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**The New York State Coalition of Managed Long Term Care and PACE Plans  
Testimony to the Joint Legislative Budget Committee  
February 8, 2012**

Members of the Joint Legislative Budget Committee: thank you very much for the opportunity to testify on behalf of the New York State Coalition of Managed Long Term Care and PACE Plans, which I represent. The Coalition was formed in 2006, to provide a single voice for not-for-profit, provider-sponsored Managed Long Term Care and PACE plans. The Coalition now represents 18 plans that provide coverage for 93% of the approximately 45,000 elderly and disabled New Yorkers enrolled in MLTC or PACE, an increase of nearly 40% since this time last year.

***MLTC/PACE Background:*** Managed Long Term Care (MLTC) and the Program of All-Inclusive Care for the Elderly (PACE) are health care options for elderly or disabled Medicaid beneficiaries who require nursing home level care, but wish to remain in the community. These plans have proven track records of providing access to an appropriate level of long term care, with extraordinarily high rates of patient and family satisfaction, and at a cost that is a fraction of what would be spent on institutional care.

MLTC plans coordinate an array of medical and social services providers to ensure that every client is receiving the full range of care that they need in order to stay in their homes as long as possible. The intensive patient-focused care coordination provided by MLTC/PACE plans allows institutionalized patients to come home, nursing-home-eligible patients to stay home, and all of their members to remain comfortable and safe in their homes. Furthermore, MLTC/PACE plans create these positive outcomes at a far lower cost than nursing homes or fee-for-service long term care.

Managed long term care is a proven success both in terms of consumer satisfaction and in controlling costs. The Department of Health's MLTC 2011 Member Satisfaction Survey Report found "continued high satisfaction rates;" 91% of the 1,845 respondents would recommend their plan and 85% of respondents rated their plan as being excellent or good. The report concluded that "overall survey findings were very favorable," highlighting that MLTC and PACE plans were rated highly on quality and timeliness of services. In another recent report, the Citizens Budget Commission characterized MLTC and PACE as the "one bright spot" on New York's long term care landscape. And, as the Department of Health's own analysis for the Medicaid Redesign Team documented, MLTC is the only long term care program in New York State that actually reduced per recipient expenditures over the last six years.

***Moving Forward:*** With a proven track record of improving outcomes and lower costs, the State embraced managed long term care and PACE as a solution to the growing costs among those receiving long term care in last year's budget. Beginning as soon as April 1, 2012, Medicaid and Medicare eligible individuals will, on a gradual and phased-in basis, be required to enroll in MLTC, PACE or similar care coordination models to obtain Medicaid-funded long term care services. The increased recognition of the role that may be played by MLTC and PACE plans by the Medicaid Redesign Team, the Cuomo Administration and the Legislature is heartening, but also brings with it a solemn and challenging responsibility.

For the past year, the MLTC and PACE plans have devoted themselves to preparing for this transition, from hiring new care managers and nurses to enhancing care management systems. The plans are ready to ensure that the integration of increasing numbers of New Yorkers into care coordination programs will be undertaken successfully, safely and with as little disruption as possible in the lives of the newly enrolled members. MLTC and PACE plans are committed to partnering with the state and health care stakeholders to implement mandatory enrollment in a manner that promotes the best interests of Medicaid consumers—both current enrollees and those who are now required to join a plan. We recognize that patients, family members, and current caregivers are very concerned about how this initiative might be implemented; the members of our Coalition share many of those concerns. The Coalition’s provider-sponsored, not-for-profit plans take their responsibilities to the patients they serve seriously and will do all that they can to make sure that the goal of ensuring high quality, coordinated care to thousands of elderly and disabled New Yorkers is realized.

To ensure that this transition to MLTC is seamless, the Coalition requests the Committee consider the following:

- Set plan reimbursement rates adequately. The population coming into managed long term care and PACE consume more services than the members currently enrolled in the plans and, therefore, the state must appropriately adjust plan rates to account for these differences. We are concerned that, in an effort to maximize savings, the State may seek—this year or at some point down the road—to freeze or even reduce payments to MLTC/PACE plans, at the same time that more complex and more frail patients are being transitioned to enrollment in the plans. We led the effort that ultimately resulted in risk-adjusted premiums that reflect the level of care required by the plan’s enrollees and we would urge the Department of Health to continue to refine the premium-setting process—and to commit to promulgating adequate rates on a timely basis. We would also ask the State to revisit last year’s budget proposal that reduced administrative reimbursement to plans, ostensibly to reflect increased enrollment, when we now know that administrative burdens will actually increase to enroll these 60,000 new individuals.
- Maintain sufficient flexibility for the MLTC and PACE plans to successfully manage and coordinate their enrollees’ care. Stipulations on plans’ contracts, such as requiring them to only contract with certain providers, will undermine their ability to drive the quality improvements and costs savings contemplated by the Medicaid Redesign Team. We understand, and embrace, that a successful transition to mandatory enrollment will also ensure worker continuity for home care workers, which in turn enables continuity of care for patients. Protections should be put in place to ensure this through a transition period that is time-limited thus reducing home care worker turnover. We can achieve this through existing mechanisms and ask the State to support plan autonomy allowing plans to continue contracting with only high quality providers. In short, allow the MLTC and PACE plans to do the coordination and management of care that has, over the

past fifteen years, consistently demonstrated that they can provide high quality and cost-effective care.

