



Promoting Leadership (Public Policy)

Medicaid Managed Care and Its Implications on Employment Services

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TODAY'S SPEAKERS

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TODAY'S SPEAKERS, *CONTINUED*

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The National Center on Leadership for the Employment and Economic Advancement of People with Disabilities (LEAD) is a collaborative of disability, workforce and economic empowerment organizations led by **National Disability Institute** with funding from the **U.S. Department of Labor's Office of Disability Employment Policy**, Grant No. #OD-23863-12-75-4-11.

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WELCOME

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LEAD CENTER MISSION

- ▶ To advance sustainable individual and systems level change that results in improved, competitive integrated employment and economic self-sufficiency outcomes for individuals across the spectrum of disability.



AGENDA

- ▶ Provide an overview of Managed Care
 - ▶ Previous trends
 - ▶ Key issues in design
- ▶ Managed Care and employment, including key issues
- ▶ CMS Guidance regarding MLTSS
- ▶ Policies, procedures and other tools to increase employment
- ▶ Review of ways to improve stakeholder engagement
- ▶ Questions



WEBINAR OUTCOMES

- ▶ As a result of today's webinar, participants will have a better understanding of:
 - ▶ Managed Care
 - ▶ The interplay of Managed Care, Medicaid and employment success
 - ▶ CMS principles to guide the development of MLTSS.
 - ▶ Approaches to State Infrastructure, Partnerships, Policies, and Stakeholder Engagement



WHAT IS MANAGED CARE?

- ▶ In a managed care system, people get some or all of their Medicaid services from an organization under contract with the state Medicaid agency. Instead of the state paying providers directly, an intermediary entity is responsible for “managing” care to control costs and improve quality.
- ▶ As of 2011, 74.2% of Medicaid recipients were enrolled in managed care for at least some of their services.

PREVIOUS TRENDS IN MANAGED CARE

- ▶ Primarily utilized for acute care for healthy, non-disabled adults.
- ▶ Viewed as method of realizing cost-savings during the life of the managed care contract.



KEY ISSUES IN MANAGED CARE DESIGN

- ▶ Community Integration
- ▶ Diverse Benefits Package and Provider Network Adequacy
- ▶ Non-Clinical Outcome Measures
- ▶ State Managerial Capacity

These are key issues as managed care is used to deliver LTSS, including supports for employment

IMPORTANCE OF EMPLOYMENT

- ▶ Work is a fundamental part of life for adults with and without disabilities.
- ▶ Work is an essential path to economic self-sufficiency and financial stability.
- ▶ According to multiple research studies, work has been associated with building self-esteem and positive physical and mental health.



IMPORTANCE OF EMPLOYMENT, CONTINUED

- ▶ Many people with disabilities require support to gain and maintain integrated employment
- ▶ Integrated employment refers to work that is:
 - ▶ Paid directly by employers at the greater of minimum or prevailing wages with commensurate benefits
 - ▶ Occurring in a typical work setting where the employee with a disability interacts or has the opportunity to interact continuously with co-workers without disabilities
 - ▶ That has an opportunity for advancement and job mobility, and is preferably engaged full time



MANAGED CARE KEY ISSUES – KEY TO EMPLOYMENT SUCCESS

▶ Community Integration

- ▶ Priority for meaningful integration must be imbedded in each element (design, implementation, financing and oversight), including explicit expectations for integrated work
- ▶ This can be, for example, put directly into the contract as the purpose of the program and otherwise woven throughout policies and manuals. E.g. At intake and assessment, employment should be primary for children in transition and all working-age adults; transportation to a job must be addressed in the plan
- ▶ Employment should be a mandatory service in the MCO service and the preferred service, with a reference to policy or other binding explanation of an employment first expectation.
- ▶ This prioritization is especially important if services other than employment, are provided



MANAGED CARE KEY ISSUES – KEY TO EMPLOYMENT SUCCESS, CONTINUED

- ▶ Diverse Benefit Package and Provider Network Adequacy
 - ▶ The benefits must ensure a rich array to support all individuals in integrated employment, and must include employment and employment-related supports (transportation, adaptive equip, etc.)
 - ▶ An essential element of a highly successful employment, and HCBS overall, is a skilled provider network. States must ensure that managed care entities engage the number and type of providers with the necessary skillset to achieve ambitious employment goals everywhere in the state. Partnerships with business and industry; transition planning with schools and VR

MANAGED CARE KEY ISSUES – KEY TO EMPLOYMENT SUCCESS, CONTINUED

▶ Non-Clinical Outcome Measures

- ▶ Designing quality at the outset is important, particularly to ensure employment outcomes are prominent and measurable
- ▶ Outcome measures in health are, of course, important, but it will be important to expect measures related to employment through contracts and performance measures e.g. hours worked, wages and benefits earned.

