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November 1, 2014

TO: The Governor of the State of Illinois
The Honorable Members of the Illinois General Assembly

The Illinois Department on Aging (IDoA) is pleased to offer the November 1, 2014, bi-monthly report as required by HB2275 (Public Act 98-0008). The report describes in detail the progress to-date by amended ILCS statute, pertaining to IDoA's Community Care Program (CCP) goals outlined in the legislation.

Note that Public Act 98-008 required Aging to provide evidence to the Auditor General by February 1, 2014, that it has undertaken the actions listed in its implementation report. The Act required the Office of the Auditor General (OAG) to review the evidence submitted by Aging and issue a report to the Governor and legislative leaders no later than April 1, 2014, as to whether Aging took the actions listed in its implementation report. On March 26, 2014, the Office of the Auditor General released its Review of the Department on Aging's Community Care Program Reform Implementation. The Office of the Auditor General report concluded that the evidence submitted by Aging generally supported the actions reported by the Department.

As many of the provisions in 98-008 have been completed, this report and subsequent reports to the General Assembly will be divided into two sections; Provisions in Progress and Completed Provisions.

Finally, the quarterly report regarding Service Authorization Guidelines is reflected as an addendum to this document.

Provisions in Progress

20 ILCS 105/4.01(2-a) (provide data sharing and requested employment information verification for CCP providers)

- **As of October 27, 2014, all interagency governmental agreements (IGA) pertaining to data sharing have been signed to enhance the verification and eligibility determination processes for services that are administered by the Department.**

20 ILCS 105/4.02 (quarterly reporting on CCU's (Care Coordination Units) performance and adherence to service guidelines.

- **The Department conducted 4 performance reviews in August to monitor adherence to the service authorization guidelines. There were 2 reviews in September and 1 review in October. The reviews of August 5-7, 2014 found 10 of the 23 files to be non-compliant. The August 12, 2014 review found 3 of the 15 files reviewed to be non-compliant. The August 13-14, 2014 review found 2 of the 34 files reviewed to be non-compliant. A second review conducted August 13-14, 2014 found 3 of the 15 files reviewed to be non-compliant. The review conducted on September 10-11, 2014 found 6 of the 40 files to be non-compliant. The review conducted on September 29-30, 2014 found 5 of the 25 files reviewed to be non-compliant. The October 7, 2014 review found 3 of the 15 files reviewed to be non-compliant. The CCUs were provided with technical assistance and instruction for compliance for adherence to service authorization guidelines.**

20 ILCS 105/4.02(10) (Medicaid waiver enrollment and claiming improvements)

- **Since the inception of HB 2275 and the coordinated effort with DHS to provide CCUs access to PACIS, Family Community Resource Center (FCRC) liaisons for CCUs, and the implementation of two Medicaid waiver processing centers, there has been improvements in wavier enrollments and claiming. These improvements provide accurate tracking of wavier enrollments, better communication between CCUs and FCRCs as well as streamlined Medicaid application processing of Medicaid claims. The CCUs have been able to correct errors in a timely manner on Medicaid applications for processing and this has also improved claiming. The CCUs have requested that IDOA and DHS provide more access to PACIS for new staff. DHS has also provided new information about their ABE and IDES processing system to CCU staff.**

20 LCS 105/4.02(11) (seven-minute rounding policy clarification)

- **As of April 1, 2013, IDoA has developed a policy that requires implementation of rounding from seven minutes up or down to the nearest quarter hour as a new method for calculating in-home service units, in accordance with the Federal Fair Labor Standards Act [29 CFR 785.48(b)]. The policy became effective on May 1, 2013. The Department is monitoring CCUs monthly for rounding from seven minutes up or down to the nearest quarter hour. The Department has recently found some agencies to be out of compliance due to the rounding utilized by their EVV provider. Corrective action has been given to those agencies out of compliance. The EVV provider continues to work on a solution for providers to be compliant.**

Completed Provisions

20 ILCS 105/4.02(7) (Balance Incentive Payment Program (BIP)) - CCP effectiveness under Medicaid Waiver)

- **HFS submitted the BIP application to the federal Centers for Medicare and Medicaid Services (CMS) in March 2013. On June 12, 2013, the State of Illinois received official notification from federal CMS regarding the awarding of the BIP grant. The project period is July 1, 2013, through September 30, 2015. Aging noted that Illinois will receive an enhanced 2 percent match on non-institutional long-term services and supports, estimated at \$90.3 million during the project period.**

