



# HUMAN SERVICES

D E P A R T M E N T



## REIMBURSEMENT FOR MEDICAID PERSONAL CARE SERVICES (PCS)

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LEGISLATIVE HEALTH & HUMAN SERVICES COMMITTEE  
NOVEMBER 12, 2019

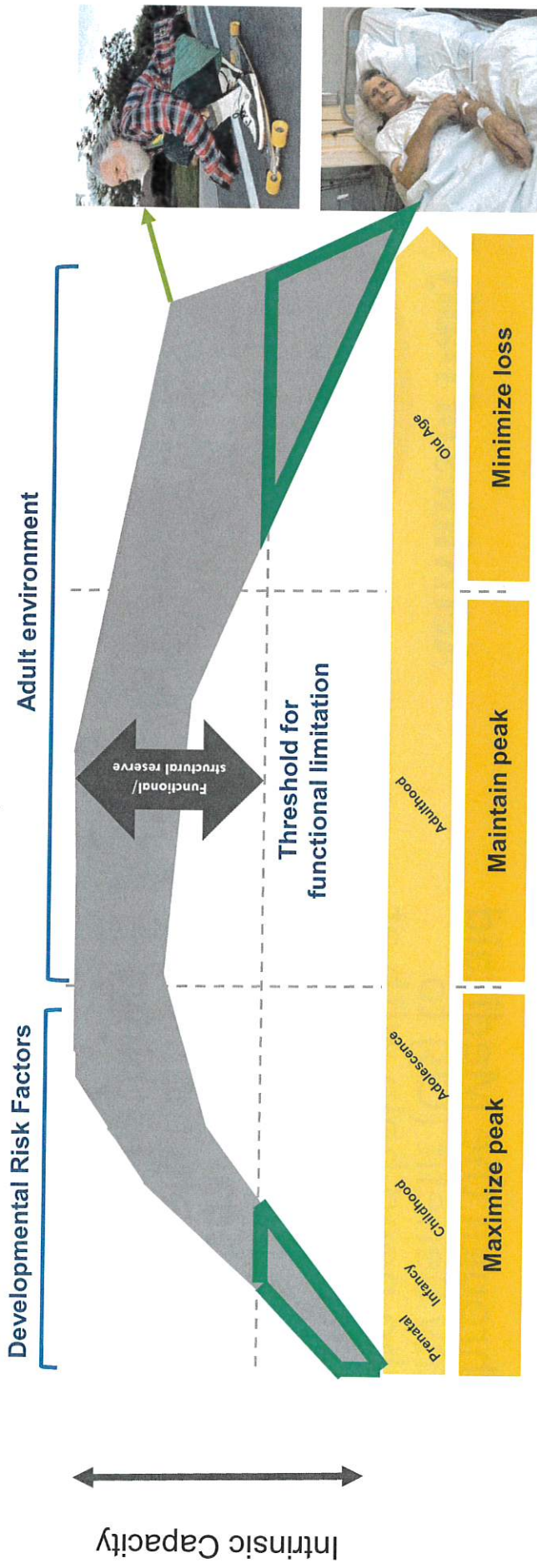
## ONE OF OUR PATIENTS

- 82 year old woman covered by Medicaid and Medicare, hospitalized with a severe stroke, paralyzed on her right side, cannot swallow, has a feeding tube.
- Family promised mom 5 years ago that “we will never put you in a nursing home.”
- Daughter identified as the primary caregiver; will have to quit work to provide care in the home.
- Family prefers to provide care in the home and her doctor is willing to make home visits.



