

Request Information

Title: *A Roadmap to a Rational, Sustainable and Replicable System of LTC Services in the Eastern Adirondacks*

Start and end dates: October 1, 2013 – September 30, 2014

Application Narrative

The project will address serious concerns about the system of long term care services and supports (LTCSS) in the rural, six-county Eastern Adirondacks region. With a growing aging population, severe financial stresses on area nursing homes, and insufficient community-based alternatives, the region has a pressing need to bring together stakeholders to develop a plan to enhance access to high quality LTCSS.

The Eastern Adirondacks Long Term Care Coalition (EALTCC) will be established to work with stakeholders to: (1) assess demand and supply of LTCSS in the region; (2) identify the needed service configuration; (3) seek opportunities to enhance operational effectiveness and efficiency; (4) improve quality; and (5) develop funding and regulatory proposals for state and federal agencies.

The EALTCC will develop: (1) an assessment of LTCSS needs; (2) a comprehensive plan to address service gaps, promote integration and shared services; (3) a community forum in the region to obtain broader input on a draft plan; (4) an outline for multi-provider requests for VAP/safety net and Balancing Incentive Program (BIP) funding to improve LTCSS in the region; and (5) proposals for regulatory flexibility for rural LTCSS providers. These deliverables will pave the way for a rational, sustainable system of high quality LTCSS in the region.

Reports and/or summaries will be disseminated to participants in the community forum, coalition members, community stakeholders, policymakers, and stakeholders and LTCSS providers throughout the state.

Replicable deliverables include: (1) methods used to develop the LTCSS community needs assessment; (2) process deployed for coalition building, convening, and evaluation of options; (3) proposed governance models, shared service strategies, and other collaborative models; (4) assessment of LTCSS technology solutions for rural regions; and (5) recommendations for regulatory changes and multi-provider applications for VAP/safety net and BIP funds.

Background

The six-county Eastern Adirondack region (i.e., Clinton, Essex, Franklin, Hamilton, Warren and Washington Counties) has a rapidly aging population, yet lacks a sustainable system of long-term care services and supports (LTCSS) that is capable of providing its residents with access to services in the most integrated setting appropriate to their needs.

Today, 14.8 percent of the population of this region is over age 65 and 9 percent of these seniors have incomes at or below poverty level. The region is expected to see a 23 percent increase in persons aged 65+ between 2010 and 2020, a rate that is 15 percent greater than Upstate New York as a whole. According to a 2009 regional assessment, if current population trends continue in the next twenty years, the Adirondacks will rival Florida's west coast with the oldest population in America.

The geography of the Eastern Adirondacks creates formidable challenges to developing, operating and financially sustaining LTCSS. The region is geographically expansive and extremely rural (i.e. the 6-county area encompasses 16.7% of the total land mass in NYS and only 1.6% of the population). One major highway bisects the region running north to south; otherwise only two-lane roads traverse the region with limited east/west connectors. Even the largest population centers (i.e., Plattsburgh, Glens Falls) have fewer than 20,000 residents. Broadband internet connectivity and wireless coverage remains spotty, with a recent survey indicating very few communities in this region having complete coverage (Adirondack Regional Assessment Project, 2009). Many communities in the region have been designated as medically- underserved areas as well as Health Professional Shortage areas, indicating additional barriers to receiving services. These factors make it difficult to serve frail elderly residents economically in their homes, recruit sufficient professional and paraprofessional staff, and achieve economies of scale. County-level community health assessments conducted in 2009 and updated in 2011 concluded that access to quality health care is a top priority in the region.

While public and private sector initiatives have supported the expansion of home and community-based services (HCBS) and assisted living options in more populous regions of the state, the region remains heavily dependent on nursing home care. However, nursing homes in the region are 40 percent smaller on average (i.e., 109 beds vs. 183 beds statewide); have higher occupancy rates (i.e., 95.5% versus 93.7% statewide); have lower patient acuity (i.e., case-mix is 10% lower than the statewide average); and are 60 percent more likely to be losing money on operations than other homes in the State. These facilities are in varying states of financial distress with some in jeopardy of closing.