20 ILCS 105/4.02(12) (coordinated (i.e., managed care) enrollment)

- **Policies for the Integrated Care Program (ICP) have been finalized to ensure the smooth transition of CCP clients to managed care entities (MCEs). The Department continues to meet on a regular basis with the Department of Healthcare and Family Services, as well as the MCEs to address issues that arise to ensure that care provided is consistent with federal waiver requirements.**

20 ILCS 105/4.02(13) (maintain existing (FY13) CCP rate increase in FY14)

- **All current CCP fee-for-service rates remain unchanged at the FY13 level.**

20 ILCS 105/4.02 (Electronic Visit Verification (EVV))

- **Public Act 097-0689 (or the S.M.A.R.T. Act) mandates the Community Care Program (CCP) to implement electronic visit verification (EVV). The purpose of EVV is to record the arrival and departure time of each service visit by the homecare aide to the participant's home, which seeks to improve accurate billing, safeguard against fraud, and enable greater oversight of the service delivery. The CCP EVV requirement became effective on July 1, 2013. It is predicated on a "standards-based model" that allows providers flexibility to employ an EVV system of their choice and at their own expense, as long as they meet the Department's EVV standards on an ongoing basis. The citation for the adopted EVV rulemaking is 38 Ill. Reg. 5800 (March 7, 2014) – See link below. The Department is in possession of the required EVV certification documentation for all 106 INH legal entities.**

http://www.cyberdriveillinois.com/departments/index/register/register_volume38_issue10.pdf

20 ILCS 105/4.02 (reporting requirements /bi-monthly reporting)

- **Reports have been filed on a bi-monthly basis.**

20 ILCS 105/4.02 (CCP providers submission of bills or invoices)

- **The Department's online billing system for Vendor Requests for Payment was modified to contain certification language referring to a physical notarized statement that the provider has complied with all Department policies. Although this statement does not mention the Notarized Certification form, a user cannot see this statement or agree to it unless they have submitted a Billing Certification Form (containing the notarized statement) and are authorized to use the system in the first place.**

30 ILCS 105/25 (prior CCP liability payment cap)

- **Toward the end of fiscal year 2013, the General Assembly approved two supplemental appropriations for the Community Care Program to resolve unfunded liability. The first supplemental appropriation was for \$173 million which allowed the Department to pay prior years' liability through FY12. The second supplemental appropriation of \$142 million provided the Department sufficient funds to pay for FY13 services provided through June 30, 2013. The Department's FY14 budget does not have prior year billing provisions in the appropriation; whereas, the Department also projects to have adequate funds in the current FY14 budget to satisfy projected obligations. Aging has communicated to providers the urgency of billing promptly, and that failure to submit FY14 bills prior to the end of the FY14 lapse period would require vendors to seek payment through the Court of Claims. Aging noted that it does not have a re-appropriated line in the FY14 budget.**

Please do not hesitate to contact me if you have any questions regarding this report.

Sincerely,



John K. Holton, PhD
Director
Illinois Department on Aging

cc: Mary Killough, Deputy Director
Deb Shipley, Chief of Staff-Operations

ADDENDUM

Illinois Department on Aging Community Care Program Service Authorization Guidelines Analysis September 30, 2014

Introduction: Public Act 98-0008 (or HB2275) requires the Department to report on the reinforcement of service authorization guidelines for Plan of Care assessments done by Illinois Department on Aging's Care Coordination Units (CCUs) for Community Care Program applicants and participants. Specifically, the Act requires the department to "conduct a quarterly review of Care Coordination Unit performance and adherence to service guidelines. The Department shall collect and report longitudinal data on the performance of each care coordination unit. Nothing in this paragraph shall be construed to require the Department to identify specific care coordination units."

Background: The Department implemented the Service Authorization Guidelines (SAG) policy for Care Coordination Units (CCUs) statewide in May 2013. The overall intent of re-issuing guidelines was to strengthen consistent application of service tasks approvals across the state in developing clients' Plan of Care, and to assure that services are approved according to an individual's need while promoting the participant's health, safety and welfare. The guidelines do not impact access or eligibility to the CCP; change the Determination of Need (DON) tool or the Service Cost Maximums. Statewide training was provided to Care Coordinators in April 2013. The Department has established a review process to ensure that the eligibility and services authorized are consistent with CCP policies and procedures, and has initiated the process to begin reviews by requesting records from affected CCUs. Staff also complete onsite CCU reviews monthly since November 2013, as a part of the increased efforts to ensure compliance monitoring and improved quality assurance outcomes.