# LIFE COURSE EPIDEMIOLOGY OF INTRINSIC CAPACITIES

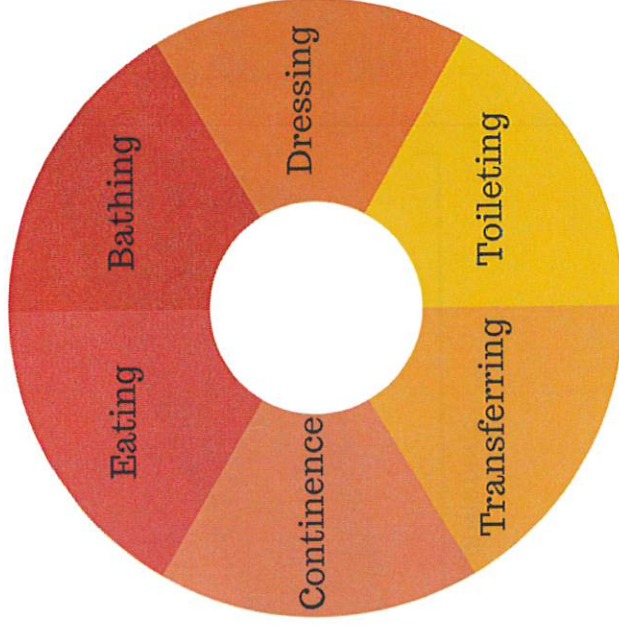
BRUNO VELLAS, PREVENTION OF FRAILTY WITH AGING, UNM GERIATRIC INTEREST ROUNDS, AUGUST 3, 2017



# WHAT ARE MEDICAID PERSONAL CARE SERVICES?

- Offered through the Medicaid Community Benefit (CB) to people who need help with at least two activities of daily living.
- Medicaid Personal Care Services (PCS) help members with activities like bathing, dressing, cooking and shopping.
- Goal is to keep members in their homes and communities.

## Activities of Daily Living



## TWO MODELS OF MEDICAID PERSONAL CARE SERVICES

- Agency-Based Community Benefit
  - Consumer-delegated – member chooses PCS agency and agency is responsible for ensuring that all services are delivered.
  - Consumer-directed – member can oversee his/her own service delivery; works with the PCS agency as the fiscal intermediary.
- Self-Directed Community Benefit
  - Member has employer authority and directly hires PCS caregivers or contracts with an agency.



## PCS IS A COMPONENT OF HCBS/COMMUNITY BENEFIT

### PERSONAL CARE SERVICES

- Services are allocated depending on documented level of need
- Assist members with activities of daily living (ADLs)
- Must require help with at least two ADLs to qualify
- Services can be provided by a family member
- Use of Electronic Visit Verification (EVV) is required

### OTHER HCBS SERVICES

- Respite Care
- Adult Day Health
- Assisted Living
- Environmental Modifications
- Private Duty Nursing
- Emergency Response
- Other (Non-Self Direction)

## PERSONAL CARE SERVICES COSTS IN MEDICAID

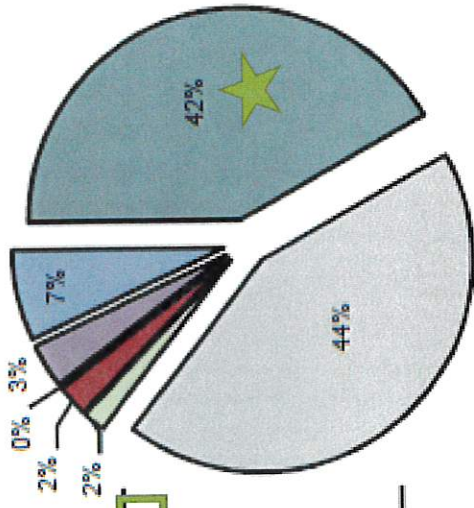
- Total costs in CY18 = \$300M
- Represents approximately 10% of the total service distribution in Medicaid
- Approximately \$46 PMPM (across all members)
- Accounts for 42% of total costs for dual eligible members
- Accounts for 34% of total costs for non-duals



