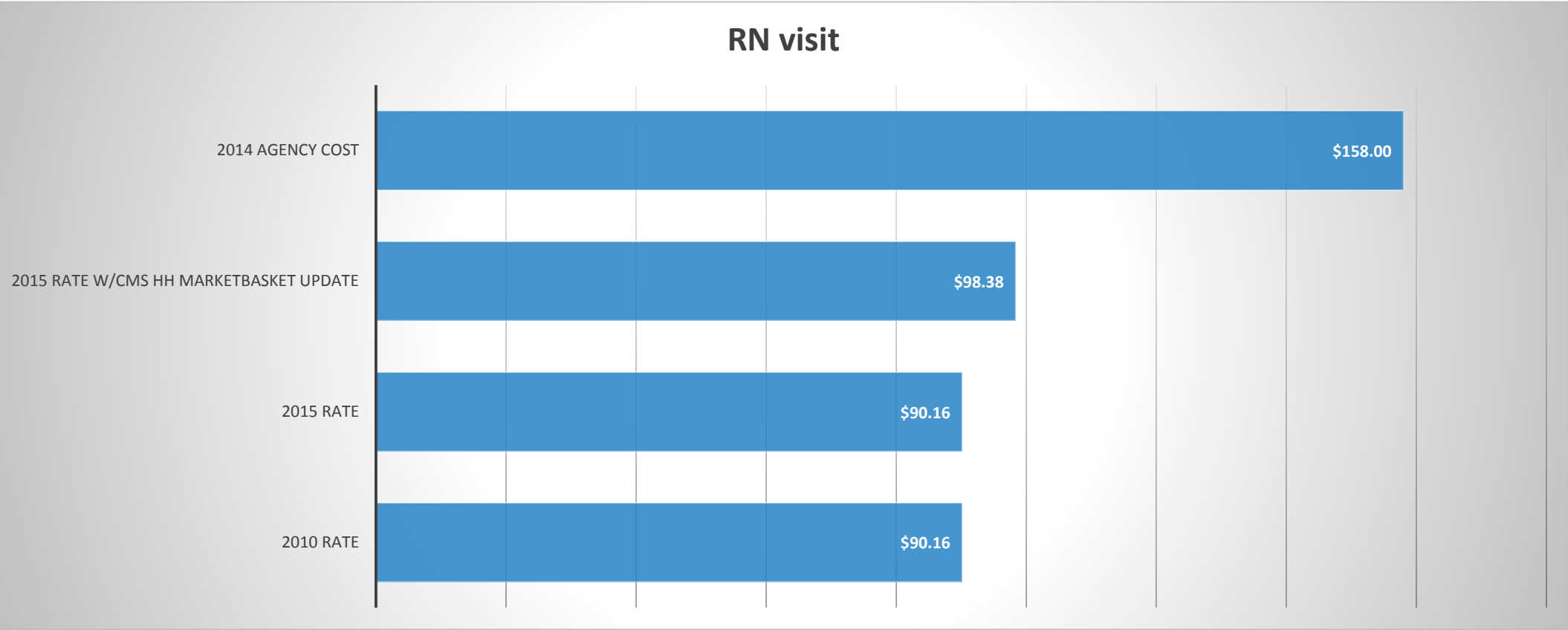
2009 – Only year that DHHS partially complied with its rule

- Set SFY 2010 “per visit” rates for RNs and HHAs, but not PCSPs or homemakers

2010 – 2015 – RSA 126-A:18-a and He-W 553 ignored for 5 years

- No annual rate-setting review
- No annual market basket updates
- No rate increases since 2010; PCSP rate decreased in 2010

