



Homefront

HOME CARE ASSOCIATION OF NEW HAMPSHIRE

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Commissioner Makes Home Visits in the North Country

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Recently NH Health and Human Services Commissioner John Stephen met with several North Country home care clients to gain firsthand exposure to the state's Medicaid waiver program for elderly and chronically ill individuals (HCBC-ECI). The program helps reduce the state's Medicaid costs for individuals who are eligible for nursing home placement but who can live at home with appropriate supports provided by home care and other organizations. Last fall, the Commissioner rescinded announcement of a waiting list for the HCBC program with a commitment that no such action would be taken, despite a projected budget shortfall.

The following article was written by Margo Sullivan, Executive Director of Androscoggin Valley Home Care Services, who accompanied Commissioner Stephen on his North Country visits in late December.

"It is important for me to see with my own eyes the support our providers give to a community."

—Commissioner of Health and Human Services, John Stephen

The Monday after Christmas was sunny and bitter cold. I was to meet Commissioner John Stephen, his public affairs aide Gregg Moore, and Councilor Ray Burton in the lobby of Coos County Family Health Services in Berlin at 8 a.m. They were prompt. I was nervous. I knew this was a rare opportunity for us all, one that no meeting or appointment could rival.

Within minutes of making my acquaintance, the Commissioner asked if I would discuss my thoughts on the privatization of HCBC case management with him. I had heard that he wasted no time. We piled into my little Toyota, and spoke of the outsourcing of HCBC case management on the way to the home of Mr. B, a man receiving HCBC services for personal care and homemaking.

I told the Commissioner that I thought the social workers hired to do private case management seemed very competent, that the care plans were appropriate, and that so



(Left to right) Executive Councilor Ray Burton, Health & Human Services Commissioner John Stephen, HCBC client Mr. B and his daughter Lena.

far everything seemed fine. I did add that I couldn't understand why HCBC case management through the District Offices had been dismantled, "a perfectly good system," only to be reassembled at a greater cost with private contractors.

He said that he liked the privatization model, that he understood the care plans to

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be lean. He also shared that there would be no waiting list for HCBC services, and that this was unequivocal. I commented that it was taking forever for HCBC applicants to get approved for services, and that current service plans were being scrutinized and changed in Concord by people who didn't really know the in-home needs of the clients at all. He asked his aide to take note of that.

We arrived at the first client's home, a little place on Rt. 110. The sun porch where we sat could hardly accommodate us all, long and narrow, the walls covered with pictures of this man and his family. The Commissioner sat on the couch with Mr. B and seemed at ease conversing with the extremely shy man, whose daughter, Lena, needed to translate a bit of French/English for us. She was eloquent in her simple explanation of how the home care staff and her family were "team members" in helping her father stay at home. She spoke of how she and her brother made daily trips to check on their father, take care of his house, and bring his elderly wife to him from the nursing home once a week so the couple could have quiet, private time together.

As we prepared to leave, I asked Lena what would happen if her father's services were cut in half. She looked stunned and said, "We couldn't do it." She added that the family would have to have the conversation with her father about nursing home placement after all. It was his dread.

While driving to the next visit Commissioner Stephen asked why I had posed that question to Lena. I told him about the collective worry of providers and case managers—that a \$200/week limit was to be imposed on HCBC cases to contain costs. I said that we were all afraid and uncertain about what was to become of our

clients and their families if this happened. He asked his aide to write that down.

Our second visit was with Mrs. L, an elderly woman who had been receiving HCBC services for years. She sat waiting for us in her red robe looking like a million dollars, but still wishing that her hair had been tended



(Left to right) Executive Councilor Ray Burton, Commissioner John Stephen, and long-time HCBC client, Mrs. L.

to beforehand. Medical equipment surrounded her, begging the obvious.

The Commissioner and I listened as she spoke of her 6 children, 5 in Berlin. She recounted stories of her recent holidays with them, how she tackled the entryway to her daughter's apartment on Thanksgiving, "7 steps, with no railing and my son behind me all the way." She was so tired she hardly ate the meal, but shared the holiday with her family, all together. Before we left, I turned to find him showing Mrs. L pictures of his two young daughters.

Our last stop was a meeting with local healthcare providers. As I dropped the Commissioner at the door, he spoke about balancing HCBC client needs against an over-expensed budget. He was clearly unsettled.

During the meeting, he often referenced the visits he had just made with me. It was obvious he had been moved by what he had seen and heard earlier in the day. He was thoughtful in his responses to questions, and made no promises when pressed for reassurances. He did offer that all DHHS services were being scrutinized and that redundancies and inefficiencies were unacceptable in these tight times.

In truth, I admired him for recognizing the importance of going out "to see for himself," and actually doing so. At the meeting, I asked for partnership and communication between DHHS and providers, as we have our fingers on the pulse of our communities and want only to share what we know best. He said he was committed to both.

I felt privileged to have accompanied the new Commissioner into the homes of my clients, his clients too. The dignity and courage of these elderly and their families to persevere in their independence was palpable during our time with them. He made a quiet observation when we left Mr. B's home, "You can see how he has become part of this place (Berlin) because of what he's given to it over the years." "Yes," I added, "but also because of what it's given to him, and still does."

I received an email from the Commissioner early the next morning. "I was extremely impressed with the level of attention and care given to some of our seniors, who have contributed so much to our society over the years," he wrote. "In these tough budgetary times, it remains important to do whatever we can to control costs, while at the same time help our community achieve health and independence." Within hours of that email, Doug McNutt, the Director of DEAS called me at the behest of the Commissioner, to talk about HCBC concerns. Partnership. Communication. I smiled to myself and thought, "John Stephen wastes no time."



Adequate Funding is Needed to Ensure Access to Community-Based Care

The Home Care Association appreciates Commissioner Stephen's commitment to avoiding a waiting list in the Medicaid waiver program known as HCBC-ECI (Home and Community Based Care for the Elderly and Chronically III). (See related article on front page.) The outstanding question is whether this commitment can be realized within the limitations of the present state budget.

Medicaid long-term care policy

With the passage of SB 409, the Legislature formally endorsed a shift in the emphasis in long-term care from institutional care to community-based supports. However, even SB 409 hampered the state's ability to implement the policy shift by limiting the average cost outlay for home care to one-third the cost of nursing home care, a limit recently raised to one-half during the FY 2004-05 budget negotiations.

The average Medicaid cost for nursing home care is about \$36,000 per resident per year, and the average

Medicaid cost for a HCBC-ECI client has consistently been under the \$12,000 limit. In many cases, this means that a large number of individuals are receiving less care than they really need, even though they are sufficiently impaired to meet the nursing home level-of-care criteria. It also means there are no rate adjustments for providers, whose costs rise due to wage and benefit increases, gas prices and other factors.

Now, to keep HCBC spending within the budget limits while avoiding a waiting list, the Division of Elderly and Adult Services (DEAS) has instituted additional cost-control measures. Although the Legislature set an average annual cost of at least \$18,000 per client as a reasonable expectation, DEAS must keep the average at \$10,000 for services plus \$2,171 for case management.

Balancing the system

In the past few years, the nursing home industry has been vocal about the financial woes of many facilities. While we are sympathetic to the fiscal

problems of county and private nursing homes, we are concerned that efforts to provide financial relief for this one segment of the long-term care system will return the state to almost complete reliance on expensive institutional care. The result will be further cost escalation of long-term care and less availability of lower cost community alternatives like home care. ALL components of the long-term care system are underfunded, and ALL need further investment to assure that good quality, cost-efficient, and appropriate care is available to those in need.

If the state truly hopes to move toward community-based long-term care and away from an unbalanced reliance on costly institutional care, adequate resources must be devoted to the appropriate state programs and to reasonable reimbursement rates reviewed and revised on an annual basis. It's not too early for state lawmakers and budget writers at DHHS to be thinking about the next biennial budget and how community-based care is funded.



Medicaid Home Care Losses in Strafford County Exceed \$1 Million

Home care agencies statewide report similar findings

Startling Medicaid losses were revealed during recent cost analyses at the two largest home care agencies in Strafford County, The Homemakers of Strafford County and Your VNA & Hospice. The two agencies report a combined operating loss of \$901,738 for in-home services in the last fiscal year, and The Homemakers incurred an added

loss of nearly \$100,000 on their adult day care program. Both programs serve the state's elderly and disabled Medicaid populations.

Since 1999 Medicaid reimbursement rates for home care services have been frozen at levels that were based on 1996 costs. "Our Board [of Directors] is struggling with how to keep our agency solvent and serve needy individuals in the

community," says Claudette Boutin, Executive Director of The Homemakers. "Without rate increases, we either have to cut programs or set up waiting lists for Medicaid services."

Boutin describes a typical HCBC (Home and Community Based Care waiver) client served by The Homemakers as an

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individual receiving homemaker and day care services a couple days a week. The annual cost of services for one client with Parkinson's disease, a debilitating movement disorder, totaled \$6,638, but the state paid only \$3,157 for that care. Without these services, the client's family would be unable to keep her at home.

State expectations that non-profit agencies can and will continue to provide care while being paid well below their costs are unreasonable at best. Last year, The Homemakers and Your VNA together provided Medicaid services for 243 nursing home-eligible clients under the HCBC program at an estimated cost to the state of \$1.2 million. The true cost to deliver this care was \$1.8 million. Had these clients been admitted to nursing homes at the statewide average rate of \$124/day, the state would have paid \$8.7 million for their care. The state saves millions of dollars with home and community-based care yet fails to reimburse agencies adequately.

For Strafford County home care agencies, town and county funding, United Way and local fundraising efforts are insufficient to recover more than \$1

million in operating losses. Linda Hotchkiss, Executive Director of Your VNA suggests, "State policymakers must come up with viable options to ensure community-based long-term care resources will continue to be available."

The home and community-based care crisis affects not just home care providers and policymakers.

Families and their loved ones are at the mercy of state and local budgets as well.

The home and community-based care crisis affects not just home care providers and policymakers. Families and their loved ones are at the mercy of state and local budgets as well. The solution to this crisis is evident: A realistic state budget that adequately funds home and community-based care is imperative. And, further Medicaid cuts in the current biennium will only worsen this crisis.



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The Home Care Association of New Hampshire (HCANH) is a membership organization which enhances the ability of agencies providing home health care to deliver quality services to New Hampshire residents. HCANH is the only association of home health providers in the state and a member of the National Association for Home Care. HCANH is your resource for information about home health services, providers and issues. Call us at 1.800.639.1949 or visit

www.homecarenh.org



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