

Bobby Jindal
GOVERNOR



Alan Levine
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

April 20, 2010

The Honorable Joel T. Chaisson, II, President
Louisiana State Senate
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

Dear President Chaisson:

In response to House Concurrent Resolution No. 142 (HCR 142) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. The resolution directs the Department of Health and Hospitals to submit written quarterly reports regarding costs and other pertinent data for the New Opportunities Waiver, the Elderly and Disabled Adult Waiver, and the Long-Term Personal Care Services Program.

The Office for Citizens with Developmental Disabilities, the Office of Aging and Adult Services, and the Bureau of Health Services Financing within DHH are available to discuss the enclosed report and recommendations with you at your convenience. Please contact Jerry Phillips, DHH Undersecretary, at (225) 342-6726 with any questions or comments you may have.

Sincerely,


Alan Levine
Secretary

Bobby Jindal
GOVERNOR



Alan Levine
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

April 20, 2010

The Honorable Jim Tucker, Speaker
Louisiana State House of Representatives
P.O. Box 94062, Capitol Station
Baton Rouge, LA 70804-9062

Dear Speaker Tucker:

In response to House Concurrent Resolution No. 142 (HCR 142) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. The resolution directs the Department of Health and Hospitals to submit written quarterly reports regarding costs and other pertinent data for the New Opportunities Waiver, the Elderly and Disabled Adult Waiver, and the Long-Term Personal Care Services Program.

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Sincerely,

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Alan Levine
Secretary

Bobby Jindal
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Alan Levine
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

April 20, 2010

The Honorable James R. "Jim" Fannin, Chairman
Joint Legislative Committee on the Budget
P.O. Box 44486, Capitol Station
Baton Rouge, LA 70804-4486

Dear Chairman Fannin:

In response to House Concurrent Resolution No. 142 (HCR 142) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. The resolution directs the Department of Health and Hospitals to submit written quarterly reports regarding costs and other pertinent data for the New Opportunities Waiver, the Elderly and Disabled Adult Waiver, and the Long-Term Personal Care Services Program.

The Office for Citizens with Developmental Disabilities, the Office of Aging and Adult Services, and the Bureau of Health Services Financing within DHH are available to discuss the enclosed report and recommendations with you and the members of the Joint Legislative Committee on the Budget. Please contact Jerry Phillips, DHH Undersecretary, at (225) 342-6726 with any questions or comments you may have.

Sincerely,

Alan Levine
Secretary

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Alan Levine
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

April 20, 2010

The Honorable Willie L. Mount, Chairwoman
Senate Health and Welfare Committee
Louisiana State Senate
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

Dear Chairwoman Mount:

In response to House Concurrent Resolution No. 142 (HCR 142) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. The resolution directs the Department of Health and Hospitals to submit written quarterly reports regarding costs and other pertinent data for the New Opportunities Waiver, the Elderly and Disabled Adult Waiver, and the Long-Term Personal Care Services Program.

The Office for Citizens with Developmental Disabilities, the Office of Aging and Adult Services, and the Bureau of Health Services Financing within DHH are available to discuss the enclosed report and recommendations with you and the members of the Senate Health and Welfare Committee. Please contact Jerry Phillips, DHH Undersecretary, at (225) 342-6726 with any questions or comments you may have.

Sincerely,

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Alan Levine
Secretary

Bobby Jindal
GOVERNOR



Alan Levine
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

April 20, 2010

The Honorable Kay Katz, Chairwoman
House Health and Welfare Committee
Louisiana State House of Representatives
P.O. Box 44486, Capitol Station
Baton Rouge, LA 70804-4486

Dear Chairwoman Katz:

In response to House Concurrent Resolution No. 142 (HCR 142) of the 2009 Regular Session, the Louisiana Department of Health and Hospitals (DHH) submits the enclosed report. The resolution directs the Department of Health and Hospitals to submit written quarterly reports regarding costs and other pertinent data for the New Opportunities Waiver, the Elderly and Disabled Adult Waiver, and the Long-Term Personal Care Services Program.

The Office for Citizens with Developmental Disabilities, the Office of Aging and Adult Services, and the Bureau of Health Services Financing within DHH are available to discuss the enclosed report and recommendations with you and the members of the House Health and Welfare Committee. Please contact Jerry Phillips, DHH Undersecretary, at (225) 342-6726 with any questions or comments you may have.

