PUBLIC HEALTH, WELFARE & SAFETY
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DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES

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MEMO

To: Governor Brian Schweitzer

From: Joan Miles
Director

Date: October 17, 2006

Subject: Money Follows the Person

Based on the information originally received, the Department was very excited about the potential opportunities of this grant, and so we submitted a letter of intent to apply. In that letter, we expressed concerns about our ability to sustain the program once grant funding was ended. We also sought clarification from the Centers for Medicare and Medicaid (CMS) on portions of the grant.

Upon further research, we determined that the grant was more restrictive than we originally understood it to be, particularly with regard to what services could be covered and what populations could be served. We also learned that the state would have to provide matching money to cover half the costs associated with pre-implementation activities and staffing requirements. The Department decided that our current practices, along with proposals in our budget for the 2009 biennium, would allow us to accomplish the goals of the grant without the unfunded requirements.

Below we briefly state our concerns regarding the grant requirements and our current practices and proposals, which we believe achieve the goals of 'Money Follows the Person':

Grant requirements:

- Pre-implementation activities and a full time director are funded with a 50 percent match, not at the enhanced rate;
- Enhanced rate limited to one year and applies to only the services under the home and community based wavier (HCBS), Medicaid state plan services are at the regular match rate;
- Housing options are limited and will not allow use of assisted living facilities or group homes with more than four non-related individuals;

- CMS will favor grant applications with more diverse populations being served and only the Developmental Disabilities program was considering applying;
- Populations are limited to individuals who reside in an inpatient facility for no less than six months and for individuals in an institution for mental diseases who are over 65 or under 21 years of age;
- Demonstration services and supplemental demonstration services can be created but are limited to only the individuals covered under the MFP wavier;
- Maintenance of effort requirement: states must maintain their funding in home and community based services statewide across all HCBS even if the state only targets one population group or one geographic area.
- Additional reporting requirements for monitoring, tracking and reporting on individuals; also information technology requirements are not defined and require additional funding.

Current and Proposed activities:

- Addictive and Mental Disorders Division (AMDD) has submitted a request for a HCBS waiver to move individuals out of nursing facilities that will allow us to use assisted living for those for whom it is appropriate.
- AMDD has a request in the 2009 budget proposal and if approved will open 105 additional slots for community services.
- The Developmental Disabilities Program (DDP) is finishing another transition of individuals from the Montana Developmental Center to community services. This transition will move the last of the population who would be described as "total care" from the facility. Since fiscal year 2003, MDC has moved 83 individuals to community services and by December 2006 they plan to move an additional 20 more individuals. As part of its ongoing mission to make every possible attempt to move individuals who are referred for community placement, MDC projects that they will refer approximately five persons per year for placement into community services beginning in fiscal year 2007.
- SLTC over the past several years has implemented a series of MFP initiatives where individuals transferred to community services: fiscal year 2001—30 individuals, fiscal year 2002—27 individuals, fiscal year 2004—76 individuals and in fiscal year 2006—23 individuals transitioned or are in the process of transitioning to community services.
- 2009 Budget proposal: SLTC is requesting an expansion of home and community based waiver services, if approved by the Legislature an additional 100 service slots would be available for community services.
- SLTC Self Direction of services: Montana has had self direction as a component of our personal assistance program and in addition we are the recipient of a New Freedom Grant, (Big Sky Bonanza) and have an approved 1915 c waiver that integrates a more expansive self direction model.

Thus, based on the grant restrictions, the limited services that could be covered, the extremely limited number of people it would benefit, and the activities already under way in the department that strive to accomplish the same goals as MFP, the department has determined a grant application at this time is not feasible.