As noted, the region has had an underdeveloped system of nursing home alternatives. For example, there are only 70 Assisted Living Program (ALP) beds available to Medicaid recipients in the entire 6-county area, with 3 counties having no capacity. There are only 4 Long Term Home Health Care Programs (LTHHCPs), and until recently, there were only 8 Certified Home Health Agencies (CHHAs) serving the region with only one CHHA in two-thirds of the counties. Affordable senior housing, which serves as a platform for service delivery, is also in short supply in the region.

Together, these capacity imbalances have led to the over-reliance on nursing home care. Based on 2011 counts of unduplicated Medicaid recipients of LTCSS in the region, 66 percent were served in nursing homes; 32 percent in CHHAs/LTHHCPs; and 2 percent in ALPs.

Government policies are aimed at reducing this reliance on institutional care and serving more individuals in home and community-based settings. For example, a state Medicaid Redesign Team initiative will require nearly all Medicaid recipients who need LTCSS to enroll in managed long term care (MLTC). MLTC plans have strong financial and other incentives to serve their enrollees in the community. In addition, New York was awarded an estimated \$598.7 million in enhanced Medicaid funding through the Balancing Incentive Payment (BIP) program authorized under the Affordable Care Act. By the conclusion of the project (i.e., Sept. 30, 2015), the state must achieve a minimum proportion of 50 percent of all LTCSS being provided in home and community-based versus institutional settings.

The privatization of county-operated LTCSS has raised concerns that Medicaid recipients' access to these services may be further compromised. Historically, every county in the region operated its own CHHA. However, a proprietary entity recently purchased the Clinton County CHHA, and has proposed to expand to Essex, Hamilton, Franklin and Warren Counties and to purchase the Washington County CHHA. Of the 5 counties in the region that operated nursing homes, 4 have sold or are in the process of selling their facilities. Privatization raises potential concerns about access to service for the "safety net" population traditionally served by counties, as well as consolidation of ownership interests in relatively few organizations. LeadingAge New York is partnering with CGR in an ongoing NYS Health Foundation grant to examine the consequences of shifting nursing home beds from the public to private sectors, particularly relative to the safety net function counties have fulfilled.

The state is also concerned about safety net services, and has initiated the Vital Access Provider (VAP)/safety net program to target funding to nursing homes, CHHAs and other providers aimed at preserving access to services based on achieving specific goals. The enacted 2013-14 state budget includes \$182 million for the program.

Recent state initiatives to reduce Medicaid expenditures - including the move to care management for all Medicaid recipients – and the increasing financial pressures on acute and LTCSS providers, have prompted initial discussions between a number of key health system leaders in the area. There is increasing awareness that a long-term viable solution for the needs of the vulnerable older adult population will require a concerted, organized effort on behalf of all health care providers and other stakeholders that builds upon the region's current infrastructure, partnerships (e.g., Adirondack Rural Health Network, Adirondack Health Institute) and projects (Adirondack Regional Medical Home Pilot).

With a growing number of the region's nursing homes experiencing financial distress, the lack of an integrated, coordinated network of HCBS alternatives to institutional care and the inevitable growth in the population of older adults who need affordable LTCSS options, there is a pressing imperative to bring together state, county and local stakeholders to develop a rational, sustainable and replicable plan to enhance access to high quality LTCSS to the vulnerable aging population.

The Project

The purpose of the project is to develop a multi-faceted strategic action plan to ensure access to a range of high quality LTCSS in the Eastern Adirondacks. The current service infrastructure is fragmented, unbalanced, unsustainable and at immediate risk of being further compromised due to financial and other pressures.

