

*The Texas
Money Follows the Person Grant Proposal*

Texas Health and Human Services Commission
Texas Department of Aging and Disability Services and
Texas Department of State Health Services

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ABSTRACT

The state of Texas proposes to continue rebalancing its long-term services and support system so individuals have more choices in determining where they live and the services they receive. Texas plans to enhance its Money Follows the Person (MFP) and Promoting Independence Priority Population initiatives by assisting individuals living in institutions to live in the place of their choice.

For individuals in nursing facilities, Texas: 1) will build upon its current MFP Initiative and use the enhanced match to finance home and community-based services and improve outreach efforts; and 2) will target for transition individuals with complex support needs in general and through a new pilot focused on individuals with co-occurring behavioral health conditions. For individuals in institutions serving persons with intellectual and developmental disabilities, Texas: 1) will build upon its current initiative and use the enhanced match to transition individuals out of 14-plus bed community-operated intermediate care facilities and State Mental Retardation Facilities; and 2) will implement a new initiative to close nine-plus bed community-operated intermediate care facilities and transition residents to other settings of their choice, including community waiver programs.

Texas will use grant funds for enhanced match to provide home and community-based services to more individuals and to invest more funds in transition processes. Texas will use this grant to help transition 2,616 Texans over the next five years, of which 1,400 will transition from nursing facilities and 1,216 will transition from facilities serving persons with intellectual and developmental disabilities. The total budget for this project is \$179,464,601. Texas will request \$17,846,249 in enhanced federal matching funds.

PART 1: SYSTEMS ASSESSMENT AND GAP ANALYSIS

1. Current Long-Term Services and Supports System

In 2001, Texas established one of the first “Money Follows the Person” (MFP) Initiatives to transition persons in institutional settings to community-based waiver services. Individuals do not have to wait for community-based services, which have long interest lists,¹ and do not affect the wait times of other persons on the interest list. The Texas Promoting Independence Initiative has been the impetus for many of the policy and operational changes to implement the MFP Initiative. Former Governor George W. Bush and current Governor Rick Perry have both issued executive orders establishing and providing guidance to the Promoting Independence Initiative – Texas’ response to the *Olmstead* decision. The Texas Legislature passed SB 367 in 2001, codifying the initiative. Appendix A provides a list of other legislation that has directed Texas’ efforts at rebalancing its long-term services and supports system.

The **Texas Health and Human Services Commission (HHSC)** is the Medicaid single state agency. HHSC is also the umbrella agency for four operating agencies, including the Texas Department of Aging and Disability Services (DADS) and the Texas Department of State Health Services (DSHS). HB 2292, 78th Texas Legislature, consolidated 12 health and human services agencies into four operating agencies under the direct oversight of HHSC. HHSC is responsible for determining Medicaid eligibility, overseeing the state 2-1-1 Information and Referral system, and administering Medicaid managed care programs. HHSC has operated the STAR+PLUS program model of acute and long-term managed care in Houston since 1998. STAR+PLUS

¹ An interest list is the same as what is commonly referred to as a “waiting list” in most states. The key difference is that individuals on the interest list have simply declared an interest in services but have not been assessed for eligibility.

provides both acute care and long-term services and supports for persons who are aging and/or have physical disabilities based on a single capitated payment. In 2007, Texas will expand STAR+PLUS to include four more metropolitan areas, and a non-capitated managed care model will be implemented in a fifth area.

The **Texas Department of Aging and Disability Services (DADS)** provides long-term services and supports to aging persons and persons of all ages with physical and intellectual and developmental disabilities. Services are funded by Title XIX, Title XX, the Older Americans Act (OAA) and state general revenue. DADS is responsible for day-to-day implementation of the Promoting Independence Plan and the current MFP Initiative. Consumers access DADS services through: 28 Area Agencies on Aging (AAAs), 39 regional Mental Retardation Authorities (MRAs) and 131 local state agency offices in 11 DADS regions.

AAAs help older Texans access OAA-funded services, provide Benefits Counseling through the Medicare-funded State Health Insurance Program, and provide long-term care ombudsman services.

DADS administers Medicaid community entitlement and 1915(c) waiver programs for **persons who are aging and/or have physical disabilities** and provides access to community-based services through DADS local offices. If the individual requests community entitlement services (personal care or day activity), a case manager uses a standard assessment to determine functional eligibility and need for assistance with activities of daily living, assists with Medicaid eligibility (if necessary) and assists in choosing appropriate services. If an individual requests any of the waiver programs DADS administers for this population, he or she is placed on an interest list because demand exceeds resources. When an opening becomes available, the

individual is assessed, eligibility is determined and, if eligible, enrollment and service planning completed.

Persons seeking **nursing facility care** may enter the facility on a private pay or prospective basis, while waiting for a Medicaid eligibility determination. Medicaid eligibility for those not on SSI is conducted by HHSC staff, independent of DADS. DADS' staff administer licensing and regulatory functions for the long-term services and support system.

DADS administers Medicaid institutional entitlement and 1915(c) waiver programs for **persons with intellectual and developmental disabilities**. DADS directly operates 13 State Mental Retardation Facilities and contracts with other community-operated intermediate care facilities for persons with mental retardation and related conditions (ICFs/MR) to provide entitlement services. DADS administers four waiver programs as an alternative to this category of institutionalization.

The **Mental Retardation Authority (MRA)** is the single point of access for institutional or community-based services for persons with intellectual or developmental disabilities. MRAs conduct or document a Determination of Mental Retardation to establish eligibility and develop a plan of services using a person-directed planning process to ensure the individual's needs are addressed.

The **Texas Department of State Health Services (DSHS)** is the state Mental Health and Substance Abuse Authority and Public Health Authority. It provides services to people with serious mental illness through 39 community-based mental health authorities, seven state hospitals, three state centers and one residential treatment facility for children and adolescents.

DSHS services are funded through the federal block grants for mental health and substance abuse, state general revenue and Title XIX.

The **Mental Health Authority (MHA)** serves as the gateway or “single portal” for accessing state facility services for persons with mental illness. MHAs control state facility beds under their authority and direct consumers to appropriate care. Under Texas’ Promoting Independence Initiative, DSHS has worked closely with DADS to identify individuals in state mental health facilities who may be appropriate for community placement. DSHS provides screening and referral services for substance abuse treatment through community-based Outreach, Screening, Assessment, and Referral (OSAR) entities. OSARs enable consumers to access substance abuse treatment services from DSHS’ network of contracted treatment providers throughout Texas.

2. Current Rebalancing Methods

Texas has made substantial progress in rebalancing its long-term services and supports system. Texas has used two basic approaches to rebalancing: 1) development of an extensive service array of community-based options; and 2) implementation of MFP and Promoting Independence Priority Population initiatives to transition individuals from institutional to community settings. These approaches are described in the sections below.

3. Current Funding Mechanisms

The Texas Legislature crafts a two-year budget, using line items called strategies. Each program in the continuum of long-term services and supports—such as waivers, nursing facilities, State Mental Retardation Facilities, and ICFs/MR—are funded through a separate strategy. The Appropriations Act generally allows transferability between strategies of up to

12.5% of the strategy total per year at the discretion of the chief administrator of the agency. At one time, Texas transferred funds from the nursing facility line item to the appropriate community services line when an individual transitioned out of a nursing facility. Now, funds are not transferred when an individual transitions to community services. Instead, in developing the budget, the funding for the nursing facility strategy and the community care strategies assume a certain number of individuals will transition to community services from nursing facilities as part of the MFP Initiative. In addition, there is now a specific, separate strategy in the Appropriations Act to fund services to assist individuals transitioning from nursing facilities to the community. Similarly, for individuals enrolled in a managed care system, funds are allocated to reflect the anticipated costs of transition.

A rider to the current Appropriations Act authorizes transfer of funds between the ICFs/MR strategy and appropriate community care services program strategies to support the transfer of a limited number of children to the community.

4. Home and Community-based Services

In 1980, Texas began offering entitlement community services – Primary Home Care, Community Attendant Services and Day Activity and Health Services -- for persons who are aging and/or have physical disabilities. Since then, all growth in long-term services and supports for this population has occurred in home and community-based services. The Medicaid nursing facility caseload has remained stable while the state population has increased more than 60% and the over-85 population more than doubled. Total occupancy of nursing facility beds has remained below 80% of capacity for many years. The community-based entitlement programs serve more individuals than nursing facilities and nursing-facility-based waivers combined.

Texas does not offer community-based entitlement long-term services and supports for persons whose primary disability is intellectual or developmental. Instead, Texas has four 1915(c) waivers for this group. They are Home and Community-based Services (HCS), Community Living Assistance and Support Services (CLASS), Texas Home Living (TxHmL), and Deaf-blind with Multiple Disabilities (DBMD). DADS also provides community-based waiver programs for individuals who qualify for admission to a nursing facility. These are Community-based Alternatives (CBA) and Medically Dependent Children's Program (MDCP). DADS is also testing a consolidated 1915(c) waiver pilot program in San Antonio that serves individuals who are aging and/or have physical disabilities and intellectual and developmental disabilities.

The HHSC-operated STAR+PLUS managed care program includes long-term and acute care services under capitation through a combination of 1915(b) and 1915(c) waivers. HHSC is developing 1915(b)/1915(c) waivers to enable implementation of the Integrated Care Management (ICM) pilot, a non-capitated program coordinating acute and long-term care. DADS also contracts with two PACE sites. The DSHS NorthSTAR behavioral health managed care program integrates services provided through a federal block grant, Medicaid, general revenue and local funds. Medicaid funding is included through a 1915(b) waiver. NorthSTAR has operated in Dallas and surrounding counties since 1999.

Services offered through these waivers may include: case management, adaptive aids, medical supplies, adult foster care, residential care and/or assistance, emergency response, nursing, minor home modifications, occupational therapy, personal assistance, home delivered meals, physical therapy, respite care, speech pathology, audiology, transition assistance, supported employment, day habilitation, dental, specialized therapies, psychological services,

dietary, and transition assistance. Services available vary by waiver program. Appendix B provides a detailed description of populations and services in each of the home and community-based programs.

5. Expenditures and Measures

The following tables detail expenditures in Texas long-term services and supports Medicaid programs. The data is derived from the Legislative Appropriations Requests prepared by DADS and HHSC for the 2007 legislative session. Appendix C provides this data for each individual strategy (program).

Table 1 - Total Medicaid Program Expenditures by State Fiscal Year

Program	Expended 2005	Estimated 2006	Budgeted 2007
Total Community State Entitlement	\$966,552,709	\$1,012,392,421	\$981,968,807
Total Waiver*	\$973,328,722	\$1,068,586,163	\$1,168,871,214
Total Community	<u>\$1,939,881,431</u>	<u>\$2,080,978,584</u>	<u>\$2,150,840,021</u>
Total Institutional	\$2,596,751,601	\$2,777,492,330	\$2,695,571,157
Total Medicaid LTSS	<u>\$4,536,633,032</u>	<u>\$4,858,470,914</u>	<u>\$4,846,411,178</u>

Table 2 - Persons Served Per Month by Medicaid Program by State Fiscal Year

Program	Expended 2005	Estimated 2006	Budgeted 2007
Total Entitlement*	133,957	136,790	141,692
Total Waiver*	46,526	50,584	58,279
Total Community	<u>180,483</u>	<u>187,374</u>	<u>199,971</u>
Total Institutional	81,523	80,920	82,081
Total Medicaid LTSS	<u>262,006</u>	<u>268,294</u>	<u>282,052</u>

Table 3 - Total Number of Beds by Medicaid Program by State Fiscal Year

Program	Expended 2005	Estimated 2006	Budgeted 2007
SMRF	5,003	5,007	5,011
Community ICFs/MR	7,715	7,308	7,308
Total ICFs/MR	<u>12,718</u>	<u>12,315</u>	<u>12,319</u>
Nursing Facilities	115,237	117,260	119,283
Total Institutional	<u>127,955</u>	<u>129,575</u>	<u>131,602</u>

Notes:

2007 represents an 11-month year.

* Includes managed care waiver clients.

FY 2005 expenditures do not tie to Maintenance of Effort amount because the MOE amount includes expenditures from other programs not included in this chart.

In 2005, the 79th Texas Legislature funded a major expansion of the waiver programs, over the 2006-2007 biennium, resulting in an additional 9,360 individuals enrolling and reducing the number of individuals waiting for community-based services.

6. Self-Directed Services

Texas embraces the concept of self determination. DADS participates in an ongoing stakeholder-driven process to examine ways to enhance this concept in Texas. Texas has implemented self-directed service options in Medicaid waiver and community-based entitlement programs. The state is working to improve utilization, policy, infrastructure and organizational culture to support increased use of self-direction.

Client Managed Personal Attendant Services, a non-Medicaid program, began to offer self-directed options in 1997. Consumers interview, select, train, supervise, and release their attendants. Texas offers two other options for self-direction in its entitlement and 1915(c)

waiver programs. The first, called **Consumer Directed Services (CDS)**, gives the most responsibility to the consumer. The consumer is responsible for employer functions and budget authority. CDS is an option for entitlement personal care services and for at least one service in each of five waiver programs. It will expand to the remaining Texas waivers for persons with intellectual and developmental disabilities and to more services within waivers in 2007. It is also an option for personal attendant services in STAR+PLUS. The second option, called the **Service Responsibility Option (SRO)**, allows the consumer to assume some employer functions but no budgetary responsibility. Consumers select, train, and supervise attendants, but fiscal, personnel, and backup responsibilities remain with a licensed provider agency. SRO, with funds from a Real Choice grant, is being piloted in entitlement personal care programs and will be available in Medicaid managed care programs.

7. Current Transition and Diversion Programs

Transition Programs

Texas has two mechanisms to help people in institutions move to the community. The first is the MFP Initiative for persons in nursing facilities to obtain waiver or other community services without waiting for an opening on the interest list. The second is the Promoting Independence Priority Populations policy for persons with intellectual and developmental disabilities.

Between 2001 and August 2006, the MFP Initiative enabled 11,651 people to leave nursing facilities and move into waiver services without waiting. Since 2001, the MFP Initiative has served persons of all ages, with a median age of 70. Most individuals receive CBA waiver services.

Participation in the MFP Initiative is consumer-driven. Individuals typically learn of the program from Medicaid eligibility workers, AAA long-term care ombudsmen, word of mouth or relocation contractors. If an individual can arrange housing and a plan of care can be developed that is no more costly than nursing facility care, he or she may move into the community. Most participants relocate with the help of DADS case managers or STAR+PLUS care coordinators.

The original MFP policy generated other initiatives to support transition of individuals, including the use of transitional assistance services, relocation specialists, and nursing facility transition teams. Transitional assistance services allow for a one-time use of up to \$2,500 from the 1915(c) waiver cost cap for housing and utility deposits and setting up households. These funds are available under the CBA waiver; additional unmatched state funds may also be used. Texas used a CMS Real Choice grant (2002) to pilot the use of relocation specialists to help identify and facilitate the transition of nursing facility residents. This pilot was successful and in 2004 was implemented statewide. Texas used a 2003 Real Choice MFP Infrastructure grant to create regional nursing facility transition teams. These teams are public-private partnerships that assist in the transition process by identifying barriers and proposing solutions to transition. The nursing facility transition teams work with individuals who have complex needs that make their transition more difficult and who require additional time to develop necessary supports. Through self-directed services models, these individuals are given the information and opportunity to make choices about their community living options. Texas has developed and continues to improve quality management systems, as described below, that ensure the health and safety of those who have transitioned.

Texas has established a different approach to transitioning persons with intellectual and developmental disabilities out of institutions (see the discussion in the barrier section in the Demonstration Design section for an explanation of why a different approach is necessary). As recommended and guided by the Promoting Independence Plan, Texas has adopted policies to support individuals with intellectual and developmental disabilities to transition from State Mental Retardation Facilities and 14-plus bed community operated ICFs/MR to community-based services. Under the Promoting Independence Plan, individuals are given the option to choose to move from a State Mental Retardation Facilities, within 180 days from the date of the recommendation for movement, to an alternative living arrangement. Individuals who reside in 14-plus bed community-operated ICFs/MR may access an HCS opening within 12 months of the request. Between 2001 and August 2006, 913 individuals have moved from State Mental Retardation Facilities and 662 from 14-plus bed ICFs/MR.

DADS also operates an initiative, authorized by legislative appropriations riders, that assists children in transitioning to waiver programs for persons with intellectual and developmental disabilities. The Rider 46 program allows up to 50 children in community ICFs/MR to transition to waiver programs (bypassing the interest list process) during the 2006-07 biennium. Rider 54 provides HCS waiver services to children who age out of foster care so that they are not placed in an institution. Referrals are made to this program by the Texas Department of Family and Protective Services, which is the child welfare agency.

HHSC operates the Family-Based Alternatives project to assist children in institutions to return home to their birth families. When a return home is not possible, the project arranges for alternate families called “support families” who are carefully matched with children and their birth families to care for the children long-term.

Diversion Efforts

As described above, Texas uses MRAs to assist in providing access to ICFs/MR but does not have a similar process for access to nursing facilities. When individuals or families seek Medicaid-funded nursing facility services, DADS eligibility staff provide them with information about other available services. In cases of crisis where services are needed quickly, institutional placement may be the only option. In many cases, individuals may already be in the facility on private pay basis before learning of community alternatives.

MHAs assess individuals with mental illness who are referred for state psychiatric facility placement to determine if community alternatives are more appropriate. They also work with state facilities to plan for community discharge. In Dallas, the NorthSTAR behavioral health managed care program contracts with a community-based private psychiatric facility to screen individuals referred for inpatient treatment. This gateway program has been successful in diverting individuals to community-based treatment and avoiding unnecessary admissions to psychiatric facilities.

In 2006, Texas received an Aged and Disabled Resource Centers (ADRC) grant to establish three local ADRCs to serve as a local one-stop access to services and supports for persons of all ages with disabilities.