- Ensure that the fair hearing system properly affirms the rights of recipients without entirely compromising the opportunity for MLTC and PACE plans to enhance the coordination and management of care. As new populations formerly receiving Medicaid benefits through fee-for-service are enrolled into MLTC plans under newly-authorized plans of care, it will be important that the Department of Health, the Office of Temporary and Disability Assistance, and the Legislature consider the implications of this population expansion on fair hearings while protecting the consumer's federally mandated appeal rights. We support the MRT recommendation, funded by this budget, to enhance training of Fair Hearing Administrative Law Judges on issues relating to MLTC and PACE and we would urge consideration of alternative ways to resolve clinical issues that may relate to the duration and amount of care that an enrollee might require.

**Conclusion:** MLTC and PACE plans have enhanced the quality and the coordination of care for New Yorkers who require long term care services. Allowing people to remain in their homes by providing high quality and coordinated care increases their quality of life, while decreasing the state's costs. Coordinating services so that patients can successfully navigate the healthcare system to get the care and support they need when they need it has been proven to be as critically important for recipients as it has been cost-effective. Transitioning New Yorkers who need long-term care services to proven and successful models like MLTC and PACE will benefit both the recipients and the state, and we urge the Committee to work with the Coalition plans during this transition to make this critical transition work for all concerned: taxpayers, care givers and, most of all, the patients that require this care.

## Appendix

Coalition Plans	Type of Plan	Enrollment
ArchCare	PACE	196
Care for Life	MLTC*/PACE*	-
Catholic Health – LIFE	PACE	75
Comprehensive Care Mgmt.	MLTC/PACE/MAP*	6,534
Eddy Senior Care	PACE	116
Elant Choice	MLTC	179
Elderplan	MLTC/MAP	5,448
ElderServe	MLTC	4,186
Fidelis Care at Home	MLTC/MAP	526
GuildNet	MLTC/MAP	7,881
HHH Choices Health Plan	MLTC	1,266
Independence Care System	MLTC	1,970
Independent Living for Seniors	PACE	286
PACE CNY	PACE	400
Senior Health Partners	MLTC	3,426
Senior Network Health, LLC	MLTC	392
Total Aging in Place Program	MLTC	127
VNS Choice	MLTC/MAP	10,152
<b>Total Coalition Members</b>	-	<b>43,160</b>
<b>Total MLTC/PACE/MAP Members Statewide</b>	-	<b>47,207</b>

\*Pending Applications

### Long Term Care Per Recipient Spending Trends by Service

Presentation to the Medicaid Redesign Team, NYS Department of Health, January 13, 2011.

Accessed at: [http://www.health.ny.gov/health\\_care/medicaid/redesign/](http://www.health.ny.gov/health_care/medicaid/redesign/)

LTC Per Recipient Spending Trends by Service (\$ 000)							
	2003			2009			% Change in Per Recipient Spending
	# of Recipients	Total (\$)	\$ Per Recipient	# of Recipients	Total (\$)	\$ Per Recipient	
Nursing Homes	139,080	5,946,989	42,759	128,377	6,345,047	49,425	15.6%
ADHC	16,365	266,248	16,269	22,954	461,442	20,103	23.6%
LTHHCP	26,804	510,250	19,036	26,572	695,666	26,180	37.5%
Personal Care	84,823	1,824,729	21,512	75,023	2,232,735	29,761	38.3%
<b>MLTC</b>	<b>12,293</b>	<b>444,341</b>	<b>36,146</b>	<b>33,826</b>	<b>1,219,055</b>	<b>36,039</b>	<b>-0.3%</b>
ALP	3,538	50,488	14,270	4,720	86,028	18,226	27.7%
Home Care/CHHA	92,553	760,347	8,215	86,641	1,349,000	15,570	89.5%
<b>Total</b>	<b>318,617</b>	<b>9,803,392</b>	<b>30,769</b>	<b>318,984</b>	<b>12,388,973</b>	<b>38,839</b>	<b>26.2%</b>

**Department of Health MLTC 2011 Member Satisfaction Survey Report**

MLTC and PACE Plan Evaluation, 2011		
Survey Item	MLTC	PACE
Plan rated as good or excellent	84%	90%
Would recommend the plan	89%	95%
Plan has helped manage illness	81%	91%
Rating of Regular Doctor as Good/Excellent	89%	89%
Rating of Visiting Nurse as Good/Excellent	84%	91%
Rating Access to Care for a Routine Appointment within 30 day for Regular Doctor	54%	75%
Rating of Timeliness of Visiting Nurse	71%	77%

**MLTC/PACE/MAP Enrollment Statewide**