Objectives

The FLTC will work closely with LeadingAge New York and partner organizations on the following principal objectives:

- Assess the demand and supply of LTCSS in the 6-county Eastern Adirondacks region;
- Identify the needed configuration of services in the region and develop an action plan to rebalance the LTCSS system;
- Pursue opportunities to enhance operational effectiveness and efficiency and promote financial stability through collaboration, shared services/purchasing and shared governance;
- Collaboratively improve performance on selected quality measures;
- Pursue regulatory flexibility targeted towards the needs of the region; and
- Develop the framework for a proposal to the NYS Department of Health (NYSDOH) to support the transitional revenue needs of partnering LTCSS organizations.

Scope of Activities

1. Establish and convene a core group of partner organizations – *The Eastern Adirondacks Long Term Care Coalition (EALTCC)* – to engage in a structured dialogue to determine options for sharing and potentially integrating services and functions. A minimum of 3 in-person meetings will be conducted to:
 - a. Systematically analyze various operating functions within each of the individual provider organizations to determine unit costs and other key metrics, with the goal of developing a centralized/shared services model.
 - b. Assess the organizations' use of technology and potential opportunities to enhance the role of interoperable electronic medical records, telehealth and telemedicine in the delivery of LTCSS and improvement of coordination with non-LTCSS providers. Recommendations would be developed on shared technology services.
 - c. Explore opportunities for the organizations to partner through shared governance or other affiliations to engage in new models of care and payment (e.g., patient-centered medical homes, health homes, ACOs, IPAs) to improve quality and efficiency of care and the health of the populations they serve, while reducing overall costs.
2. Develop at least two initiatives to improve quality of care/ outcomes, with possibilities including improving transitions between acute care and LTCSS; preventing avoidable hospitalizations; and/or developing collaboratives to work on selected quality measures.

Stages of Work

Given the serious threats to service access that currently exist as well as major impending changes in state and federal policy that could affect service delivery, the project will be staged to simultaneously conduct multiple activities to make the most efficient use of the overall timeframe.

- **Convene coalition and hold meetings.** By 10/15/13, secure commitment of participation from the core group of partner organizations that will form the EALTCC. Hold in-person meetings of the EALTCC in October 2013, March 2014 and June 2014; convene workgroups on specific issues; and hold periodic conference calls throughout the project as needed.
- **Conduct detailed situational analysis.** Between 10/1/2013 and 1/31/2014, provide analyses of: (1) operating functions, associated costs and other key financial performance indicators for each provider using FASTracker, a LeadingAge New York proprietary benchmarking tool; (2) previously collected data on demographics, LTCSS capacity and future service needs in the region; (3) quality outcomes data previously collected to identify areas needing improvement; and (4) governance structures of LTCSS organizations, with data gathered through an online survey and phone interviews.
- **Refine assessment of future needs.** Between 11/1/2013 and 7/30/2014: (1) review and analyze data previously collected by LeadingAge New York and other organizations detailing demographic trends and current and future availability of LTCSS in the region; (2) collect and analyze data from EALTCC members on current technology capacity including availability of internet access, electronic health records, electronic exchange of health information, telehealth solutions and other technologies that may assist in providing LTCSS in rural settings; (3) finalize a LTCSS needs assessment and service gaps report for the 6-county region based on data analyses and interviews; and (4) prepare a draft comprehensive strategic plan to address the service and technology gaps, and include a framework for an innovative, collaborative LTCSS system for the region.
- **Present assessment and plan to coalition.** In July 2014, present the final needs assessment and draft strategic plan to the EALTCC for review and endorsement.
- **Conduct community forum.** In September 2014, conduct a symposium for all stakeholder groups in the region including LTCSS service providers, county offices for the aging, legislators and others to disseminate the findings of the needs assessment and the draft strategic action plan recommendations, and obtain feedback.
- **Finalize products and prepare for dissemination.** Between August 2014 and September 2014, finalize analyses, revise strategic action plan based on community forum feedback, submit final written report, and follow the dissemination plan outlined below. Products will include a final action plan with recommendations to the EALTCC on a rational, sustainable strategy to enhance access to high quality LTCSS in the region, and recommendations for proposals to NYSDOH for transitional/development funding and regulatory modifications.

