Our Vision: An America Freed from Ageism

What does that mean?
LeadingAge MEMBERS

- HCBS: 2325
- Assisted Living: 1509
- CCRC: 1148
- Nursing: 2073
- Independent Living: 2349
Two BIG Issues for Us

Defining Integrated Services

Financing LTSS

LeadingAge
PATHWAYS
State Conversation Exploring Pathways for LTSS Financing Reform
Advocacy Priorities for Us

• Workforce!!
• Rural provider challenges
• Meaningful regulatory reform
  – Nursing Home Requirements of Participation
  – 5 star
  – VBP and appropriate risk adjustments
• Technology and telehealth
• Low income housing and housing with services
NEW LEADINGAGE CENTER WILL IDENTIFY WORKFORCE SOLUTIONS
Managing the Current Federal Storms: Medicare and Medicaid
H.R. 1628 – American Health Care Act

- Eliminates tax penalties for failure to obtain or provide health insurance coverage
- Medicaid per capita caps
- Medicaid expansion repealed (non-expansion states get additional $ through 2022)
- Restores Medicaid DSH payments
- Eliminates community rating for premiums
- Provides $8 billion to states for high-risk pools
- No change in Medicare provider cuts, delivery system reform
LeadingAge Concerns
Medicaid Provisions

- Medicaid is the default payer for long-term services and supports
- Every state would lose money under the legislation. Losses would grow over time ($840B over 10 years, CBO est)
- Legislation is unclear as to whether the mandate for nursing home coverage would survive
- With tightening funding, would optional coverage like medically-needy, home- and community-based services survive?
- The allocation for elders would not be adjusted if a state’s elder population aged from young-old to oldest-old.
- Medicaid expansion has been important to coverage of direct care workers and some senior housing residents
Other Possible Impacts of the ACA Repeal on LTSS and PAC providers

• CMS Innovation Center:
  – What happens to states with SIM grants? What happens to bundled payments, ACOs, etc. that are already started?

• Value-based payment for hospitals, SNFs, Home health, hospice, et al

• Money Follows the Person

• Home and Community Based Services Option
  – Would this still be an option after repeal?
  – If so, how would it be funded since the enhanced FMAP would go away?

• Medicaid Health Homes:
  – Would this care coordination model for those with chronic conditions continue to exist? How would they be paid?

• Future of Financial Alignment Demonstrations for dual eligibles

• Medicare Beneficiary benefits: preventive care and closing Part D donut hole
ACA Items Likely to be Retained

- Annual Medicare payment updates reduced by productivity adjustment factor
- Hospital readmission penalties
- Value-based Payment for PAC
- ACOs and bundling
- QAPI and governance/transparency requirements
- Preventive care coverage under Medicare
- Closing of Part D donut hole
- Physician face-to-face requirement to certify home health eligibility
- Home health demos: Independence at Home, Money Follows the Person
Other Ways to Weaken Medicaid

• Potential pay-for in future legislation such as CHIP reauthorization, Medicare extenders, tax cuts

• State plan amendments
  – Healthy Indiana Plan (HIP) as template?
  – Expansion with modifications
  – POWER health savings accounts for expansion population
  – Premium payments plus co-pays
  – 6 month lock-out of coverage for failure to pay
Status of Health Care Bill

• House passed H.R. 1628 May 4
• Next move – Senate
• 13-man working group established to develop legislation
• Measure likely to be substantially different from House bill
• If so, House and Senate would have to resolve differences
Medicare Premium Support?