# PCS AS A PERCENTAGE OF COSTS FOR DUAL-ELIGIBLES (CY17 TO CY18 COMPARISON)

### Aggregate Annual Costs

	Previous (12 mon)	Current (12 mon)	% Change
Medical	\$ 464,059,454	\$ 469,890,979	1%
Pharmacy	\$ 389,428	\$ 402,646	3%
<b>Total</b>	<b>\$ 464,448,882</b>	<b>\$ 470,293,625</b>	<b>1%</b>



### Aggregate Costs by Service Categories

Service Categories	Previous (12 mon)	Current (12 mon)	% Change
Personal Care (PCO)	\$ 196,199,436	\$ 197,379,077	1%
Nursing Facility (NF)	\$ 193,387,983	\$ 205,064,973	6%
Inpatient (IP)	\$ 12,620,888	\$ 7,967,675	-37%
Outpatient (OP)	\$ 11,902,552	\$ 11,121,385	-7%
Pharmacy (RX)	\$ 389,428	\$ 402,646	3%
HCBS	\$ 14,787,027	\$ 15,847,886	7%
Other (OTH)	\$ 35,161,569	\$ 32,509,982	-8%
<b>Total Population Costs</b>	<b>\$ 464,448,882</b>	<b>\$ 470,293,625</b>	<b>1%</b>

Per Capita Cost (PMPM) \$ 2,265.34 \$ 2,328.79 3%

Total Member Months 205,024 201,948 -2%



# PCS AS PERCENTAGE OF COSTS FOR NON-DUALS (CY17 TO CY18 COMPARISON)

### Aggregate Annual Costs

	Previous (12 mon)	Current (12 mon)	% Change
Medical	\$ 261,458,192	\$ 243,503,038	-7%
Pharmacy	\$ 30,415,331	\$ 25,753,564	-15%
<b>Total</b>	<b>\$ 291,873,522</b>	<b>\$ 269,256,601</b>	<b>-8%</b>

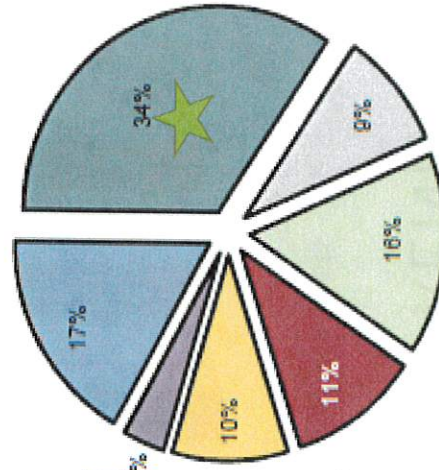
### Aggregate Costs by Service Categories

Service Categories	Previous (12 mon)	Current (12 mon)	% Change
Personal Care (PCO)	\$ 98,161,818	\$ 92,122,635	-6%
Nursing Facility (NF)	\$ 23,420,086	\$ 24,906,433	6%
Inpatient (IP)	\$ 51,277,899	\$ 42,564,972	-17%
Outpatient (OP)	\$ 29,057,970	\$ 28,667,190	-1%
Pharmacy (RX)	\$ 30,415,331	\$ 25,753,564	-15%
HCBS	\$ 11,527,319	\$ 9,499,633	-18%
Other (OTH)	\$ 48,013,099	\$ 45,742,174	-5%
<b>Total Population Costs</b>	<b>\$ 291,873,522</b>	<b>\$ 269,256,601</b>	<b>-8%</b>