8. Gaps in the Current System

Texas has identified a number of gaps in the current system of services as a result of the work of the Promoting Independence Advisory Committee, ongoing strategic planning and budget processes, and research conducted in preparing this grant. To prepare this Gap Analysis, Texas analyzed agency data and statistics on the current MFP and Promoting Independence

initiatives and solicited consumer and stakeholder² input, including interviewing consumers and those who assisted them in transitioning from institutional to community settings. Texas also surveyed a wide range of internal and external stakeholders. (The survey and list of participants appear in Appendix D.) These efforts identified the following opportunities for continued system rebalancing:

Implement an MFP mechanism for individuals in ICFs/MR similar to the one for individuals in nursing facilities. DADS' consumer stakeholders have long supported finding a way to implement a cost-effective mechanism that support transitions from ICFs/MR to home and community-based services in addition to the current program for Promoting Independence Priority Populations. As explained in more detail in the barriers section in the Demonstration Design, this is difficult to do without placing an economic burden on ICFs/MR providers with eight beds or less. However, Texas will use this grant to implement a different strategy to assist individuals living in ICFs/MR to transition to the community.

Enable certain groups in nursing facilities to relocate to the community. This grant will allow Texas to focus on people with high or complex needs, lack of community supports, or both. Key groups include people with behavioral health conditions, high activities of daily living needs, or complex medical needs, children, and people in rural areas or with transportation and housing needs. Complex needs inhibit relocation in two ways. First, it may not be possible to develop a plan of care in the community that fits within the cost cap (equal to the cost of nursing facility care for that individual). If less costly arrangements cannot be made, the individual will be denied home and community-based services. Second, home health agencies may be reluctant

² Consumers, family members, representative, providers, advocates, and others interested in long-term services and supports.

to accept consumers when they feel their needs cannot safely be met in the community, even when the consumer acknowledges and accepts the risk. DADS is working with the provider community and advocates to find solutions to these issues. DADS plans to use funds under this grant to enhance outreach and support to this population.

Increase access to housing that is available, accessible, affordable and integrated within the community. There is a shortage of dedicated and accessible low-income housing for persons with disabilities and those living on SSI. There is little coordination between the 400+ local Public Housing Agencies, the Texas Department of Housing and Community Affairs, and the Health and Human Services system for those populations. There is a need to make housing modifications before relocation. The director of this project will work to improve coordination with housing agencies to improve access for persons with long-term services and support needs.

Improve follow-up and post-transition services in the community, including counseling and peer support. While Texas has implemented pre-transitional support for nursing facility residents, there is a need to enhance the post-transitional services and make them more consumer-driven, particularly for individuals with complex needs.

Increase services to assist persons with behavioral health conditions needing long-term services and supports. Recent analysis of state psychiatric facility data indicates that in 2005 alone, over 350 individuals requiring long-term supports and services were discharged from state psychiatric facilities to nursing facilities. Ninety-seven percent of those individuals were adults. The majority of individuals (71%) were non-elderly adults, between the ages of 21 to 64. These individuals had significant physical disabilities, which qualified them medically for nursing facility placement. Only 15% were married, suggesting potential deficits in natural support systems. Current deficits in the Texas long-term services and supports system for

consumers with co-occurring behavioral health conditions include: insufficient understanding and provider competency in dealing with psychiatric disorders, making providers reluctant to serve these individuals; need for a process for identifying and connecting people with co-occurring psychiatric disorders with appropriate long-term services and support options; lack of long-term services and support options appropriate for individuals with co-occurring psychiatric disorders; and the need to provide substance abuse services. Funds under this application will be used to target services to adults residing in nursing facilities.

9. Collaboration

Expansion of Texas' MFP efforts under this grant will require extensive collaboration, mostly among organizations that already have ongoing and formal relationships. HHSC, DADS and DSHS will continue their current relationships (as described above).

At the local level, collaboration must occur among: the four local service delivery systems (DADS regional staff, MRAs, Area Agencies on Aging and HHSC Medicaid financial eligibility and managed care staff); relocation contractors; providers of both community and institutional services; and MHAs. These entities have ongoing working relationships and experience helping individuals move from institutional to community settings.

Due to their limited experience working with individuals with behavioral health conditions, relocation contractors will need additional training. DADS does not have direct contractual relationships with MHAs, OSARs or substance abuse treatment providers. DADS will work with DSHS (which has these direct contractual relationships) to establish the linkages needed to serve people with behavioral health issues in the community.

Closing ICF/MR beds will require the cooperation of private providers. Most providers of ICF/MR services are also 1915(c) waiver service providers, and many have indicated a

willingness to convert their services and assist in transitioning individuals to their preferred living arrangement. DADS will build on this cooperation to implement the program.

Collaboration between the DSHS and DADS systems is essential to ensure the identification, referral, provider competency and treatment coordination required to serve individuals with co-occurring long-term service and support needs and behavioral health conditions. This collaboration will occur at the state and local level. DSHS has committed state resources to ongoing collaboration on a localized pilot project within the larger MFP project. (See letter of support in Appendix E.) The local mental health and substance abuse system will work with DADS relocation specialists to identify staff and support the independence of individuals in the pilot project.

Collaboration with the housing system will be addressed at two levels. The project director will work at the statewide level while the relocation contractors will continue to build relationships at the local level. In addition, the Texas Department of Housing and Community Affairs, as evidenced by its letter of support, has made a renewed and substantial commitment to assist persons with disabilities find community housing.

DADS will work with the home health provider base to help them serve individuals with complex needs as described in the barriers discussion. Texas will continue to work directly with consumers and other stakeholders as described in the assurances.

10. Quality Assurance and Improvement

HHSC, as the Medicaid single state agency, is responsible for quality of all Medicaid programs and services. The operating agencies provide for quality assurance and improvements of the programs and services they operate or deliver. DADS carries out its responsibility for the quality of long-term service and supports in Texas in two ways. The first way is through

licensing and regulatory functions that ensure that provider deficiencies are addressed. The second is through processes to ensure continuous quality improvement.

Addressing Deficiencies

DADS licenses, surveys, and certifies Home and Community Support Service Agencies (HCSSA) to ensure compliance with state and federal laws and regulations. Through survey and licensure inspections and complaint and incident investigations, regulatory staff determine if providers are meeting the minimum standards and requirements for service, determine conditions that may jeopardize client health and/or safety, and identify deficient practice areas. When deficiencies are identified and cited, survey staff monitor the provider's plan of correction to ensure that areas of inadequate care are corrected and comply with state and federal requirements.

To become licensed, an agency must: 1) properly complete a license application; 2) pay the required license fee; and 3) attend a pre-survey conference. Once a license is issued, the agency must notify DADS upon enrolling its first client and request an initial survey.

Participation in the state and federal Medicaid program and the federal Medicare program is voluntary. However, each agency must be certified for the appropriate Medicare program before serving clients who are eligible for this program. Once the agency is found to be in compliance with state and federal regulations, DADS recommends to CMS that the agency be certified.

Agencies are surveyed annually to ensure they are in compliance with state licensure and federal certification regulations. Complaints and incident reports from clients, family members, friends, and others are investigated according to an assigned priority. Complaints and incidents are assigned a priority, depending on the immediacy and seriousness of the event, and investigated accordingly.

When the regulatory visit is completed, the surveyor or survey team writes a report of the findings that details the agency's failure to comply with regulations and the evidence of the violations, also called deficiencies. Survey reports, which are made available to the client, are reviewed to determine whether it is necessary for DADS to take corrective action to ensure that appropriate and safe care is provided to clients.

An array of enforcement actions are available under state licensing or federal Medicare regulations. Enforcement actions can be a monetary penalty, action against an agency's license or Medicare contract, or referral to the Texas Attorney General for penalties. State and federal regulations give agencies the right to appeal the cited violations or enforcement actions.

Continuous Quality Improvement

DADS is in the process of developing a single, comprehensive, data-driven Quality Management Plan that spans all of DADS programs and services. One of the "Guiding Principles" for the department is "Customer Focus" – individual needs, preferences and rights of persons served by DADS are primary to the design, development and implementation of all programs and service delivery systems".³ The Center for Policy and Innovation, overseen by the Deputy Commissioner, has a unit dedicated solely to quality assurance and improvement activities.

DADS is using quality inventory tools in all community-based waiver and ICFs/MR services. DADS joined the National Core Indicators Project and contracted with an external entity to conduct both face-to-face and mail experience surveys of program participants on an annual basis. DADS uses a consumer survey developed by the Human Services Research

³ Texas Department of Aging and Disability Services – Reference Guide 2005

Institute and the Participant Experience Survey developed by MEDSTAT for CMS. The purpose of the project is to obtain information from the participant's perspective about their experiences receiving services in DADS programs. Surveys provide data that DADS staff analyze and trend over time to identify areas for improvement and to measure effectiveness of improvement strategies.

Each year, DADS compiles information regarding each of its home and community-based programs. These reports are specific to each program and include key information relevant to each assurance and focus area. The report provides internal and external stakeholders with information on quality indicators, including status of program outcomes, program remediation and improvement activities. DADS updates the quality management strategy with input from stakeholders.

The DSHS Quality Management Unit provides leadership, design, and coordination of quality management activities for mental health and substance abuse community services. The unit uses performance-based risk assessment to identify contractors/MHAs at high risk for contractual non-compliance and delivery of poor quality services and implements appropriate interventions to increase compliance and service quality. The unit responds to complaints, advocates for consumer's rights and provides data analysis and information to management and external stakeholders. Contracted MHAs and substance abuse providers are also required to create and conduct their own quality management processes. To support contractor efforts, DSHS publishes contractor review tools for use in day-to-day provider oversight processes. A more complete description of the DSHS quality management system, including assessment tools and reports on quality, is contained at: <http://www.dshs.state.tx.us/mhquality/default.shtm>.

DSHS contracts with local MHAs and substance abuse providers include performance measures related to evidence-based practice, data quality and other key elements of quality assurance. The DSHS NorthSTAR integrated behavioral health program has a well-developed, data-driven decision-making and quality assurance system. Program performance data is published quarterly on the Internet. DSHS is currently developing an integrated, web-based clinical management system for all behavioral health care services funded by DSHS to provide a more holistic approach to treatment.

11. Legislative Requirements

The Texas Legislature meets in regular session from January through May in odd-numbered years. The 80th Texas Legislature, meeting from January through May 2007, will craft a new state budget and pass legislation to take effect on September 1, 2007. HHSC and DADS will ask for specific riders to the appropriations bill to implement specific portions of this grant. Depending on legislative direction, portions of this grant may be modified in the operational protocol. Examples of legislative action may include: a rider to use additional enhanced match funds received for services to individuals during the 12-month demonstration period, and a rider or other legislative action to implement the closing of ICFs/MR. Within current law, state agencies can develop and adopt rules to implement this initiative without legislative review.

PART 2: DEMONSTRATION DESIGN

Introduction

With this grant, Texas proposes to build on its current practice of assisting individuals to transition out of institutions into community-based programs and to focus new efforts on persons with complex support needs, particularly those with behavioral health conditions. The mechanisms Texas uses to assist persons with intellectual and developmental disabilities and who are aging and/or have physical disabilities are different for each population and have evolved over time. This grant will provide Texas with the opportunity to conduct rebalancing efforts that would have been difficult without the additional federal funding. Texas will not need to change its current home and community-based services array and will not need to design new processes to assist individuals who are aging and/or have physical disabilities with transitioning out of nursing facilities. Texas is proposing, however, a new strategy for transitioning individuals with intellectual and developmental disabilities out of community-operated nine-plus bed ICFs/MR and new demonstration services for persons with behavioral health conditions.

With this grant, for individuals in nursing facilities, Texas: 1) will build upon its current MFP Initiative and use the enhanced match to finance community-based services and improve outreach efforts; and 2) will better target for transition individuals with complex support needs in general and through a new pilot focused on individuals with co-occurring behavioral health conditions.

For individuals in institutions serving persons with intellectual and developmental disabilities, Texas: 1) will continue its current Promoting Independence Priority Populations Initiative and use the enhanced match to transition individuals out of 14-plus bed community-

operated intermediate care facilities and State Mental Retardation Facilities; and 2) will implement a new initiative to close nine-plus bed community-operated intermediate care facilities and transition residents to other settings of their choice, including home and community-based waiver programs.

1. Pre-implementation Phase

Target Population

The next logical step in the evolution of Texas' MFP policy is to target individuals that have not been effectively reached in the current initiative by building on current efforts. These include three subgroups of nursing facility residents: 1) those eligible to participate in the current MFP Initiative who meet the criteria under this grant will receive enhanced match for their home and community-based services; 2) those with complex support needs who have not been able to transition under the current MFP Initiative will receive enhanced pre- and post-transition services; and 3) those with complex behavioral health conditions (mental illness or substance abuse problems) will receive new demonstration services through a pilot project.

Texas will also target two subgroups of persons with intellectual and developmental disabilities: 1) those eligible to participate in the current Promoting Independence Priority Populations initiatives to transition residents out of State Mental Retardation Facilities and 14-plus bed ICFs/MR will receive enhanced match for their home and community-based services; and 2) residents of community-operated nine-plus bed ICFs/MR will be provided the option to transition to their preferred setting if the facility voluntarily offers to close.

Infrastructure Development

Because Texas has been operating an MFP Initiative and a Promoting Independence Priority Population Initiative for several years, the infrastructure and mechanisms are already in

place to address these target populations. Consequently, Texas anticipates beginning the operational phase for most aspects of this grant in September 2007, which is the beginning of a new state fiscal year. However, more time is needed to implement the operational phase for residents of the nine-plus bed ICFs/MR due to the lead time necessary to plan for the voluntarily closure of these facilities and ensure residents have choice and options for their transitions to other service settings. Texas will implement this phase beginning September 2008. The 80th Texas Legislature meets from early January 2007 through the end of May 2007 and will make decisions regarding any necessary changes in state law or funding to implement this initiative.

As described in the Gap Analysis, Texas no longer uses a funding transfer mechanism when individuals transition out of nursing facilities. Instead, beginning in September 2005, DADS has a line item in its budget to pay for the services to help individuals transition. The line items for nursing facilities and community-based services programs assume that a certain number of individuals will transition based on past experience. The Texas MFP Initiative for persons in nursing facilities has been successful with over 11,651 residents transferred, primarily to the Community Based Alternatives 1915(c) waiver program, which provides individuals access to a wide array of services.

As also described in Gap Analysis section on current transition practices, the original MFP policy generated other initiatives to support transition of individuals, including the use of transitional assistance services (TAS), relocation specialists, and nursing facility transition teams. Texas contracts with six regional relocation organizations to assist in the identification and facilitation of the transition for individuals from nursing facilities. These contractors help coordinate paperwork, secure housing, establish households, and are present for the actual move. Texas, through a 2003 Real Choice Grant, also established nursing facility transition teams.

These are regional public-private entities that address difficult cases and systemic problems, developing locally-focused solutions.

Through self-directed services models, these individuals are given the information and opportunity to make choices about their community living options. Texas has developed and continues to improve quality management systems, as described below, that ensure the health and safety of those who have transitioned.

As recommended and guided by the Promoting Independence Plan, Texas has adopted policies to support individuals with intellectual and developmental disabilities to transition from State Mental Retardation Facilities and 14-plus bed community ICFs/MR to community-based services. Under the Promoting Independence Plan, DADS supports an individual to move from a State Mental Retardation Facility within 180 days from the date of the recommendation for movement to an alternative living arrangement. Individuals who reside in 14-plus bed community-operated ICFs/MR may access an HCS opening within 12 months of request. Between 2001 and August 2006, 913 individuals have moved from State Mental Retardation Facilities and 662 from 14-plus bed ICFs/MR.

Operational Protocol Development

HHSC and DADS will hire, as employee of HHSC, a full-time project director at the beginning of the Pre-implementation Phase. The project director will be responsible for the development of the operational protocol during the Pre-implementation Phase.

Texas will develop the operational protocol during the Pre-implementation Phase with the guidance of a Stakeholder Task Force, building on current MFP activities. The operational protocol will be a product of collaboration of all grant partners, including direct consumers and

stakeholders. It will describe the vision and mission of the MFP grant and provide strategic direction to guide implementation. Working with strategic planning experts in DADS, the State Medicaid office and CMS, the project director will lead the operational protocol planning process and will be responsible for producing the plan.

Texas will conduct analyses to identify, at a more detailed level than has been possible for this application, the strengths and weaknesses of the existing transition programs. In addition to the continued analysis of stakeholder input received for this grant application, Texas will analyze available program data to identify the characteristics of individuals who have or have not made successful transitions from nursing facilities or ICFs/MR. Data analysis will also include the characteristics and experiences of individuals who did or did not make successful transitions.

2. Implementation Phase

Nursing Facility Residents

Under this grant, beginning in September 2007, Texas will serve approximately 350 nursing facility residents per year in all areas of the state who have been residents for at least six months. (In addition Texas will continue its MFP Initiative for persons that are not eligible under this grant, such as those that want to transition out before six months.) Nursing facility residents with more complex needs will include those having complex medical/functional needs, for example traumatic brain injury or other conditions resulting in multiple activity of daily living needs. In most cases, these individuals face barriers in housing, in-home and supportive services (especially in rural areas), transportation, and informal support networks.

The behavioral health pilot, beginning in September 2007, will serve a minimum of 50 consumers per year in at least one geographic site. The pilot will include training for providers in understanding and serving people with behavioral health disorders. Services available to pilot

participants will include: CBA waiver services; Medicaid State Plan services; and special demonstration services (described below) such as Cognitive Adaptive Training, environmental supports and substance abuse counseling. The geographic area for the pilot will be determined during the Pre-implementation Phase.

The “qualified residences” for those who transitioned from nursing facilities will include a home owned or leased by the individual or individual’s family or an apartment meeting the criteria outlined in the solicitation.

“Qualified HCB Program” Services

Texas will use the enhanced match rate for qualified individuals transitioning from nursing facilities to current 1915(c) waiver services, including CBA, MDCP, and CLASS. No waiver or Medicaid State Plan amendments are anticipated, except to increase the number of persons served. All services will continue after the grant period. These services meet the needs for nursing, assistance with activities of daily living, medication supervision, therapies, and respite for caregivers as described in the gap analysis and Appendix B. Individuals with behavioral health conditions will access existing Medicaid State Plan and demonstration services through the pilot project.

