GRANITE STATE
Home Health Association
An Affiliate of the Home Care Association of New Hampshire

Testimony in Support of
HB 1816, relative to Medicaid Managed Care
February 1, 2018

Good morning, Mr. Chairman and members of the Committee. I'm Gina Balkus, CEO of the Granite State Home Health Association, which advocates for home care agencies and the people they serve. I'm here to speak in support of section k of HB 1816, which relates to Step 2. The Association does not have a position on the other sections of the bill.

Home care agencies are one of the few types of providers that have been involved in Step 1 of Medicaid managed care. We will also be involved in Step 2. Currently, medical home care agencies provide nursing, physical therapy and home health aide services that have been ordered by physicians for Medicaid beneficiaries. This can range from short-term medical services for patients who need several visits over a couple of weeks, to patients who need many hours of daily nursing care for months or even years. In Step 2, medical and non-medical home care agencies would be involved through the Choices for Independence or CFI program. Agencies would provide nursing visits, home health aides, personal care and homemaking services for people who need long-term services and supports. Our experience with Step 1 of Medicaid Managed Care gives us a unique perspective on what Step 2 might bring.

First, I want to say that in general, home care agencies have positive relationships with the Medicaid MCOs. There were some difficulties in the early part of Step 1, as providers needed to adapt to new policies and procedures, for instance in regard to prior authorizations, and the MCOs needed to adjust to provider concerns. Over the past few years, we have been able to resolve most issues that have arisen, either by working directly with the MCOs or bringing concerns to the Department. My comments today are intended to address Medicaid managed care policy decisions.

The Association supports HB 1816, because it will stop implementation of Medicaid Managed Care for clients who need long-term services and supports. There are several reasons. First, we have not found a single example anywhere in the country where Medicaid managed care for the LTSS population has proven successful. I hear nothing but bad things from my colleagues in other states.

Secondly, based on our experience in Step 1, the administrative burdens on providers have increased dramatically. Prior authorizations and clinical documentation is required for basic home care services. Prior auths often have short-term limits, and agencies have to repeat the process, even for clients who require on-going care. Many agencies have been forced to add staff to handle this administrative burden. We anticipate this would increase for the Step 2 population, because LTSS clients have diverse

needs – many of which are personal or psychosocial supports that do not fall neatly into clinical procedure manuals or medical necessity definitions.

Thirdly, Medicaid managed care does not seem to have made a difference in the quality of care for beneficiaries. Home care agencies continue to provide the high-quality services they have always provided – with the additional administrative hoops. While there may be a little bit more care coordination from the MCOs for some challenging patients, most patients do not appear to be receiving additional services that improve their care. What will the contractual requirements be for MCOs to improve care for CFI patients? How will DHHS measure improvement? Until this is clear, we're uncertain why the State would venture into Step 2.

Lastly, the promise in Step 1 that health care providers would be able to negotiate better reimbursement rates with the MCOs was a ruse. The MCOs pay the same low rates that NH Medicaid paid us under DHHS. Home care agencies are small and don't have clout with large insurance plans.

From a home care provider perspective, Step 1 of Medicaid Managed Care has meant that Medicaid clients are getting the same care they have always received, at the same price, and with a lot more administrative hassle for those who care for them. The goals of Medicaid Managed Care were to provide savings to the State and improve care for clients. It doesn't appear that those goals have been met – either here in NH or in any other state. Medicaid care management is still an experiment. Please remember who the people are in Step 2. They are the low-income elderly who need long term care, the developmentally disabled, and those with acquired brain injuries. They are the most vulnerable of all Medicaid beneficiaries. They should not be public policy experiments. For all these reasons, the Granite State Home Health Association recommends that Step 2 not be implemented.

I hope you will recommend passage of section k of HB 1816. Thank you for the opportunity to speak.