INTRODUCTION

Over the past several years, the Nebraska Department of Health and Human Services (HHS), through its Division of Medicaid and Long-Term Care (MLTC), has engaged stakeholders in conversations regarding the delivery of long-term services and supports (LTSS). Those initial conversations resulted in a plan to implement managed LTSS by integrating the services into risk-based contracts with managed care organizations (MCOs). With the recent transition of leadership in Nebraska, MLTC has revised those plans and is taking an opportunity to open a broader dialogue with stakeholders regarding a more comprehensive redesign of LTSS services in Nebraska.

This effort is both important and timely. There is growing pressure on the existing long-term services and supports (LTSS) infrastructure in Nebraska. An aging population and workforce of experienced staff combined with the increasing cost of medical care and state budget concerns are challenging LTSS programs across the nation and in Nebraska. As the Division of Medicaid and Long-Term Care (MLTC) moves forward with transforming the way services are delivered to Medicaid clients through the Heritage Health managed care program, MLTC will also be working on improving the state’s LTSS system. The LTSS redesign project will be a collaborative initiative between MLTC and LTSS stakeholders to evaluate the current LTSS landscape, identify key opportunities for improvement, and redesign the system to meet the future challenges and growing demand for LTSS.

LTSS, as defined by the Centers for Medicare and Medicaid Services (CMS), include “services and supports provided to beneficiaries of all ages who have functional limitations and/or chronic illnesses that have the primary purpose of supporting the ability of the beneficiary to live or work in the setting of their choice, which may include the individual’s home, a provider-owned or controlled residential setting, a nursing facility, or other institutional setting.”¹ In this definition, CMS considers community services to be largely non-medical and focused on functionally supporting people living in the community and notes that individuals with chronic illnesses include those with mental health conditions and substance use disorders.

Nationally, approximately five percent of adults receive LTSS. The majority (fifty-seven percent) are sixty-five and older, but a substantial portion (forty-three percent) are between the ages of eighteen and sixty-four.² State Medicaid programs are the largest payer of LTSS. In federal fiscal year 2013³, the federal and state governments spent $146 billion on Medicaid LTSS combined, representing thirty-four percent of all Medicaid spending.⁴ In state fiscal year 2015⁵, the total Nebraska Medicaid vendor expenditures for LTSS were $784,814,183, evenly split between...
in institutional services (nursing facilities and intermediate care facilities for the intellectually or developmentally disabled) and home and community based services (1915(c) waivers, personal care, home health, and other home and community based services). This is an increase from state fiscal year 2010 when expenditures for LTSS were $645,041,559. This amount is anticipated to grow in the future as the population ages. The U.S. Census Bureau estimates that more than twenty-five percent of Nebraska’s population will be over age sixty by the year 2030, an increase of thirty-two percent from 2012.

This concept paper provides key information for stakeholders and seeks their feedback on the LTSS redesign project. It pinpoints challenges in the current programs and suggests opportunities that can improve the delivery of long-term care to Nebraska’s LTSS population, achieve compliance with federal requirements, promote administrative efficiencies, and maximize program resources.

MLTC is most interested in feedback from LTSS stakeholders on how to best create a system responsive to the needs of Nebraskans and which will be sustainable for future generations.

**LTSS Redesign Principles**

The LTSS redesign effort is focused on opportunities for improvement in Medicaid LTSS service delivery and will be guided by the following six key principles:

1. Improve the quality of services and health outcomes of recipients
2. Promote independent living in the least restrictive setting through the use of consumer focused and individualized services and living options.
3. Strengthen access, coordination, and integration of care through streamlined LTSS eligibility processes and collaborative care management models.
4. Improve the capacity to match available resources with individual needs through innovative benefit structures.
5. Streamline and better align the programmatic and administrative framework to decrease fragmentation for clients and providers.
6. Refocus and rebalance the system in order to match growing demand for supports in a sustainable manner.
Redesign Scope

The mission of DHHS is to help people live better lives. The department includes MLTC, which is the single state Medicaid agency for Nebraska, as well as five other divisions. The scope of the state's LTSS redesign effort is primarily Medicaid-funded services. Services are administered by MLTC, the Division of Developmental Disabilities (DDD), the Division of Children and Family Services (CFS) and the State Unit on Aging (SUA). Individuals receiving LTSS, especially those in community-based settings, often rely upon a variety of programs and services beyond those funded by Medicaid or administered by DHHS.

