

From The Arc of PA

Medicaid Managed Care

The Arc of Pennsylvania Board of Directors has had several briefings on the possibility of movement of services for individuals with intellectual disability (ID services) towards a system of managed care. Currently, services are primarily funded through a “fee for service” system that has set rates for approved services. On a national level, several states have moved towards a managed care approach and several other states have demonstration projects and/or are in the midst of discussions related to moving to a managed care approach. Currently there are no specific plans to move in this direction in Pennsylvania. However, The Arc of Pennsylvania wishes to be positioned to be able to provide guidance and advocate for a responsive service system that is able to support person-centered, inclusive, community based services, in the event that a managed care approach is considered as an option in Pennsylvania.

“Fee-for-service” and “managed care” are different models that are most commonly known in reference to health care. These models of accessing care are also used in disability services and have important implications for people with disabilities and their families. In a fee-for-service system for disability services, individuals can receive services (such as transportation, habilitation and respite) from any service provider they choose. While this provides more choice, it is thought to have higher costs and can result in communication issues between providers. In a managed care system, the state contracts with a company to manage a network of providers. This company gets a fixed amount of money from the state per person it serves. People with disabilities choose from specific providers within that company’s network of providers (just like an HMO for medical care). While the managed care model is thought to reduce service costs and encourage care coordination, there are concerns about it limiting services for people with disabilities.

Values/Principles

- Person-Centered. Ensure that individuals’ services in a managed care system are driven by their person-centered plan;
- Choice. Ensure that individuals have the right, the information and the support to choose who will develop their plan, coordinate their services and provide those services;
- Stakeholder Involvement and Transparency. Involve cross disability consumers and families in all levels of strategy development and implementation including adoption of financing and service delivery changes; including concept development, contract specifications, evaluation, oversight, and CMS review of waiver applications/state plan amendments. Provide sufficient time for review

of concepts and proposals. Provide funding or resources to support people with disabilities and families to participate.

- Self-Direction. Ensure individual control and flexibility of funds to meet needs with services within an allowable budget. Provide financial and business management supports.
- Inclusion. Services and supports promote independence, competitive employment and community inclusion.

Expected Outcomes

- People are supported to live in their own homes or family homes, not institutional settings
- People are employed in community businesses, making minimum wage or better
- People have everyday opportunities to have meaningful relationships (friendships, family, marriage, etc)
- People have the option to self-direct their services
- People are engaged in their communities
- There are no waiting lists for needed services
- Long term care, acute care and behavioral health care will be better coordinated
- Families receive the flexible supports they need including (but not limited to) respite, family-to-family support, training, assistance navigating systems, long-term planning

Design and Implementation

- Payment would be tied to the outcomes above. Utilize the MCO contracting process not as just a cost containment strategy but also as an opportunity to advance priority goals of ODP including deinstitutionalization, competitive employment and family support.
- Support to navigate - people must have training and TA to navigate system
- Recognize the lack of experience and claims data for managed care for long-term services and supports and pilot any managed care programs until data demonstrate that the desired outcomes can be achieved through managed care
- Quality. People with disabilities and families are directly involved in the design of and monitoring of services and supports
- Commission an independent evaluation of the managed care and provide regular reports to stakeholders
- If Intermediate Care Facilities are still a service option, then they must be included in the services that the MCO administers (no carve outs for ICFs)

- Participants should have access to navigation support and information including on the models of service available; choice of providers; rights; the right to be free from abuse
- Support individuals and families to maximize their natural supports and coordinate their natural supports with paid supports

What Can I Do Next?

- Get involved with your local Arc to be informed of potential changes in funding for ID services and to respond to calls to action
- Use these talking points to talk with your local legislator and local county ID staff about what is important to people with disabilities and families if there are changes in the system