From “A Better Way”

• Voucher to buy insurance in the private market
• Voucher amount?
• Questions for post-acute care providers:
  – Would available plans cover PAC?
  – Would beneficiaries have to pay more for PAC coverage?
  – What would happen if a beneficiary without PAC coverage sought care from a SNF or other PAC provider?
Bills we are Watching
Medicare Issues

• **Observation days** – H.R. 1421, introduced March 8
  – Count all time spent in a hospital toward the three day stay requirement

• **Therapy caps**
  – Exceptions process expires December 31, 2017
  – Caps in 2017 - $1,980 for outpatient physical and speech therapy; $1,980 for occupational therapy
  – Repeal legislation – H.R. 807/S. 253

• Path to consideration not yet clear
Home Health

• S. 445 – Home Health Planning Improvement Act, introduced by Sens. Collins and Cardin
  – Allows physician assistants, clinical nurse specialists, nurse practitioners and certified midwives to approve Medicare coverage of home health care

• S. 309 - Community-Based Independence for Seniors Act
  – Demo coverage of non-medical supportive services
CHRONIC Care Act

- S. 870, Creating High-Quality Results and Outcomes Necessary to Improve Chronic Care
  - Extends Independence at Home demonstration
  - Continued access to Medicare Advantage SNPs
  - Expansion of telehealth and other technological applications
  - Encourage care coordination within ACOs
  - GAO study on medication synchronization
Medicaid Annuity Loophole Closure

• H.R. 181 – Rep. Markwayne Mullin (R-OK)
• To count portions of annuity income received by a spouse living in the community against an individual’s eligibility for Medicaid
• “Qualifying annuities” – bought within previous 5 years
• Bill would apply to annuities purchased after date of enactment
• Approved by House Energy & Commerce Health Subcommittee 2/7/17
Advanced Notice of Proposed Rulemaking (ANPRM)
CMS Proposed Rule FY2018 – New Case Mix

Technical Report is available at:
https://www.cms.gov/Medicare?Medicare-Fee-for-Service-Payment/SNFPPS/therapyresearch.html
Current RUG-IV

Figure 1: Illustration of RUG-IV Payment

Current Case-Mix Adjusted Payment

Therapy

- Therapy Base Rate
- Therapy CMI

or

Non-Case-Mix Therapy Base Rate

Nursing

- Nursing Base Rate
- Nursing CMI

Non-Case-Mix

- Non-Case-Mix Base Rate
Proposed Case-Mix Resident Classification System, Version 1

Figure 3: Illustration of Payment under RCS-I

Recommended Case-Mix Adjusted Payment

- **PT/OT**
  - PT/OT Base Rate
  - PT/OT CMI
  - PT/OT Adjustment Factor

- **SLP**
  - SLP Base Rate
  - SLP CMI

- **Nursing**
  - Nursing Base Rate
  - Nursing CMI

- **NTA**
  - NTA Base Rate
  - NTA CMI
  - NTA Adjustment Factor

- **Non-Case-Mix**
  - Non-Case-Mix Base Rate
New Survey Process for Nursing Homes

• Training materials out this summer
• Said to be a “blend of QIS and standard survey process
• Increased focus on resident interviews and observation
NH Requirements of Participation (RoPs)

- Most substantial change since 1991!
- We support the focus on person-centered care and quality
- BUT....no published guidance!
- Significant impact to work force
- Areas of excessive regulation
Our Advocacy Asks for Reg Relief:

**Legislative Asks**
- Provide reasonable options instead of automatic “sudden death” to CNA training program for “immediate jeopardy” findings
- Delay implementation of RoPs until 1 year AFTER guidance
- Eliminate specific requirement for “Infection Preventionist”

**Administrative Asks**
- Review confusing and incorrect draft guidance language
- DELAY implementation of Phase 2!!!
- Reassess current enforcement policies – eg: rapid upswing in IJ findings in 1 year
- Address serious calculation challenges in 5-star for small providers (<40 beds)
NH Requirements of Participation

Member Tools

• *Phase 1 resources are ready for you to download in all sections.*

• *Resources include model policies, training materials and checklists*

• *Model Facility Assessment tools also available*
ROPs Advocacy

• Meeting with CMS Administrator Verma April 3
  – Jointly with Health Care Association
  – Spike in immediate jeopardy citations
  – Delay requirements of participation
  – LeadingAge following up with more info

• CMS soliciting comments on regulatory burden

• Rep. Glenn Grothman (R-WI) circulating sign-on letter asking for delay
Congressional Letter to CMS on ROPs

