



Department of Mental Health  
Department of Alcohol and Drug Addiction Services



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# Recovery Requires A Community

Tracy J. Plouck

Behavioral Health Leadership Meeting

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# Focus: Clients

- Individuals under age 60 who...
  - Are enrolled in Ohio Medicaid
  - Live in a nursing facility
  - Have serious mental illness
  - Desire to move to a community based setting
- HOME Choice waiting lists
- Specific circumstances that may arise

# Recovery Requires a Community

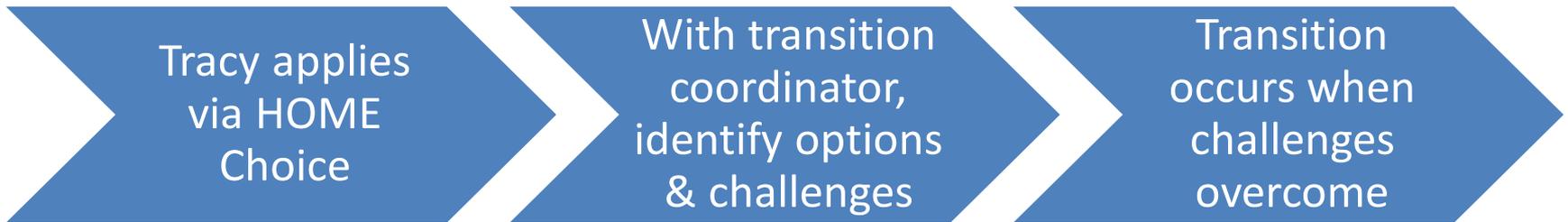
- So far during this biennium, we have assisted to facilitate transition of more than 700 individuals with mental illness from nursing facilities into less restrictive community settings
- MHA budget initiative in partnership with Ohio Medicaid enables our system to make further progress in this area

# Focus: Concept

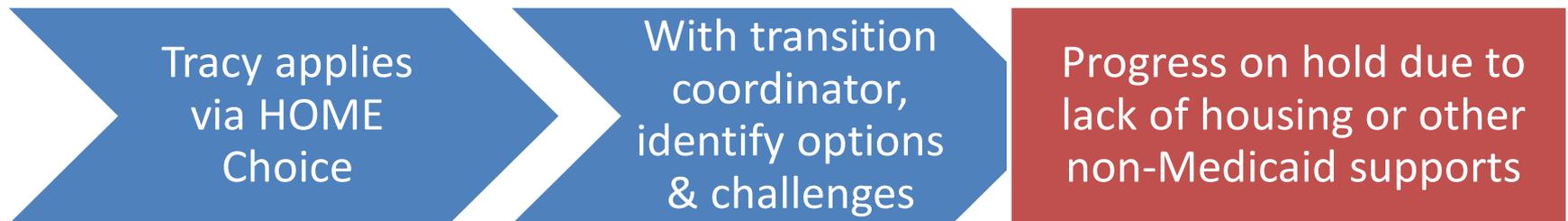
- Builds on our ongoing FY 12/13 success
- As individuals are transitioning to less restrictive settings, capture the person-specific cost avoidance from Medicaid spending on these individuals and redirect it to fund “gap areas” where non-Medicaid supports exist
- Will help ensure more, and more effective, community transitions

# Our Approach Today

When needed resources are available:

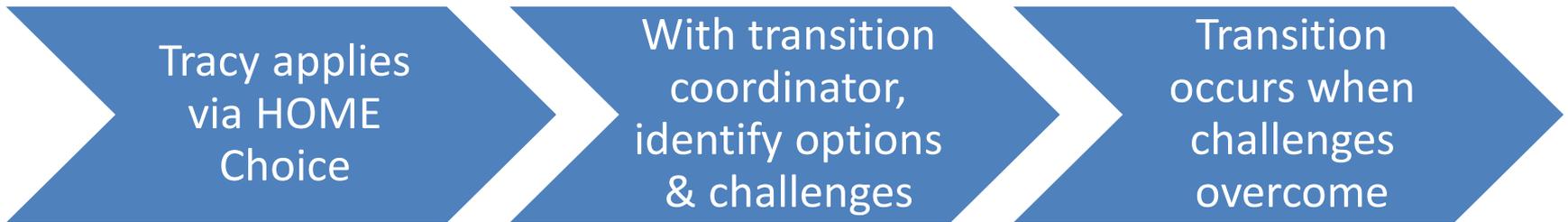


When some type of resources are absent:



# Our Proposed Approach

When needed resources are available:



When some type of resources are absent:



# Cost Avoidance Estimates

- SFY 2011 Transitions
- HOME Choice consumers with MH Diagnoses
  - Defined by Health Home definition of SPMI
  - Significantly increased the population since SFY 2011
- Looked at each individuals claims data a year before and a year after transition
- Developed per member cost avoidance figures

# Focus: Concept

ADL Group	# in Cohort	Per Member Per Day Avoidance	Per Member Per Year Avoidance
4-5	151	\$95.77	\$34,956.05
6-8	23	\$53.14	\$19,396.10
9-11	15	\$158.60	\$57,889.00
10-14	28	\$91.80	\$33,507.00
15-16	21	\$102.61	\$37,452.65
17-18	9	\$77.65	\$28,342.25
Average Change:		\$96.60	\$35,259.00

# Cost Avoidance Estimates

- Used those figures as basis for extrapolated model
- Assumes 500 transitions FY14, 700 FY15, 800 FY16
- Assumed higher ADL scores reduced likelihood of sustainable transition
  - Does not mean we won't transition!
  - Importance of a conservative model

# Cost Avoidance Estimates, 2

- Total cost avoidance projections were:
  - FY 14 \$9,166,597
  - FY 15 \$34,737,968
  - FY 16 \$66,929,280
- Program proposals were developed from those figures

# High Level Overview

Medicaid card services\*  
+ nursing facility=  
\$102,500/year



Medicaid card services\*  
+ community living=  
\$67,500/year



**Difference: \$35,250/year\*\***

Federal share = \$22,207

**State share = \$13,043**

## Notes:

\* Based on average costs of clients who have transitioned to date

\*\* Calculation is for illustrative purposes only; the FMAP is rounded

# High-level Overview

State share=\$13,043

Fund person-specific service gaps identified in transition process, if needed

- Housing
- Other

Fund moderate incentive for adult care facilities to connect clients with OHT priorities (unrelated to specific clients who transition)

# FY 14/15 Goals

- Based on experience to date
- Reasonable, and can be exceeded!

Fiscal Year	Estimate
FY 13	400 people*
FY 14	500 people
FY 15	700 people

\* FY 13: 257 people transitioned in first 6 months

# Defining More Detailed Goals

- Examine most recent 12 months
  - Residential Care Facilities (under age 18) = 87
  - Nursing Facilities (age 18+) = 405
  - TOTAL = 492

FY 13 in orange

from	J	F	M	A	M	J	J	A	S	O	N	D
RCF	6	11	6	4	9	6	5	8	9	6	12	5
NF	20	32	32	35	46	28	39	37	29	31	40	36
Total	26	43	38	39	55	34	44	45	38	37	52	41

- This was WITHOUT additional resources from Medicaid per our budget proposal

# Logistics Example

- Three months from early FY 13, NF only
- Member months calculation

FY 13 in orange

from	J	F	M	A	M	J	J	A	S	O	N	D	
RCF													
NF							39	37	29				
	Total avoided member months						39	76	105				
	Quarter total								<b>220</b>				

# Example: July, August, September

- Assumed total cost avoidance that would have been spent in support of one person's nursing facility & related:  
~\$3,000/month
- State share: \$1,175
- Avoided member months: 220
- State share of avoided member months: \$258,500
- Transfer amount on first day of that quarter: \$258,000



# Funding Flow