Pre-Transitional Services

Texas will provide pre-transitional services for persons transitioning out of nursing facilities. Relocation specialists, described above, will conduct outreach and identification of residents for transition. In addition, they will coordinate pre-transition paperwork, arrange housing, and establish household supplies. These activities will be funded at the administrative match rate.

Demonstration Services

To ensure continuity of services, relocation specialists will arrange extended home and community-based post-transitional services for nursing facility residents. Relocation specialists will be required to make a minimum of seven post-transitional contacts in compliance with the following schedule: once every week for the first month; every two weeks for the second month; and once during the third month; and thereafter as needed. Relocation specialists will focus on any unmet needs and arrange for and coordinate other support services. Currently, relocation specialists do not provide this level of post-transitional services, which will enable Texas to transition those with more complex needs. The post-transition services provided by these relocation specialists will be paid through enhanced match under the grant.

Demonstration services for persons with behavioral health needs will include cognitive adaptive training. This specialized, evidence-based service provides community-based and in-home assistance to help individuals with co-occurring psychiatric and/or substance abuse disorders establish daily routines, organize their environment and function independently. A key approach will be use of motivational interviewing, as part of the overall Cognitive Adaptive Training, to engage the consumer in performing self-care, using environmental modifications to facilitate independence. For example, a system of reminders unique to the needs of the consumer may be implemented to assist with adherence to critical medication management. Texas will also provide outpatient chemical dependency counseling by DSHS-licensed programs.

Supplemental Demonstration Services

Texas will not provide any supplemental demonstration services for residents transitioning out of nursing facilities.

Housing

One of the most important duties of the project director is to serve as the liaison to the Texas' state housing authority, the Texas Department of Housing and Community Affairs, as well as local Public Housing Authorities (PHAs) and the Promoting Independence Advisory Committee housing workgroup.

The Promoting Independence Advisory Committee housing workgroup has been active for the last five years and is charged with the health and human services and housing systems assessment. As part of this, the housing workgroup along with the Medicaid Agency, Public Housing Authorities, and Housing Finance Agency will include a needs assessment of accessible and affordable community housing for the proposed number of persons transitioning under this grant. This will include how any housing shortages will be addressed. In addition, the Promoting Independence Advisory Committee provides recommendations for future work each year as part of its annual stakeholder report and biennial Promoting Independence Plan. The Promoting Independence Advisory Committee made recommendations in its 2006 Report for increasing the percentage of dedicated HOME and Tenant Based Rental Assistance (TBRA) vouchers dedicated to persons with long-term services and support needs. The housing workgroup oversees Texas' Housing Voucher Program (HVP), which provides Project Access vouchers to persons leaving nursing facility settings.

The project director will work to achieve the following improvements in housing services: 1) increasing the number of HOME and TBRA vouchers dedicated to persons who are transitioning; 2) working with the HVP; 3) working with local PHAs and other affordable housing providers to identify housing subsidies or other funding mechanisms; 4) coordinating health and human service providers, disability groups, and PHAs in order to educate each other

about their systems; 5) working to expand the affordable, accessible housing inventory across the State; and 6) coordinating and providing information to the relocation specialists.

Intermediate Care Facilities for Persons with Mental Retardation

Texas will build on its current activities to provide opportunities each year for approximately 204 individuals from State Mental Retardation Facilities and 14-plus bed ICFs/MR who have been residents for at least six months to transition under the Promoting Independence Priority Populations Initiative and will seek enhanced match for those individuals beginning September 2007. Of this 204, DADS currently has funding to transition 84 persons and is requesting funding from the Texas Legislature for state fiscal years 2008-2009 for an additional 120. In addition, Texas will target for transition in all areas of the state a total of 400 residents in nine-plus bed community-operated ICFs/MR over the grant, beginning September 2008. Texas assumes that 133 individuals will choose to transition in state fiscal year 2008, as will 133 annually thereafter. These individuals will have the opportunity to transition from facilities that voluntarily agree to close. The funding for these individuals will be transferred to the program of their choice, including the HCS and CLASS 1915(c) Waiver programs.

“Qualified HCB Program” Services

Individuals with intellectual and developmental disabilities – both under the current Promoting Independence Program and as a result of community-operated facility closures -- will have access to the HCS and CLASS 1915(c) waiver programs (see Appendix B for a description). These core services will be reimbursed at the enhanced match rate. Services in these two programs help individuals live in the community by providing necessary supports, including habilitation and case management. Case management is a major component of Texas’

home and community-based services waiver program and will have a significant role in the transition process.

Demonstration and Supplemental Demonstration Services

Texas is not proposing any demonstration or supplemental demonstration services for those transitioning from ICFs/MR under this grant.

3. Anticipated Requests for Waivers

At this time, Texas has not identified any potential waiver or Medicaid State Plan amendments other than to allow for more individuals to be served.

4. Methods to Increase HCBS Expenditures

Texas will use the enhanced match rates to provide the waiver and Medicaid State Plan services to the individuals targeted under this grant to enable them to transition. The enhanced match rate will help ensure financing is available for individuals who choose to transition. HHSC has requested a funding increase to reduce the interest lists for waiver programs for state fiscal years 2008 and 2009. Even if the Texas Legislature provides funding only for the current level of service, participants in the current Texas MFP and Promoting Independence initiatives will continue to have immediate access to the waiver services on a priority basis. The enhanced match rate will enable DADS to finance the higher cost of services for persons transitioned out of ICFs/MR that close.

The DSHS will identify the general revenue necessary for the behavioral health services for persons in this pilot. In addition, DSHS has requested a funding increase in the 2008-09 Legislative Appropriations Request to increase access to community-based crisis mental health services and to add adult community-based substance abuse counseling as a Medicaid State Plan benefit. If approved, these initiatives will greatly increase access to vital community behavioral

health services. DSHS will use data derived from its care systems, Mental Health Transformation efforts, Crisis Mental Health Redesign and other efforts to inform future requests for funding.

5. Proposed Benchmarks

Texas proposes the following preliminary major benchmarks for this grant:

1. **Persons transitioned:** Over four years of operation, Texas will enable 2,616 qualifying individuals to leave institutions and move to the community.
2. **Rebalancing:** At the end of the grant period, Texas will have increased the number of persons served in the community by more than 2,000, and funds spent in the community by \$179.5 million compared to budgeted levels for state fiscal year 2007.

In addition, Texas will decrease available community-operated ICFs/MR beds by approximately 400, or about 20% of total beds in non-state facilities serving nine or more persons. In addition to measures required by the national evaluator, Texas will consider developing measures related to the following:

- a. Persons served by target group.
- b. Recidivism rates by target group.
- c. Consumer satisfaction.
- d. Length of time required to complete the transition.
- e. Types of demonstration services used.
- f. Use of key acute care services, including medication and emergency room use.
- g. Relative costs of services in the community compared to institutional services, with specific measures for those in the behavioral health pilot.

- h. Characteristics of individuals who requested a move but did not do so, and of those who moved but returned to the facility.
- i. Number of individuals leaving institutions who were able to access publicly subsidized housing, compared to the number who did so before the grant.

All of these benchmarks will be applied, as appropriate, to individuals in managed care. The exact amount of the major benchmarks, as well as the details of the other benchmarks, will be determined during the Pre-implementation Phase. Actions by the Texas Legislature (which will complete its work during that phase) may significantly affect the benchmarks.

6. Targeting and Recruitment of Participants

Nursing Facility Residents

As described in more detail in the Pre-Implementation Phase section above, Texas currently contracts with the relocation specialists using general revenue dollars. Under the grant, the relocation specialists' pre-transitional activities will be funded at the administrative match rate. Relocation specialists will assist in the identification of eligible individuals and prepare them for community transition. Relocation specialists will work in conjunction with the area agency on aging, long-term care ombudsmen and nursing facility social workers. The Family-Based Alternatives contractor will work with permanency planners and relocation specialists to assist in the identification and transition of children from nursing facilities to their homes or to support families.

In addition, information from the Preadmission Screening and Resident Review (PASRR) process and DSHS data system will be used to assist in the identification of persons with behavioral health needs. Individuals who have been admitted from a managed care system will be monitored by the managed care organization (MCO) for four months after nursing facility

admission and will be assisted to relocate back into the community. After a four-month period, the nursing facility resident is disenrolled from the MCO and becomes a regular nursing facility resident who will then be primarily assisted by the relocation specialist.

Transition from an institutional setting will be voluntary and with informed consent. Individuals in nursing facilities will be informed of all options and rights. They will also be offered the opportunity for self-direction through the CDS option for both Medicaid State Plan and waiver services as described in the gap analysis. Individuals who want to transition to the community will be referred to DADS' regional case managers to coordinate all necessary assessments and begin the data changes to reflect community services. Individuals who live in a managed care service area will be referred to a third party enrollment broker in order for them to choose an MCO to be their service provider. Upon selection of an MCO, DADS and the relocation specialist will work with that MCO to ensure that all necessary paperwork has been coordinated.

During the Pre-implementation Phase, Texas will develop criteria to target nursing facility residents with complex supportive needs and those with behavioral health conditions. These criteria will be the basis for a "transition" assessment. Identification of and outreach to adult nursing facility residents with co-occurring behavioral health conditions will also be accomplished through collaboration with the DSHS system and DADS contracted relocation specialists.

Residents of ICFs/MR

Texas' current efforts to support individuals who choose to move from State Mental Retardation Facilities and 14-plus bed ICFs/MR will continue under the Promoting Independence Priority Populations Initiative. Under this initiative, individuals living in

ICFs/MR are informed of the different types of alternative living arrangements through the Community Living Options (CLO) process. The CLO process guides the individual through a discussion about their preferences and choices for daily living for receiving their services. The CLO process will be a basis for helping the individual to determine if the individual or Legally Authorized Representative (LAR) is interested in seeking an alternative living arrangement. If the individual or LAR chooses a home and community-based living arrangement, staff from the MRA will work directly with the individual or LAR to determine their eligibility for waiver services; will conduct a level of care assessment (as outlined in the approved waiver); and will assist with enrollment into a community-based waiver program. Staff from the MRA provide permanency planning for children in ICFs/MR, and will often work with the family-based alternatives contractor to assist in the transition of children to their homes or to support families. Individuals residing in State Mental Retardation Facilities and ICFs/MR will be informed of all options and rights. They will also be offered the opportunity for self-direction through the CDS option.

Under the proposed program, community ICF/MR providers may select to voluntarily close. DADS will work with facilities that have expressed an interest in closing to ensure that approximately 133 individuals are transitioned to the community each year. Using the CLO process, the facility Qualified Mental Retardation Professional will assist each individual in development of a transition plan for their preferred living arrangement, as currently done under the Promoting Independence Plan.

Children

Texas law requires all children in institutions to receive ongoing permanency planning coordinated by individuals unaffiliated with the facility where the child resides. The state's

Family-Based Alternatives Project works with permanency planners in MRAs to assist children to return home to their birth families. If this is not possible, the project recruits alternate families, called "Support Families", who are carefully matched with children and their birth families to care for children on a long-term basis. The Family-Based Alternatives Project will continue to assist with transitions when needed.

7. Cross Agency and Cross Services Delivery System Collaboration

State Agencies

Multiple health and human services agencies have worked together to develop this grant application. HHSC has oversight and overall policy direction for health and human services in Texas and the HHSC Executive Commissioner and State Medicaid Director approved this application. The Commissioners of DADS and DSHS have provided letters of support for this application. As the long-term services and supports operating agency, DADS was responsible for development of this application, coordinated by staff overseeing the Promoting Independence Initiative. All of DADS' major divisions, DSHS, and the HHSC Executive and State Medicaid Office staff participated on the team that prepared this application. The Texas Department of Housing and Community Affairs, as evidenced by its letter of support, is fully committed to this project, as are the other agencies that participate on the Promoting Independence Advisory Committee.

DSHS has committed state match to provide behavioral health demonstration services and has made a commitment to participate as a partner with DADS in this long-term effort. DSHS' commitment to systemic, long-range reforms is evidenced by its successful application for the highly competitive, multi-year Substance Abuse and Mutual Health Services system of care grant to transform the mental health services in Texas into a coordinated, cross-agency

system of care. This vision encompasses the spectrum of need from children to the elderly and transcends traditional agency boundaries to articulate a person-centered, collaborative approach. The MFP pilot is an important component to realizing this vision.

Providers

Nursing facility providers have been partners in Texas' MFP Initiative for over five years. Nursing facility social workers assist in identifying residents who want to transition and help coordinate their movement into the community. State Mental Retardation Facilities and 14-plus bed ICFs/MR currently work with individuals to help them transition to a community-based service. Providers of nine-plus bed facilities have approached the state about converting to community-based services.

Texas already has an established protocol for closing ICFs/MR and decertifying beds. Several community-operated nine-plus bed ICF/MR providers have already approached DADS about converting to waiver service providers. Community providers will have an opportunity to close their facilities, remove the ICF/MR beds from the overall system, and convert the bed allocations into new increased capacity in the HCS and CLASS waiver programs. The final process will be determined during the Pre-implementation Phase in cooperation with providers of community-operated ICF/MR services.

8. Services Offered Post-grant Demonstration Period

The qualified home and community-based program that is currently in place will remain so during the grant and in the post-grant period. However, it should be noted that, as part of a focus on continuing to improve service quality, Texas is studying ways to potentially consolidate and/or increase consistency of waiver services across populations. However, there are no plans to diminish the service array available under the waivers. Texas will consider future

enhancements to waiver services designed to make it easier for individuals to transition to community-based services after evaluating the pilot project for persons with behavioral health conditions.

The HHSC Legislative Appropriations Request for the 2008-2009 biennium includes funding for interest list reduction in all waiver programs.

Individuals enrolled in these community-based programs during the demonstration will continue to be served in them as long as they meet financial and functional eligibility and will receive, at a minimum, the service array available during the grant period.

9 and 10. Quality Assurance and Improvement

The template used for the MFP quality management strategy will follow the same format that DADS will use for its overarching Quality Management Plan. Minor changes, however, are necessary as DADS will undertake some additional quality assurance and improvement activities associated with the MFP grant by tracking pre- and post-transition health and well-being, as well as program satisfaction information.

Pre-transition health information will be obtained from the most recent assessment conducted during the individual's residency in the nursing facility or ICF/MR. Information concerning satisfaction of services and supports will be determined from the results of one of the annual experience surveys conducted by DADS.

During the post-transition period, Texas will use quality assurance activities to monitor changes in the individual's health condition so that the plan of care may be amended or other actions taken as necessary. Additionally, information about the individual's satisfaction of services will be collected and compared to pre-transition survey results.

A relocation specialist will make frequent visits with the individual to ensure the transition is progressing smoothly and that services in the plan of care are adequately addressing the needs of the individual. If not, the case manager will be contacted for appropriate revisions to the plan of care or other actions will be taken as necessary.

Current Quality Initiatives

Texas has developed many elements of an effective quality assurance and improvement system. One of the “Guiding Principles” for DADS is “Customer Focus – individual needs, preferences and rights of the persons served are primary to the design, development and implementation of all programs and service delivery systems”.⁴

Various organizational areas within DADS provide procedures, processes, and policies to ensure health and welfare of all individuals. The Access and Intake area’s primary function is to ensure that DADS services at the local level are accessed through an easily coordinated and efficient system. Provider Services administers contracts with hundreds of community and in-home service providers. The division ensures that consumers have a full array of services delivered by qualified providers and conducts contract monitoring in cooperation with other DADS divisions. Regulatory Services is responsible for Licensing and Credentialing Operations, Survey Operations, and Enforcement Operations. All of the functional areas of DADS provide critical components to a comprehensive quality management strategy.

DADS also uses other tools to ensure quality services. This includes review and appropriate action on critical incident reports, reports of suspected abuse, neglect or exploitation, maintenance of DADS Employee Misconduct Registry and pre-employment criminal

⁴ Texas Department of Aging and Disability Services – Reference Guide 2005

background checks. The discovery process will also include case/chart reviews of active participants to help ensure services are being provided at an appropriate level and meet the needs of the individual.

The Department of Family and Protective Services (DFPS) may take actions against staff who provide direct services that fail to protect a consumer from Abuse and Neglect, including referral to local law enforcement, or the appropriate licensing board.

Texas is using quality inventory tools for all community-based waiver and ICF/MR services. DADS joined the National Core Indicators Project and contracted with an external entity to conduct both face-to-face and mail experience surveys of our program participants on an annual basis. (DADS uses a consumer survey developed by the Human Services Research Institute and the Participant Experience Survey developed by MEDSTAT for CMS.) Texas is one of the few states in the country that undertakes a survey of this size and scope. The purpose of the project is to obtain information from the participant's perspective about their experiences receiving DADS services. The first phase was conducted in 2005 and provided an initial baseline of data that DADS will build upon. Future surveys will provide additional data that will enable DADS' staff to analyze and trend over time to identify areas for improvement and to measure if improvement strategies are effective.

Texas used funds from its 2003 QA/QI Real Choice Systems Change grant to design a Quality Assurance and Improvement Data Mart that will produce standardized reports, as well as provide capability for ad hoc reporting of provider performance and consumer outcomes data. As required by federal law, HHSC contracts with an External Quality Review Organization (EQRO) to independently review quality, timeliness, and access in managed care programs such as STAR+PLUS. The Texas EQRO accomplishes this responsibility through the following

activities: validation of Managed Care Organization (MCO) performance improvement efforts; calculation of MCO performance on quality measures contained in the HHSC contract; validation of MCO encounter data; measurement of consumer satisfaction via standardized surveys such as the Consumer Assessment of Health Plan Services (CAHPS); and execution of focused quality studies.

HHSC is responsible for monitoring the Family-Based Alternatives and STAR+PLUS contracts. This will include monitoring for performance measures and conducting an annual on-site audit. Additionally, the contractor is required to submit detailed monthly monitoring reports and to meet with the HHSC contract manager on a regular basis to review the progress of the initiative and specific contract measures. External funds have been secured for a third party evaluation of the contractor's efforts in each of the next three years. The STAR+PLUS MCO contracts include performance measures and targets for quality improvement. These include state-developed and selected national Healthplan Employer Data and Information Set measures.