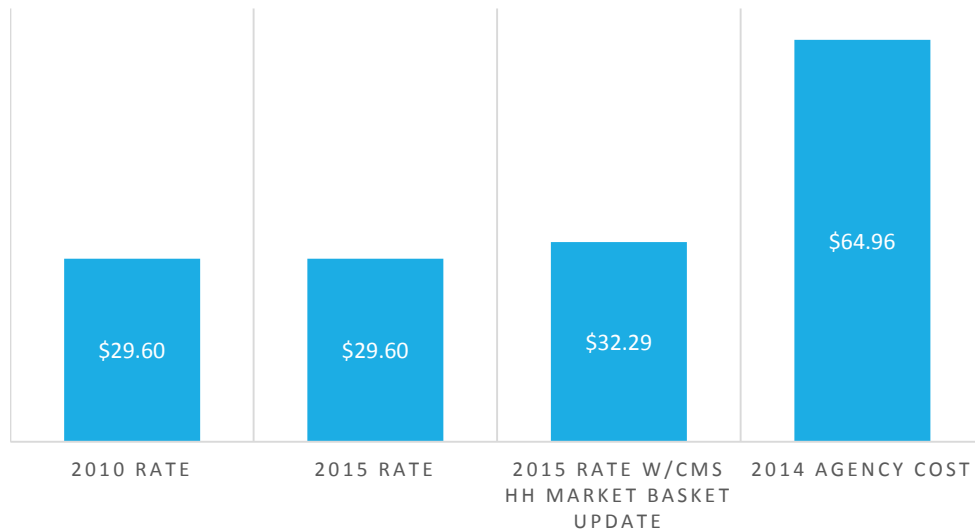
Payment Rate Comparison: RN Visit



Payment Rate Comparison: Home Health Aide

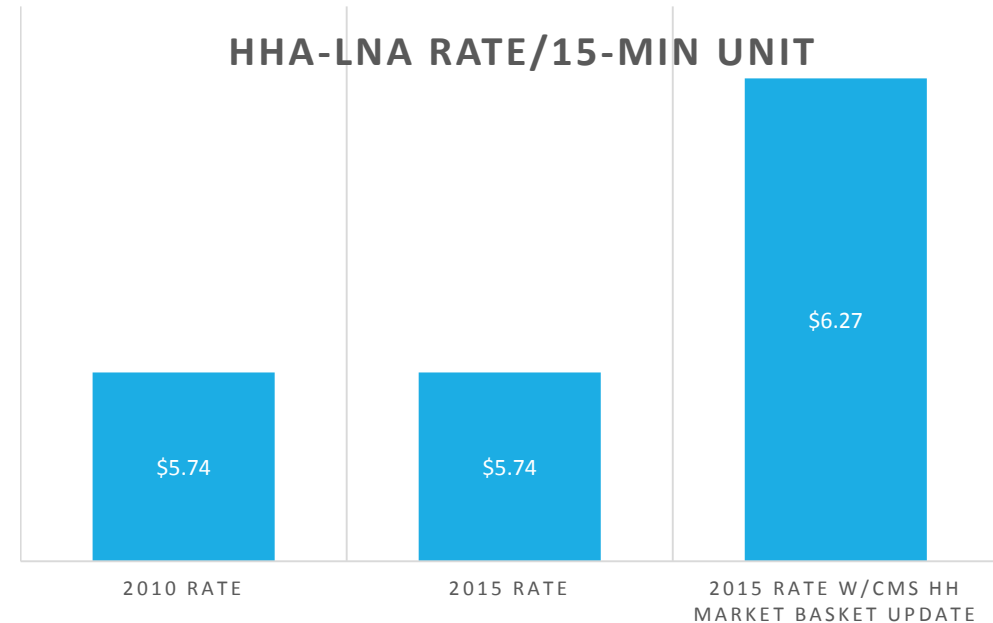
VISITS LASTING LESS THAN 2 HOURS

HHA-LNA RATE/VISIT

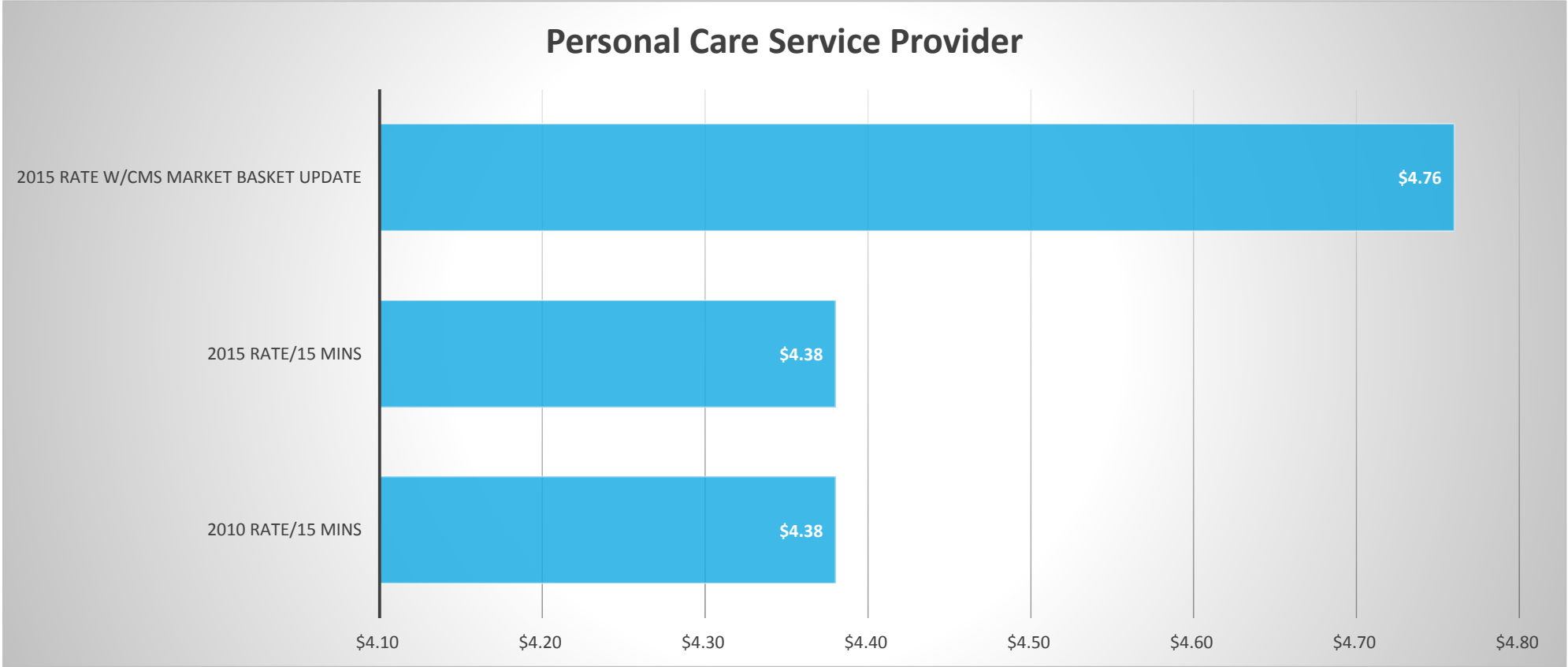


VISITS OF 2 HOURS OR MORE

HHA-LNA RATE/15-MIN UNIT

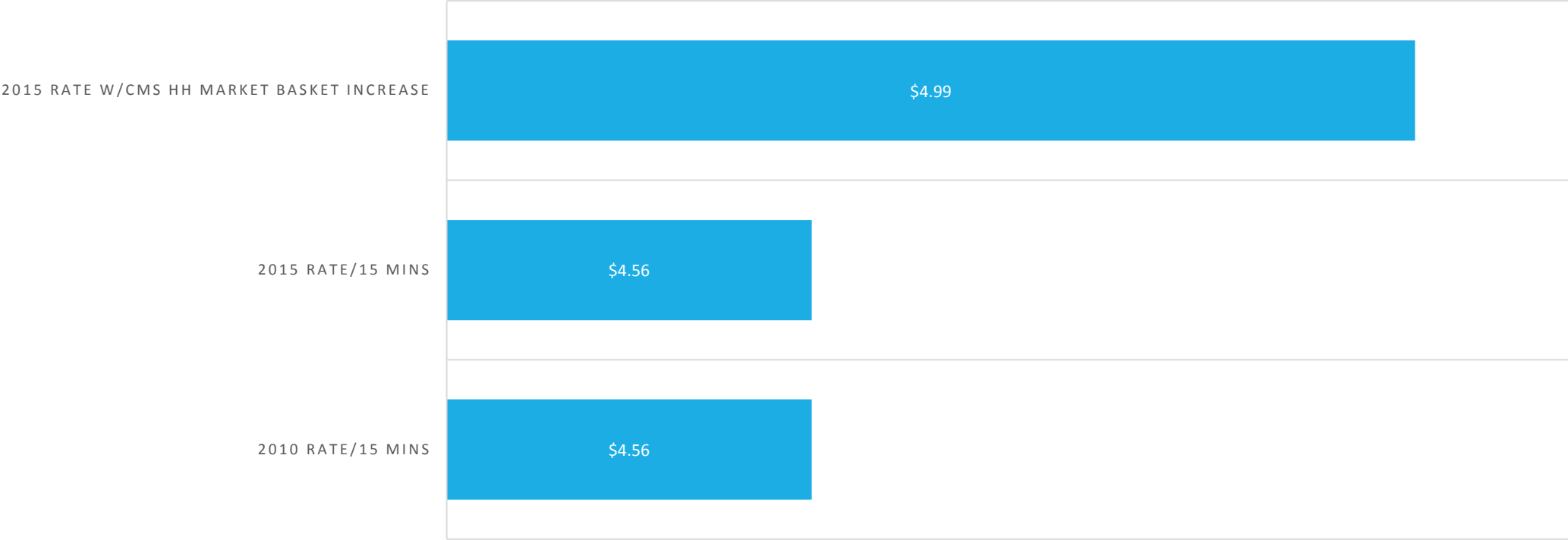


Payment Rate Comparison: Personal Care Service Provider



Payment Rate Comparison: Homemaker

CFI HOMEMAKER RATE/15 MINS



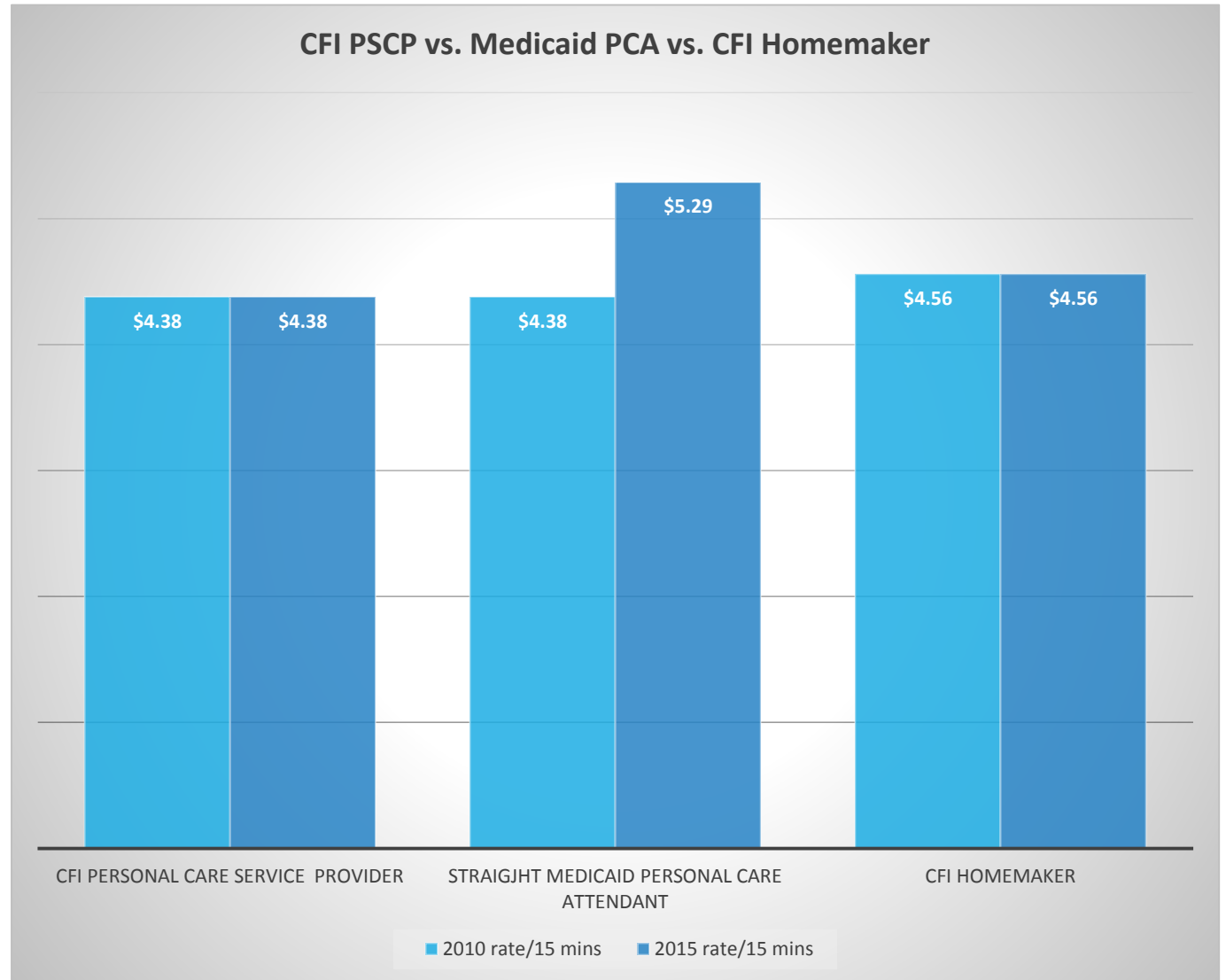
Rate Inequities

“Personal Care Services” (PCSP) in the CFI program are comparable to “Personal Care Attendant Services” (PCA) in the straight Medicaid program. Both assist clients with dressing, bathing, mobility, and feeding. In 2010, the payment rates were the same.

In the past few months, DHHS has implemented two rate increases for Medicaid PCA services.

