

MANAGED CARE FOR LONG-TERM CARE SERVICES

(FY2008 Appropriation Bill - Public Act 123 of 2007)

June 1, 2008

Section 1775: (1) The department shall study the feasibility of using managed care to deliver Medicaid long-term care services. The study shall focus upon the following: (a) If there is a sufficient number of organizations interested in providing these services. (b) The extent of services provided through Medicaid managed long-term care. (c) Estimated changes in Medicaid long-term care expenditures associated with implementing managed care for these services. (2) The department shall report the results of this study to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by June 1, 2008.

*Michigan Department
of Community Health*



Jennifer M. Granholm, Governor
Janet Olszewski, Director

Managed Care for Long-Term Care Services

Public Act Number 123, Public Acts of 2007

a) If there are a sufficient number of organizations interested in providing these services. The proposed plan will provide Medicaid long-term supports and services to eligible beneficiaries in a limited geographic area. Discussions are on going within the department as to the type of managed care organization best able to provide these services. The PHP must meet Centers for Medicare and Medicaid (CMS) requirements for managing risk and may need to meet requirements to be licensed by the Michigan Office of Financial and Insurance Services as a Health Maintenance Organization (HMO).

Currently a feasibility study is underway. Until the results of the study are completed we will be unable to approach organizations as the financing structure will be unknown. However we believe there are a number of organization's interested including MI Choice Waiver Agents and existing health plans.

b) The extent of services provided through Medicaid managed long-term care. The services to be reviewed are listed in Table 1 below.

Table 1 –PHP Services to be Reviewed
Description:
Adult Day Health
Assisted Living
Chore
Chronic Care Management
Community Living Supports
Counseling
Family Training and Support
Environmental Accessibility Adaptations
Financial Management Services
Goods and Services
Home Delivered Meals (HDM)
Home Health
Home Making
Hospice
Housing Assistance
Medication Management
Nursing Facility Services
Nursing Facility Transition Services
Peer Delivered or Operated Support Services
Personal Emergency Response System (PERS)
Prevention (includes wellness activities)
Rehabilitation Services
Respite Care (provided inside the home)
Respite Care (provided outside the home)
Respite (in the home of another)
Personal Care
Private Duty Nursing
Specialized Medical Equipment and Supplies
Supports Coordination
Training
Transportation (non-medical)

- c) **Estimated changes in Medicaid long-term care expenditure associated with implementing managed care for these services.** The pre-paid health plan will be budget neutral.