The DSHS Quality Management Unit uses performance-based risk assessment to identify contractors/MHAs at high risk for contractual non-compliance and delivery of poor quality services. DSHS implements appropriate interventions to increase compliance and service quality. The unit responds to complaints, advocates for consumer's rights and provides data analysis and information to management and external stakeholders. Contracted DSHS MHAs and substance abuse providers create and conduct their own quality management processes. To support contractor efforts in this endeavor, DSHS publishes contractor review tools for use in day-to-day provider oversight processes.

Proposed Quality Management Strategy

During the Pre-implementation Phase of the MFP grant, Texas will develop, in cooperation with the stakeholder task force, a detailed Quality Management Strategy that is derived from CMS' Quality Framework. The primary objective of the quality management strategy will be to administer and measure a quality system that: 1) ensures that the State meets each of the framework's required assurances; 2) identifies and acts on opportunities for program and service improvements; and 3) reflects the values and principles across all MFP activities. The MFP quality management strategy will be based on discovery, remediation, improvement, evidence-based best practices, and education. In order to monitor consumer outcomes, Texas will develop a matrix for the MFP quality management strategy that specifically identifies: each discovery process, all responsible entities, the frequency of various processes, data and type of information used, and any reports generated. This matrix will be similar to one developed for each of DADS home and community-based programs and will contain variables related to the MFP Initiative. The MFP matrix will clearly address each of the mandatory CMS assurances (Level of Care Determinations and Re-evaluations, Service Plan, Qualified Providers, Health and Welfare, Administrative Authority, and Financial Accountability). Additionally, it will be designed to measure Participant Access, Participant-Centered Service Planning and Delivery, Provider Capacity and Capability, Participant Safeguards, Rights and Responsibilities, System Performance, and Participant Outcomes and Satisfaction.

An example of the MFP matrix for quality assurance in the MFP Initiative is attached at Appendix I.

Some of the discovery methods currently used, and those that will be included in the MFP quality management strategy, include collection of program data contained in various databases maintained by the collaborating agencies.

The National Core Indicators (NCI) and the Participant Experience Survey tools are used to calculate quality indicators. The results will provide an important discovery method for areas of improvement as identified by the participants receiving services. DADS Quality Assurance and Innovation unit intends to include all MFP grant participants in future experience surveys.

The DADS Data Mart that will compile data currently collected in multiple automated systems and will produce standardized reports and provide ad hoc reporting for the MFP grant. The areas covered by the reports will include participant demographics, services utilization, enrollments, levels of care, plans of care, consumer-directed options, critical incidents, abuse, neglect, and exploitation, provider compliance and oversight, transfers, discharges, complaints, and recoupments. The system will have the capability to provide management reports at the participant level.

Each year, staff will compile information regarding the MFP grant initiative. The annual report of the MFP quality management strategy will include key information relevant to each assurance and focus area and include information about transitions from institutions, as well as participant satisfaction. The report will provide internal and external stakeholders with information on quality indicators, including status of MFP grant outcomes, including program remediation and improvement activities. DADS Quality Assurance and Improvement unit will routinely update the MFP quality management strategy based on feedback from stakeholders.

As part of the proposed quality management strategy, DSHS and HHSC will continue to provide their current quality assurance activities described above and data from all three agencies will be coordinated.

11. Barriers to Flexible Use of Medicaid Funds

As described in the Gap Analysis, Texas does not have a global budgeting mechanism beyond limited transfer among budget items. However, for residents of nursing facilities, Texas has established a specific line item for assisting residents with transferring from nursing facilities to the communities and builds into the budget for nursing facilities and community-based programs the number of individuals who will be transferring.

Texas does not have similar flexibility for persons with intellectual and developmental disabilities other than a small pilot project for children authorized by Appropriations Act rider. Texas stakeholders, both in meetings and as part of the survey conducted for this grant application, identified the need for establishment of a MFP Initiative for persons in ICFs/MR, similar to the initiative for persons in nursing facilities. However, there are economic barriers to establishing a similar program because occupancy rates for ICF/MR providers are much higher than for nursing facilities, particularly in small facilities. Small ICFs/MR operate at nearly 100% occupancy due to ongoing demand for services. As individuals are moved to the community, vacated beds are filled, increasing total cost to the state. The transfer of residents and subsequent loss of revenue would put the provider network at financial risk, ultimately threatening their ability to provide quality services to the other residents of the facility. Because of this, Texas is proposing in this grant to focus on nine-plus bed ICFs/MR and to close the facility after residents have been transitioned to community settings. Community-based residential waiver services are

likely to cost more per person than ICF/MR services. For these reasons, the legislature has not authorized DADS to implement funding for an MFP Initiative for ICFs/MR.

A related barrier is that it is more expensive to serve persons with intellectual and developmental disabilities in settings other than nine-plus bed ICFs/MR. This is primarily a function of economies of scale. The enhanced match funds available under the waiver will make it possible for Texas to transition these individuals while covering the higher costs for the state in the short-term. Texas will face, however, higher long-term state costs for serving these individuals in the community, which will be addressed by the 2009 Legislature.

12. Using IT Systems to Identify Participants

Texas will use three existing primary automated systems for registering and tracking consumers and services. These systems are: the Claims Management System (CMS), used for all nursing facility and related community services programs; the Client Assignment and Registration System (CARE), used for tracking community and institutional services for persons with psychiatric, intellectual and/or developmental disabilities; and the Behavioral Health Integrated Provider System (BHIPS), used for tracking substance abuse services.

Each of these systems registers all individuals who request or receive services, records basic functional assessment information and eligibility for specific programs and services including amount of services, and identifies the amount paid to providers for services. All systems have specific reporting capabilities. Data from CARE and CMS is periodically loaded into a common database to increase statistical and reporting capabilities. For the purposes of this grant, DADS will: 1) add an identifier in both systems in order to be able to readily identify grant participants; 2) add a new funding type to ensure that provider claims for services delivered under the grant are reimbursed at the proper rate; and 3) add new programs within both systems

and the Data Mart to generate the reports required by CMS and DADS program management. Edits will be added to ensure that individuals served under this Grant: 1) have been in an institutional setting for at least six months; and 2) do not allow services to be authorized in a residential setting that is not consistent with the definition in the solicitation. The behavioral health conditions pilot will use existing data elements from CARE and BHIPs to report on pilot activities.

The automated HMO payment system for those receiving services through MCOs will also be modified to identify grant recipients and ensure the appropriate level of reimbursement.

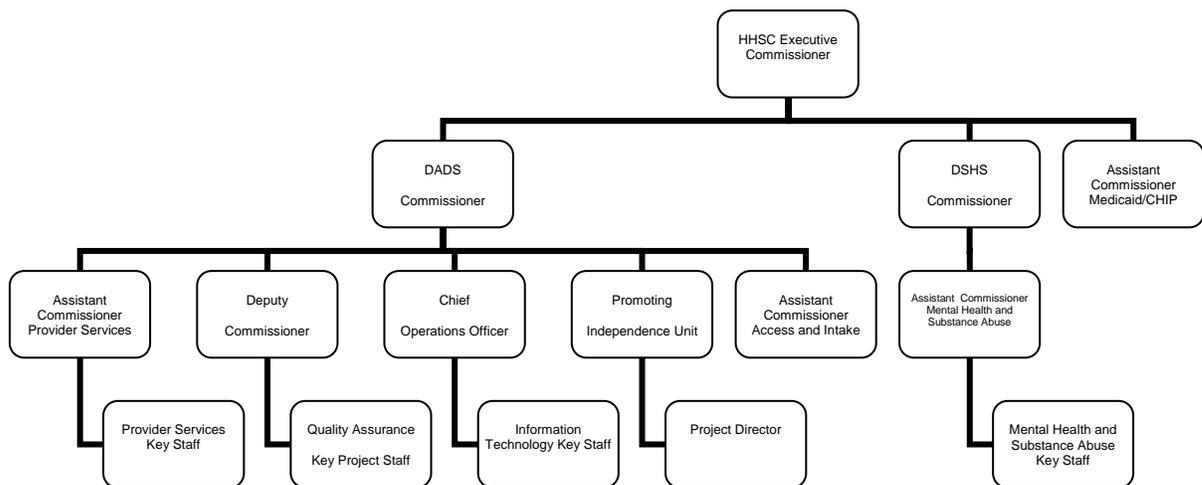
The Quality Assurance and Improvement Data Mart will compile data currently located in multiple automated systems. Information from the Data Mart and/or MDS will be used to identify and track demographic information of prospective MFP grant participants. MFP grant participants will be assigned a unique identifier so that their status and progress can be tracked and analyzed throughout this demonstration project. This will include information to be reported for services eligible for enhanced matching funds.

Texas will establish a data system to track individuals who transition using enhanced grant funds. Data, at a minimum, will be collected on individuals regarding the success of the transition, length of the transition, and any critical incident that ended the transition.

PART 3: ORGANIZATIONAL STRUCTURE, STAFFING PLAN, AND BUDGET

Texas Health and Human Services Commission (HHSC) is the Medicaid single state agency and will have oversight responsibility for this grant. HHSC is the umbrella organization over four other state agencies whose commissioners directly report to the HHSC Executive Commissioner, including the Department of Aging and Disability Services (DADS) and the Department of State Health Services (DSHS).

The HHSC Executive Commissioner has delegated lead operational responsibility for this project to DADS. The project director will be an employee of HHSC assigned to work in the DADS Promoting Independence Unit. The State Medicaid Director at HHSC will also provide oversight of the project. The project director will work with the HHSC State Medicaid Office, DSHS, HHSC Office of Program Coordination for Children and Youth, DADS’ divisions that operate the current MFP and Promoting Independence initiatives, and the Texas Department of Housing and Community Affairs. DADS will interface with eligible beneficiaries and ensure the provision of services. See Appendix F for specific agency and unit based organizational charts.



Key Staff

Many employees of these DADS divisions currently contribute to the overall MFP and Promoting Independence initiatives. Resumes for key staff are provided in the Appendix. There will be two dedicated staff to the demonstration program. These are the project director and the manager of the Promoting Independence Initiative. The project director will dedicate 100 percent of his or her time to this project. The manager of the Promoting Independence Initiative, Marc Gold, will dedicate 50 percent of his time to managing the project director and providing overall leadership. Other critical staff include the following: The chief liaison with the State Medicaid Director's Office will be Larry Swift, policy analyst, who will dedicate five percent of his time to ensure coordination and State Medicaid Office oversight. Dena Stoner, Senior Policy Advisor to the Assistant Commissioner for Mental Health and Substance Abuse Services will dedicate five percent of her time to ensure coordination of behavioral health supports. Larry North, as the Section Director, Institutional Services, DADS Provider Services division, will dedicate five percent of his time for working with facility closures. Jeff Kaufmann, as DADS Grants Coordinator under the Deputy Director, will dedicate five percent of his time assisting the Project Director with overall grant management. Many other DADS and HHSC staff that oversee current operation of waivers and programs will continue in their current roles and contribute less than five percent as in-kind support to this grant. DADS will continue its current contracts with relocation specialists to assist individuals with transitioning from nursing facilities to the community.

Budget Narrative

Appendix G provides detailed charts on the budget. Over the five- year span of the grant request, Texas will expend an estimated \$179.5 million (all funds) to transition 2,616 persons.

\$54.9 million in general revenue dollars will be matched by \$17.8 million in enhanced federal match and \$106.7 million in regular federal match.

Medicaid Administrative Costs

Table 3 shows the costs that will be matched at the administrative cost rate. Texas is requesting approximately \$2.6 million in administrative matching funds for a total state and federal expenditure of \$5.2 million. This will fund: one new position as the project director; pre-transition services for persons leaving nursing facilities; and relocation services needed by individuals transitioning from nursing facilities.

Table 3 - Medicaid Administrative Budget by State Fiscal Year

Method Of Finance:	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Cumulative Total
Federal Match (FMAP)	\$71,700	\$628,357	\$628,357	\$628,357	\$628,357	\$2,585,128
Enhanced Match (EFMAP)	0	0	0	0	0	0
State	\$71,701	\$628,356	\$628,356	\$628,356	\$628,356	\$2,585,125
TOTALS	\$143,401	\$1,256,713	\$1,256,713	\$1,256,713	\$1,256,713	\$5,170,253

Qualified HCB Services

Tables 4 – 6 show the breakout of costs by target population for 1915(c) waiver services.

Nursing facilities - Texas estimates transitioning 1,400 (350 annually at an average cost of \$1,452 per person, per month including CBA and STAR+PLUS) total persons from nursing facilities in state fiscal years 2008 through 2011. Texas will use FY 2007 to develop the operational protocol and will not transition individuals during this fiscal year. Projected cost of providing services is \$49.7 million at regular federal match, \$30.3 million from Medicaid at regular federal match, with \$4.2 million at the enhanced match.

Table 4 - Individuals Transitioning From Nursing Facilities by State Fiscal Year

Method Of Finance:	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Cumulative Total
Federal-FMAP		\$2,001,880	\$5,713,976	\$9,426,073	\$13,138,169	\$30,280,098
Federal Grant-EFMAP		\$643,285	\$1,192,847	\$1,192,847	\$1,192,847	\$4,221,826
State		\$643,614	\$2,480,356	\$4,866,660	\$7,252,964	\$15,243,595
TOTALS	0	\$3,288,780	\$9,387,180	\$15,485,580	\$21,583,980	\$49,745,520

Closure of Community-Operated Intermediate Care Facilities - Texas proposes to spend approximately \$32 million total with \$19.5 million at regular federal match and \$3.5 million in enhanced match. Texas estimates transitioning 400 persons (approximately 133 annually at \$4,443 per person, per month) from community-operated ICFs/MR from FYs 2009 - 2011. Texas will use FY 2007 to develop the operational protocol and FY 2008 to put in place the mechanisms needed for successful transitions.

Table 5 - Closure of Community-Operated Intermediate Care Facilities by State Fiscal Year

Method Of Finance:	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Cumulative Total
Federal-FMAP			\$2,177,086	\$6,493,394	\$10,812,407	\$19,482,887
Federal Grant-EFMAP			\$699,586	\$1,387,005	\$1,387,005	\$3,473,596
State			\$699,943	\$2,787,244	\$5,563,702	\$9,050,889
TOTALS	0	0	\$3,576,615	\$10,667,643	\$17,763,114	\$32,007,372

Promoting Independence Program - Texas proposes to transition 816 persons (120 from 14-plus bed community operated ICFs/MR and 84 from State Mental Retardation Facilities annually at an average cost of \$4,468 per person, per month) from FY 2008-2011. The total 5 year projected expense is \$89.3 million all funds with \$54.4 from Medicaid at regular match and enhanced match at \$7.6 million.

Table 6 - Promoting Independence Program by State Fiscal Year

Method Of Finance:	FY 2008	FY 2009	FY 2010	FY 2011	Cumulative Total
Federal-FMAP	\$3,606,285	\$10,264,041	\$16,921,797	\$23,579,553	\$54,371,676
Federal Grant-EFMAP	\$1,158,846	\$2,139,407	\$2,139,407	\$2,139,407	\$7,577,067
State	\$1,159,437	\$4,458,784	\$8,738,692	\$13,018,600	\$27,375,513
TOTALS	\$5,924,568	\$16,862,232	\$27,799,896	\$38,737,560	\$89,324,256

HCB Demonstration and Supplemental Demonstration Services

Texas plans to use enhanced match funds as part of the demonstration for person with behavioral health conditions. Services will include: Cognitive Adaptive Training (CAT) at \$750,000 per year, environmental supports at \$30,000 per year, training and technical assistance at \$4,500 per year, substance abuse counseling at \$15,000 (individual) and \$4,800 (group) per year. Texas does not plan to use supplemental demonstration services.

Table7 - HCB Demonstration Services by State Fiscal Year

Method Of Finance:	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Cumulative Total
Federal-FMAP						0
Federal Grant-EFMAP		\$643,440	\$643,440	\$643,440	\$643,440	\$2,573,760
State		\$160,860	\$160,860	\$160,860	\$160,860	\$643,440
TOTALS	0	\$804,300	\$804,300	\$804,300	\$804,300	\$3,217,200

PART 4: ASSURANCES

Informed Consent

Texas assures that all individuals participating in the demonstration or their Legally Authorized Representative (LAR) -- i.e., parent, guardian, or managing conservator of a minor individual, or a guardian of an adult -- will be informed of all their rights and options for long-term services and supports. Texas assures that all participants will know of all of their options and be aware that participation is voluntary. This includes acceptance of services and the consent to participate in the evaluation component of the grant. The service provision consent will be obtained prior to delivering services during the care planning phase. Relocation contractors, long-term care ombudsmen, nursing facility social workers, DADS waiver case managers, local MRAs and MHAs, and third-party not-for-profits will provide the education and information about community services and participation in the demonstration. DADS case managers and MRA staff will secure the appropriate forms that an individual or their LAR will sign indicating they have been informed and are voluntarily choosing to participate in the demonstration without coercion.

Choice in Selecting a Service

DADS case managers and MRAs will discuss the full array of long-term services and supports options with each individual or their LAR who voluntarily choose to participate in the demonstration. Individuals or their LAR will be informed of all their options for selecting an alternative living arrangement including community and residential settings. Individuals or their LAR will sign a service agreement indicating their choice of where they will receive services.

Stakeholders

DADS assures that direct consumers, advocates, and providers will play a critical role in the implementation of this grant as they have in the creation and implementation of the current MFP and Promoting Independence initiatives. These groups played a critical role in the development of this application. The DADS unit for Stakeholder Relations will ensure stakeholder input, participation and involvement and serve as a central point for scheduled, ongoing communication and input. This unit assists staff throughout the agency to engage stakeholders and consider their input in policies, rules and decisions. As described in Appendix H, Texas engages in formal scheduled meetings with stakeholders to ensure their participation in budget and planning processes. The Promoting Independence Advisory Committee meets four times per year to provide direction for the current MFP and Promoting Independence initiatives.