Sincerely,

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Alan Levine
Secretary



State of Louisiana
Department of Health and Hospitals
Office of Management and Finance

HCR 142- Fourth Report – April 2010

- 1) The number of recipients served in the Long Term/Personal Care Services Program (LT-PCS), the Elderly & Disabled Adults Waiver (EDA), and the New Opportunities Waiver (NOW), and the average annual cost per recipient served in each program.
 - a. Number of Recipients
 - i. EDA: 3,758ⁱ
 - ii. LT-PCS (without EDA): 10,878
 - iii. NOW: 7,874
 - b. Average Annual Care Plan Approved Cost
 - i. EDA: \$31,169
 - ii. LT-PCS (without EDA): \$18,751
 - iii. NOW: \$65,844
- 2) The number of recipients in each program whose annual cost of service exceeds the average cost for that program.
 - a. EDA: 1,782 (47%)
 - b. LT-PCS (without EDA): 5,754 (53%)
 - c. NOW: 2,965 (43%)
- 3) The number of recipients in each program whose annual service costs increased from the previous year.
 - a. EDA: Three hundred sixty (360) EDA participants had a cost increase between July 1, 2009 and March 20, 2010 compared to their previous year's plan. However, the average cost of 2,473 plans completed during this time under resource allocation is 25% less than the average cost from the previous plan year.
 - b. LT-PCS (without EDA): Twelve hundred seventy-two (1,272) LT-PCS participants had an increase between July 1, 2009 and March 20, 2010 compared to their previous year's plan. However, the average cost of 3,856 plans completed during this time under resource allocation is 9% less than the average cost from the previous plan year.
 - c. NOW: One hundred twenty (120) NOW participants had a cost increase during this quarter as compared to their previous year's plan. However, the average cost of 950 plans completed this year under Resource Allocation is \$16,442 less than the average cost of

plans from the previous fiscal year. These savings are in addition to any savings achieved as the result of rate reductions.

- 4) The number of persons on the waiting lists for each program
 - a. EDA: 17,250ⁱⁱ
 - b. NOW: 9,372

- 5) The number of persons on waiting lists who are currently receiving services and the type of service they are receiving.
 - a. EDA
 - i. 5,363 LT-PCS
 - ii. 376 ADHC waiver
 - iii. 47 NOW waiver
 - iv. 128 Supports waiver

 - b. NOW
 - i. 208 LT-PCS
 - ii. 15 ADHC Waiver
 - iii. 135 EDA Waiver
 - iv. 1,184 Supports Waiver
 - v. 762 Support Coordination through a non-waiver service (EPSDT, Ventilator Assistance, First Time Mothers)

- 6) The number of persons moved from an existing service to the New Opportunities Waiver and the additional cost or savings for each program.

OCDD'S Response to HCR 142 Question #6 (as of March 31, 2010)			
SUMMARY OF NOW RECIPIENTS TRANSFERRED FROM OTHER MEDICAID PROGRAMS			
TRANSFER PROGRAM TYPE	3RD QTR AVG. COST PER RECIPIENT	TOTAL TRANSFERS THRU 3RD QTR	ESTIMATED ANNUAL SAVINGS/INCREASE
PRIVATE ICF/MR	\$62,107	31	\$205,830
CHILDREN'S CHOICE	\$11,749	56	\$3,029,300
SUPPORTS WAIVER	\$8,778	217	\$15,412,522
NURSING HOME	\$38,260	3	\$82,752
SUPPORTS AND SERVICES CENTER	\$205,444	13	-\$1,814,800
EDA & LT-PCS	\$32,202	31	\$1,042,902
ADHC	\$20,449	1	\$45,345
TOTAL		352	\$18,003,851

OCDD CHART NOTES:

- As of March 31, 2010 674 persons have been certified into the New Opportunity Waiver (NOW) since July 1, 2009.
- 352 of these participants were previous recipients of the Medicaid programs listed above during the 2009-2010 state fiscal year.
- The savings/increase estimate was based on the average cost of per recipient of each program recipient as compared to the average 3rd quarter plan cost of the NOW.
- Average cost information used in this comparison does not include acute care.

The estimated increase in cost of \$18,003,851, above the previous program cost will be adjusted each quarter to reflect updated expenditure data based on resource allocation. We expect this figure to drop significantly.