Medicaid-Funded Community-Based LTSS

Community-based LTSS programs and services include:

- Personal Assistance Services (MLTC)
- Home Health (MLTC)
- Hospice (MLTC)
- Private Duty Nursing (MLTC)
- Aged and Disabled Waiver Services (MLTC)
- Money Follow the Person Program Transition Services (MLTC)
- Program of All-Inclusive Care for the Elderly (MLTC)
- Traumatic Brain Injury (TBI) Waiver Services (MLTC)
- Targeted Case Management for Beneficiaries Receiving HCBS Waiver Services (MLTC and DDD)
- Adult Day HCBS Waiver (DDD)

- Comprehensive Adult Day HCBS Waiver (DDD)
- Children’s HCBS Waiver (DDD)
- Disabled Children’s Program (CFS)
- Disabled Persons and Family Support Program (CFS)
- Lifespan Respite Subsidy Program (CFS)
- Medically-Handicapped Children’s Program (CFS)
- Social Services for Aged and Disabled Adults (CFS)
- Care Management Under the Nebraska Community Aging Services Act (SUA)
- Nutrition and Caregiver Support Services Under the Older Americans Act (SUA)

Providers for the above Medicaid-administered community-based programs and services include:

- Approximately 210 assisted living facilities (for the aged and disabled waiver), one assisted living facility (for the traumatic brain injury waiver)
- Approximately 4,800 individual providers and fifty-one agency providers (for the aged and disabled waiver or state plan personal assistance services)
- One program of all-inclusive care for the elderly (PACE) provider
- Three state-employed transition coordinators and thirteen transition planning and support specialists (for the money follows the person program)
Nine contracted community agencies in fourteen locations (providing targeted case management for aged and disabled and traumatic brain injury waiver participants)

Multiple agency providers of home health, hospice, and private duty nursing

Medicaid-Funded Institutional LTSS
Institutional LTSS services include:

- Nursing Facility Services (MLTC)
- Residential Services (MLTC)

Providers for the above Medicaid-administered institutional LTSS include:

- 212 nursing facilities of which also have special needs units
- One state-operated (Beatrice State Developmental Center) and nine privately-operated intermediate care facilities for individuals with intellectual disabilities.

MLTC seeks feedback on the scope of the LTSS redesign beyond Medicaid-funded programs. Specifically, MLTC is interested in recommendations for DHHS-administered or other programs utilized by LTSS recipients that should be included in the project’s scope that will result in improved efficiency of service delivery and outcomes for Medicaid beneficiaries.

Areas of Opportunity
MLTC has identified several current components of the Medicaid LTSS system that present opportunity for focused effort and improvement. These areas described below are interrelated and, when addressed together, have great potential to offer improvement in long-term care and choice for the Nebraska LTSS population, help achieve compliance with federal requirements, promote administrative efficiencies, and maximize program resources.

Siloed Program Administration
Individuals experience many challenges navigating community LTSS eligibility and enrollment systems in Nebraska. Most of the LTSS programs in the state operate independently from each other with different eligibility criteria, funding streams, and methods for authorizing services. This not only makes navigating LTSS options difficult, but it also leads to delayed access to needed services. This may increase institutionalization of individuals who could have been better served in the community.

Furthermore, the provision of complementary services available through more than one program may be key to improve an individual's health or quality of life.

MLTC seeks feedback on ways for the state to make it easier for the LTSS population to navigate and be connected to the program or programs that best fit their needs, including the use of a no wrong door/single point of entry (NWD/SEP) approach. Entry into LTSS programs should be streamlined and readily accessible by clients. MLTC also seeks recommendations on innovative benefit structures, including the possibility of using tiered benefits based on individual need.

Assessment of Long-Term Care Needs
MLTC does not currently use a common method for assessing the long-term care needs of all
Medicaid LTSS populations. Eligibility for Medicaid-funded LTSS is dependent upon the determination of the individual's financial eligibility and assessment of functional needs. The extent and content of functional assessments vary across programs and levels of care. Data from these sources is not retained in a useful manner and is not available for quality or program management.

**MLTC seeks feedback on tools and methods to ensure that the long-term care needs of its clients are assessed fairly and uniformly across programs. Standardized assessment information should support the state in determining appropriate level of care, conducting program planning, reducing duplication, and comparing levels of acuity in various settings and across managed care organizations.**

**Case Management and Care Coordination**

For several Medicaid LTSS programs—including home health, personal assistance services (PAS), and private duty nursing—case management is not readily available. For others, case management or care coordination is performed for Nebraska LTSS by various contracted entities. Due to inconsistent case management administration, opportunities for conflict of interest between provider and client interests are present. These conflicts of interest may not be conscious decisions on the part of individuals or entities responsible for the provisions of service. Exploring the value of consistent case management across LTSS programs and services that are included in managed care and those remaining in fee-for-service will benefit Medicaid client outcomes.

**MLTC seeks feedback on methods to promote care management and care coordination to match services with care needs.**

**Service Array and Authority**

Nebraska has several LTSS that are very similar in the type of care provided. Services provided through 1915(c) waiver authority may not duplicate services provided under the Medicaid state plan; however, waiver services are allowed to enhance state plan services. The state has not put in place policies or training for administration, oversight, and coordination of these services to ensure that they are not duplicative and enhance the state plans services. Furthermore, MLTC is aware that service gaps may exist for some clients based on their eligibility or program participation that, if closed, could support the overall prudent use of resources and help promote independent living.

