



Analyses for Mandated Study on Money Follows the Person

Medicaid and CHIP Payment and Access Commission

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Overview

- Background
- Money Follows the Person (MFP) transitions
- Survey results
- Themes from stakeholder interviews
- Policy options
- Next steps

MFP Qualified Residence Criteria

- MFP helps beneficiaries who have resided in an institution for at least 60 days return to the community
- Beneficiaries must transition to a qualified residence:
 - a home owned or leased by the beneficiary or a beneficiary's family member
 - an apartment with an individual lease
 - a community-based setting in which no more than four unrelated individuals reside

HCBS Settings Rule Requirements

- Intended to ensure that HCBS settings are different from institutions
- Focus on the nature and quality of beneficiary experiences rather than the physical location
- Implementation includes heightened scrutiny of settings with isolating characteristics
- Providers must comply with the rule by March 17, 2023 to remain eligible for Medicaid HCBS payment

Mandated Study on MFP

- In general, more settings are allowed under the HCBS settings rule than MFP
- MACPAC directed to:
 - identify home- and community-based settings and associated services available in MFP and sites in compliance with the HCBS settings rule; and
 - if determined appropriate by the Commission, recommend policies to align criteria for qualified residence with the criteria in the HCBS settings rule

MFP Transitions

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MFP Transitions

- Largely transitioned people age 65 and older and those with physical disabilities
- Transitions declined from 2016 to 2019; small increase in 2020
 - Decline coincided with the expected sunset of MFP
 - New funding authorized after some states had stopped transitions; some may restart

Transitions by Setting

- From 2015 through June 2021, about 64 percent of participants transitioned to an apartment or home
 - Only 20 percent transitioned to congregate settings like group homes or assisted living
- About 18 percent of adults age 65 and older transitioning from nursing facilities moved to assisted living

Survey of MFP Program Directors

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MFP Program Director Responses

- Twenty eight program directors responded to our survey
- Just over half (53.6 percent) reported that the qualified residence criteria were a barrier to transitions, 42.9 percent said they were not, and 3.6 percent were unsure
- Criteria were most frequently cited as a barrier for transitioning individuals to assisted living, and for people with behavioral health conditions

Support for Change in Criteria

- A large majority (71.4 percent) of project directors supported aligning the qualified settings criteria with the settings rule
 - Another 3.6 percent supported allowing some additional settings
 - Others said no (7.1 percent) or were unsure (17.4 percent)

Themes from Stakeholder Interviews

Alignment of MFP Qualified Residence Criteria and HCBS Settings Rule

- Stakeholders had mixed opinions on whether the MFP criteria should match the HCBS settings rule standards
- Stakeholders did not fit neatly into groups for and against alignment

Arguments For Alignment

- Having a single set of standards avoids confusion and streamlines operations
- The more flexible criteria in the settings rule could maximize MFP transitions
- Some stakeholders said the settings rule allows for more choice for individuals with disabilities

Arguments Against Alignment

- Stakeholders like the clear, enforceable criteria, and the higher bar compared to the settings rule
- Some stakeholders see the four-bed limit as needed because it may mean better quality of life with more opportunities for community integration
- Dissatisfaction with the settings rule implementation made several stakeholders wary of changing MFP criteria
 - Multiple advocates wanted more oversight from CMS

Other Comments on MFP Qualified Residence Criteria

- Most stakeholders did not see the need to differentiate residence criteria for different types of individuals
 - Stakeholders noted transitions should be person-centered, so guidance for different populations should not be necessary
- The qualified residence criteria limit transitions to assisted living in some states, particularly the requirement for full kitchens and individual leases
 - However, some states regularly use assisted living for MFP

Other Concerns about MFP

- Transitions are limited by other factors including inadequate housing and workforce shortages
- The length of stay requirement can be a barrier to MFP transitions
- The uncertainty of MFP funding makes it difficult for states to operate the program

Policy Options

Assessing Evidence for Recommendations

- Our findings do not clearly support retaining or changing the existing criteria
- A descriptive report could weigh the advantages and disadvantages of maintaining the existing MFP criteria, and the potential effects of alignment with the settings rule

Maintain the Existing MFP Qualified Residence Criteria

- MACPAC could choose to express support for the existing criteria without making recommendations
- Implications
 - Two standards would remain in place
 - Expect to see similar numbers of transitions

Align MFP Qualified Residence Criteria with HCBS Settings Rule

- Support for alignment included many MFP program directors and other stakeholders
- Implications
 - Would unify the requirements
 - Would remove administrative barriers to state implementation
 - Would remove MFP's four-person bed limit

Expand MFP to Some HCBS Settings That Do Not Currently Qualify

- Could relax the parameters for assisted living so it is more readily available for MFP transitions
- Could raise the bed limit
 - Do not have information needed to define specific parameters
- Implications
 - Could increase MFP transitions
 - Additional barriers exist to the use of certain settings
 - Might increase complexity of having two sets of standards
 - Might require guidance from CMS

Next Steps

- Commissioners decide whether there is sufficient evidence to make a recommendation
 - If yes, staff can develop draft recommendations for the December meeting and return in January with the draft chapter and a vote on recommendations
 - If no, staff will return with draft chapter in January
- Publish chapter in March report to Congress



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