

**COMMUNITY AND IN-HOME OPTIONS TO INSTITUTIONAL CARE FOR
THE ELDERLY AND DISABLED (CHOICE)**

May 19, 2016

**Board Meeting Minutes
State House Board Room 156-B
Indianapolis, IN**

CHOICE Board Members in Attendance: Jean Macdonald, Sen. Jean Breaux, Rep. Ed Clere, Joan Cuson, Dorian Maples, Andy Weidekamp, Beth Schoenfeld

CHOICE Board Members Absent: Lynn Clough, Prudence Twigg, Rep. Robin Shackelford

Visitors in Attendance: Grant Achenbach, Orion Bell, Michelle Stein-Ordonez, Kristen LaEace, Kathryn Williams, Evan Reinhart

Staff in Attendance: Debbie Pierson, Yonda Snyder, Willie Poindexter

Call to Order: Jean called the meeting to order. Jean asked the Board to review the minutes. There is a correction, Beth Schoenfeld was in attendance. Jean asked if there were any other corrections or additions to the minutes.

Presentation: Yonda Snyder introduced Jim Leich of LeadingAge in Indiana. They represent the non-profit part of long term care services and supports industry and they have a national counterpart. LeadingAge has been looking at the issue of how are we going to pay for long term care in the future, because given the demographics Medicaid and Medicare are going to be overwhelmed in the near future. The Pathways program is to raise awareness of long term care financing and challenges and to explore some federal possibilities. Jim advised Indiana was one of a few states who wanted to participate in the program and they are now at a point where it's now or never. Statistics show about 42% of the LTSS (Long Term Care Services and Supports) users are the working age population. Jim went on to say that there are 3 levels of community need from low need which could be some support and assistance to high need of which a lot is paid for and institutional which is primarily the elderly.

Jim used the analogy for LTSS by using the need to have auto insurance. LeadingAge is working with a number of think tanks, AARP and others that have done some projections on the disability population. Jim states that more than half of those who are 65+ will have a high level of need for everyday activities and more than 70% of 65+ will need some form of LTSS. The aging population will increase and by 2055 there will be about 90 million people aged 65+ and of those aged 75+ will represent half of that number, which will increase the demand for LTSS.

We are relying on unpaid family caregivers for LTSS, 87% which is valued at \$470 billion annually and 40 million family caregivers are providing 37 billion hours of care. Because of the changing demographics (families spreading out, smaller families, etc.) we are going to have a caregiver dilemma, by 2050 we will have only half as many caregivers available.

Jim informed the impact on federal and state Medicaid is that the spending will more than double in the next 10 years and less than 1 in 5 boomers have taken any action to prepare for LTSS care. Jim said boomers are more prepared for death than life and are ill informed regarding LTSS needs. National studies show a lack of consumer knowledge about LTSS. People are going to have to learn how to save for long term care or it will fall on the family and caregivers because state and federal programs will be hard pressed with the up and coming baby boomer population.

Jim cited the expected long term care expenditures for someone 65+ and the fact that the sales of long term care insurance is declining and the dramatic effect it will have on state and federal budgets. Jim used the analogy that we will buy homeowners insurance to protect us but not long term care insurance. There are a number of reasons for the decline in long term care insurance sales. Some of the reasons are the initial carriers underestimated the expenditures, the number of people who dropped the policy before they used it, the recession, interest rates, etc. These reasons have made long term care insurance more expensive and harder to get.

Jim states at the national level they would like to try to address the LTSS problem. They would like to try and get some type of federal LTSS reform package signed into law by 2017 and have at least 5 states adopt some level of LTSS reform are some of the solutions they've come up with.

Division Update: Yonda Snyder asked the Board if there was anything they needed answered from previous meetings. With there being none Yonda said the only update she had was the branding initiative. All the area agencies on aging serve as ADRC's. As part of their rebalancing initiative a big piece of rebalancing is increasing the utilization of home and community based services rather than institutional care. The challenge with home and community based services is people don't always know about them, everybody knows about nursing homes. Statics show about 80% of the people who approach an ADRC only need information.

Yonda s informed that they are using one-time federal money specifically for the purpose of increasing awareness of home and community based services. A PR firm worked with the Division of Aging and Executive Directors to come up with a new name for the network, it's the IN Connect Alliance. They've spent the last 3 weeks going to all the 16 area agencies to introduce the concept of being connected under a new brand name. This new brand name doesn't override the local brand name, the area agencies keep their local names and logos they just now become members of the IN Connect Alliance. In September they will begin to promote

more externally awareness of the IN Connect Alliance allowing people to connect more seamlessly to the area agencies. They have a new website called INConnectAlliance.org that is up and running with plans for it to be more fully functional by June. Yonda passed out informative and awareness products, to the Board to help them remember and pass on information about IN Connect Alliance.

I-4A Update: Kristen LaEace updated the Board on 3 new adventures the area agencies may be embarking on in addition to IN Connect Alliance. The first has to do with an announcement by Medicare, they will start reimbursing health education providers on pre-diabetes prevention programs. Currently all the area agencies sponsor evidence based healthy aging programs and some of them may be providing specific education on chronic disease management and diabetes prevention or management. They've actually had a presentation by someone from the Indiana State Department of Health to try to help coordinate this movement statewide. The area agencies would be just one of many providers who would become Medicare certified.

The second has to do with the Veterans Administration (VA). The VA has started offering a Veteran's Choice program where veterans are able to take out money and receive services outside the VA system. The third thing has to do with accreditation related to case management services. There is an industry group called NCQA that manages accreditation for managed care entities. They are launching a new product that has to do with accreditation for long term services and supports case management. They've worked on a product that is available for accreditation not only for management entities but community based organizations like the area agencies. Kristen said that they were able to sit on the advisory board and help them recraft and set a different tone that was more in line with community based organizations such as the area agencies. After citing the 3 things that are on the horizons for the area agencies Kristen went over her educational packet.

Evan Reinhart Executive Director for the Indiana Association for Home and Hospice Care wanted to make the Board aware and informed and a little more detailed on a major issue confronting their members in the industry and also one that could have potential to spill over and impact rebalancing and opportunities to utilize home and community based services. Their industry in Medicaid and Traditional Medicaid fee for services is reimbursed based on cost reports which are collected annually around 6 months after you conclude your fiscal year. Myers and Stauffer takes the cost reports and does some analysis and then they develop an individual rate for each provider along with an overhead rate which is an allowable non-salary cost. Evan is concerned about how the reimbursement rates are calculated, they don't balance out with the cost trends.

Michelle Stein-Ordonez, Liaison for the Indiana Association for Home and Hospice Care wanted to let the Board know about the problems with prior authorization and claim payments issues that

home health and hospice providers have experiences with the Medicaid managed care entities HCC and HIP. Anthem representatives have been working with them on a case by case basis to help with denials.

With no further business, the meeting was adjourned.