**MLTC seeks feedback on how to best achieve compliance with requirements for non-duplication of services. Aggregating similar service provisions into a single type (waiver or state plan authority) and crafting policies for appropriate use offer opportunities for achieving compliance, promoting administrative efficiencies, and maximizing program resources. MLTC also seeks feedback on where additional supports and services not currently provided could help achieve the principles of better matching resources with need and promoting the least restrictive setting for clients. Current service utilization trends, costs, and provider access/network**
assessments will be necessary for informed decision making.

Provider Management and Reimbursement
The administrative oversight of LTSS providers is variable, non-standard, and sometimes absent. It can be performed by state staff, contracted providers, and community supports. Ambiguous and non-standard reimbursement rates, determined by service coordinators and based upon provider’s experience, can lead to inconsistencies in provider reimbursement across programs. In addition, LTSS tracking and related reporting are currently managed in three separate state systems (CONNECT, NFOCUS, and MMIS) and manually in contracting services coordination agencies. The resulting information fragmentation makes it difficult to efficiently track and monitor service delivery and outcomes. Lack of this critical data makes it difficult to conduct data-driven provider management. With the development of a new eligibility and enrollment system and a data and analytics solution, Nebraska will be better positioned to overcome the issues posed by variable information technology systems.

MLTC seeks feedback on ways to improve and streamline administrative oversight with reliable data sources and to ensure regular evaluation of provider reimbursement so provider compensation and service reimbursement are appropriate, financially prudent, and based upon industry practice.

Measuring and Promoting Quality
The LTSS redesign project will be focused on the quality of services to the Medicaid clients. MLTC is interested in establishing quality metrics specific to the LTSS population, including choice of setting and provider. While there are nationally recognized core measure sets for preventive, primary, and acute care, development of core measures specific to long-term supports and services is still a work in progress. Standards are currently inconsistent and varied across state Medicaid programs. The Patient Protection and Affordable Care Act (ACA) requires nursing facilities that participate in Medicaid and Medicare to meet CMS quality assurance and improvement standards. For HCBS providers, quality measures being developed include efforts by the Measure Applications Partnership (MAP) and the Agency for Healthcare Research and Quality. In addition, the proposed Medicaid managed care rule will codify CMS guidance specific to LTSS delivered through managed care.

MLTC seeks feedback regarding the potential established of “baseline” quality metrics pre-redesign, potential strategies or solutions, as well as which areas should be prioritized as the most critical domains for measuring and assessing outcomes in the LTSS system.

Delivery System
Comprehensive managed care for long-term supports and services (MLTSS) offers states a significant opportunity to create a more equitable and sustainable system of care. However, given the complex needs and vulnerabilities of this population and challenges presented by the current system design, a thoughtful and comprehensive approach is necessary. Nebraska is first focused on developing the necessary framework to meet the needs of this population.
Ultimately, MLTC believes that a comprehensive managed LTSS program can improve the quality of life for thousands of our state’s most vulnerable residents.

MLTC seeks feedback regarding the potential timeline and key considerations for eventual potential transition to MLTSS. Specifically, MLTC is interested in key areas that stakeholders feel need focused or continued dialogue given past stakeholder discussions in the development of Nebraska’s past MLTSS efforts.

**Stakeholder Input and Timeline**

MLTC recognizes the importance of providing adequate time to plan, design and operationalize an LTSS redesign. The process must provide sufficient opportunity for public scrutiny and engagement, as well as careful risk mitigation to protect fragile populations, which is why the department is that the redesign project will continue through the end of 2016, resulting in a detailed set of recommendations for DHHS and MLTC.

MLTC invites feedback from individuals receiving LTSS, advocacy organizations, providers, managed care organizations, care coordination agencies, legislators, and any other interested members of the public regarding this concept paper and the redesign of Nebraska’s LTSS system. Information related to the LTSS redesign effort and opportunity to provide input is available on the Medicaid long-term services and supports redesign project website at dhhs.ne.gov/LTSSredesign. There, individuals and groups will also see specific instructions and opportunities to submit feedback directly to MLTC and sign up to remain informed as the program proceeds. Additionally, interested parties can submit information or questions, comments and other feedback to DHHS.LTSSRedesign@Nebraska.gov.

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Medicaid and Children’s Health Insurance Programs; Medicaid Managed Care, CHIP Delivered in Managed Care, Medicaid and CHIP Comprehensive Quality Strategies, and Revisions Related to Third Party Liability. 80 FR 31097 (June 1, 2015).


3 October 1, 2012 to September 30, 2013

4 Medicaid Expenditures for Long-Term Services and Supports (LTSS) in FY 2013. Truven Health Analytics, June 30, 2015.

5 July 1, 2014 to June 30, 2015

6 July 1, 2009 to June 30, 2010

7 U.S. Department of Health and Human Services, Administration on Aging, Policy Academy State Profile; U.S. Census Bureau, 2009 Projections.