▶ State Managerial Capacity

- ▶ States must ensure their own expertise is intact to enable successful oversight of employment efforts.
- ▶ There will need to be experts with experience in supported employment involved both in state contracts and ongoing state oversight and coaching of managed care entities.

CMS GUIDANCE REGARDING MLTSS

- ▶ CMS has indicated that the following principles should guide the development of MLTSS:
 - ▶ Adequate planning and transition strategies
 - ▶ Stakeholder engagement
 - ▶ Enhanced provision of HCBS
 - ▶ Alignment of payment structures with MLTSS programmatic goals
 - ▶ Support for beneficiaries
 - ▶ Person-centered processes
 - ▶ Comprehensive and integrated service package
 - ▶ Qualified providers
 - ▶ Participant protections
 - ▶ Quality



SUPPORTS FOR EMPLOYMENT

- ▶ Different sources of supports for employment
 - ▶ Education
 - ▶ Vocational Rehabilitation
 - ▶ Medicaid



MEDICAID AND EMPLOYMENT

- ▶ State Medicaid programs play a pivotal role in providing publicly-funded supports for employment, most commonly through long term services and supports (LTSS) programs.
 - ▶ These include 1915(c) waivers, 1915(i) HCBS as a State Plan Amendment and 1915(k), Community First Choice
 - ▶ These services may be delivered in fee-for-service systems, and, increasingly, managed care delivery systems

MEDICAID AUTHORITIES FOR MLTSS

Managed Care Authorities	LTSS Authorities
<p><i>1115 Demonstration</i> <i>1915(b) Waiver</i> <i>1915(a) Contract Authority</i> <i>1932(a) State Plan Amendment (SPA)</i></p>	<p><i>1905(a) State Plan services</i> <i>1115 Demonstration</i> <i>1915(c) Waiver</i> <i>1915(i) SPA</i> <i>1915(k) SPA</i> <i>1915(j) SPA</i></p>



MANAGED LTSS FOR PEOPLE WITH DISABILITIES

In Managed Care

- Arizona (1115)
- Michigan (b/c)
- Wisconsin (b/c)
- North Carolina (b/c)
- Kansas (1115)
- Texas – piloting IDD (1115 is already in for physical disabilities)
- New York* (b/c)
- Tennessee –physical disabilities

* pre-implementation

In Planning Stages

- New Jersey (1115) - delayed
- Illinois (1115)
- Florida – legislative exploration
- New Hampshire- delayed
- Louisiana



STAKEHOLDER ENGAGEMENT, CONT.

- ▶ Stakeholders is a broad term to include any party with interest in a particular program. For LTSS, this includes people with disabilities and their families, advocates, providers, state partners and, in states contemplating managed care, managed care entities.
- ▶ **The voices of individuals and families directly impacted should have the highest priority, throughout the each step of the managed care life cycle.**