• Dear Colleague letter being circulated by Rep. Glenn Grothman (R-Wisconsin)

• Notes the significant operational impact of Phase II, including:
  – Facility-wide assessments
  – Staff competency determinations
  – Antibiotic stewardship

• No guidance or training yet for either nursing home or survey agency staff

• Urges delay and review
SENIOR HOMELESSNESS EXPECTED TO INCREASE BY 33% BY 2020 AND MORE THAN DOUBLE BY 2050

NAT’L ALLIANCE TO END HOMELESSNESS
Currently 10 Senior on a Waiting List for Every Affordable Housing Unit Available
Multiple Budget Threats to Affordable Senior Housing

• Part of the non-defense spending cuts proposed in Fed Budget
• Budget Control Act 2011 – Sequestration comes back! Cuts will be at least 3 %
• Our Advocacy message – Protect Senior Housing! NO CUTS!
Continuing the Focus on Housing with Services

“CMS and its federal partners should be responsible for the predictable, reliable financing of enriched services to seniors in their homes. CMS must lead the effort to finance service-enriched supports, building upon the affordable housing platform.....”

• Determining the feasibility of authorizing Medicare contributions to multi-payer pools to fund services.
• Evaluating whether the Medicare Advantage concept can be adapted to cover low-income seniors in congregate housing and low income neighborhoods.
• Inclusion of proven Housing Based Service Models as a review criteria for CMS demonstrations, Medicaid waivers, and other grants and pilots.
We’re Having A Senior Housing Rally on the Capital Steps June 27th!
Workforce!!!

Adequate reimbursement!

Immigration

Other Ideas???

Application and Funding for Technology

Training Programs in HS and Community College
Home and Community-based Services
Home Health Conditions of Participation: Final Rule

- Effective July 13, 2017
- Shifts to focus on patient’s strengths in care planning
- Expanded clients’ rights
- Multiple operational changes
- Allows HHA to receive orders from multiple physicians who are involved in the care
- Slides and check list tools available on LeadingAge Website / Advocacy / Regulations
  
  pnotarstefano@leadingage.org
HCBS Settings Rule:
Our Advocacy Continues

• Remove heightened scrutiny by the states for all settings covered by 1915(b), 1915(c), and 1115 waivers
• Remove requirement for integration in the HCBS setting regulation, requirements set forth at § 441.530 and § 441.710
• Remove remediation as stated in the HCBS settings rule (§ 441.745(b)) unless the HCBS provider is not implementing a person centered plan of care.
• Remove § 441.710(a)(3), specifically the requirement that deems co-located HCBS providers and provider owned as a setting presumed to be an institution
• Remove requirements for assisted living to provide locks on the doors of all residents, unless the resident request a lock and it is deemed safe to have a lock (indicated by the person centered plan of care).
• Eliminate the requirement for states to have their HCBS Settings Transition Plan approved by CMS.
Tax Reform?

• Next big issue
• Fulfill campaign promises
• Ultimate goal of cuts in mandatory spending programs
• Tension point – “simplification” vs. popular tax benefits
Trump Plan

• No income tax for individuals earning $25 K or less, couples with $50,000 or under
• 3 other brackets – 10%, 20%, 25%
• Eliminate marriage penalty, AMT, estate tax
• No business to pay more than 15% of income in taxes
• Pay-fors – elimination of tax loopholes, tax corporate income from abroad, cap deduction for business interest expenses
Ryan Plan
A Better Way

• 3 tax brackets – 0%, 25%, 33%
• Eliminate AMT, marriage penalty, estate tax
• Deduction for 50% of capital gains, dividends, interest
• Larger standard deduction, enhanced dependent credit (no personal exemptions)
• Preserve mortgage interest and charitable contribution deductions
• 25% tax rate for small business
LeadingAge Position

• Retain tax-exempt status for charitable organizations
• Retain income tax deduction for charitable contributions
• Charitable giving one of the three legs of the stool that supports our members’ work
• Philanthropy bridges the gap between public programs and individual/family resources
Advocacy – Your Voice in Action!
Questions and Conversation...

let’s talk