DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration

Center for Medicaid and State Operations
7500 Security Boulevard
Baltimore, MD 21244-1850

June 19, 1998

Dear State Medicaid Director:

As you know, many individuals in need of long term care support would prefer to receive support and services in the community. However, for any number of reasons people may be institutionalized in nursing homes for needed long-term care services. As time goes on these individuals lose their community supports. Transitioning them back into the community at a later date becomes difficult because barriers develop and independence is lost. Nevertheless, some States have been very successful in transitioning individuals out of institutions or preventing institutionalization.

The Health Care Financing Administration (HCFA) and the Office of the Assistant Secretary for Planning and Evaluation (ASPE) in the Department of Health and Human Services (DHHS) are interested in working collaboratively with States to enhance choices available to Medicaid beneficiaries in need of nursing home care. Therefore, I am pleased to announce that HCFA and ASPE are cosponsoring a grants program to assist States to develop mechanisms to identify and eliminate barriers to community living, and to work with individuals and their families prior to admission to a nursing facility to consider community-based alternatives and/or mechanisms to transition individuals currently in nursing facilities to the community if that is their choice.

HCFA and ASPE will award four to six grants under this initiative. The enclosed grants announcement provides information regarding general policy considerations, special areas of interest, application procedures, eligibility requirements, and review criteria. As identified in the announcement, the deadline for submitting an application is August 10, 1998.

Grant funds may be used either to assist awardees in developmental activities or to fund transitional services not otherwise funded under the Medicaid program. Grant awards of approximately $116,000 to $175,000 will be available to applicants selected to participate in this project. These awards are intended to cover a developmental period which would generally be up to 12 months.

If you have any questions regarding this grant announcement, please call Mary Jean Duckett, Director, Division of Benefits, Coverage, and Payment; Disabled and Elderly Health Programs Group at (410) 786-3294.

We look forward to receiving your application.

Sincerely,

/s/
Sally K. Richardson,
Director
Center for Medicaid and State Operations

Enclosure
cc:
Federal Partners
Constituency Partners
All HCFA Regional Administrators
All HCFA Associate Regional Administrators for Medicaid and State Operations
Lee Partridge American Public Welfare Association
Joy Wilson National Conference of State Legislatures
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HCFA Press Office

Grants Program Transitioning Persons from Nursing Homes to the Community on a "Date Certain"/Fostering the Use of Home and Community-Based Services

Health Care Financing Administration Department of Health and Human Services

TABLE OF CONTENTS

Section Page

I. Introduction 3

II. Background 3

III. Purpose of the Grants Program 5

IV. Populations to be Served 6

V. Special Areas of Interest 6

VI. General Policy Guidance 8

VII. Grant Funding Provisions 9

VIII. Eligible Applicants 9

IX. Application Procedures 9

X. Review Criteria 10

XI. Review of Applications 13

XII. Site Visits 13

XIII. Final Award 13

XIV. Additional Information 14

Appendix

GRANTS PROGRAM TRANSITIONING PERSONS FROM NURSING HOMES TO THE COMMUNITY ON A"DATE CERTAIN"/FOSTERING THE USE OF HOME AND COMMUNITY-BASED SERVICES

I. INTRODUCTION

The Health Care Financing Administration (HCFA) and the Office of the Assistant Secretary for Planning and Evaluation (ASPE) in the Department of Health and Human Services (DHHS) are interested in working collaboratively with States to enhance choices available to a Medicaid beneficiary in need of long-term care. Therefore, HCFA and ASPE are sponsoring a grants program to assist States to develop mechanisms to identify and eliminate barriers to community living, and to work with individuals and their families prior to admission to a nursing home to consider community-based alternatives and/or mechanisms to transition individuals currently in nursing homes into the community, if that is their choice. HCFA and ASPE will award four to six grants under this initiative. Following is information regarding general policy considerations, special areas of interest, application procedures, eligibility requirements, and review criteria. **The deadline for submitting a proposal is August 10, 1998. Proposals must be received in HCFA by this date.**

II. BACKGROUND

Many individuals in need of long-term care would prefer to receive support and services in the community. However, for any number of reasons, including loss of a caregiver, stress on the family, lack of necessary community supports, and the unavailability of funding, people may be institutionalized to receive needed long-term care services. As time goes on many persons in institutions lose their community supports and do not return to their home or other community-based setting. Transitioning these persons back into the community at a later date becomes more difficult because barriers develop and independence in the community may seem unattainable.