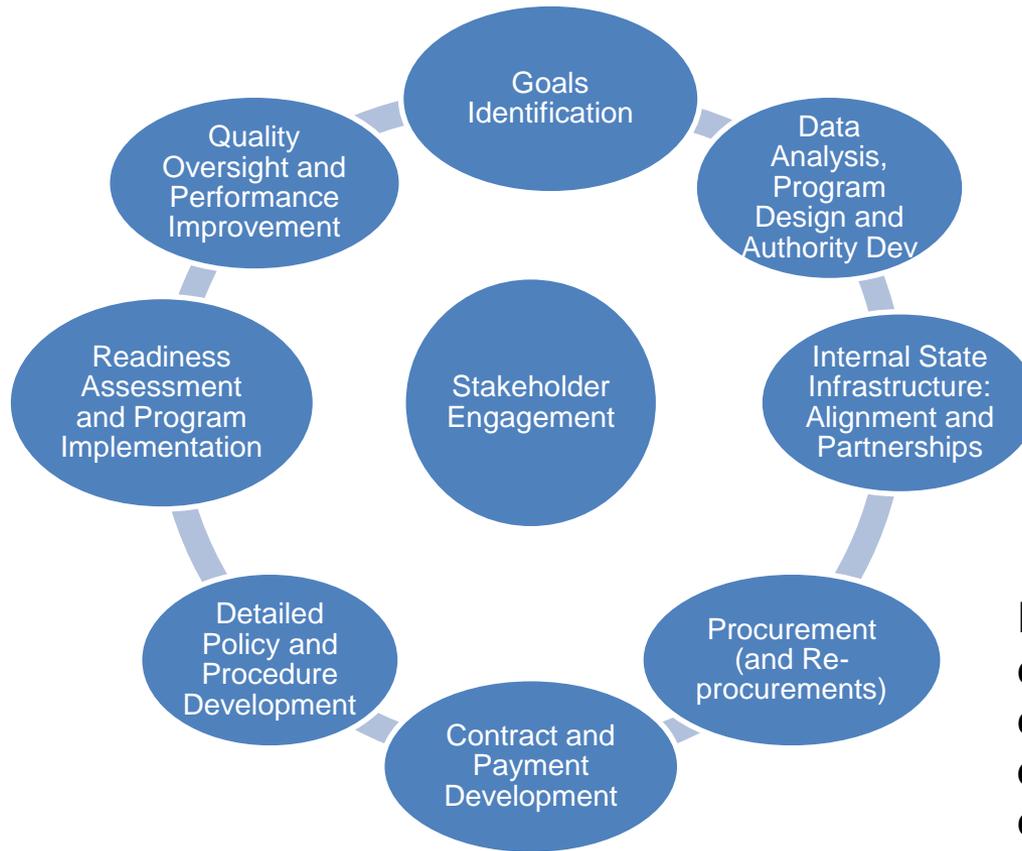


STAKEHOLDER ENGAGEMENT, CONT.

- ▶ States should have targeted outreach to stakeholders on critical issues such as employment.
- ▶ The engagement with stakeholders must be **meaningful**, **ongoing**, and must impact policy, quality improvement and implementation over time.



MEDICAID MANAGED CARE LIFECYCLE



Infusing employment elements/considerations at each stage is important to design a high performing employment system.

GOAL IDENTIFICATION

- ▶ States must identify the issue they are hoping to solve and their overarching goals, both short and long term.
- ▶ Managed care may be a tool to meet those goals (not the goal itself).
- ▶ These goals must include overtly and unequivocal goals for integrated employment, including goals to remove systemic barriers and incentivize integrated employment through payment, policy, quality improvement, network expectations, and other means.



DATA ANALYSIS, PROGRAM DESIGN AND AUTHORITY DEVELOPMENT

- ▶ Data analysis will provide a baseline for the state to measure the impact of the intervention of managed care, and will assist in identifying essential quality metrics critical to measuring progress toward goals
- ▶ For employment specifically, states must evaluate their current state of affairs around integrated employment, including analyzing data around service provision and utilization data.
- ▶ The learning from this data and input from stakeholders should inform program design and authority development

STATE INFRASTRUCTURE: ALIGNMENT AND PARTNERSHIPS

- ▶ The movement to managed care requires a careful review of state level infrastructure, partnerships and human resources to ensure that the state structures will support the program design and work to promote progress toward the identified goals.
- ▶ Strong state level expertise in community based long term services, including employment, and supports for people with disabilities is required for MLTSS success.
- ▶ This alignment must take into account key partnerships necessary for employment success.



PROCUREMENT (AND RE-PROCUREMENT)

- ▶ In order to get proposals from prospective managed care partners, states typically issue a Request for Proposal (RFP).
- ▶ Expectations for employment outcomes for individuals should be explicitly noted in these documents so that potential partners understand from the outset what their obligations and what the state's priorities will be.
- ▶ In addition, expectations with regard to provider network capacity should be included as well to ensure that the managed care entities understand the needed provider skillset to ensure strong employment outcomes.



CONTRACT AND PAYMENT DEVELOPMENT, CONTINUED

- ▶ The contract between the state agency and the managed care entity provides many detailed expectations such as services to be offered, reporting requirements, performance method and timeliness of certain activities, payment approaches and measures of success.
- ▶ Contracts require federal approval and must meet certain requirements.
- ▶ To ensure accountability, managed care contracts should include explicit operating and performance standards, data reporting requirements, and outcome expectations – including around employment.