Methodology: In order to establish a baseline for the Department's analysis and ongoing monitoring of the Service Authorization Guidelines (SAG) and the impact on CCP activities and resources, the Department reviewed caseload, DON scores, service authorization and utilization levels for CCP participants who received redetermination and initial assessment from May 1, 2012 through May 31, 2014.

Findings

Overall In-home Service Caseload: Using baseline data from May 2013, the Department examined the authorized and delivered units for the entire caseload receiving in-home service (only) and Determination of Need (DON) scores during which we had the following results:

1. The monthly average INH caseload increased by almost 2,700 clients to 76,606 or 3.6%

2. The monthly average DON score decreased by 0.5 points to 48, or 1.0%
3. The monthly average authorized units increased from 58.3 to 59.4, or 1.1 units, or 1.8%
4. The monthly average delivered units increased from 45.8 to 45.9 or 0.1 units, or 1.1%
5. May 2013 average authorized units were 59.2. This was an increase of 3.2% over May 2012. One year after implementation of the guidelines, the authorized units were 59.6, a 0.7% increase. The average delivered units in May 2013 were 48.5, a 3.1% increase from May 2012, and in May 2014, the average was 46.5, a decrease of 4%.

INH Clients who received a Redetermination: The data for period from May 2013 to May 2014, compared with the same period in the prior year also revealed the following findings:

1. Clients are required to receive a re-determination annually to determine their continued eligibility for service and to timely monitor changes in the client's condition. However, a re-de may be conducted earlier if there is a change in the participant's health or a situation that warrants a re-determination. The average number of re-determinations increased by over 115 assessments to an average of almost 5,800 monthly re-determinations or 2.0%. An average of 7.6% of the monthly caseload received a re-determination each month during the specified period, compared to 7.7% during the prior year.
2. The monthly average DON score decreased to 48.3 by 0.8 points or 1.7%.
3. The first month after the policy change, authorized units dropped from 60.7 in April 2013 to 58.8 in May 2013. The average stayed level for 2 more months before it started to go up again. May 2014 had an average of 60.8 authorized units.
4. The monthly average authorized units increased to 59.8 units a month, or 0.7 unit, or 1.1%
5. The monthly average delivered units remained fairly level at 41.8 units.

Initial Assessments: The decreasing trend for initial assessments that were observed and reported in previous reports was maintained this quarter as well, or one year period of May 2013 through May 2014. About 1,600 initial assessments were conducted monthly, compared to 1,800 during the previous year during the same time period. The SAG analysis is showing encouraging results when comparing the initial client assessments. The average authorized monthly units was 48.6 (1.6 units less or -3.2%), compared to 50.2 units on average for initial assessments conducted prior to the SAG implementation.

The first month of implementation has shown the biggest impact, with a decrease from 49.7 average authorized units in April 2013 to 47.4 in May 2013. This has also slowly increased over the past year with May 2014 having an average of 49.1.

There was also a notable difference in the average DON score of 44 for new client initials, compared to 48 for existing clients, which is a difference of 4 points less (-8%). The reduction in initial assessments has a positive effect on slowing the rate of growth, contributing to managing a more sustainable program, and staying within the existing FY14 and FY15 enacted budgets.

Conclusion: The immediate impact of implementing the SAG is seen in the first couple months of redeterminations and initials, and is evidenced in the entire caseload in the last few months of the analysis. This analysis shows that redeterminations and initials will show little to no new results in future analysis, and the overall caseload will begin to normalize at this lower level over the next few months.

The changes observed regarding the Service Authorization Guidelines is a direct correlation to the efforts to improve care coordination; exercise greater control and consistency in developing clients' Plan of Care, and enhanced training. It also demonstrates both the benefits of and the need for an increased and ongoing field monitoring presence along with more field staff to maintain reliable quality assurance and oversight of the CCP provider network statewide, and as contractually required. The Community Care Program is still experiencing an increase in growth due to the aging of the population. However, the growth is occurring at a slower rate than was projected. The observed trends with the recent initial assessments, coupled with implementation of Electronic Visit Verification, and clients being transferred to managed care are just some of the major policy initiatives which collectively are critical to improve clients' care options, enhancing accountability, managing risk, and containing costs, while balancing demand with limited financial resources.