



**State of Illinois**  
Rod R. Blagojevich, Governor  
**Illinois Department on Aging**  
Charles D. Johnson, Director

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## Older Adult Services Advisory Committee

# Finance Work Group

Date: December 3, 2007, Conference Call

Attending: Stephanie Altman (Co-Chair), Pat Ahern, Janice Cichowlas (for John Eckert), Kim Cox, Matt Hartman, Phyllis Mitzen, Heather O'Donnell and Laura Gallagher Watkin

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### Summary:

#### I. Trend Research by Financing Committee

At the most recent full OASAC committee meeting, there was a desire for more trend research to be gathered including trends around the country (trends in spending for home and community based spending, and trends in enrollment, and possibly trends in transitioning). At the OASAC full meeting, Shelly brought up that it would be interesting to see how IL compares on spending in Community Care as compared to other states. We have had a modest increase in home care and a modest decrease in nursing home care in IL. Phyllis said this information will also be helpful with the work being done for the "Money Follows the Person."

ACTION STEP: Stephanie Altman and Heather O'Donnell said they would work together this trend data. They will also work with Kaiser with some of their available data.

#### II. Asset Barrier Policy Recommendations

One of the Long Term Care Primer findings is that the State should maximize Medicaid enrollment while preserving the dignity of older adults. There is a stigma with enrolling in Medicaid; the estate recovery barrier after one dies is also of concern. What can we do to ameliorate some of these barriers? The Finance Committee did a report which laid out the Illinois law and what Federal law requires. Recommendations were made as to what IL could do in terms of policy recommendations. The issue has become more relevant because of HB 652 which requires mandatory Medicaid enrollment for the receipt of CCP services. The Health and Medicine Policy Research group will host a study group this week at UIC to discuss how to ameliorate the fears and provide protection for people with the State Asset Recovery implications.

Illinois follows federal law in terms of recovery: asset recovery for LTC and HCBS. IL requires recovery assets for medical services in addition to the federal recovery requirements. To eliminate this additional recovery in Illinois law, this would have to be changed by legislation. which now requires recovery for the receipt of all QMB and Medical Assistance payments made for recipients over age 55. We cannot remove CCP from recovery because HCBS recovery is part of the federal law. There is a question as to whether this can be *waived*.

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The questions are “Which direction are we going?” and “Should state recovery exist or not?” This will be part of the future discussion. Illinois currently limits the recovery of estates to those that go through probate only. We also have a hardship waiver which has a provision that says that if the family is in danger of going into Medicaid because of the recovery efforts, there is a hardship waiver.

**ACTION STEP:** Phyllis will email/fax a letter that explains the hardship provision of the Medicaid recovery provision to Laura.

When a person dies, HFS makes a claim against the estate and the remaining family can write a hardship letter. We have limited data as to how many people have written such hardship letters. The process is not very formalized. Clearly, there needs to be more public education about this process. Kim Cox stated that some 2002 information indicated that W. Virginia was working on “not enacting” the estate recovery act. MI, Georgia and Texas (as of 2002) may have refused to collect. Phyllis states that the Community Care Managers would be the people to get this information to the public.

There could be a change in state law of waiving this completely. We could change the state statute to take out the recovery for medical assistance. There could be changes in the administrative regulation (i.e., exemption for an income producing property like a family farm). There is a greater fear in the farming communities about using CCP because of this threat. We don’t know if there would be a negative reaction from HFS about this. Kim stated that she doesn’t know if there is opposition philosophically (she didn’t think they opposed it) but rather it was something required by the federal government. The recovery in IL has been about \$28 million per year and the question is how much it costs administratively to recover this amount. Other states collect more. It is assumed that we are spending a lot to collect very little. IL is not aggressive in collection although CA is very aggressive.

### **III. Finance Committee Involvement in “Money Follows the Person” Project**

“Money Follows the Person” is a formal federal process for moving people out of the nursing home and back into the community. Jean Summerfield (HFS, 312-793-3872) is soliciting input via workgroups to develop the operational protocol for this project. Susan encouraged everyone to join one of these workgroups. The project focuses first on transition (requires a minimum of 6 months in N.H. to be considered for transitioning out) and diversion is secondary. There is an enhanced federal match for diverting and transitioning. “Operational Protocol” is what the federal government is calling this 100-page document which must be written and approved by CMS about how the State will spend the money, how many will be transitioned, what services will be provided, etc. Shelly Ebbert is coordinating targeted populations and Jean Summerfield is doing service design.

**ACTION STEP:** Now is the time to get on these workgroups. Call Shelly or Jean.

The National Senior Citizens Law Centers collecting the operational protocol from the States involved (including IL, WI and OH). The protocol is required to have public input.

**ACTION STEP:** Stephanie will send the information she has about the proposals from IL and other states for “Money Follows the Person” to the Finance Workgroup.

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#### IV. Use of the Primer

The Finance Committee has offered to present the primer to other OASAC workgroups. There hasn't been much response so the committee recommended being more proactive about getting the information out. The Services Committee should be a natural for this presentation. We should start there. It should be presented to the Conversion Committee. Pat and Stephanie should approach the chairs of the committees for 45 minutes to present the findings to the Workgroups. Stephanie recommends sending a letter to the legislators with a link to the site and a summary of the top findings. It's hard to find on the IDoA website. It should be easier to find. Phyllis asked if there are advocacy groups that should receive a letter/email about the Primer (Jane Addams, AAA's, etc). We need to be active in promoting this.

**ACTION STEP:** Stephanie will take the first step in drafting the letter, and will send it to the committee for input before sending it to legislators, advocacy groups, etc. Jan recommended posting the minutes of the Finance Committee on the IDoA website. She will also talk to Leann Dolan about making the Finance Primer more prominent on the IDOA website. All should forward names/addresses of organizations that should receive this letter.

Phyllis indicated that the upcoming study group at UIC meeting will be taped and summarized for people interested.

#### Future Meetings:

- Finance Work Group: January date to be determined (preferably a Monday)
- Full OASAC Meeting: Wednesday, December 12, 2007, 4:00 p.m., Governor's Conference on Aging, Marriott Downtown Chicago