



NATIONAL RESOURCE CENTER *for*  
PARTICIPANT-DIRECTED SERVICES

# The State of Participant Direction: Growth and Challenges

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# The Current State of Participant Direction is Good

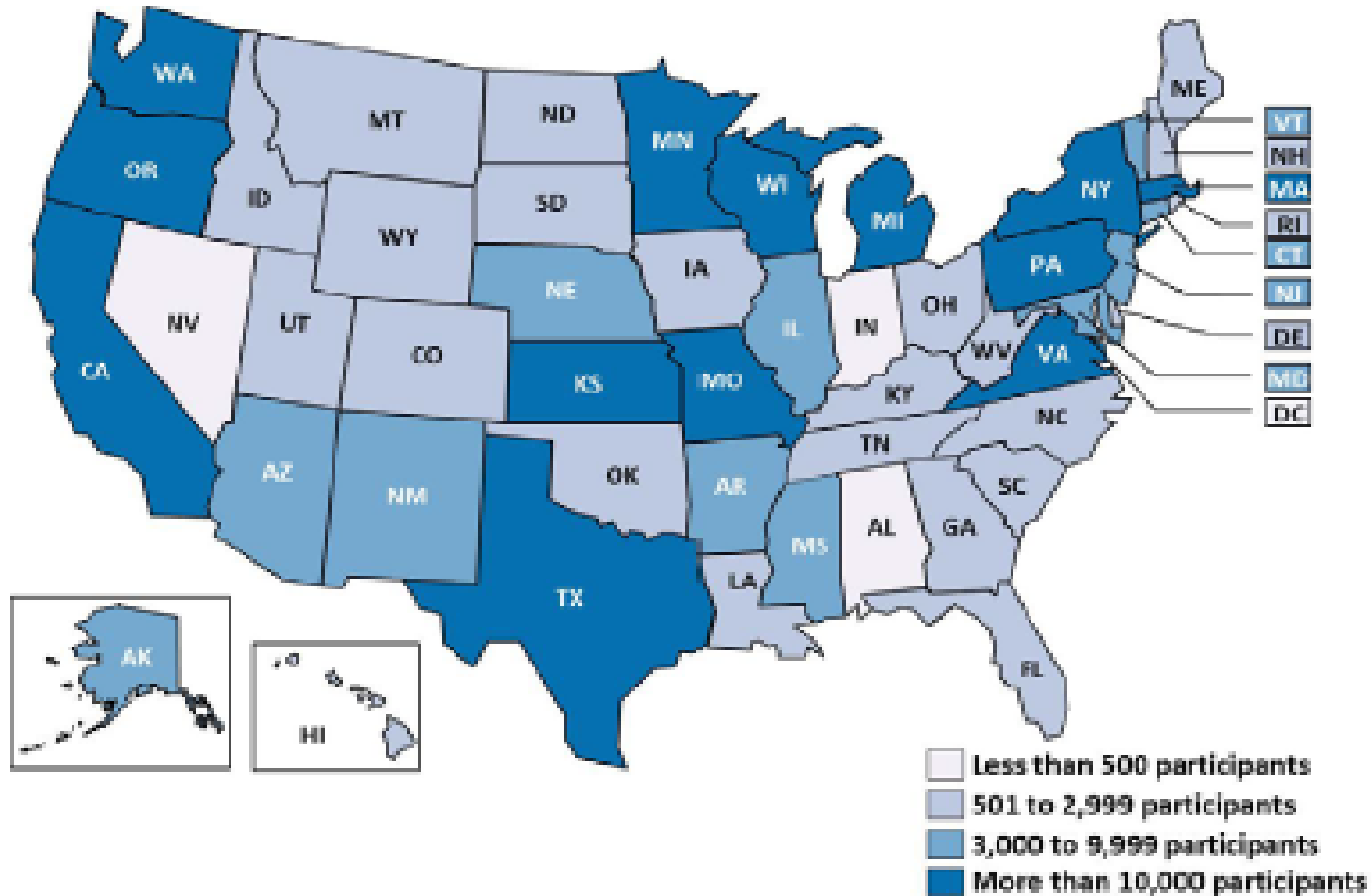
- ❑ Continued, if slower, growth in number of programs and participants
- ❑ New challenges confront us
  - ❑ Managed Care
  - ❑ Fair Labor Standards Act Home Care Rule
- ❑ New opportunities beckon
  - ❑ Strong support from the federal government
  - ❑ New approaches to providing counseling services