As part of the development of this application, DADS distributed the CMS application to stakeholders the second week in August and convened on August 18, 2006, a stakeholder meeting to outline CMS' objectives, discuss consumer needs, and identify relocation barriers that the MFP grant could address. The last week of August, DADS sent a survey to stakeholders to identify gaps, needs and additional services to provide additional direction and ideas. One-on-one interviews were conducted with 25 individuals and/or family members of individuals who have relocated from nursing facilities or ICFs-MR as well. DADS convened a second stakeholder meeting on October 4, 2006, to receive additional advice on the grant application.

The Stakeholder Relations Unit will develop a plan to use the Promoting Independence Advisory Committee and a newly-established MFP Grant Implementation Task Force. This plan will ensure involvement of direct consumers, their families, advocates, and providers. Representation will reflect aging and disability (physical, cognitive, sensory and mental

disability communities) organizations, rural and urban providers, institutional and community providers.

The task force members' primary role will be to participate in the design of the operational protocol and implementation of the demonstration and assist in the policy decision-making in these areas. Consumer members of committee will be reimbursed for travel expenses and receive stipends for time spent in task force activities. Any accommodations needed for committee members' participation will be secured in advance.

Maintenance of Effort

Texas estimates that it expended \$1,939,881,431 on state Medicaid home and community-based long term care services in FY 2005. This exceeds the amount spent in previous state fiscal years. Texas assures that it will continue to provide at least this amount during the demonstration project, unless the legislature reduces the appropriation for these services. DADS and HHSC have requested funding above this level for the first two years of the project.

Information Technology

Texas assures that it will work with CMS and/or its national evaluation contractor so that the reports collected during the grant will permit reliable comparisons of grant projects across states and an effective evaluation of the demonstration project will be submitted timely and according to specifications established by CMS.

PART 5: ATTACHMENTS AND APPENDICES

Attachment 1: Notice of Intent to Apply

Submission by Facsimile Preferred

Fax: 410-786-9004

Please complete and return, by **September 5, 2006**, to:

Sona Stepp
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1850
Phone: 410-786-6815, Fax: 410-786-9004

- 1. Name of State:** Texas
- 2. Applicant Agency/Organization:** Texas Health and Human Services Commission
- 3. Contact Name and Title:** Marc Gold, Manager, Promoting Independence Initiative
- 4. Address:** Texas Department of Aging and Disability Services, 701 W. 51st Street,
MC: W-619, Austin, TX 78714-9030
- 5. Phone:** 512-438-2260 **Fax:** 512-374-9987
- 6. E-mail address:** Marc.Gold@dads.state.tx.us

Attachment 2: Prohibited Use of Grant Funds

Money Follow the Person Rebalancing Grant funds may not be used for any of the following:

1. To match any other Federal funds.
2. To provided services, equipment, or supports that are the legal responsibility of another party under Federal or State law (e.g., vocational rehabilitation or education services) or under any civil rights laws. Such legal responsibilities include, but are not limited to, modifications of a workplace or other reasonable accommodations that are specific obligation of the employer or other party.
3. To provide infrastructure for which Federal Medicaid matching funds are available at the 90/10 matching rate, such as certain information systems projects.
4. To supplant existing State, local, or private funding or infrastructure or services such as staff salaries, etc.
5. To be used for expenses that will not primarily benefit individuals of any age who have a disability or long-term illness.

Attachment 3: Resumes

Key Project Staff

The Project Director will perform high-level managerial work overseeing the daily operations and activities of the Money Follows the Person grant. Work involves planning, developing, and implementing the grant and/or providing consultative services and technical assistance to program staff, governmental agencies, community organizations, or the general public. The project director will be responsible for overseeing the operational protocol development, establishing goals, objectives, and priorities; coordinating and evaluating project activities; and monitoring budget requests. The project director will work to increase the percentage of dedicated HOME and Tenant Based Rental Assistance (TBRA) vouchers dedicated to persons with long-term services and support needs and serve as the liaison to the Texas' housing authority, Texas Department of Community Affairs, local public housing authorities, and the promoting independence advisory committee. The project director will represent the program at stakeholder meetings, public hearings, conferences, and committees and will identify areas for improvement.

Marc Gold is the Manager of Texas' Promoting Independence (*Olmstead*) Initiative. Mr. Gold has graduate degrees from Columbia University and Emory University in neuropsychology. In Texas, Mr. Gold has over 21 years of directing long term care programs and policy in the context of several different managerial positions including Director of Long Term Care Policy and Medicaid Long Term Care Policy. Mr. Gold has significant project management experience and was the project director for an Administration on Aging Alzheimer's Grant. Currently, Mr. Gold is responsible for the oversight and coordination of Texas' response to the *Olmstead vs. Zimring* (June 1999) decision and its state-wide stakeholder advisory committee. This responsibility includes the development of the state's Promoting Independence Plan and overseeing 70 policy changes for persons who are aging and/or have all types of disabilities. Mr. Gold also works with Texas' housing authority to coordinate the housing voucher program and other Promoting Independence activities.

Larry Swift is a senior policy analyst with the Health and Human Services Commission Medicaid/CHIP Division focusing on long-term services and supports policy. Before assuming his current position, Mr. Swift served as a policy analyst with the Department of State Health Services addressing policy issues for children with special health care needs. Mr. Swift served as project director for the Texas Traumatic Brain Injury Project. Mr. Swift served as lead staff on an HHSC project to develop local interagency initiatives to serve adults with complex needs through Community Resource Coordination Groups. Prior to joining Texas' health and human services enterprise Mr. Swift worked with numerous not-for-profit organizations as an advocate for persons with disabilities. Mr. Swift has extensive experience in community-based development including low-income housing and community economic development. Mr. Swift has a Master Degree in Policy and Planning from the University of Illinois Chicago.

Larry North is the Section Director for Institutional Services/Provider Services for the Texas Department of Aging and Disability Services. Institutional Services has responsibility for contract management for all of Texas Community ICF/MR contracts and for all Medicaid

Nursing Facilities in the Texas as well as responsibility for policy development for the ICF/MR and Nursing Facility Programs. Prior to his employment at the Texas Department of Aging and Disability Services, Mr. North served as the Medicaid Contracts Director for the Texas Department of Mental Health and Mental Retardation from March of 1995 through August of 2004 which included contracts for ICF/MR, Home and Community-based Services, Targeted Case Management for Persons with Mental Retardation, Target Case Management for Persons with Mental Illness, Rehabilitation Services for Persons with Mental Illness and Institutions for Mental Disease.

Mr. North has worked for the State of Texas for over 23 years with the Texas Department of Mental Health and Mental Retardation and presently with the Texas Department of Aging and Disability Services. Mr. North has a Bachelor of Science Degree in Education in Education from Texas State University and a Master Degree in Social Work from Our Lady of the Lake University.

Dena Stoner is currently Senior Policy Advisor for the Texas Mental Health and Substance Abuse Authority, the Department of State Health Services. She is responsible for development of policy and initiatives to improve access to and quality of services and supports for people with mental health and substance abuse conditions. Ms. Stoner has over 30 years of experience in public policy, management, strategic planning, and program design and program/policy implementation. She has developed and implemented a number of major initiatives and strategies related to Medicaid-funded long term care, acute care, behavioral health, technology and community-based services.

Selected accomplishments include:

- developing strategies and recommendations which resulted in legislative reform of Texas Medicaid acute care and behavioral health systems;
- developing, implementing and operating several 1915(c)waiver programs for people with physical, cognitive and developmental disabilities;
- developing and implementing managed care programs for acute care and behavioral health; and
- evaluating major health initiatives for the Texas Legislature

Other Key Staff

Jon Weizenbaum was named deputy commissioner for the Texas Department of Aging and Disability Services in May 2006. Reporting directly to the DADS Commissioner, Mr. Weizenbaum works closely with the Commissioner on the day-to-day operations of the agency providing vision, leadership, and strategic direction to the department in program administration, operations, and budget decision-making processes, and acts as and represents the Commissioner in her absence. Mr. Weizenbaum is responsible for coordination of DADS Centers for Policy and Innovation, Consumer and External Affairs, and Program Coordination. Previously, he was director for the Center for Policy and Innovation and oversaw program policy development and direction, including rule development, policy research and analysis, and quality assurance and improvement. Before coming to DADS, Weizenbaum was the director for Communications and Governmental Relations for the Texas Commission on Alcohol and Drug Abuse (TCADA). Before moving to TCADA in 2002, Weizenbaum was the legislative policy director for the Texas Senate Committee on Health and Human Service, specializing in aging and disability

services. He is a licensed social worker and holds master's degrees from the University of Texas at Austin School of Social Work and the LBJ School of Public Affairs.

Don Henderson was named director of the Center for Policy and Innovation (CPI) for the Texas Department of Aging and Disability Services (DADS) in July 2006. Before assuming this position, he served as the manager of the CPI Quality Assurance and Improvement unit. In that capacity he was responsible for the coordination of quality assurance and improvement activities aimed at improving outcomes for the consumers of DADS services.

Henderson has more than 20 years of experience related to services for older Texans and persons with disabilities, including extensive experience in quality improvement, strategic planning, governmental relations, policy analysis, and administration of intermediate care facilities for persons with mental retardation.

Before that, he worked at the Texas Department of Transportation as well as the Health and Human Services Commission as the director of the Office of Community Transportation, and served in a variety of capacities within the Texas Department of Mental Health and Mental Retardation.

Karl Urban is currently Manager of Policy Analysis and Support of the Texas Department of Aging and Disability Services (DADS). Before assuming his current position, Mr. Urban served as Deputy Director of the Texas Department on Aging (TDoA) where he oversaw implementation of the state's Aging Texas Well (ATW) initiative. ATW is focused on preparing state and local communities for an aging population through research, planning, policy analysis, advocacy, public-private partnerships, and community capacity building. Mr. Urban has worked in state government as an analyst in the Texas Governor's Office, as Director of Planning and External Relations at TDoA, and as the lead strategic planner for the Texas Health and Human Services Commission and the health and human services system. Mr. Urban's non-governmental work includes research and consulting services in the areas of health care policy and planning for clients in different states with Research and Planning Consultants and work for the Texas Health Care Association. Mr. Urban has a Master Degree in Public Affairs from the LBJ School of Public Affairs at The University of Texas at Austin.

Jeff Kaufmann: Jeff Kaufmann is currently the Lead Grants Coordinator and a member of the Policy Analysis and Support unit of the Center for Policy Innovation for the Texas Department of Aging and Disability Services. He serves on an interdisciplinary research and policy analysis team and performs consultative services and technical assistance work and coordinates agency use of discretionary grants, including developing and managing grants and contracts. Mr. Kaufmann acts as a liaison with federal, state, and local agencies and plans and organizes projects of public interest. In other government service with various health and human service agencies he has provided services to persons with disabilities and developed and led strategic and operational planning, performance measurement and program evaluation functions. He holds a Masters of Public Administration and a M.Ed. in vocational rehabilitation counseling.

Barry Waller was named assistant commissioner for Provider Services in July 2004. As assistant commissioner, he is responsible for institutional services, the state schools, and community services. Mr. Waller has more than 30 years of experience in the mental health/mental retardation profession, including family counseling, intake and assessment,

caseworker services, and administration. Before coming to DADS, he was acting director of Community Mental Retardation Services for the Texas Department of Mental Health and Mental Retardation (MHMR). Mr. Waller's MHMR experience includes serving as the chief executive officer of a community mental health and mental retardation center, director of Mental Retardation, and director of Long-term Services and Supports. He holds a bachelor's in sociology and a master's of social work from the University of Maryland.

Scott Schalchlin is the newly selected Director of Community Services in the Provider Services Division of the Texas Department of Aging and Disability. His area of responsibility includes policy development/support and contracts related to Medicaid and non-Medicaid community-based services. Prior to this selection, Mr. Schalchlin served as the Agency's Director of State Schools, where he was responsible for overseeing and directing the services provided to approximately 5,000 persons with mental retardation residing in the 11 state schools and one state center. His area of responsibility included over 11,000 employees and a budget of over \$400 million.

Mr. Schalchlin has worked for the State of Texas for over 16 years, beginning with the Texas Department of Mental Health and Mental Retardation. He has also worked for the Texas Department of Criminal Justice, Texas Tech University Health Sciences Center and is now with the Texas Department of Aging and Disability Services. Mr. Schalchlin has a Bachelor of Science (B.S.) in psychology from Wayland Baptist University, a Master in Education (M.Ed.) in Educational Psychology from Texas Tech University and a Doctor of Jurisprudence (J.D.) from the Texas Tech University School of Law.

David Rollins currently serves as the Manager, Mental Retardation Authorities Section of the Access and Intake Division, Department of Aging and Disability Services. The Section has responsibility for the contracting and oversight of state funded community-based mental retardation services covering Texas' 254 counties. These services are provided annually to more than 12,000 consumers statewide. He has 35 years of experiences in services to persons with mental retardation and disabilities and their families. Previous experiences include operational and policy responsibilities in state mental retardation facilities and state mental retardation community service. These experiences include home and community-based waiver services, residential services, early childhood intervention services, service coordination (case management) and day services. The experiences include twenty years of policy, budget, program development and implementation and state wide management responsibilities for home and community-based wavier services, ICF/MR services and other community services and supports for person with mental retardation. He holds a Masters Degree in Social Work from the University of Texas, Arlington.

Carol Sloan was named section manager for Regional and Local Services Section in July 2006. As section manager, she is responsible for overseeing the policy and curriculum development and field operations for the Long Term Service and Supports (LTSS) community care programs. She is also responsible for the LTSS contract management functions. Ms. Sloan has over 34 years of state service, including 31 years of management experience. She worked in the legacy DHS Office of Program Integrity Quality Control division for nearly 30 years. For three years, she served as liaison to the Long-term Care Regulatory and Services divisions while working in DHS Regional Operations. Most recently, she was the Manager for the Support Service Coordination Unit in the Executive Staff and Operations Division under the Chief Operating

Officer. Ms. Sloan has a bachelor's degree in sociology with emphasis on social work from the University of Mary Hardin-Baylor.

Betty Ford was named Manager of the Area Agency on Aging (AAA) Section for the Texas Department of Aging and Disability Services in October 2006. Ford works closely with the Assistant Commissioner for Access and Intake in leading the operations of the AAA Section. Prior to assuming this new position, Ms. Ford was the Director of the Area Agency on Aging of the Concho Valley for 25 years. She was responsible for providing vision, leadership and direction for the development of a comprehensive system of services for older individuals throughout the thirteen county region. Ms. Ford received her Master of Science degree in Gerontology from the University of North Texas.

Jim Essler is the Business Relations Manager in the DADS Information Technology division. Mr. Essler has a Masters degree from the LBJ School. For 20 years he has been involved with Community-based services at Department of Human Services and DADS. For the last 10 years he has been the primary automation liaison between the program policy area and IT.

Attachment 4: Budget and Maintenance of Effort (MOE) Forms

Money Follows the Person Demonstration Grant						
<u>Budget Estimate Presentation</u>						
Demonstration Funding Request						
Fiscal Year	Qualified HCBS program services (demonstration share at enhanced FMAP) *of 80.43%	Demonstration HCBS services (demonstration share at enhanced FMAP) **of 80.43%	Supplemental Demonstration Service Costs (demonstration share at regular FMAP) ***of ___%	Administrative Costs and Evaluation Costs (at 50% admin FMAP rate)	State Proposed Evaluation Costs (at 50% admin FMAP rate)	Total FY Estimated Funding Request
2007				\$71,700		\$71,700
2008	\$1,802,131	\$643,440		\$628,357		\$3,073,928
2009	\$4,031,840	\$643,440		\$628,357		\$5,303,637
2010	\$4,719,259	\$643,440		\$628,357		\$5,991,056
2011	\$4,719,259	\$643,440		\$628,357		\$5,991,056
TOTAL:	\$15,272,489	\$2,573,760	\$	\$2,585,128	\$	\$20,431,377

*Total service costs for qualified HCBS program – State share

**Total service costs for demonstration HCBS services – State share

***Total Service Costs for supplemental elect services – State share

Money Follows the Person Demonstration Grant Maintenance of Effort – Long-Term Care Services		
Fiscal Year	% of Long Term-Care Institutional Expenditures	% of Long-Term Care HCBS Expenditures
2005	51.4%	48.6%
2006	51.4%	48.6%
2007	-----	-----
2008	-----	-----
2009	-----	-----
2010	-----	-----
2011	-----	-----

Only fill in cells that are blank and available. Other cells will be filled-in in future years. Data should correspond to detailed MOE chart that will be posted on Oct 23.

Attachment 5: Project Profile
REQUIRED ATTACHMENTS (Final Version)
Money Follows the Person
State Profile and Summary of Project

Name of State: Texas

Primary Contact Name and Title: Marc Gold, Promoting Independence Initiative Director

Year of Demonstration: 2007 (submit a separate form for each year the State purposes to transition individuals)

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: _____ (fill in)
Estimated number of individuals to be transitioned	0	0	0	0	0
Statewide (SW) or Not Statewide (NSW)	N/A	N/A	N/A	N/A	N/A
Qualified Institutional Settings*	N/A	N/A	N/A	N/A	N/A
Qualified Community Settings**	N/A	N/A	N/A	N/A	N/A
Qualified HCB Services	N/A	N/A	N/A	N/A	N/A

HCB Demonstration Services	N/A	N/A	N/A	N/A	N/A
Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: _____ _____ (fill in)
Supplemental Demonstration Services	N/A	N/A	N/A	N/A	N/A

* Please indicate one or more from the list. Do not list names of actual facilities. **a).** Hospital; **b).** Nursing Home; **c).** ICF/MR; **d).** IMDs)

** Please indicate if participants are moving to: **a).** Homes owned or leased by the individual or the individual’s family member; **b).** Apartment with individual leases, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or individual’s family has domain and control; **c).** Residences, in a community-based residential setting, in which no more than four unrelated individuals reside.

