



Money Follows the Person Mandate: Draft Chapter

Medicaid and CHIP Payment and Access Commission

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Overview

- Background on mandated study
- Summary of past meetings
- Review of draft chapter
- Next steps

Background on Mandated Study

- The Money Follows the Person (MFP) program helps beneficiaries in institutions return to the community
- MFP qualified residence criteria differ from the home- and community-based services (HCBS) settings rule
- Congress directed MACPAC 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

Review of Past Discussions

- September: Background on MFP and the HCBS settings rule
- October: Results of analytic work
 - Reviewed data on MFP transitions
 - Surveyed state MFP program directors
 - Conducted stakeholder interviews
- December: Review of policy options

Review of Draft Chapter

January 21, 2022

Context for MFP

- Deinstitutionalization, the shift to serving individuals with disabilities in the community rather than in institutions, began in the 1950s
- The enactment of the Americans with Disabilities Act (ADA, P.L. 110-325) prohibited discrimination against individuals with disabilities in employment and public accommodations
- *Olmstead v. L.C.* concluded that states must provide treatment for individuals with disabilities in the most integrated setting possible, within certain parameters
- Multiple federal and state efforts now support rebalancing

MFP Program

- First authorized by the Deficit Reduction Act of 2005 (DRA, P.L. 109-171)
- Has helped over 100,000 participants transition to the community
- Chapter reviews MFP program elements
 - State participation
 - Services
 - Eligible beneficiaries and residences
 - Accomplishments
 - Equity in participation

MFP Qualified Residences

- To participate in MFP, 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; or
 - a community-based setting in which no more than four unrelated individuals reside

Comparing MFP with the HCBS Settings Rule

- HCBS settings rule is intended to ensure that HCBS settings are distinct from institutions and facilitate community integration
- Sets a threshold for all residential and non-residential settings that receive HCBS payment
- Settings are defined as eligible based on the nature and quality of individuals' experiences rather than solely by the physical location
 - Some standards are abstract and require close examination of settings by states and CMS
- In general, the HCBS settings rule is broader than MFP qualified residence criteria

Stakeholder Perspectives: Program Director Survey

- There are no data to specifically assess the tradeoffs of changing the MFP criteria, so our assessment is largely informed by stakeholder perspectives
- Just over half of MFP program directors reported that the qualified residence criteria were a barrier to transitions (e.g., assisted living)
- About 70 percent of program directors thought the criteria should be aligned with the HCBS settings rule

Stakeholder Perspectives: Interview Themes

- We interviewed federal and state officials, beneficiary advocates, provider organizations, and other experts
- Stakeholders had mixed opinions
- Those in favor of the current qualified residence criteria:
 - preferred the criteria’s clear, enforceable requirements;
 - appreciated that MFP settings have to meet a higher bar than others; and
 - said quality of life may be better in smaller settings
- Stakeholders who were in favor of alignment:
 - said having a single definition would avoid confusion or operational challenges;
 - thought alignment would maximize transition opportunities; and
 - said that the settings rule allows for more choice

MACPAC Assessment of MFP Residence Criteria

- Over the past several months, the Commission has discussed the advantages and disadvantages of the existing MFP qualified residence criteria and potential implications of changes
- There is not sufficient evidence at this time to support aligning MFP residence criteria with the HCBS settings rule
- There is little empirical evidence suggesting that a change would be appropriate
- Ultimately a decision regarding the criteria is normative, reflecting views about the most appropriate use of MFP funds

Rationale for Retaining Existing Criteria

- Focus on small and highly integrated community settings
- MFP settings may promote greater autonomy
- Current uncertainty about implementation of the settings rule
- Other authorities outside of MFP may be used to help beneficiaries transition to the community
- Incentivizes states to promote HCBS infrastructure development

Rationale for Changing Criteria

- Could open up more settings to be eligible for MFP transitions
- Simpler for states to have one set of rules
 - All settings treated similarly
 - No need to differentiate settings in claiming federal funds

Other Concerns About MFP

- Other challenges to transitions
 - Housing availability
 - Workforce capacity
- Funding uncertainty
- Lack of recent evaluation data

Next Steps

- Commissioner feedback on draft chapter
- Publication in March report to Congress



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