A few States have found that transitioning individuals in the institution back into the community and helping them achieve independence can be done and that individuals, once thought not capable of living independently, can, in fact, live independently with the appropriate supports. States have used the authority of a home and community-based services (HCBS) waiver, authorized under section 1915(c) of the Social Security Act, to move individuals from nursing facilities into community-based alternatives. In many cases those persons transitioned into the community were those with fewer functional limitations or those who had not lost community supports. The effect of this has been that those individuals who are more difficult to transition often remain in the institution despite the fact that it may be possible for them to live successfully in the community with the appropriate supports.

DHHS has supported community-based alternatives to institutional care since the inception of the HCBS waiver program in 1981. The Department also believes that the personal care services State plan option, the HCBS option, and other waiver approaches can be used to divert persons in need of care from institutional settings as well as to develop the supports necessary to transition individuals who wish to do so from the institution to the community. However, States may not have the resources or infrastructure to work with individuals prior to admission to a nursing facility to consider other community-based options and develop necessary supports. States also have told us that despite funding for home and community-based services under section 1915(c) of the Act, transitioning individuals from nursing facilities to the community is difficult since "transitional costs" generally are not covered under a home and community-based services waiver. Specifically, States need to invest State resources and dollars, often over a period of several months, to identify individuals in the nursing facility who can be transitioned, provide education to those individuals regarding alternatives which may be available to them, and develop supports before home and community-based services can be provided to the individual in the community. Additionally, this investment in time and resources does not always result in the individual being transitioned into the community.

DHHS is sponsoring a grants program to assist States to develop mechanisms to work with individuals and their families prior to admission to a nursing facility to consider community-based alternatives and to develop needed supports, and/or to transition individuals currently in nursing facilities to the community where that is their

choice either on a "date certain" or as supports are in place for each person. Needed supports can include consumer-directed community-based attendant care services. This announcement provides information concerning the following:

- purpose of the grants program;
- populations to be served;
- special areas of interest;
- general policy guidance;
- grant funding provisions;
- eligibility requirements;
- application procedures; and
- criteria to be used in reviewing applications and awarding grants.

III. PURPOSE OF THE GRANTS PROGRAM

Grant funds may be used either to assist awardees in developmental activities such as hiring staff, preparing necessary State plan amendments or waivers, developing infra-structures; and/or to fund transitional services not otherwise funded under the Medicaid program such as rental deposits, educational services, etc. DHHS is making approximately $700,000 available for this project and anticipates selecting four to six State Medicaid agencies as grantees. Grant awards of approximately $116,000 to $175,000 will be available to applicants selected to participate in this project. These awards are intended to cover a developmental period which would generally be up to 12 months. Additional grant funding may or may not be available in FY 99.

This grants program is designed to enhance choices available to support the Medicaid beneficiary and his/her family in decision making and to assist States in identifying and eliminating barriers to community living. The Department is interested in providing grant support to programs which address:

- the processes in the State which foster nursing facility care and how to alter those processes to foster community-based services;
- the infrastructure in the State which creates barriers to the use of community-based services and how to enhance the use of community-based alternatives;
- incentives in the current system to institutionalize an individual and how to eliminate them;
- the use of partnerships with beneficiaries, families, advocacy groups and providers to create choices;
- the provision of beneficiary information and choice; and
- the use of innovative funding arrangements which enable money to follow the individual.

Under the grants program, States have considerable flexibility to develop innovative projects that respond to these priorities. However, DHHS is particularly interested in assisting those States which are just beginning to address these issues as a way of "jump starting" the development of an infrastructure which will foster community-based alternatives to nursing facility care. Examples of types of demonstration projects States may wish to consider are presented in Appendix I, "Illustrative Models".

States are encouraged to contact the Office of Civil Rights, DHHS at (202) 619-0403 for technical assistance in developing a grant proposal that meets all the requirements of the civil rights and disability laws cited under VI. General Policy Guidance on page 8.

IV. POPULATIONS TO BE SERVED

For purposes of this solicitation, applicant agencies may develop projects to transition individuals from nursing facilities or to prevent long-term institutionalization in these facilities. There is no limitation on the age of individuals who may be served nor is there a limit on the characteristics/number of persons to be served as long as the proposal, if a waiver of federal statutory requirements is needed, demonstrates budget neutrality.

V. SPECIAL AREAS OF INTEREST

As mentioned earlier, DHHS's objective is to work with States to identify and eliminate barriers to community-based alternatives to nursing facility care. While the scope, type and extent of barriers to using community based alternatives to nursing facility care will vary among States, the Department is primarily interested in proposals which address:

Processes in the State which Foster Nursing Facility Care

Many individuals go into a nursing facility for long-term care because the availability of community-based supports was unknown or not explored. Once admitted to a nursing facility, many remain there.

Independence is lost after a few months. Often consideration is not given at the time of admission or any time thereafter as to whether the individual can be served in an alternative setting in the community. Thus, the lack of a process in the State to consider community-based alternatives at the time of application for admission to the nursing facility and periodically thereafter often leads to permanent institutionalization. In addition, there may be a lack of coordination of public/private decisions. For example, an individual may be admitted to a skilled nursing facility as a Medicare beneficiary, become private pay when he or she no longer meets Medicare coverage criteria, and may then spend down income and assets and become a Medicaid beneficiary. However, the Medicaid agency does not become involved and other options are not considered until it is too late and difficult to transition the person out of the nursing facility.

Infrastructure in the State which Creates Barriers to the Use of Community-Based Services

The infrastructure in a State may either serve as a barrier to or as a support for community-based alternatives. When discharging a patient to a long-term care facility, a hospital needs to be able to coordinate the move relatively quickly and with a knowledgeable person at the long-term care facility. The absence of this person and/or a process to consider community-based alternatives at the time of application for admission to a nursing facility or to periodically identify individuals who can be transitioned thereafter can lead to permanent institutionalization. Similarly, States may have separate points of entry for institutional long-term care and community-based long-term care. A lack of community-based providers, supports, and housing can also be a barrier to use of community-based alternatives. For example, the lack of persons willing to provide attendant care services can be a barrier for a person in need of those services moving into the community. State laws, such as the Nurse Practice Act, may present a barrier to allowing certain services to be provided by a family member or provider. Additionally, program administration spread across several State agencies can hinder needed coordination.

Incentives in the Current System to Institutionalize an Individual

Incentives in the current system in the State that may need to be addressed include the incentive for facilities to keep their beds filled. There may also be incentives for family members and legal guardians to prefer institutional placements. In addition, eligibility to home and community-based services may be limited where a State does not employ institutional income and asset rules under a home and community-based services waiver.

Partnerships with Beneficiaries, Families, Advocacy Groups, and Providers to Create Choices

The success of a program to identify and eliminate barriers to the use of community-based alternatives can be enhanced and reliant on by the development of partnerships in the State. Partnerships can be with the consumer, the consumer's family and significant others, advocacy groups, the State Housing Authority, other State agencies, and the State legislature. These partners can join with the State Medicaid agency to develop the State's demonstration program, identify needed infrastructure, and design the care system. Advocacy groups and consumers can be used to educate case managers about the consumer's needs/desires. In addition, advocacy groups and consumers can be used to monitor or develop the mechanisms to monitor the quality of the State's program and provide a feedback loop to the State on issues which need to be addressed and on how to improve the program.

Beneficiary Information and Choice

While most individuals would prefer to have their long-term care needs met in an appropriate community-based setting, some may prefer nursing facility care for a variety of reasons. A crucial element of exploring alternatives to institutionalization or transitioning an individual out of a nursing facility is providing information on alternatives/supports available to meet the individual's need. Increasingly, consumer-directed organizations, such as independent living centers, also can be enlisted to broker and/or provide personal assistance and related services. Information may also need to be provided to the individual's family and significant others who can influence the individual's choice or who may be the legal guardian for the individual. This information may be provided by the State Medicaid agency, another State agency, a case manager, or by an advocacy/consumer group. Information is critical to making an informed choice. It is DHHS's goal to enhance choices available to beneficiaries under this demonstration and to support families in decision making. It is not the Department's goal to mandate community-based services for all individuals. Thus, the beneficiary's choice of where to receive care and supports must be maintained under the State's proposal.

Innovative Funding Arrangements Which Enable Money to Follow the Individual

One of the barriers to funding of home and community-based services derives from State budgetary processes which allocate funds to nursing facility care and to home and community-based services separately. Allocations may also be made to two or more separate agencies. Thus, even though home and community-based services are cost effective when compared to nursing facility care, it is often difficult for an individual to choose community-based services or to transition to community-based services because of a lack of funding to the agency responsible for the community-based services or a lack of funding to the appropriate budgetary line item. Flexible funding arrangements, which would allow funding to shift from institutional care to home and community-based services and, thus, enable adequate funding (but not necessarily the same dollar amount) to follow the individual, foster the provision of home and community-based services.

VI. GENERAL POLICY GUIDANCE

Although applicants have considerable flexibility in developing demonstration projects under this solicitation, the project must comply with the following:

Waiver Authority

:There are a variety of benefit combinations, utilizing for example any one of the waiver authorities at section 1915(b), 1915(c), 1915(d) or 1115 of the Social Security Act, that a State could put together as part of its proposal under this grant initiative. A State, however, is *not* required to submit an application for any of these waiver programs as part of its grant proposal; but may choose to do so if it is necessary to waive a Federal statutory requirement which prevents the State from, for example, developing innovative funding arrangements or eliminating barriers to the use of community-based services. Waivers will only be granted if they are determined necessary by the Department. Moreover, all applicable required demonstrations of cost-effectiveness, cost-neutrality, or budget neutrality remain in effect should any of the above noted waiver authorities be sought under this grant initiative.

Budget Neutrality

: Budget neutrality requirements differ depending on the Medicaid waiver authority necessary to conduct the demonstration. The budget neutrality standard for a Medicaid 1115 waiver is the most stringent demonstration required for any of the Medicaid waiver authorities. The Medicaid 1115 waiver requires that federal Medicaid expenditures must not be higher than they would have been in the absence of the waiver. HCFA and ASPE will provide assistance to State grantees to explain and assist with the budget neutrality requirements of the waiver that is most appropriate for their demonstration.

Independent Evaluation: All grantees receiving awards under this grant program must agree to participate in an independent evaluation of the program's effectiveness. Grantees agree to provide health status, expenditure, utilization, outcome and additional data as appropriate to support the evaluation. The independent evaluation will be funded by DHHS and will cover the 3 year operational period of each grantee's project.

Choice of Services: The provision of home and community-based alternatives must be at the choice of the consumer (or the legal guardian acting on the consumer's behalf).

Civil Rights

: All grantees receiving awards under this grant program must meet the requirements of Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Hill-Burton Community Service nondiscrimination provisions; and Title II, Subtitle A, of the Americans with Disabilities Act of 1990.

VII. GRANT FUNDING PROVISIONS

HCFA's Center for Medicaid and State Operations and ASPE's Office of Disability, Aging, and Long-Term Care will award grants to four to six State Medicaid agencies under this initiative, executed as cooperative agreements. The purpose of the grant funding is to assist States in developmental activities required to implement a project. Grant awards of approximately $116,000 to $175,000 will be available to States selected to participate in this project. Grant awards are intended to cover a developmental period which would generally be up to 12 months.

VIII. ELIGIBLE APPLICANTS

Applicants eligible to apply for grant funding should be State Medicaid agencies. State Medicaid agencies are encouraged to work with consumers and their families, other State agencies, community organizations, providers, and other entities in developing applications. If waivers are required to provide home and community-based services or for other purposes, these waivers must be requested by the Medicaid agency.

IX. APPLICATION PROCEDURES

Application Package

The narrative portion of the proposal should not exceed 75 double-spaced typewritten pages. Additional documentation may be appended; however, material should be limited to information relevant to the specific scope and purpose of the grant. Applications must provide an abstract of not more than two pages describing how the requirements of the solicitation, i.e., goals and objectives, basic approach or methodology of the project, etc. will be met.

Submission of Proposals

The closing date for applications submitted under this solicitation is August 7, 1998

. An application will be considered on time if it is received in HCFA on or before August 7, 1998. Applications must be mailed through the U.S. Postal Service or a commercial delivery service. An application postmarked after the closing date, or postmarked on or before the closing date but not received in HCFA, will be considered a late application. Late applications will not be considered for an award.

An original application signed by the State Medicaid Director should be sent along with two copies to:

Attn: Ms. Marilyn Lewis-Taylor Health Care Financing Administration OICS, AGG, Grants Management Staff C2-21-15 7500 Security Boulevard Baltimore, Maryland 21244-1850 Ms. Lewis-Taylor's phone number is (410) 786-5701

Schedule of Processing

Technical Panel Review -- August 1998 HCFA Decisions -- September 1998 Announcement of Awards -- September 1998

X. REVIEW CRITERIA

Applications that satisfy the basic eligibility requirements outlined above (i.e., respond to all components of the grants announcement) will be referred to an independent technical review panel for evaluation and scoring. This will be a competitive review. To assist in the preparation of the application and to aid the technical review panel in its review, we are requesting that the narrative portion of your agency's application be prepared using the

format listed below. The review panel will score the application based on the following criteria.

1. Purpose of Project/Statement of Problem (10 points)

The application must clearly define the purpose of the demonstration project, i.e., the specific goals and objectives to be achieved in developing and implementing the project. The State must demonstrate knowledge of issues in transitioning individuals from institutional options to community-based services and supports and indicate how the project addresses these issues. The State must also indicate how beneficiary and/or family choice/ decision-making will be fostered, what services will be provided, and how they will be provided.

2. *Technical Approach (30 points)*

The State must clearly define how it will design and implement the demonstration project, addressing the following areas:

- eligible population;
- approach for outreach and screening (identification of target population);
- process for identifying and remedying barriers to community-based services;
- process for supporting person/family decision making;
- benefits and services to be provided;
- quality assurance strategies; and
- financing and payment methodologies.

In describing the technical approach, please indicate how you are addressing one or more of HCFA's identified areas of special interest (See Section V, "Special Areas of Interest").

3. Service Delivery Capacity (10 points)

States must describe the community-based services which will be provided as an alternative to nursing facility care. These may be services already covered under a State's Medicaid program. Alternatively, a State may need to request a Medicaid waiver to provide services not currently covered under the State Medicaid program. To the extent that the State will use existing Medicaid State plan services or an approved home and community-based services waiver to provide services to individuals transitioned from the nursing facility, the State must describe this in its proposal. To the extent that the State plans to amend an existing home and community based services waiver to add services not currently available under the waiver or to request a new home and community-based services waiver under section 1915(c) or 1915(d) to accommodate individuals served under the demonstration and provide needed services and supports, the State must describe its plans for doing so and meet all applicable cost-neutrality requirements.

NOTE: An existing home and community-based services waiver can be amended back to the first day of the waiver year if necessary.

In addition, if the State anticipates claiming as Medicaid administration, or targeted case management, any activities which assist individuals in considering community-based alternatives at the time of application to an institution and/or any activities which transition individuals who are already in institutions to the community, the State must describe in its proposal those activities for which it will claim an administrative match.

4. *Consumer Involvement (15 points)*

The State must describe its process for involving consumers, their families, independent living centers and similar consumer-directed organizations in determining the goals and objectives to be

achieved by the demonstration project, identifying needed services and supports, designing the care delivery system, and/or monitoring the care provided, etc. The State should also explain whether consumers, their families, and consumer advocacy groups will have a role in recruiting and training providers; and to what extent consumer-directed organizations, such as independent living center, will be enlisted to broker and/or provide personal assistance and related services. ***Letters of commitment or memoranda of understanding from each participant/agency, with a description of the roles they will perform in the demonstration project, must be included in the grant application.***

5. Staff and Organizational Capability and Commitment (25 points)

The State must describe what mechanisms it will implement to identify individuals who can be transitioned from the nursing facility to the community or to make community-based alternatives available at the time an individual applies for admission to a nursing facility. The State should also describe how this activity will be managed; what coordination mechanisms will exist with other agencies in the State, advocacy groups, and case managers; the State's capability to implement and operate the program within the time frames and funds available under this grant. This description must include:

Task and Milestone List

: a list of the tasks and/or milestones needed to implement and operate the program, how they will be sequenced, and their planned dates of completion.

Organizational Structure

: a chart of how the demonstration project will be organized within the State identifying the Medicaid agency as the primary sponsoring agency along with other State or local agencies or departments which will have a role in the demonstration program. Designated responsibilities of each component and its relationship to other components in carrying out the project's developmental and implementation activities should be included.

Staff

: identification of key program staff and evidence that key staff (including the project director) are qualified and possess the experience and skills to implement and conduct the program within the available time frames. A brief statement of the relevant credentials, training, and/or experience of individuals already employed or under contract to the State, or qualifications for personnel to be hired should be provided.

Organizational Experience

: a summary of the State's experience in the topic area.

Facilities and Equipment

: a list of the facilities and equipment needed for the project and how they will be obtained and used.

In addition, the State must also demonstrate its commitment to carrying out the project, including the level of cooperation between key agencies. ***Letters of commitment or memoranda of understanding from each participating State agency, with a description of the roles they will perform in the demonstration project, must be included in the grant application.***

6. Information Systems and Management Plan (10 points)

States must document that they have sufficient management information systems (MIS) and reporting mechanisms to design and implement the demonstration project, including the ability to provide individual level health status and utilization data from provider organizations. As part of

the development phase, applicants will be responsible for ensuring that demonstration provider agencies can establish MIS to support the service delivery system and evaluation and their willingness to provide necessary data for that effort. States are to describe their management information systems and reporting capabilities.

XI. REVIEW OF APPLICATIONS

An independent review will be conducted by panels of experts from the government and private sector. The panels will be convened during August 1998. The panelists'comments and recommendations will be condensed into a summary statement that will serve as the basis for award decisions. The panelists' recommendations will contain numerical ratings (based on the rating criteria specified in Section X), the ranking of all applicants, and a written assessment of each applicant.

XII. SITE VISITS

DHHS reserves the right to conduct site visits to those States receiving the highest ratings from the technical review panel. The number of States who may receive site visits will be determined based on the number of submissions and the number of proposals scored as technically acceptable by the technical review panel.

XIII. FINAL AWARD

Final award decisions will be made by the HCFA Administrator and the Assistant Secretary for Planning and Evaluation, after consideration of the comments and recommendations of the technical review panelists, comments and recommendations of the site visit teams (if conducted), and availability of funds.

Awards will be made by September 30, 1998. States will receive written notification of the final award decision. We expect to announce award decisions in September 1998.

XIV. ADDITIONAL INFORMATION

For additional information regarding this solicitation, please contact:

Mary Jean Duckett Director, Division of Benefits, Coverage and Payment Disabled and Elderly Health Programs Group Center for Medicaid and State Operations S2-14-26 7500 Security Boulevard Baltimore, Maryland 21244-1850, (410) 786-3294

APPENDIX I

TRANSITIONING--ILLUSTRATIVE MODELS

As previously highlighted, DHHS is interested in assisting States to develop mechanisms which will enable States to assist individuals in considering community-based alternatives at the time of application to a nursing facility, and to transition individuals who are already in nursing facilities into the community. In order to develop these mechanisms, States will need to modify the infrastructure in their State which create barriers to the use of community-based alternatives. The Department hopes that this demonstration will help "jump start" the development of infrastructure in the State which will facilitate the use of community based alternatives. Following are three models intended as examples of mechanisms States can use to develop infrastructure which will facilitate the use of community-based alternatives. States are not required to adopt any of the following models but can develop one of their own. Additionally, States can combine features in these models to create the State's model.

Use of "Case Management Transition Teams"

Teams of case managers can go into nursing homes to identify residents who are potential candidates for moving into the community and work with these individuals and their families to make them aware of community-based options and to arrange for the necessary services and supports to enable the individual to live in the community. Teams should include individuals with significant disabilities and individuals with a variety of personal and professional experiences with regard to creating community supports. The individuals identified would not necessarily be limited to individuals who come forward and self-identify as wanting to relocate to a community setting. States which have used this approach have found that many nursing home residents who were successfully transitioned out of the nursing home had not initially asked to be transitioned out of the institution and their families were at first skeptical that viable home and community-based options might be available for them. However, they became interested and ultimately willing to leave the nursing home once attractive possibilities were offered to them.

The case managers assigned to identify and assist nursing home residents who might be appropriate for transition to the community would develop care plans for these residents, creatively mobilizing existing Medicaid resources (e.g., home and community-based waiver programs, personal care services, etc.) as well as assisting the resident to access other available public benefits (food stamps, housing, vocational rehabilitation, etc.) that might enable cost-effective relocation to the community.

FFP would be available for any transitional services which meet the definition of targeted case management in section 1915(g) of the Social Security Act and which are covered under a State's Medicaid plan. If these services are not covered under the State's Medicaid plan, States may request, for example, a plan amendment to include targeted case management for individuals in the project. FFP would then be available for case management activities which help the individual to attain access to community-based options and which are provided at any time prior to discharge and do not duplicate institutional discharge planning.

Single Point of Entry/Preadmission Screening

The State's demonstration project may also target individuals at risk of nursing facility care when they apply for admission to the nursing facility in order to assist them in exploring community- based alternatives and addressing barriers to the use of those alternatives. Individuals should not have to actually enter an institution in order to qualify for adequate funding for home and community-based services to permit them to live in the community. Inclusion of applicants who are diverted would require that States be willing to make changes in existing administrative procedures and develop their infrastructure. This could entail, for example, using grant funds to create a single point of entry/ preadmission screening mechanism for elderly and disabled persons at risk of nursing facility placement to access publicly funded long-term care services, both institutional and noninstitutional, regardless of funding source. Individuals applying for nursing facility admission would not be eligible for coverage of nursing facility costs unless their appropriateness for home and community-based services was first reviewed and feasible alternatives offered.

Staff associated with a single entry point/preadmission screening process would also have responsibility for coordinating referrals and facilitating eligibility determinations for Medicaid, the home and community-based services waiver, and other public benefits, both Federal and State, that might be required for an elderly or disabled person to live in the community (e.g., access to SSI/SSP, food stamps, HUD housing, other housing and residential settings, etc.). It is important to note that individuals entering the single point of entry must be Medicaid eligible in order for services subsequently received to be covered by Medicaid. FFP would be available for services provided by single point of entry staff which meet the definition of targeted case management in section 1915(g) of the Social Security Act and which are covered under a State's Medicaid plan.

States may also need to consider program administration reforms that would speed up the process of determining Medicaid eligibility and eligibility for a home and community-based services waiver. Currently, in many States the process of getting an individual determined eligible for home and community-based waiver services and getting those services started is so lengthy that an individual who is in the hospital would be discharged long before the waiver service plan could be implemented. This means that such a person--unless he or she has access to substantial informal help from family, friends and neighbors--would almost certainly be required to go to a nursing facility until determined to qualify for 1915(c) home and community-based alternative services. At the same time, nursing facilities may be reluctant to serve as transitional short-term placement options for Medicaid recipients awaiting implementation of a long-term home and community-based services plan. This is because nursing facilities must often put substantial staff time into processing Medicaid eligibility forms and covering costs while awaiting eligibility determinations and retroactive reimbursement--which they may not consider worth the effort and expense in the case of short-term placements. In addition, having beds occupied by short-term residents awaiting the start of home and community-based services could cause nursing facilities to suffer the financial loss of having to turn away applicants who would have been longer-term private payers.

Alternative Housing Arrangements

The State's demonstration program may want to focus on individuals currently institutionalized in a nursing facility or at risk of institutionalization in a nursing facility who lack housing by identifying existing rental and "for sale" housing programs for persons of low income. The State could work with the U.S. Department of Housing and Urban Development, the State housing authority, independent living centers and similar consumer directed organizations, other organizations and individuals, and Medicaid beneficiariesto locate and design affordable community-based housing. It is important that housing resources be integrated within the community; and that affordable and accessible housing, whether for rent or sale, be made available to individuals regardless of their disability.

Federal Medicaid matching of State funds is only for funds budgeted for the reimbursement of medical services. State funds budgeted for housing may not be co-mingled with funds for medical services and then presented for Medicaid matching.

This type of demonstration program could involve consumer participation in its conceptionalization, design, implementation, and evaluation. While Medicaid FFP cannot be used to pay for room and board, grant money can be used to support the salary of someone to work on development of community housing. Medicaid FFP can be used to pay for the supports and services which would be provided in the housing or which would enable the individual to go out into the community. This could include attendant care services, assisted living services, personal care services, transportation, etc.