Name of State: Texas

Primary Contact Name and Title: Marc Gold, Promoting Independence Initiative Director

Year of Demonstration: 2008 (submit a separate form for each year the State purposes to transition individuals)

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: <u>Mental Illness and a co-occurring substance related disorder</u> (fill in)
Estimated number of individuals to be transitioned	195	204	105	40	10
Statewide (SW) or Not Statewide (NSW)	SW	SW	SW	NSW	NSW
Qualified Institutional Settings*	b.	c.	b.	b.	b.
Qualified Community Settings**	a., b., and c.	a., b., and c.	a., b., and c	a., b., and c.	a., b., and c.
Qualified HCB Services	1915 (c) waiver	1915 (c) waiver	1915 (c)	1915 (c) and State Plan	1915 (c) waiver and State Plan
HCB Demonstration Services	Relocation Specialists	None	Relocation Specialists	Relocation Specialists, Cognitive Adaptive Training, & Substance Abuse Counseling	Relocation Specialists, Cognitive Adaptive Training, and Substance Abuse Counseling

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: <u>Mental Illness and a co-occurring substance related disorder</u> _____ (fill in)
Supplemental Demonstration Services	None	None	None	None	None

* Please indicate one or more from the list. Do not list names of actual facilities. **a).** Hospital; **b).** Nursing Home; **c).** ICF/MR; **d).** IMDs)

** Please indicate if participants are moving to: **a).** Homes owned or leased by the individual or the individual’s family member; **b).** Apartment with individual leases, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or individual’s family has domain and control; **c).** Residences, in a community-based residential setting, in which no more than four unrelated individuals reside.

Name of State: Texas

Primary Contact Name and Title: Marc Gold, Promoting Independence Initiative Director

Year of Demonstration: 2009 (submit a separate form for each year the State purposes to transition individuals)

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: ___Mental Illness and a co-occurring substance related disorder_____ (fill in)
Estimated number of individuals to be transitioned	195	337	105	40	10
Statewide (SW) or Not Statewide (NSW)	SW	SW	SW	NSW	NSW
Qualified Institutional Settings*	b.	c.	b.	b.	b.
Qualified Community Settings**	a., b., and c.	a., b., and c.	a., b., and c	a., b., and c.	a., b., and c.
Qualified HCB Services	1915 (c) waiver	1915 (c) waiver	1915 (c)	1915 (c) and State Plan	1915 (c) waiver and State Plan
HCB Demonstration Services	Relocation Specialists	None	Relocation Specialists	Relocation Specialists, Cognitive Adaptive Training, & Substance Abuse Counseling	Relocation Specialists, Cognitive Adaptive Training, and Substance Abuse Counseling
Populations to be	Elderly	Mental	Physical	Mental	Dual Diagnosis:

transitioned (unduplicated count)		Retardation/ Developmental Disability (MR/DD)	Disability (PD)	Illness (MI)	<u>Mental Illness and a co-occurring substance related disorder</u> (fill in)
Supplemental Demonstration Services	None	None	None	None	None

* Please indicate one or more from the list. Do not list names of actual facilities. **a).** Hospital; **b).** Nursing Home; **c).** ICF/MR; **d).** IMDs)

** Please indicate if participants are moving to: **a).** Homes owned or leased by the individual or the individual's family member; **b).** Apartment with individual leases, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or individual's family has domain and control; **c).** Residences, in a community-based residential setting, in which no more than four unrelated individuals reside.

Name of State: Texas

Primary Contact Name and Title: Marc Gold, Promoting Independence Initiative Director

Year of Demonstration: 2010 (submit a separate form for each year the State purposes to transition individuals)

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: <u>Mental Illness and a co-occurring substance related disorder</u> (fill in)
Estimated number of individuals to be transitioned	195	337	105	40	10
Statewide (SW) or Not Statewide (NSW)	SW	SW	SW	NSW	NSW
Qualified Institutional Settings*	b.	c.	b.	b.	b.
Qualified Community Settings**	a., b., and c.	a., b., and c.	a., b., and c	a., b., and c.	a., b., and c.
Qualified HCB Services	1915 (c) waiver	1915 (c) waiver	1915 (c) waiver	1915 (c) waiver and State Plan	1915 (c) waiver and State Plan
HCB Demonstration Services	Relocation Specialists	None	Relocation Specialists	Relocation Specialists, Cognitive Adaptive Training, & Substance Abuse Counseling	Relocation Specialists, Cognitive Adaptive Training, and Substance Abuse Counseling

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: <u> Mental Illness and a co-occurring substance related disorder </u> (fill in)
Supplemental Demonstration Services	None	None	None	None	None

* Please indicate one or more from the list. Do not list names of actual facilities. **a).** Hospital; **b).** Nursing Home; **c).** ICF/MR; **d).** IMDs)

** Please indicate if participants are moving to: **a).** Homes owned or leased by the individual or the individual’s family member; **b).** Apartment with individual leases, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or individual’s family has domain and control; **c).** Residences, in a community-based residential setting, in which no more than four unrelated individuals reside.

Name of State: Texas

Primary Contact Name and Title: Promoting Independence Initiative Director

Year of Demonstration: 2011 (submit a separate form for each year the State purposes to transition individuals)

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: <u>Mental Illness and a co-occurring substance related disorder</u> (fill in)
Estimated number of individuals to be transitioned	195	338	105	40	10
Statewide (SW) or Not Statewide (NSW)	SW	SW	SW	NSW	NSW
Qualified Institutional Settings*	b.	c.	b.	b.	b.
Qualified Community Settings**	a., b., and c.	a., b., and c.	a., b., and c	a., b., and c.	a., b., and c.
Qualified HCB Services	1915 (c) waiver	1915 (c) waiver	1915 (c)	1915 (c) and State Plan	1915 (c) waiver and State Plan
HCB Demonstration Services	Relocation Specialists	None	Relocation Specialists	Relocation Specialists, Cognitive Adaptive Training, & Substance Abuse Counseling	Relocation Specialists, Cognitive Adaptive Training, and Substance Abuse Counseling

Populations to be transitioned (unduplicated count)	Elderly	Mental Retardation/ Developmental Disability (MR/DD)	Physical Disability (PD)	Mental Illness (MI)	Dual Diagnosis: <u>Mental Illness and a co-occurring substance related disorder</u> _____ (fill in)
Supplemental Demonstration Services	None	None	None	None	None

* Please indicate one or more from the list. Do not list names of actual facilities. **a).** Hospital; **b).** Nursing Home; **c).** ICF/MR; **d).** IMDs)

** Please indicate if participants are moving to: **a).** Homes owned or leased by the individual or the individual’s family member; **b).** Apartment with individual leases, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or individual’s family has domain and control; **c).** Residences, in a community-based residential setting, in which no more than four unrelated individuals reside.

Appendix A: Executive Orders and Legislation

Governor's Office

Governor Rick Perry, like Governor George W. Bush before him, has actively supported self-directed services and community integration in long-term services and supports. In particular, the Governor's Office issued Executive Orders GWB 99-2 and RP 13 concerning the Texas Promoting Independence initiative, the state's response to the *Olmstead* decision. The Texas Promoting Independence initiative is one of the earliest and most comprehensive responses to *Olmstead* of any state.

In Executive Order RP 42, Governor Perry laid out plans for a comprehensive response to the aging of the Texas population. The Aging Texas Well initiative helps ensure that Texans prepare individually for aging in all aspects of life and that state and local infrastructure—laws, policies, and services—support aging well throughout the lifespan. DADS is the lead agency for this initiative, which helps ensure that long term services and supports are seen as part of the overall community infrastructure supporting older Texans.

Governor Perry has supported continued and expanded funding for community-based services and the various legislative initiatives in support of system transformation that are described below. In managing the consolidation of the Health and Human Services (HHS) system under H.B. 2292, he provided direction on the restructuring of the agencies, including the establishment of a focus for people needing long-term services and supports. Most recently, Governor Perry approved the appointment of Adelaide Horn as Commissioner of DADS. Ms. Horn, an experienced state administrator, has a long history of leadership in the transformation of Texas long-term services and supports, overseeing quality initiatives, the development of community-based services, and the Promoting Independence initiative. She is the recipient of the Texas Association on Mental Retardation's 1999 Leadership Award, and the Coalition of Texans with Disabilities, 2004 Public Servant of the Year Call to Action award.

A letter of support from the governor is in Appendix B. Texas does not have a separate state budget office and budget director.

Legislative Officials

In Texas, the state constitution, laws, and tradition place a large degree of budget and policy initiative in the legislature. The legislature has supported steadily increasing funding for home and community-based services for more than 25 years. In the late 1970s, legislative studies on the cost effectiveness of "alternative care" for people at risk of entering a nursing facility led to the establishment of Texas' extensive community-based services under Medicaid entitlement.

Beginning in 1986, the legislature approved the funding of seven Medicaid waiver programs serving people with a range of disabilities. In 2001, the legislature set a basic direction for the system of long-term services and supports with passage of S.B. 367. This bill establishes the Interagency Task Force on Appropriate Care Settings for Persons with Disabilities, which carried on the work of the Promoting Independence Advisory Committee and requires that the HHSC update the Promoting Independence Plan and submit it to the governor and the legislature.

Legislative leadership has continued its consistent support for systems transformation with the following actions over the last several biennia:

2001

S.B. 367 Directed HHSC and appropriate HHS agencies to provide services and supports to aid persons with disabilities to live in their home community.

Rider 37 Legacy Texas Department of Human Services (TDHS) Appropriations established the Money Follows the Person policy by transferring funds to community-based programs when an individual leaves a nursing facility to live in the community with the assistance of community-based services.

H.B. 966 Directed HHSC to study ways to allow appropriated money to follow an individual who is leaving institutional care and will need community-based services.

S.B. 368 Required HHSC and other appropriate HHS agencies to develop uniform procedures regarding a permanency plan for each child with a developmental disability residing in an institution in Texas.

H.B. 1478 Established the HHSC Children's Policy Council to study and make recommendations for long-term services and support for children.

H.B. 1154 Authorized HHSC to make grants to community-based organizations to provide support for long-term services and supports, including use of the Internet and related information technologies to provide referral services, other information regarding local long-term services and supports, and needs assessment.

S.B. 908 Directed expansion of the Program for All-inclusive Care for the Elderly (PACE), which includes the spectrum of care from community based to nursing facility, through a phased approach to a completed statewide implementation.

2002

Executive Order RP 13 Provided further guidance to the Promoting Independence initiative, including new direction that would ensure accessible, affordable, and integrated housing, employment of persons with disability, and permanency planning and family based alternatives.

Executive Order RP 13 Directed TDMHMR (now part of DADS) to implement the Texas Medicaid Home Living waiver to provide a less intensive and costly set of community-based services for persons with mental retardation

2003

S.B. 153 Created the Consumer Directed Services Workgroup that recommended continued expansion of the consumer-directed service option.

Rider 28 to TDHS Appropriations directed the transfer of funds when an individual relocates from a nursing facility to community services.

Rider 37 to TDHS Appropriations required that the people using TDHS Rider 28 services will remain funded separately and the slots would not count against the total appropriated waiver slots. It also required that the Rider 28 funding would be maintained for those individuals as long as they remain in the transferred slot.

Rider 13 to TDHS Appropriations allowed the HHSC Executive Commissioner, with approval of the Legislative Budget Board, to transfer funds to Promoting Independence activities.

2005

H.B. 1867 Placed the Money Follows the Person policy for nursing facility residents in permanent statute.

Rider 46 to DADS Appropriations allows DADS to transfer funds from ICFs/MR to community services for children wanting to transfer, and to decertify ICF/MR beds.

S.B. 40 Furthered the development of permanency planning by reducing potential conflicts of interest in the planning process.

Executive Order RP 42 Directed analysis of the readiness of state government and local communities for an aging population, including analysis of such areas as caregiving and the aging of persons with mental retardation and developmental disabilities.

S.B. 1188 Directed HHSC to evaluate the need for expanding the provider base for self-directed supports to other types of organizations such as Centers for Independent Living and Area Agencies on Aging.

2005

H.B. 1867 codified the MFP Initiative.

Rider 46 program allows up to 50 children in community ICFs/MR to transition to waivers (bypassing the interest list process) during the 2006-07 biennium.

Rider 54 provides HCS waiver services to children who age out of foster care so that they are not placed in an institution. Referrals are made to this program by the Texas Department of Family and Protective Services, which is the child welfare agency.

Appendix B: Descriptions of HCB Programs

Following are brief descriptions of each of Texas community-based programs, plus descriptions of three managed care systems.

State Plan Entitlement services—All are available statewide.

Primary Home Care (PHC)—Any age, with SSI-level income and resources, medical problem that limits activities of daily living. Provides non-technical, personal care such as assistance with bathing, dressing, preparing meals, housekeeping and shopping.

Day Activity and Health Services (DAHS)—Any age, with SSI-level income and resources, physician's order requiring care or supervision by a nurse. Licensed adult day-care facilities provide daytime services five days a week under the supervision of a licensed nurse.

Community Assistance Services (CAS)—Any age, income up to three times SSI, resources up to \$2000 (same as nursing facility and waiver services). Same functional requirements and services as PHC. Unique to Texas; authorized by SSA§1929(b) (Frail Elderly). CAS recipients receive no other regular Medicaid services. Many participate in Medicare Savings Programs, most qualify for reduced-cost Medicare drug coverage.

1915(c) Waivers—All are available statewide except the Community Living Assistance and Support services (CLASS) and the Consolidated Waiver Program (CWP).

Community Based Alternatives (CBA)—Any age over 21, financial eligibility and medical need same as nursing facility (NF). In-home therapy, adaptive aids, medical supplies, minor home modifications, personal assistance, meals, emergency response, case management and transition assistance. May also cover assisted living, foster or residential and respite care. Costs limited to the cost of NF care.

Medically Dependent Children's Program (MDCP)— Under 22 years, Medicaid eligible with medical need same as nursing facilities. Supplements services generally available to Medicaid-eligible children with case management, adaptive aids, adjunct support services, minor home modifications, respite, and transition assistance. Costs limited to 63% of nursing facility care.

Home and Community-based Services (HCS)—Any age, need for ICF-MR services, income up to 300% of SSI. Services in own or family home, foster care, companion care or a residence with up to three others with similar services. Includes case management, residential assistance, supported employment, day habilitation, respite, dental, adaptive aides, minor home modifications and therapies. Costs limited to 125% of ICF-MR costs.

Community Living Assistance & Support Services (CLASS)—Any age, need for ICF-MR services due to a related condition, income up to 300% of SSI. Services in own or family home, or a residence with up to three others. Includes adaptive aids and medical supplies, case management, consumer directed services, habilitation, minor home modifications, nursing and therapies. Costs limited to 125% of ICF-MR costs. Limited to the specific counties.

Deaf-blind with Multiple Disabilities (DBMD)—Over 18, need for ICF-MR services, deaf-blind with another disability, income up to 300% of SSI. Services in own or family home or in small group homes. Includes adaptive aids and medical supplies, assisted living, case

management, chore services, nursing, therapies, specialized services, and transition assistance. Costs limited to 115% of ICF-MR costs.

Texas Home Living (TxHmL)—Any age, need for ICF-MR services, at the lower ICF/MR level of need, Medicaid eligible, income up to 300% of SSI. Services in own or family home, includes community support, day habilitation, employment assistance, supported employment and respite services, nursing, behavioral support, adaptive aids, minor home modifications, dental treatment and specialized therapies. Costs limited to \$10,000 annually.

Consolidated Waiver Program (CWP)—Pilot, limited to Bexar County (San Antonio). Any age; on the interest list for CBA, CLASS, DBMD, HCS or MDCP; income up to 300% of SSI, need for NF or ICF-MR services. Provides any of the waiver services above, with a single access system. Costs limited to 125% of ICF-MR or 150% of nursing facility costs.

Managed Care—Texas has three models of managed care that combine acute care with long-term services and supports. One has been operating in a single county since 2001, and will expand in January 2007. The other will be implemented in July 2007. Managed care is mandatory for SSI adults in the service area and optional for SSI children. Persons in ICFs-MR, nursing facilities or waivers other than CBA are excluded. Persons on CBA are included, regardless of income. When fully implemented, the expanded managed care programs will serve about 40% of Texans who are aging and/or have physical disabilities who receive Medicaid long term services and supports in the community. The two models are:

STAR+PLUS—A capitated model of managed care that currently serves people in Houston, and will expand to its rural areas and to multi-county urban service urban areas including San Antonio, Corpus Christi and Austin.

Integrated Care Management (ICM)—**Integrated Care Management (ICM)**—A non-capitated managed care system designed to integrated acute care and long term services and supports for SSI and SSI-related Medicaid clients. The ICM contractor will face strong incentives to reduce inpatient hospital and nursing facility costs, and to meet quality performance standards. ICM will serve a multi-county area surrounding the Dallas and Fort Worth area.

NorthSTAR Behavioral Health Program — A comprehensive array of behavioral health services to indigent and Medicaid-eligible populations in Dallas and surrounding counties through a public/private provider network.

