AGING AND LONG-TERM SUPPORT ADMINISTRATION

Health Homes

Transforming Lives

Request	FY16	FY17	15-17
FTE	0	0	0
GF-State	$0	$0	$0
Total	$0	$0	$0

DECISION PACKAGE SUMMARY

The Aging and Long Term Support Administration requests funding to continue the evidence based Health Home (HH) program, which is part of the department's federal dual eligibles demonstration project. Funding is critical to maintain the program as authorized by the Affordable Care Act, Section 2703.   HH services are provided to over 3,000 high risk Medicaid beneficiaries who may also receive Medicare benefits in 37 counties. The program provides health home services designed to decrease fragmentation, improve access to care, increase quality, and promote person-centered care bridging care providers. Funds are necessary to support the service costs allowing the state to receive federal Medicare and Medicaid shared savings for Fiscal Year 2017, 2018 and 2019.

PROBLEM STATEMENT

The HH program, as part of the agency's dual eligibles demonstration project, is a federal-state partnership that provides a new opportunity to establish a care management program for Medicaid beneficiaries including those who also receive Medicare benefits. Eligible beneficiaries have at least one chronic condition and are at risk for another, including mental illness and substance use disorder. The state and the federal government are able to benefit from Medicare and Medicaid savings resulting from improvements in coordinating health care and reducing costs. This is the first and only opportunity available for states to share Medicare savings with the federal government, when an intervention that they implement results in Medicare savings to the federal government.

Beneficiaries participating in the HH program have demonstrated healthy lifestyle behavior change as a result of receiving HH services including care coordination, person-centered heath action planning, and comprehensive care management.   HH care coordinators provide intensive and individualized care by utilizing community partners in the delivery of the program and connecting the beneficiary to social and health services when needed. The HH program has shown health care cost savings and positive beneficiary outcomes. In the 2015-2017 budget, funding was eliminated as of December 31, 2015. Without ongoing funding, the HH program will be terminated, along with any opportunity to receive Medicare shared savings payments for years after the first year of the demonstration.

The Health Care Authority (HCA) has dedicated a portion of the Apple Health capitation payment specifically for HH services. However, without the state plan amendment authorizing HH services, care coordination will not be the evidence based HH program, and there will be no care coordination for those who receive Medicare or are not receiving services through Apple Health. If the Health Home program is not funded, Washington State will lose the opportunity to assist over 3,000 high-risk beneficiaries who benefit from HH services in 37 counties of the state, to continue to enroll and engage additional eligible beneficiaries and to share in potential federal Medicare savings resulting from the project.

DSHS VISION
People are healthy · People are safe · People are supported · Taxpayer resources are guarded
DSHS MISSION
To transform lives
DSHS VALUES
Honesty and Integrity · Pursuit of Excellence · Open Communication · Diversity and Inclusion · Commitment to Service

Washington State
Department of Social
& Health Services
Transforming lives

PROPOSED SOLUTION

ALTSA will request continued staffing and service costs needed to pay for the HH community based activities delivered to the eligible beneficiaries. The Medicare shared savings are projected to be sufficient to fund the HH program in future years including staff and services. Currently the program is available in 37 of the 39 counties in Washington State. The shared savings are projected to exceed the general fund-state expenditures (essentially generating additional federal revenue) in FY17, FY18 and FY19. The savings will increase each year as the program matures and will be sufficient to sustain the program.

EXPECTED RESULTS

The HH program is specifically identified in the BHSIA Strategic Plan (Objective 4.1.): Improve health care outcomes for beneficiaries with high risk factors through implementation of the Medicaid health home benefit. Preliminary qualitative measures have shown a reduction in Medicare inpatient hospital admissions, avoidable emergency room visits, Medicare inpatient psychiatric admissions, and all cause readmissions.

Beneficiaries with high medical risk factors continue to experience poor health outcomes, in many cases because of low engagement in managing their health needs. This results in poor outcomes for the beneficiaries and higher costs to the state. Assisting beneficiaries to self-manage their chronic conditions through the provision of the HH program can activate them in taking a more active role in managing their health care, which many times means lower health care costs, especially unnecessary emergency room visits and hospitalizations.

The HH program provides intensive care coordination and comprehensive care management, and has produced improved health outcomes and a reduction in service costs for some of Washington's highest needs beneficiaries. The HH services are a key building block to future innovation models aimed at promoting health, preventing and managing chronic disease, and controlling health care costs. The program has successfully laid the groundwork for future community based integration efforts envisioned in the "Healthier Washington" efforts, and the planned full integration of physical and behavioral health care services afforded through Engrossed Substitute Senate Bill (ESSB) 6312.

STAKEHOLDER IMPACT

Community stakeholders, the Health Home Advisory Team (HAT), and HH providers have expressed concerns regarding possible termination of the program. The HAT has been instrumental in its development and implementation and is in full support of the continuation of the program to help meet the needs of our high risk/cost eligible beneficiaries. Washington State's Area Agencies on Aging, Northwest Health Law Advocates, Molina Health Care and other stakeholders have urged continuation of the health home benefit.