NASUAD
National Association of States United for Aging and Disabilities

March 2012

Consumer Directed Personal Care Services

Overview

In response to requests for assistance by two members, the National Association of States United for Aging and Disabilities (NASUAD) sent a survey to all states on February 3, 2012, asking for information about Medicaid funded Long-Term Services and Supports.

Methodology

An online survey instrument sent to all states included 30 questions focusing on three topics: 1) consumer-directed services and related processes; 2) assessments, reassessments and care plans; and 3) case management. A total of 16 states responded, with four filling out separate surveys for multiple programs. The 16 states provided information about 27 programs.

Because the topics of the survey were diverse, the results will be presented in three separate summaries. This summary focuses on the first topic—consumer directed services and related processes. Throughout the summary, when a percent is shown, it is based on the respondents and is not a percent of the total number of states.

Trends

Four overall trends emerged:

- Consumer Directed Personal Care is more often provided through waivers, but it is also provided through the Medicaid State Plan in half of the responding programs.
- Under Consumer Directed Personal Care, it is most typical for the consumer to be considered the employer of record, though this is not the case everywhere.
- There are various approaches to the provision of Financial Management Services (FMS). 44 percent of the respondents provide FMS as a waiver service. Half the respondents have one FMS provider per program. Reimbursement rates vary across the programs both in intervals (hourly, monthly, other) and amount.

- There also is a fairly wide range of approaches to and amounts for the reimbursement of Information and Referral and Supports Brokerage Services.

Consumer Directed Personal Care

States were asked whether they provide Consumer Directed Personal Care through their Medicaid State Plan and/or through a Medicaid waiver:

- Ten of 18 programs responding (56 percent) stated that they provide these services through their State Plan.
- Twenty-one of 24 programs responding (87.5%) replied that they provide these services through a waiver or waivers.

States also were asked who is considered to be the employer under Consumer Directed Personal Care. Of the 24 respondents:

- Sixteen (two-thirds) responded that the consumer is the employer of record.
- Two replied that the agency is the employer of record.
- One stated that the consumer is the managing employer, and an agency acts as the common law employer.
- Three indicated that the employer varies, depending on the amount of self-direction the consumer chooses or the funding source.

Finally, NASUAD asked states how many consumers direct their personal care on average each month through their Medicaid State Plan or through a Medicaid waiver:

- Of the 6 respondents that provide for self-direction through the Medicaid State Plan, the monthly number of self-directing consumers ranges from 252 to 16,500. Across all six programs, the average number per program is 6,044.
- Of the 16 respondents that provide for self-direction through a Medicaid waiver, the monthly number of self-directing consumers ranges from 3 to 32,250. Across all 16 programs, the average number per program was 3,076. Setting aside the very large highest number in the range because of skewing (the second highest number is only 4,900), the average number of self-directing consumers per waiver program is 1,200.

Financial Management Services

States were asked how they reimburse for Financial Management Services (FMS) in their Consumer Directed Personal Care programs. Of the 22 programs responding:

- Twelve (55 percent) reported that they reimburse for FMS as a distinct waiver service, enrolling all qualified participants.
- Eight programs (36 percent) mentioned that they reimburse through a competitive bid contract.
- Four (18 percent) said FMS is included in the personal care rate when the consumer serves as the employer of record.
- Three programs (14 percent) indicated that they use the Agency with Choice model, in which the agency and the participant are joint employers of the Personal Care Attendant, and FMS is included in the rate set for Consumer Directed Personal Care.

States also were asked how many FMS providers are available for the consumers to choose from:

- Seven programs (30 percent) indicated that they had one FMS provider per program. One of these states also indicated that it is seeking additional providers.
- Six (26%) reported that they have multiple providers, ranging from six to 83.
- Two responded that there is one FMS provider in their waiver program and multiple FMS providers for Consumer Directed Personal Care provided under their State Plan.
- One replied that there are 10 managed care organizations (MCOs), each of which contracts for FMS. This state noted that multiple MCOs might use the same FMS provider.
- One state said it has no FMS provider.

NASUAD asked what the reimbursement rate is for FMS:

- Nine programs provide hourly payments ranging from $9.61 to $28.25.
- Four provide monthly payments ranging from $100.00 to $227.30. One program mentioned that the rate can be affected by discounts for use of certain vendor features, such as EFT and pay cards and increased consumer participation.
- Four programs provide payments in 15-minute increments ranging from $2.88 to $4.25.
- Three programs explained that the consumer negotiates/determines the rate with the FMS provider.

In response to NASUAD's question about how states monitor FMS, respondents described a number of approaches:

- Five states mentioned annual reviews of the FMS providers. Of these, three mentioned annual monitoring of contracts, program reports and/or billing reports and two noted that there are annual visits and or record reviews.
- Two programs mentioned more frequent activities, including teleconference consultation, monthly program reports, and regular meetings with FMS providers.
- Two programs indicated that they monitor FMS through certification or quality audits every two years.
- Other programs mentioned contracts, performance measure reports, and on site reviews without indicating their frequency.

Information and Referral / Support Brokerage

States were asked to indicate how they reimburse for Information and Referral (I&R) and Support Brokerage services. Twenty-one respondents provided a wide array of answers.

- Six programs replied that I&R services are part of case management, while four stated that they pay for I&R as an administrative cost.
- Eight programs described Support Brokerage (also referred to as Support Consultation) as a waiver service.
- Three programs mentioned that I&R services are provided through contracts, while a few others mentioned that these services are provided by state staff.
- One explained that in managed care the consumer pays the support broker out of his overall budget, and noted that the managed care organization's care management team is available to help the member direct his services.
- A few programs mentioned that they use Title III-E funds under the Older Americans Act to pay for I&R. A few mentioned that they use state funds to support I&R and Support Brokerage services.

NASUAD also asked about the reimbursement rates for I&R and Support Brokerage services, again yielding a wide range of responses:

- Three programs responded that they pay a per member/per month rate. In one program the rate is $45 per member/per month plus orientation rate plus initial referral rate. In one of the other programs, the rates range from $265 to $434 per member/per month.
- In six programs operated by one state, the rate paid for Support Brokerage is $15.37 per hour.

- Two programs indicated that the rate paid for Support Brokerage is based on what the consumers determine. One of these programs said the maximum rate that can be negotiated is $18.72 per hour.
- A few programs mentioned that these costs are “included in the reimbursement for services” or “part of a total service contract”.