CONTRACT AND PAYMENT DEVELOPMENT, CONTINUED

▶ Examples:

- ▶ Operating standards may prescribe certain activities like person-centered planning and the organization's responsibilities for interacting with VR and Education.
- ▶ Data may be required monthly providing information on numbers of individuals working, how long they looked for a job, wages earned, hours worked and other important pieces of information.
- ▶ Metrics may include percent of individuals in competitive employment wages, hours worked, etc.
- ▶ Payments may be structured to incentivize strong compliance with all of these provisions



CONTRACT AND PAYMENT DEVELOPMENT, CONTINUED

- ▶ The contract should include an overt statement of the commitment of the state and the managed care plan to ensuring people receiving support have the training and assistance they need to achieve employment
- ▶ Contracts should include requirements for helping individuals of working age obtain and maintain employment. Requirements may include documentation that individuals receive ample information on employment, as well as the supports available to help them gain and maintain it.
- ▶ Contracts should include reference to operations manuals, policies and procedures that highlight specific program expectations and requirements focused on home and community based long services and supports, including employment services.



DETAILED POLICY AND PROCEDURES

- ▶ The details explaining the specific operational expectations will be contained within the state's policies and procedures manuals and other governing policies included by reference in the authorizing documents.
- ▶ Employment outcomes, provider qualifications and related supports should be prominently featured in these documents, setting forth definitions and detailed expectations for operationalizing Employment First policies.

POLICIES, PROCEDURES AND OTHER TOOLS TO INCREASE EMPLOYMENT

- ▶ Service specifications for home and community based services such as employment should be written to outline how employment services are to be delivered.
- ▶ Network plans can be a vital tool to increase employment outcomes. MCOs are required to have network plans. Generally focused on network sufficiency, network plans should, instead, require more including a thorough analysis of the number of working age adults now, those transitioning, the number of employment providers, how many more are needed. Network plans should be reviewed, approved, and monitored by the state.

READINESS ASSESSMENT AND PROGRAM IMPLEMENTATION

- ▶ States must assess their own readiness to implement managed care, as well as the managed care entity's readiness
- ▶ These assessments should expressly examine the capacity of the state and the plans to implement successful employment systems and achieve key outcomes
- ▶ These assessments must look at capacities, networks, internal processes and other attributes essential to furthering goals for employment
- ▶ Readiness assessment must include state expertise in community based long term services and supports for people with physical and intellectual developmental disabilities.



STAKEHOLDER ENGAGEMENT

- ▶ Must be an integral part of the development of each of these phases of the managed care lifecycle.
- ▶ The engagement must be accessible and multi-layer to ensure that feedback is obtained at all levels of the service delivery system. For example, managed care entities should be required to have strong engagement strategies, including targeted strategies for key issues such as employment

STAKEHOLDER ENGAGEMENT, CONT.

- ▶ Because contracts and authorities require renewal, vigilance and the integration of improvements at each stage is important for sustained success – driven in large part from stakeholder feedback and experience.
- ▶ In each phase of this lifecycle, states must deliberately focus on and execute the elements of high performing employment systems.

DETAILED QUALITY OVERSIGHT AND PROGRAM IMPROVEMENT

- ▶ In a managed care environment, like any service delivery model, states must have an effective means to ensure the quality of long term services and supports
- ▶ States must require specific employment-related quality metrics to ensure an ongoing oversight of plan progress toward employment outcomes.
- ▶ States should retool their mandatory Medicaid managed care quality management requirements to include more home and community based services such as employment from acute and health related measures. Performance Improvement Projects and network plans are two such tools.

QUESTIONS?



LEAD CENTER *FREE* WEBINAR SERIES

- ▶ The LEAD Center will provide a new webinar on the last Wednesday of each month from 3:00p.m. EST - 4:30p.m. EST.
- ▶ Webinars will include three mini-series on:
 1. Economic Advancement
 2. Leadership
 3. Employment
- ▶ Next month continues the leadership/public policy mini-series, focused on improving outcomes for individuals with disabilities.

<http://www.leadcenter.org/webinars>



UPCOMING WEBINARS: LEADERSHIP (PUBLIC POLICY) SERIES

June 25, 2014 from 3:00pm ET to 4:30pm ET

New CMS Regulation on HCBS Settings: Implications for Employment Services

In the aftermath of CMS' recent regulation defining acceptable and unacceptable settings for Home and Community Based Services, states and stakeholders are now considering how to transition their service-provision systems into compliance with the new CMS requirements for greater integration. This new regulation may have a profound impact on employment services, and it is critical that stakeholders be well informed on how to influence implementation relevant to employment.

Target Audience: Workforce Development Professionals, Policy Makers, Individuals with Disabilities and related stakeholders.



THANK YOU

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THANK YOU

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