# Participant Direction The Current State

Results from the 2013-14 Inventory of  
Participant-Directed Programs



# Participant Direction Enrollment by State



Over 835,000 people are directing their own care with participant directed programs available in every state

# Program Authority

The vast majority of programs are still traditional Medicaid State Plan or Waiver Programs

	<b>N</b>	<b>%</b>
<b>PD-LTSS Medicaid waiver(s)<sup>2</sup> and state plan amendment<sup>3</sup> programs</b>	192	96
<b>Veteran-directed home and community-based services (VD-HCBS)</b>	43	16
<b>Participant-directed managed long-term services and supports (PD-MLTSS)</b>	31	11

# Numbers of Participants by Authority

Traditional Medicaid still has the large majority of participants, but Managed Care Programs are growing fast

	N <sup>1</sup>	%
Participants enrolled in Medicaid waiver and state plan amendment programs	808,847	96
Participants enrolled in PD-MLTSS programs	77,816	9
Participants enrolled in VD-HCBS programs	831	0.1

# Who is the Employer?

- ❑ 70% of programs report the participant or representative is the employer
- ❑ 13% of programs report and Agency with Choice employer
- ❑ 2% of programs report a public authority as the employer
- ❑ 16% of programs report a mix of employers
- ❑ Yeah: rounding error



# FMS Models

- ❑ Based on 198 programs
  - ❑ 75% reported offering an Fiscal/Employer Agent model
  - ❑ 12% reported offering Agency with Choice
  - ❑ 11% reported offering both
  - ❑ 2% reported offer more than two models (e.g., F/EA, AwC, and Fiscal Conduit)
- ❑ Based on 143 programs
  - ❑ 84% offered vendor F/EA
  - ❑ 13% offered government F/EA
  - ❑ 4% offered both
  - ❑ Rounding error!



# Challenges

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Managed Care

FLSA Home Care Rule

# Managed Long-Term Services and Supports are Growing



- ❑ Currently, 183 Medicaid Managed Care providers cover Medicaid members in 40 states
- ❑ 2/3 of all Medicaid individuals are enrolled in Medicaid Managed Care
- ❑ Thirty states now have MLTSS

# Managed Care Companies' Needs

- ❑ MCE's don't understand Participant Direction
  - ❑ Uses non-traditional services
  - ❑ Hard to determine "medical necessity."
  - ❑ Skittish about handing over control to participant
  - ❑ Fears of fraud, waste, and abuse



# Managed Care Companies are Asking for Help





- How to enroll participants
- How to organize counseling and FMS service
- How to assure quality
- How to measure outcomes

# Fair Labor Standards Act Home Care Rule

## Good News

- ❑ More workers getting minimum wage and earned overtime
- ❑ Potential for stabilizing the LTSS workforce
- ❑ Many states creatively responding to new rule

## Bad News

- ❑ Continued confusion about the rule
  - ❑ Especially around joint employment  
- ❑ Some states moving away from PD
- ❑ Some participants concerned about losing services

*More on this in later FLSA Question and Answer session*

# Opportunities

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Increased Federal Support

New Approaches to Counseling Services

# Increased Federal Support

Don't get too  
excited.  
Policy support.  
Not lots of new  
money.

- ❑ HCBS Settings Rule (CMS)
  - ❑ Narrows definition of “Community” settings
  - ❑ Encourages “home-like” settings
  - ❑ Indirectly encourages participant control
- ❑ ACA and person-centeredness
  - ❑ ACA requires Medicaid LTSS be based on “person-centered planning” process
  - ❑ States must clearly show person-centeredness
  - ❑ PCP also encourages participant control

# Mixing Counseling and FMS Services

- ❑ Some states trying FMS and Counseling Services (Information and Referral) by one agency
  - ❑ AR, FL, NJ
- ❑ A potential FMS growth area
- ❑ Requires a new set of skills
- ❑ May require managing competing interests
  - ❑ Counselors supporting spending plans that are hard for FMS side to manage





Thank You

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Have a great conference!