Functional Assessments for LTSS

Medicaid and CHIP Payment and Access Commission

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Overview

- Background
- Inventory results
- Policy questions
- Next steps

Purposes of Functional Assessments for LTSS

- Functional assessment tools collect information on applicants' health status and needs to determine their functional eligibility for Medicaid-covered LTSS.

- They are also often used to formulate care plans.

- There is limited federal guidance on requirements for assessments, which has led to wide state variation.

Development of Functional Assessment Tools

- States take several approaches in developing functional assessment tools. They can:
  - use a tool developed by another state or by a vendor, without modification;
  - use tool developed by another state or by a vendor, with modification; or
  - create a new tool.
- States' decisions are likely influenced by timeframe, cost, and stakeholder input.

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Concerns About Variation

- Variation and a lack of transparency makes it difficult to evaluate how well Medicaid programs are meeting beneficiaries' LTSS needs.

- The 2013 Commission on Long-Term Care, among others, recommended a standardized assessment tool be developed to produce a single care plan across care settings for an individual with cognitive or functional limitations.

Commission Activity

- In the June 2014 report chapter on Medicaid's role in LTSS, MACPAC raised concerns about the lack of standardization.

- To better understand current state practices, MACPAC contracted with NORC at the University of Chicago to compile a comprehensive, nationwide inventory of functional assessment tools.

Key Research Questions

- How many states are currently using multiple assessment tools?

- Which established tool(s) have been used most often?

- To what extent are states using the same tool for functional eligibility and creating a plan of care?

- To what extent do states tie the results of assessments to the rate-setting process?

Methodology

- NORC collected copies of the functional assessment tools from state websites and vendors.

- Ten states provided tools or supporting information that was not publicly available.

- NORC reviewed tools and developed template describing characteristics of individual tools, as well as summary tables comparing among tools.

Results: What Tools Are Used?

- NORC identified 124 distinct functional assessment tools currently in use.
  - On average, states use three functional assessment tools each.
- Functional assessment tools that are in use by state Medicaid programs vary widely on virtually every dimension examined.
- Almost all states use tools developed by the state, rather than those developed independently.

Results: What Domains Are Assessed?

- Virtually all states assess functional limitations, clinical needs or health status, and behavior and cognitive status.
  - Functional limitations was the most commonly included domain.
- Many tools also ask about a person's physical environment, psychosocial needs, or other issues.

Results: How Are Assessments Conducted?

- States use state or local employees, or a state contractor, to conduct functional assessments.
  - Conflicts of interest are avoided when providers are not responsible for assessments.
- Most states record the results of the functional assessments on paper.
  - Tools used in 42 states (74 tools total) are recorded on paper.

Results: How Are Data Used?

- In most states, information from functional assessment tools used to establish eligibility is also used to develop care plans.

- Forty-one states (using 73 different tools) report using assessments to inform plans of care.

- Some states use functional assessment results to determine LTSS payment rates.

Policy Questions

Should states be required to each use a single functional assessment tool across all LTSS populations and programs?

- Moving to a single tool may require an initial investment but can minimize duplication and allow data to be compared across programs.

- However, implementing a new tool requires a large time commitment and financial investment.

Policy Questions

Should all states be required to use the same functional assessment tool, and to report the results of that tool to the federal government?

- Requiring that all states use the same tool would allow for comparisons across state programs.

- However, additional data reporting requirements may pose a burden to states.

Next Steps

- Publishing inventory on MACPAC website
- Commissioner interest in additional work

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