CFI PCSP reimbursement equates to \$17.52/hour, while the Medicaid PCA reimbursement is \$21.16/hour.

CFI Homemakers perform household chores. Reimbursement equates to \$18.24/hour – higher than PCSPs who are attending to clients’ personal needs.



Budget History for Home Health Care and Home Supports: HB 1 – SFY 2012-2017

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Home Health Care (529)	13,973,674	14,364,458	13,812,819	14,365,478
Home Support (506)	34,959,399	34,808,920	33,470,559	34,814,758
COMBINED	48,933,073	49,173,378	47,283,378	49,180,236
	<u>2016</u>	<u>2017</u>		
Home Health Care (529)	8,379,774	8,463,573	Note: 2016 & 2017 numbers are from the House-passed version of HB 1	
Home Support (506)	35,567,206	35,922,878		
COMBINED	43,946,980	44,386,451		

Public Policy Ramifications

- Home Health Agencies have been fighting for adequate reimbursement for *20 years*.
- DHHS has continuously failed to follow the requirements of RSA 126:18-a or He-W 553.
- CFI saves NH money! Caring for a nursing home-eligible person at home is *half the cost* of nursing home care.
- DHHS has a federal Balancing Incentive Grant to make infrastructure changes to encourage Medicaid seniors to choose home and community-based care, yet it has done nothing to stabilize providers who struggle with increasing costs.
- Home care agencies historically subsidized low CFI rates with *Medicare* margins, but deep federal cuts harm that ability. *Continuation of inadequate CFI rates will reduce access to services for vulnerable seniors.*
- Based on DHHS's recent reports, there are funds available for rate increases.
- Rates must be stabilized now, because 2015 rates will create a floor for MCO payments under Step 2 Care Management.

Home Health Agencies' Request

- **Increase CFI rates for home health providers according to CMS HH Market Basket updates**
 - RN -- \$98.38 per visit
 - HHA/LNA visit under 2 hours - \$32.29
 - HHA/LNA unit rates for 2 hours or more – \$6.27
 - Homemaker rates - \$4.99
- **Increase PSCP unit rates - \$5.29** – consistent with Medicaid PCA rates
- GSHHA believes this may be accomplished by maintaining funding levels set forth for **SFY 2015 in Chapter 143, 2013 (HB 1)**
- **Require unexpended funds in SFY 14 Class 529 to be used to bring SFY 2015 rates to the rates above**, consistent with the Senate version of SB 8 and sections 342 and 343 of the House version of HB 2.
- Restate the Legislature's intent that DHHS follow RSA 126 18:a and He-W 553. **Delete Section 259 of HB 2**, which suspends home health rate setting rules for the biennium.
- **Delete Section 353 of HB 2**, which would prohibit DHHS from setting rates in Year 1 of Step 2 implementation.

Support NH's Seniors in their Homes



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