7) The average cost of persons receiving services from both the Long Term/Personal Care Services Program and the Elderly & Disabled Adults Waiver Program.

a. \$31,497ⁱⁱⁱ

8) The average cost for persons receiving services in privately operated nursing facilities and privately operated Intermediate Care Facilities for persons with developmental disabilities.

a. Nursing Facility Cost: \$33,915^{iv}

b. ICF-DD Cost: \$59,349^v

ⁱ EDA & LTPCS recipient counts and care plan cost is based on data available March 20, 2010.

ⁱⁱ EDA Registry count is based on data available March 23, 2010.

ⁱⁱⁱ Based on 3,698 annual EDA care plans – includes only those with LT-PCS services

^{iv} Based on the SFY-0809 372 report MW-S-71-A(S)

^v Based on daily rate for private ICF's, including patient liability

Regular Session, 2009

HOUSE CONCURRENT RESOLUTION NO. 142

BY REPRESENTATIVE NOWLIN AND SENATOR THOMPSON

A CONCURRENT RESOLUTION

To direct the Department of Health and Hospitals to develop and submit to the Centers for Medicare and Medicaid Services new waiver or state plan options for a sustainable system of home- and community-based services, to continue to implement approved cost control mechanisms for the Long Term/Personal Care Services Program, the Elderly and Disabled Adults Waiver, and the New Opportunities Waiver, and to provide quarterly progress reports to the House and Senate committees on health and welfare and the Joint Legislative Committee on the Budget.

WHEREAS, the Medicaid program in Louisiana currently spends in excess of one billion six hundred million dollars annually on a variety of programs to address the long-term care needs of our citizens who are elderly or have severely disabling conditions. These expenditures constitute in excess of thirty-eight percent of all Medicaid costs for health care services; and

WHEREAS, expenditures on Medicaid long-term care supports and services account for sixty-three percent of total growth in Medicaid spending over the past five years; and

WHEREAS, despite the substantial financial commitment that the Legislature of Louisiana has made to the provision of long-term care services, many Louisiana residents are still required to wait for years to receive the services they need; and

WHEREAS, the Department of Health and Hospitals has proposed and the legislature has approved a number of proposals to provide for cost control mechanisms in the Long Term/Personal Care Services Program, the Elderly and Disabled Adults Waiver, and the New Opportunities Waiver.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby direct the Department of Health and Hospitals to develop and submit to the Centers for Medicare and Medicaid Services an array of new waiver or state plan options for a

sustainable system of home- and community-based services that are quality-driven, promote cost-effective delivery of services, and maintain and support, rather than replace, informal care. The goal of these new service options shall be to serve the greatest number of eligible individuals whose institutionalization may be delayed or avoided within available resources and to do so while maintaining good quality of life and health outcomes for recipients of these services. The Department of Health and Hospitals shall present for approval any new waiver or state plan option to the Senate Committee on Health and Welfare and House Committee on Health and Welfare, meeting jointly, before submission to the Centers for Medicare and Medicaid Services.

BE IT FURTHER RESOLVED that the Legislature of Louisiana does hereby direct the Department of Health and Hospitals to prepare and submit a written report on July 1, 2009, October 1, 2009, January 1, 2010, and April 1, 2010, to the House and Senate committees on health and welfare and the Joint Legislative Committee on the Budget and to present the reports to the committees upon request of their committee chairpersons. Each report shall include:

(1) The number of recipients served in the Long Term/Personal Care Services Program, the Elderly and Disabled Adults Waiver, and the New Opportunities Waiver, and the average annual cost per recipient served in each program.

(2) The number of recipients in each program whose annual cost of service exceeds the average cost for that program.

(3) The number of recipients in each program whose annual service costs have increased from the previous year.

(4) The number of persons on waiting lists for each program.

(5) The number of persons on waiting lists who are currently receiving services and the type of services they are receiving.

(6) The number of persons moved from an existing service to the New Opportunities Waiver and the additional cost or savings for each person.

(7) The average cost of persons receiving services from both the Long Term/Personal Care Services Program and the Elderly Adults Waiver Program.

(8) The average cost for persons receiving services in privately operated nursing facilities and privately operated Intermediate Care Facilities for persons with developmental disabilities.

(9) Other pertinent data as requested by the committees.

BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted to the secretary of the Department of Health and Hospitals.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE