

+-----+
| LOCAL COMMISSIONERS MEMORANDUM |
+-----+

Transmittal No: 91 LCM-35

Date: March 5, 1991

Division: Medical Assistance

TO: Local District Commissioners

SUBJECT: Patient Managed Home Care Programs

ATTACHMENTS: Attachment 1: Chapter 386 of the Laws of 1990
(Not available on-line)

Chapter 386 of the Laws of 1990 provides statutory authority for the establishment of patient managed home care demonstration projects in up to ten social services districts through July 1, 1995. The purpose of this demonstration is designated in the statute: "to determine whether a patient managed home care program would allow chronically ill and/or physically disabled individuals receiving home care services under the medical assistance program greater flexibility and freedom of choice in obtaining such services while reducing administrative costs." The statute permits persons participating in the demonstration projects to arrange and pay for their own home care through a specifically designated payment system.

Chapter 386 succeeds the 1985 statute which terminated January 1, 1990 and authorized home care for physically disabled persons demonstration projects in up to six social services districts. Chapter 386 contains no fiscal appropriation for start-up costs or implementation of projects.

Under the statutory requirements, individuals eligible to participate in patient managed home care demonstration projects must:

1. be eligible for medical assistance; and
2. be eligible for personal care services, or long term home health care program services, or AIDS home care program services, or services provided by certified home health agencies, including nursing services and home health aide services; and

3. be in need of personal care services, or long term home health care program services, or AIDS home care program services, or services provided by certified home health agencies including nursing services and home health aide services, as determined by an assessment; and
4. be able and willing to make informed choices about the type and quality of home care services to be provided; or
5. have a legal guardian able and willing to make such choices; or
6. have designated a relative or other adult who is able and willing to assist in making such choices.

Social services districts must be responsible for overall demonstration project administration, including proposal submission as discussed later in this memorandum. However, projects may be established in collaboration with another agency such as an Independent Living Center, an Association for the Blind, a licensed home care agency, a long term home health care program, or a certified home health agency. Projects could also be developed in cooperation with consortiums of agencies representing chronically ill or physically disabled persons or with informal consumer groups. Districts could choose to share with or delegate to a collaborating agency certain case management responsibilities not assumed by project participants. Districts could also choose to establish an administrative model which permits the required assessments to be performed by the collaborating agency with final review by the social services district. The statute requires written agreements between districts and collaborating agencies delineating each party's responsibilities for implementing the demonstration project and for provision and payment of services under the demonstration. Types of payment systems which may be considered in developing project models include, but are not limited to, vouchers and limited access bank accounts.

Districts interested in participating in the demonstration must submit a written proposal to the Department. The proposal must include a description of the:

1. Manner in which the demonstration will be administered and operated and its projected cost. Copies of written agreements with any collaborating agencies must be submitted with the proposal; and
2. Responsibilities of eligible individuals in arranging and paying for home care services and the protections assured such individuals if they are unable or no longer wish to participate in the demonstration; and
3. Number of individuals who may qualify to participate in the demonstration; and

4. Qualifications of persons who may provide home care services under the demonstration. Such persons must meet the minimum requirements found in applicable Department regulations governing the provision of the various home care services to be made available under the demonstration; and
5. Type and manner of accounting and auditing which will be performed in connection with the payment system; and
6. Manner in which the payment system will be limited to ensure that use does not exceed the amount of each home care service authorized in accordance with each participating individual's assessed needs and that total cost is not greater than the current medical assistance rate for that particular service. Any arrangements for training individuals in use of the payment system should be described; and
7. Savings the demonstration project is expected to generate as compared to a fee for service system.

In addition, each proposal must include a work plan outlining the activities and time frames which will be carried out to plan, develop, and implement the demonstration project.

Proposals must be submitted, in triplicate, to the Department by May 6, 1991. Proposals should be sent to:

New York State Department of Social Services
Division of Medical Assistance
40 North Pearl Street
Albany, NY 12243
Att: Barry T. Berberich

All proposals will be reviewed by my staff for understanding of project intent, innovation in project design, completeness and comprehensiveness, and potential replicability of the project in other sites beyond the demonstration period. Districts selected to participate in the demonstration will be notified in writing no later than June 17, 1991. Participating districts will be expected to submit periodic program and fiscal reports on forms developed by the Department.

I hope you will consider submission of a proposal. If you have any questions about the demonstration parameters or need clarification of the information needed in the proposal, you may call Mr. Richard Alexander of my staff at 1-800-342-3715, extension 3-5654 or (518) 473-5654.

Jo-Ann A. Costantino
Deputy Commissioner
Division of Medical Assistance