Methods

The project will involve primary and secondary research, data analysis, use of proprietary software, facilitated exercises and results dissemination.

Primary research and analysis will involve direct information gathering from EALTCC partners and other stakeholders through on-line surveys and telephone interviews, and review of the resulting information. Secondary research and analysis will be conducted using demographic data from various sources, state data on capacity and utilization of current LTCSS, and patient assessment data.

To enrich analyses of provider operations and clinical quality, the project will also rely on two LeadingAge New York proprietary software products: (1) *FASTracker*, a benchmarking tool providing comparative data on revenues, expenses, staffing, financial well-being, utilization and other critical data for nursing homes, home care agencies and ACFs; and (2) *EQUIP for Quality*, a secure, web-based MDS 3.0 analytics software program that translates patient assessment data into knowledge-based information to improve outcomes and quality of care.

EALTCC meetings and the community forum will be professionally facilitated to engage participants in structured dialogues in such areas as service needs in the region, operational challenges, governance arrangements and opportunities for collaboration. The forum will provide an interactive in-person opportunity for the broader set of stakeholders to provide input on the needs analysis and draft strategic action plan recommendations.

Project results will be disseminated through the community forum and issuance of the final report to the EALTCC members, other community stakeholders, local health departments, rural health networks and advocates, NYSDOH and other policymakers. Other products will be disseminated to the EALTCC and potentially NYSDOH including a draft Vital Access Program (VAP)/safety net application, a request for Balancing Incentive Program funding and recommendations for regulatory reform.

Major Questions to be Addressed

Among the major questions that this project is intended to address are the following:

- Is there alignment between the existing LTCSS capacity and future service needs in the region? If not, where do the major discrepancies lie and how can they be addressed?
- How can a rebalanced LTCSS system be created in a rural area that is arguably over-dependent on nursing homes? How can technology be used to support both institutional and community-based LTCSS?
- What governance, financial and operational alignments would enable EALTCC partner organizations to achieve financial stability and advance collectively the “Triple Aim” of better quality, improved population health and reduced cost?

Outcomes

At the end of the 12-month project, the EALTCC will:

1. Provide a LTCSS needs assessment and service gaps report for the region using previously completed preliminary analyses, further available data sources and “on the ground” qualitative input from stakeholders in the six-county area.
2. Produce a comprehensive strategic action plan that will address the identified service gaps and include a framework to rebalance (i.e., institutional vs. non-institutional care) the region’s LTCSS system, promote service integration and enhance sustainability.
3. Conduct a community forum for stakeholder groups in the region including nursing homes, home care agencies, adult care facilities/assisted living programs, county offices for the aging, legislators and others to present the draft strategic action plan and obtain feedback. The resulting input would be evaluated and considered for inclusion in the final strategic action plan.
4. Prepare for submission to NYSDOH:
 - a. An outline of a multi-provider application for VAP/safety net funding to improve the quality and efficiency of services, while supporting the revenue needs of the participating organizations through the remaining transition to Medicaid statewide pricing, at which point most of the facilities are anticipated to receive increased reimbursement.
 - b. An outline of a request for use of federal BIP funds to further assist in the development of technology-enabled HCBS in the region to address the challenges of workforce availability and geographic proximity to services.
 - c. One or more recommendations for regulatory flexibility to address the unique circumstances of rural LTCSS providers in a way that enhances cost-effectiveness without diminishing quality.

These deliverables would pave the way for a rational, sustainable system of LTCSS in the region that furthers the Triple Aim. The results of this project hold the potential to be replicated in other rural areas of the state where similar challenges and opportunities exist.