Appendix C: Medicaid Program Budgets By State Fiscal Year

Expenditures By Medicaid Program by State Fiscal Year

Program	Expended 2005	Estimated 2006	Budgeted 2007*
PHC	\$459,641,627	\$481,608,537	\$384,800,570
CAS	\$324,019,248	\$329,932,359	\$317,365,979
DAHS	\$101,497,302	\$108,255,346	\$92,538,241
Managed Care (Entitlement)	\$81,394,532	\$92,596,179	\$187,264,017
Total Entitlement	\$966,552,709	\$1,012,392,421	\$981,968,807
CBA	\$398,015,503	\$405,242,151	\$369,050,191
HCS	\$345,605,948	\$397,245,158	\$419,411,093
CLASS	\$64,414,206	\$72,499,482	\$110,143,160
DBMD	\$6,057,134	\$6,092,418	\$7,240,326
MDCP	\$16,118,257	\$16,768,587	\$37,902,093
CWP	\$3,545,567	\$3,249,085	\$3,931,700
TxHmL	\$5,893,064	\$10,450,442	\$12,113,469
MFP	\$54,148,642	\$76,044,106	\$75,158,532
Managed Care (Waiver)	\$56,316,031	\$55,381,161	\$106,778,401
PACE	\$23,214,370	\$25,613,573	\$27,142,249
Total Waiver	\$973,328,722	\$1,068,586,163	\$1,168,871,214
Total Community	<u>\$1,939,881,431</u>	<u>\$2,080,978,584</u>	<u>\$2,150,840,021</u>
Nursing Facility	\$1,611,878,798	\$1,735,592,958	\$1,652,239,542
Medicare skilled	\$106,677,656	\$118,384,967	\$117,337,620
Hospice	\$118,334,773	\$145,657,264	\$149,797,101
ICF-MR	\$352,136,829	\$335,499,997	\$317,799,101
State Mental Retardation Facility	\$407,723,545	\$442,357,144	\$458,397,793
Total Institutional	<u>\$2,596,751,601</u>	<u>\$2,777,492,330</u>	<u>\$2,695,571,157</u>
Total Medicaid LTSS	<u>\$4,536,633,032</u>	<u>\$4,858,470,914</u>	<u>\$4,846,411,178</u>

Persons served by Medicaid Program by State Fiscal Year

Program	Expended 2005	Estimated 2006	Budgeted 2007*
PHC	62,069	64,373	55,957
CAS	44,928	44,747	46,663
DAHS	18,033	18,806	17,338
Managed Care Entitlement	8,927	8,864	21,734
Total Entitlement	<u>133,957</u>	<u>136,790</u>	<u>141,692</u>
CBA	25,412	26,163	26,156
HCS	9,040	10,288	11,660
CLASS	1,790	2,003	3,274
DBMD	135	130	154
MDCP	988	1,059	2,254
CWP	178	167	199
TxHmL	1,482	1,924	2,163
MFP	3,467	4,927	5,147
Managed Care (waiver)	3,209	3,015	6,300
PACE	825	908	972
Total Waiver	46,526	50,584	58,279
Total Community	<u>180,483</u>	<u>187,374</u>	<u>199,971</u>

Notes: FY 2005 expenditures do not tie to Maintenance of Effort amount because the MOE amount includes expenditures from other programs not included in this chart and 2007 represents an 11-month year.

Appendix D: Copy of Survey and List of participants
Money Follows the Person Survey

1. Part 1

The Deficit Reduction Act of 2005 includes provisions for enhanced or extra funding to support transitional services and activities. The grant gives Texas an opportunity to assist more individuals who want to move from institutional to community services.

For each of the following groups, please tell us: what changes to policies, practices, or additional post-transitional services are necessary to assist the following groups of people to transition from institutions to the community:

1. People living in large or medium intermediate care facilities for persons with mental retardation (ICFs/MR).

2. People living in nursing facilities who are elderly and have physical disabilities.

3. Adults under 65 with physical disabilities living in nursing facilities.

4. Adults in nursing facilities who have major mental illnesses.

5. Individuals with cognitive disabilities living in a nursing facility.

6. Any other group that you think could be better served by an MFP program.

7. If you wish, please tell us your name or the name of your organization.

Thank you for your input. If you would like to continue providing input in the 33 questions that follow, please click below.

Yes, I'll answer more No thanks, I'm done



2. Part 2 - Element 1

As part of the grant announcement for the MFP funds, the grant solicitation included a description of eleven “Elements of a System in Which Money Can Follow the Person”. The following questions explore each of those elements in greater detail. Please answer as many of the questions as you can, but feel free to skip those about which you don’t have information.

Element 1: Trusted, Visible, and Reliable System for Accessing Information and Services.

People in need of long-term services and supports need to know where to go to find them, know that they have choices, and be able to find their way through the system to the services they need.

8. In Texas, what are the greatest strengths of the access and information system?

9. What are the greatest weaknesses?

10. Overall, how would you rate Texas’ access and information system?

Excellent



Good



Fair



Poor



Very Poor



Don't Know



3. Part 2 - Element 2

Element 2: Screening, Identifying, and Assessing Persons Who Are Candidates for Transitioning to the Community

Before people can move back to the community, they must be identified, assessed, and a viable plan of care developed.

11. In Texas, what are the greatest strengths of the existing tools for screening and assessing individuals, and supporting transitions?

12. What are the greatest weaknesses?

13. Overall, how would you rate Texas' system for screening and assessing individuals, and supporting transitions?

Excellent



Good



Fair



Poor



Very Poor



Don't Know



4. Part 2 - Element 3

Element 3: Mechanisms for Flexible Financing

Flexible financing is an important key to balancing State long-term support systems. Global budget strategies (sometimes called pooled financing) and budget transfer strategies can allow "money to follow the person."

14. Do you believe Texas has flexible funding?

15. In Texas, what are the greatest strengths of the tools for flexible financing?

16. What are the greatest weaknesses?

17. Overall, how would you rate Texas' system for flexible financing?

Excellent Good Fair Poor Very Poor Don't Know
     

5. Part 2 - Element 4

Element 4: Available and Accessible Supportive Services

In order to transition individuals to the community from an institution, individuals may encounter many special needs during the first year after transition. These include housing, transportation, social services such as home delivered meals and food stamps, recreational activities, home modifications and durable medical equipment.

18. In Texas, what are the greatest strengths of the tools for supportive services in the community?

19. What are the greatest weaknesses?

20. Overall, how would you rate Texas' system for supportive services in the community?

Excellent Good Fair Poor Very Poor Don't Know
     

6. Part 2 - Element 5

Element 5: Community Workforce

Persons receiving services in the community need access to direct care workers and informal care givers, who provide most of the long term services to persons of all ages with disabilities.

21. In Texas, what are the greatest strengths of the system in supporting direct care workers and informal caregivers?

22. What are the greatest weaknesses?

23. Overall, how would you rate Texas' system in supporting direct care workers and informal caregivers?

Excellent



Good



Fair



Poor



Very Poor



Don't Know



7. Part 2 - Element 6

Element 6: Self-Directed Services

Self-direction of Medicaid services means that the participant (or representative) has the decision making authority over some or all of his/her services and takes responsibility for taking the direct role in managing them with the assistance of needed supports.

24. In Texas, what are the greatest strengths of the system in supporting self-directed services?

25. What are the greatest weaknesses?

26. Overall, how would you rate Texas' system in supporting self-directed services?

Excellent



Good



Fair



Poor



Very Poor



Don't Know



8. Part 2 - Element 7

Element 7: Transition Coordinators

Moving to the community requires coordination and timing to ensure that all the supports and services are in place. Special casework support or transition contractors may be needed.

27. In Texas, what are the greatest strengths of the system in providing transitional services?

28. What are the greatest weaknesses?

29. Overall, how would you rate Texas' system in providing transitional services?

Excellent



Good



Fair



Poor



Very Poor



Don't Know



9. Part 2 - Element 8

Element 8: Quality Management

An MFP demonstration must have a comprehensive and integrated quality management strategy. Such a strategy helps assure that the long-term services and supports system operates as designed and that the critical processes of discovery, remediation, and systems improvement occur in a structured and routine manner.

30. In Texas, what are the greatest strengths of the quality management system?

31. What are the greatest weaknesses?

32. Overall, how would you rate Texas' quality management system?

Excellent Good Fair Poor Very Poor Don't Know

10. Part 2 - Element 9

Element 9: Health Information Technology (HIT)
Health information technology can support the long term services and supports system by supporting access to services, tracking individuals, flexible financing and other functions. It can include a data warehouse and systems that accommodate the business needs of various organizations.

33. In Texas, what are the greatest strengths of the health information technology system?

34. What are the greatest weaknesses?

35. Overall, how would you rate Texas' health information technology system?

Excellent Good Fair Poor Very Poor Don't Know

11. Part 2 - Element 10

Element 10: Cultural Competence

Long term services and supports should be provided in a manner that is compatible with the cultural health beliefs and practices and the preferred language of the participant. CMS recommends that States should engage in ongoing assessment and quality improvement activities related to cultural and linguistic competency.

36. In Texas, what are the greatest strengths of the system with respect to cultural competence?

37. What are the greatest weaknesses?

38. Overall, how would you rate Texas' system with respect to cultural competence?

Excellent Good Fair Poor Very Poor Don't Know

12. Part 2 - Element 11

Element 11: Interagency and Public/Private Collaboration

To create a successful MFP program, states must enlist the support of and collaboration with other agencies, private entities, consumer and advocacy organizations, and the institutional provider community.

39. In Texas, what are the greatest strengths of the system with respect to collaboration?

40. What are the greatest weaknesses?

41. Overall, how would you rate Texas' system with respect to collaboration?

Excellent



Good



Fair



Poor



Very Poor



Don't Know



Participants included:

Members of Promoting Independence Advisory Committee

Major statewide stakeholders

Any other persons who attended the August 18 stakeholder meeting

Major mental health stakeholders identified by Department of State Health Services

Placement coordinators from State Mental Retardation Facilities (who help residents move to the community under the Promoting Independence slots)

Relocation contractors

Department of Aging and Disability Services case managers who have more than the usual experience helping people move out of nursing facilities

Centers for Independent Living

Appendix E: Letters of Support

Letters of Support have been received from the following and are submitted as PDF attachments to this grant proposal:

State of Texas Elected Officials

Office of Governor, State of Texas
House of Representatives, State of Texas
Office of Lieutenant Governor, State of Texas

State Agency Partners

Texas Department of Aging and Disability Services
Texas Department of Housing and Community Affairs
Texas Department of State Health Services

Other State Agencies

Texas Council for Developmental Disabilities
Texas Department of Assistive and Rehabilitative Services

Community Based Organizations

AARP Texas
Advocacy, Incorporated
Advocates for Human Potential, Incorporated
ARCIL, Incorporated
Coalition of Texans with Disabilities
Coastal Bend Center for Independent Living
Every Child, Incorporated
LIFE/RUN Center for Independent Living
Personal Attendant Coalition of Texas
Private Providers Association of Texas
Texas Assisted Living Association
Texas Association for Home Care
Texas Association of Centers for Independent Living, Incorporated
Texas Association of Homes and Services for the Aging
Texas State Independent Living Council
Texas Traumatic Brain Injury Advisory Council
The ADAPT of Texas Community

The Arc of Texas

The Center for Disability Policy Studies at The University of Texas at Austin

The Institute for Disability Access

The Texas Advocates

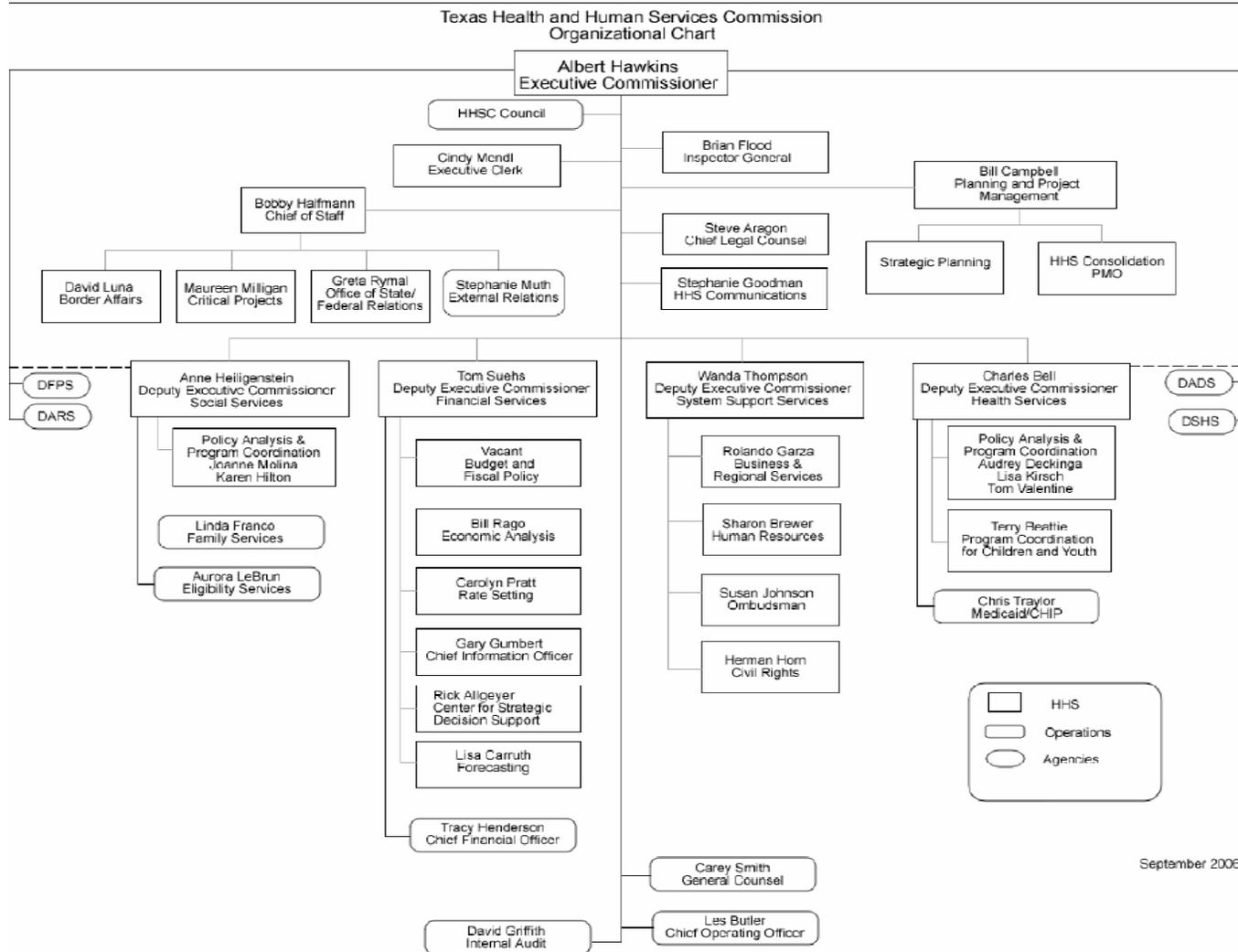
The Texas Council of Community Mental Health and Mental Retardation Centers,
Incorporated

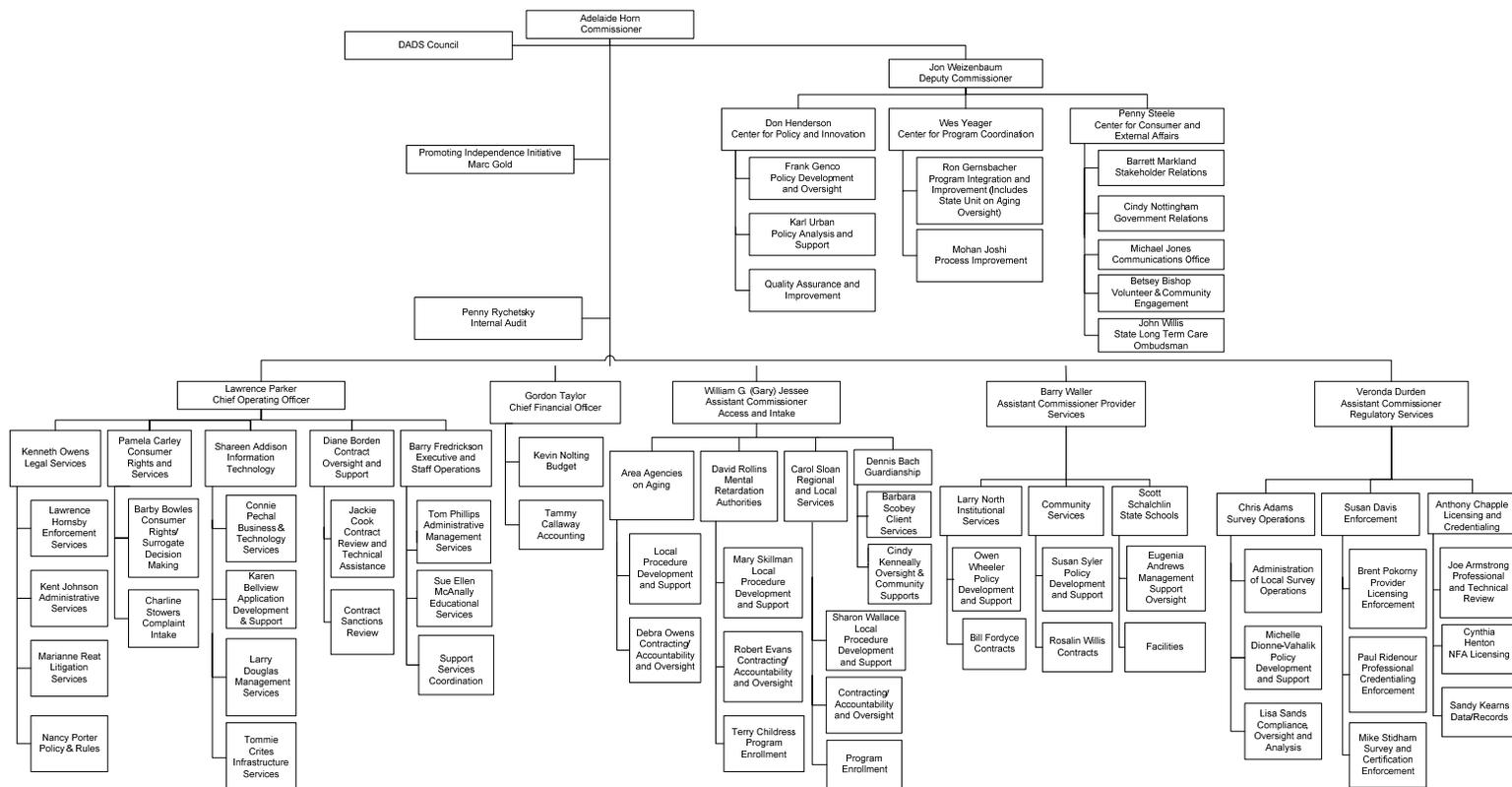
The Texas Senior Advocacy Coalition

The Texas Silver-Haired Legislature

United Cerebral Palsy of Texas

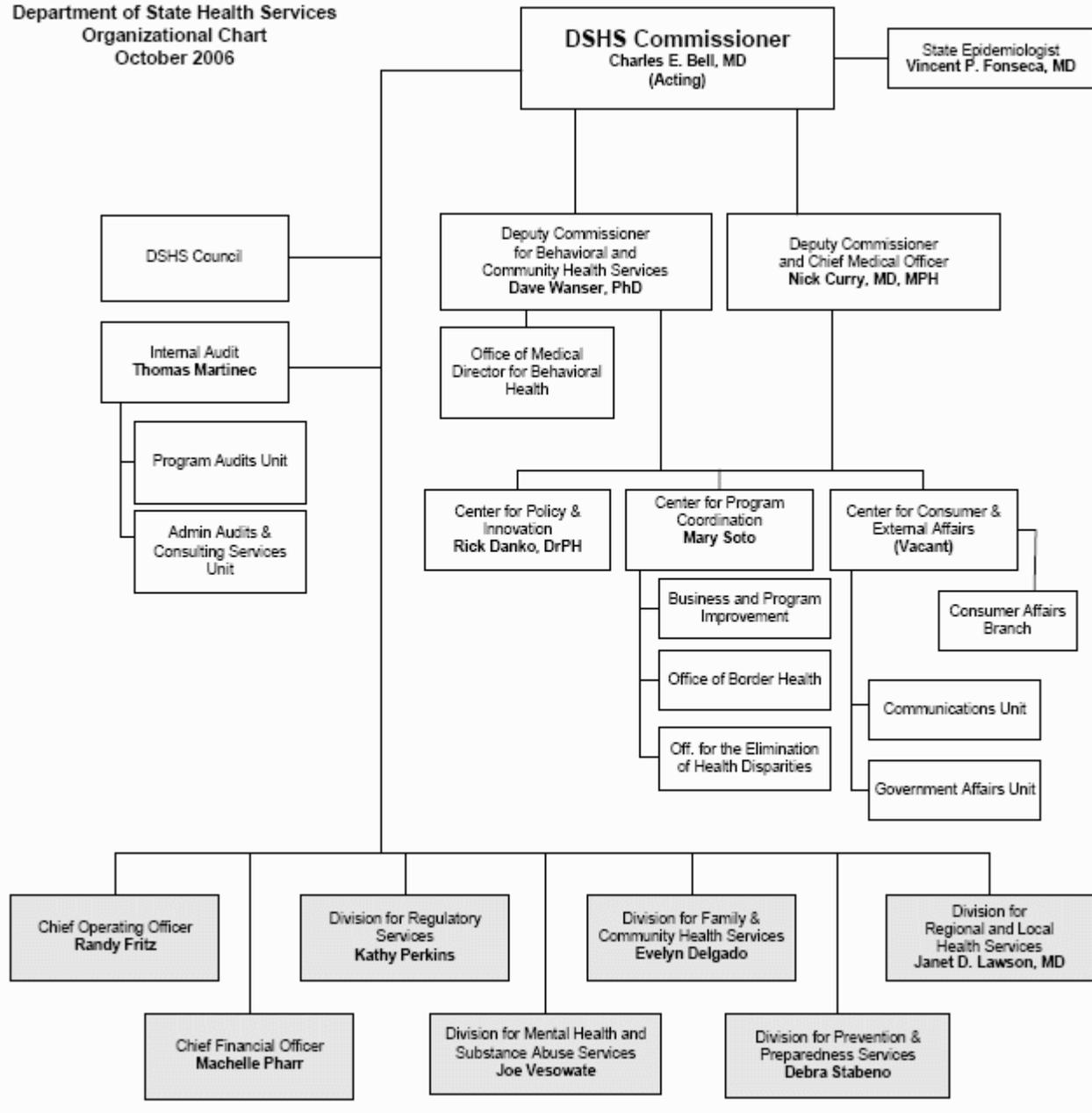
Appendix F: Agency and Unit Organizational Charts





**Department of Aging and Disability Services
Organizational Chart
August 10, 2006**

Department of State Health Services
Organizational Chart
October 2006



Appendix G: Supporting Budget Documents

See attached worksheets of the following:

1. Five year Budget Summary Grant Request
2. Administrative Budget
3. Nursing Facility Transition Budget
4. ICF/MR Transition Budget
5. Promoting Independence Transition Budget
6. Demonstration Services Budget

Appendix H: Sample of Routine Scheduled Stakeholder Meetings

DADS Council Meetings

January 26, May 3, August 9

Promoting Independence Advisory Committee meetings

January 26, April 20, July 12, October 19

PIAC publishes Annual Stakeholder Report and biennial Promoting Independence Plan

DADS Strategic Plan Hearings (held in 8 Texas cities)

April 19, 25, 26, May 2, 10, 16, 17, 18

DADS Legislative Appropriation Request Hearings

April 20 (Austin)

May 4 (video conference with participants from 9 Texas cities)

Service Delivery System Design Project (formal process for stakeholders to recommend quality improvements and efficiencies related to DADS services and programs)

November 21, December 1, 16, 2005

January 9, 10, 17, 30, 31, February 7, 13, 16, 23, 2006

Quarterly Stakeholder Interest Lists meetings (venue to release updated interest list data and forum of discussion of such)

February 6, May 9, August 18

Quarterly Provider meetings with Industry representatives (forum to focus staff on provider issues)

CBA/Home Health (TAHC) February 27, May 31, October 4

DAHS providers (ADCAT) December 1, January 9 & 10, February 7, 13, & 23, April 19, July 12

ICF/MR providers (PPAT)

ADRC Grant Stakeholder Advisory board

March 9, March 27, April 7, July 6

MFP Real Choice Grant Task Force: February 9, September 28

Grant activity in 2006: Two day MFP statewide conference: 175 participants

CMS Navigator Grant forum : March 8

Consumer Directed Services meetings CDS and SRO advisory committee meetings

February 15, April 5, June 6

Autism Council: January 20 and 27, March 23 and 24, May 11 and 12, and September 7 and 8.

Appendix I: Quality Management Matrix

Quality Focus Area 1 – Level of Care and Participant Access				
Desired Outcome: Individuals have access to home and community-based services and supports in their community.				
Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
MFP Provider	Assurance 1.1	An evaluation of level of care (LOC) is provided to all applicants for whom there is a reasonable indication that services may be needed in the future.	Percent of LOC's completed.	LTC Portal – Monthly Report.
MFP Provider	Assurance 1.2	Enrolled participants are reevaluated at least annually or as specified in its approved waiver.	Percent of LOC's that are Completed.	LTC Portal – Monthly Report.
MFP Provider	Assurance 1.3	The process and instruments described in the approved waiver are applied to determine LOC.	Percent of time the Assessment Form as prescribed for the program is used to determine LOC.	LTC Portal – Monthly Report.
MFP Provider	Assurance 1.4	The state monitors level of care decisions and takes action to address inappropriate level of care determinations.	Percent of LOC found to be incorrect.	LTC Portal – Monthly Report. DADS' monitoring of MFP Provider – Annual.
MFP Provider	Information and Referral	Participants and families can readily obtain information concerning the availability of services, how to apply and, if desired, offered a referral.	Number of participants provided a service referral.	DADS survey to random sample of individuals and families – Annual
MFP Provider	User Friendly Process	Intake and eligibility determination processes are understandable and user friendly.	Percent of participants who felt the determination process was understandable and user friendly.	Survey to random sample of individuals and families.
MFP Provider	Referral to Community Resources	Applicants who need services but are not eligible for them are linked to other community resources.	Number of applicants determined not eligible for services are referred to other community resources.	Survey to random sample of individuals and families. MFP Provider reports to DADS – Quarterly.

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
MFP Provider	Individual Choice of Services	Each participant is given timely information about available services to exercise his or her choice in selecting between HCBS and institutional care services.	Amount of time between initial inquiry and date the Freedom of Choice document is signed.	DADS' monitoring of MFP Provider – Annual.
MFP Provider	Prompt Initiation	Services are initiated promptly when the applicant is determined eligible and selects services.	Percent of POC's that are initiated within the required timeframe.	LTC Portal – Monthly Report.

Quality Focus Area 2 – Plan of Care and Participant-Centered Service Planning				
Desired Outcome: Services and supports are planned and effectively implemented in accordance with each participant’s unique needs, expressed preferences and decisions concerning his/her life in the community.				
Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
MFP Provider DADS RS DADS A&I	Assurance 2.1	POC’s addresses all participant’s assessed needs (including health and safety risk factors) and personal goals, either by type of service or other means.	Percent of participant records evidencing that the service coordinator initiates, coordinates, and facilitates the person-directed planning process to meet the desires and needs as identified by the individual and LAR.	DADS’ monitoring of MFP Provider – Annual.
MFP Provider DADS RS DADS A&I	Assurance 2.2	The State monitors POC development in accordance with its policies and procedures and takes appropriate action when it identifies inadequacies in the development of POCs.	Percent of participants whose POC evidences development of the POC in accordance with State policy and procedure.	DADS’ monitoring of MFP Provider – Ongoing.
MFP Provider DADS RS DADS A&I	Assurance 2.3	POCs are updated/revised when warranted by changes in the waiver participant’s needs.	Percent of participant records evidencing updated/revised POC when individual needs warrant changes.	DADS’ monitoring of MFP Provider – Ongoing

MFP Provider DADS RS DADS A&I	Assurance 2.4	Services are specified by type, amount, duration, scope and frequency and are delivered in accordance with the POC.	Percent of POC's that provide all program components authorized in an individual's POC.	DADS' monitoring of MFP Provider – Annual.
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Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
MFP Provider DADS RS DADS A&I	Assurance 2.5	Participants are afforded choice: 1) between waiver services and institutional care and 2) between/among waiver services and providers.	MFP provider is the individual's or LAR's choice if that service provider is qualified. Amount of time between initial inquiry and date the Freedom of Choice document is signed.	DADS' monitoring of MFP Provider – Annual. QAI Experience Survey – Annual.
MFP Provider DADS RS DADS A&I	Participant Direction	Participants have the authority and are supported to direct and manage their own services to the extent they wish.	Percent of participants who are offered the ability to manage their own services. Percent of participants who choose to manage their own services.	DADS' monitoring of MFP Provider – Annual. QAI Data Mart – Monthly.
MFP Provider DADS RS DADS A&I	Ongoing Service and Support Coordination	Participants have continuous access to assistance as needed to obtain and coordinate services and promptly address issues encountered in community living.	Percent of participants who have had a POC revision due to changing needs.	LTC Portal – Monthly Report.
MFP Provider	Ongoing Monitoring	Regular, systematic and objective methods – including obtaining the participant's feedback – are used to monitor the participant's well being, health	Results of the QAI Experience Survey.	MQ Experience Survey – Annually.

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
DADS RS DADS A&I		status, and effectiveness of the service in enabling the individual to achieve his or her personal goals.		

Quality Focus Area 3 - Qualified Providers - Capacity and Capabilities

Desired Outcome: There are sufficient service providers and they possess and demonstrate the capability to effectively serve participants.

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
DADS RS	Assurance 3.1	The State verifies, on a periodic basis, that MFP providers meet required licensing and/or certification standards and adhere to other state standards.	Percent of program MFP providers that are qualified by licensing, certification, and state regulations.	Licensing Surveys - Routinely.
DADS A&I	Assurance 3.2	The State monitors non-licensed/non-certified MFP providers to assure adherence to waiver requirements.	Percent of MFP providers monitored within specified timeframes for adherence to program requirements.	Contract Monitoring – Routinely.
DADS RS DADS A&I	Assurance 3.3	The State identifies and rectifies situations where providers do not meet requirements.	Percent of MFP provider reviews resulting in corrective action to address non-compliance with requirements related to provider qualifications.	Contract Monitoring – Routinely. Licensing Surveys – Routinely.
DADS RS	Assurance 3.4	The state implements its policies and procedures for verifying that training is provided in accordance with state requirements and the approved program requirements.	Percent of reviews that include review of training information.	Licensing Surveys – Routinely.
DADS	Provider Networks and Availability	There are sufficient qualified providers to meet the needs of participants in their communities.	MFP provider actively recruits new providers as necessary.	DADS - Ongoing DADS Complaint Database.

Quality Focus Area 4 - Health and Welfare - Participant Safeguards

Desired Outcome: Participants are safe and secure in their homes and communities, taking into account their informed and expressed choices.

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
DADS RS DFPS MFP PROVIDER	Assurance 4.1	The state, on an ongoing basis, identifies and addresses and seeks to prevent instances of abuse, neglect and exploitation.	Percent of records with evidence personnel are trained and knowledgeable of acts constituting ANE, the requirements to report allegations of ANE, and methods to prevent ANE.	DADS monitoring of MFP PROVIDER – Annual. Licensing Surveys – Routinely. DFPS Reports on ANE – Monthly.
			Percent of MFP Providers that comply with the requirement to not employ service providers who are not eligible due to information contained within criminal history checks, the nurse-aide registry or the employee misconduct registry.	DADS monitoring of MFP PROVIDER – Annual. Contract Monitoring – Routinely.
			Percent of case records with evidence complaint procedures were provided to consumers.	MFP PROVIDER reports to DADS – Annual.
			Percent of participant records reviewed evidencing the participant or LAR was informed orally and in writing of the process for filing complaints about service coordination, service provisions, and complaints about ANE.	MFP PROVIDER complaint procedures are provided to consumers in writing and through oral interpretive services.

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
DADS RS	Restrictive Interventions	Restrictive interventions - including chemical and physical restraints - are only used as a last resort and subject to rigorous oversight.	Number of citations for restrictive interventions.	Licensing Surveys – Routinely.
DADS RS	Medication Management	Medications are managed effectively and appropriately.	Number of citations for inappropriate medications management.	Licensing Surveys – Routinely.
DADS RS	Natural Disasters and other Public Emergencies	There are sufficient safeguards in place to protect and support participants in the event of natural disasters or other public emergencies.	Number of citations for no emergency back-up plan.	Licensing Surveys – Routinely.

Quality Focus Area 7 - Administrative and Fiscal - System Performance				
Desired Outcome: The system supports participants efficiently and effectively and constantly strives to improve quality.				
Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
DADS	Assurance 7.1	The Medicaid agency or operating agency conducts routine, ongoing oversight of the waiver program.	<p>The operating agreement identifying policy-setting and oversight responsibilities is on file.</p> <p>The operating agreement is reviewed for updates.</p> <p>The operating agreement is current.</p> <p>The need to update operating agreements is identified.</p> <p>The operating agreement has been updated.</p> <p>DADS monitors implementation of the agreement to ensure the operating agency executes provisions.</p> <p>The operating agency reports the results of its monitoring activities to the State Medicaid Agency.</p>	<p>Review of operating agreements and monitoring activity reports by DADS.</p> <p>DADS submits the results of its monitoring oversight annually via the CMS 372 report.</p>

Quality Focus Area 7 - Administrative and Fiscal - System Performance				
Desired Outcome: The system supports participants efficiently and effectively and constantly strives to improve quality.				
Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
			The operating agency submits the results of its monitoring to the State Medicaid Agency annually via the CMS 372 report.	

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
DADS	Assurance 7.2	Consumer claims are coded and paid according to the MFP waiver reimbursement methodology.	Percent of correctly coded claims reimbursed according to reimbursement methodology.	Claims Management System – Routinely.
DADS	Assurance 7.3	Codes used to bill participant claims are appropriate for the service provided.	Percent of dollars reimbursed for services provided to a participant that are correctly coded.	Claims Management System – Routinely. DADS monitoring of MFP PROVIDER – Annual.
DADS RS DADS QAI DADS A&I	System Performance Appraisal	The service system promotes the effective and efficient provision of services and supports by engaging in a systematic data collection and analysis of program performance and impact.	Per Capita costs. Avoidable emergency room visits and hospitalizations, nursing home or ICF/MR admission rate. Mortality rate. Accurate prior authorization of services. Appropriate billing edits. Review of POC and actual service utilization. Desk billing audits. Random billing audits.	MFP PROVIDER review DADS Compliance Monitoring QAI Data Mart QAI – Experience Survey Annual

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
MFP PROVIDER DADS A&I DADS RS DADS QAI	Quality Improvement	There is a systemic approach to the continuous improvement of quality in the provision of services.	Per Capita costs. Avoidable emergency room visits and hospitalizations, nursing home or ICF/MR admission rate. Mortality rate. Accurate prior authorization of services. Appropriate billing edits. Review of POC and actual service utilization. Desk billing audits. Random billing audits.	MFP PROVIDER Reports DADS monitoring of MFP PROVIDER – Annual. DADS Compliance Monitoring - Routinely QAI Data Mart - Routinely QAI Experience Survey – Annual.
MFP PROVIDER DADS A&I DADS RS	Quality Improvement	There is a systemic approach to the continuous improvement of quality in the provision of services.	DADS with Annual Improvement Goals, performance measures and timeframes to demonstrate goals are being met. MFP PROVIDER meets semi-annually with DADS to review	DADS reviews and approves annual goals of MFP PROVIDER - Annual. DADS reviews progress towards goals and takes any necessary corrective action.

Responsible Entity	Focus Area	Quality Domain or Assurance	Quality Indicator	Discovery Method and Frequency of Measurement
DADS QAI			progress in achievement of annual goals.	– Routinely.
MFP PROVIDER DADS A&I DADS RS DADS QAI	Participant and Stakeholder Involvement	Participants and other stakeholders have an active role in program design, performance appraisal, and quality improvement activities.	Number of participant and/or stakeholder meetings to discuss design, performance, appraisal and quality improvement activities.	MFP PROVIDER Report and DADS Compliance Review – Routinely. DADS Virtual Quality Consortium
MFP PROVIDER DADS	Cultural Competency	The service system effectively supports participants of diverse cultural and ethnic backgrounds.	Services are available in all parts of Service Area regardless of ethnic background and with respect and dignity of culture.	MFP PROVIDER Report and DADS Compliance Review – Routinely.
DADS	Financial Integrity	Financial accountability is assured and payments are made promptly in accordance with program requirements.	Percent of payments made in error. Percent of payments made outside the required timeframe.	DADS – Monthly.