Per Capita Cost (PMPM) \$ 2,801.95 \$ 2,873.42 3%

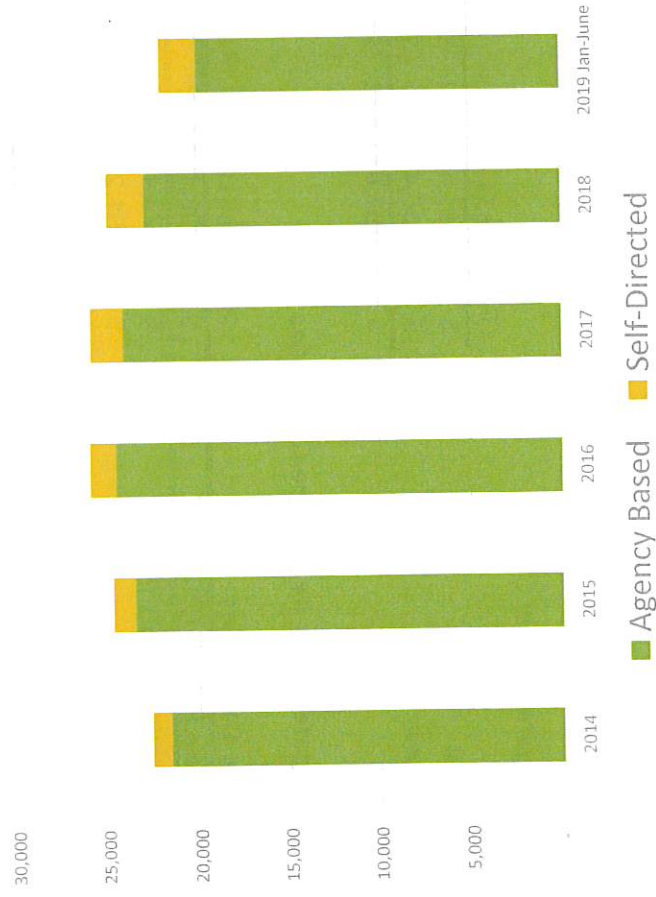
Total Member Months 104,168 93,706 -10%

Service Categories  
% of Cost

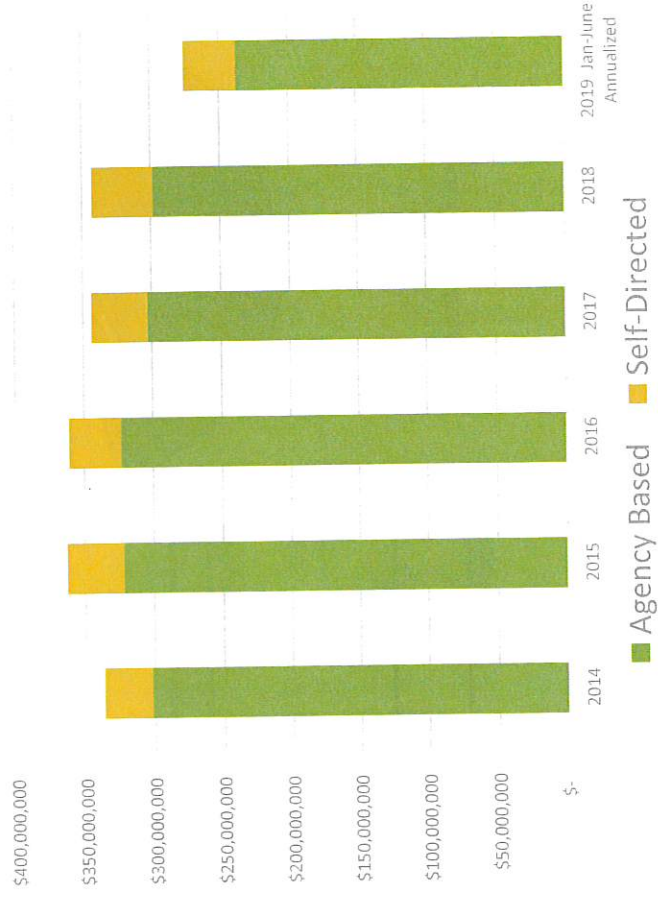


# COMMUNITY BENEFITS: USERS AND COST TRENDS

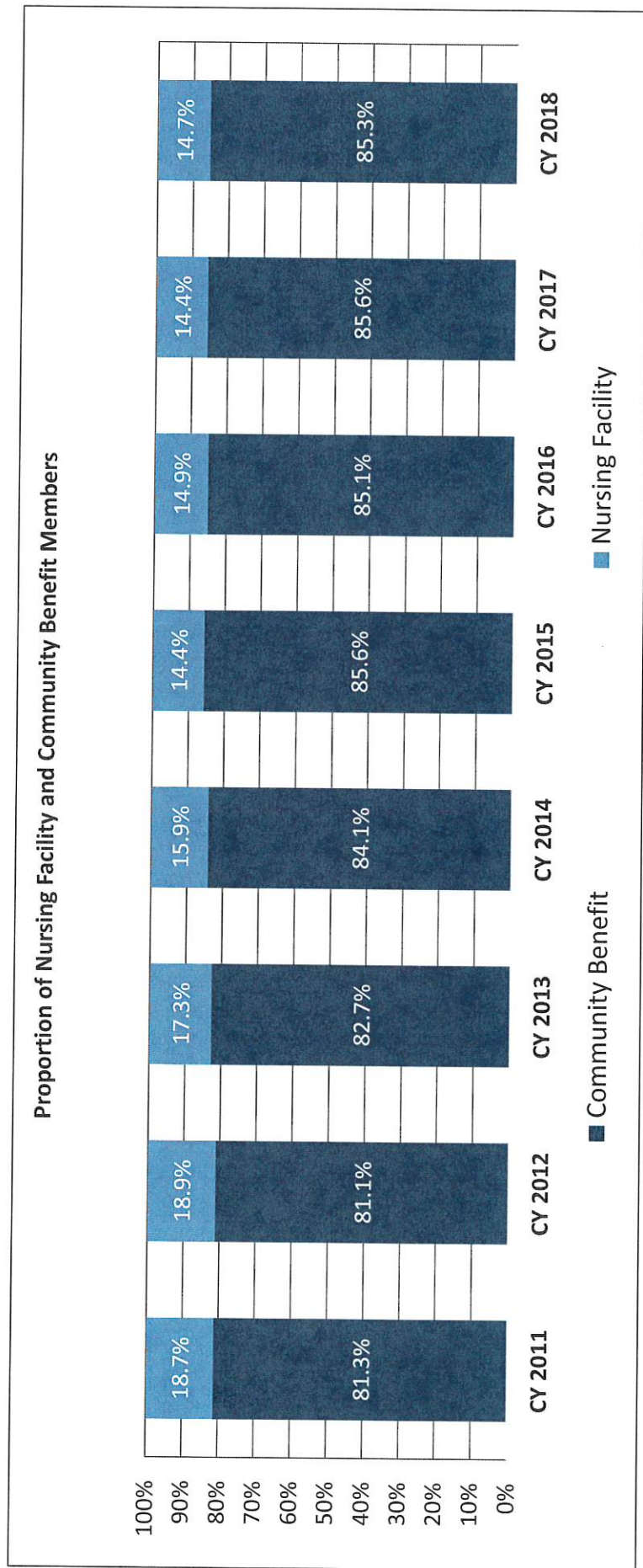
Community Benefit Unique Users



Community Benefit Costs



# LONG TERM SERVICES AND SUPPORTS: COMMUNITY BENEFIT VS NURSING FACILITY ENROLLMENT



\* Source Data: LTSS enrollment by setting of care (cohort) as of September 30, 2019

## DID PCS GET THEIR “FAIR SHARE” OF THE 2019 HB2 APPROPRIATION?

- **The general fund appropriation to the medical assistance program of the human services department in the other category includes funding to support medicaid provider rate adjustments, including personal care services, five hundred thousand dollars (\$500,000) to support lower-tier rate adjustments to address rate disparity among federally qualified health centers and two hundred thousand dollars (\$200,000) to support expanding graduate medical education positions in family medicine and psychiatry programs and start new residencies, especially in rural settings.**

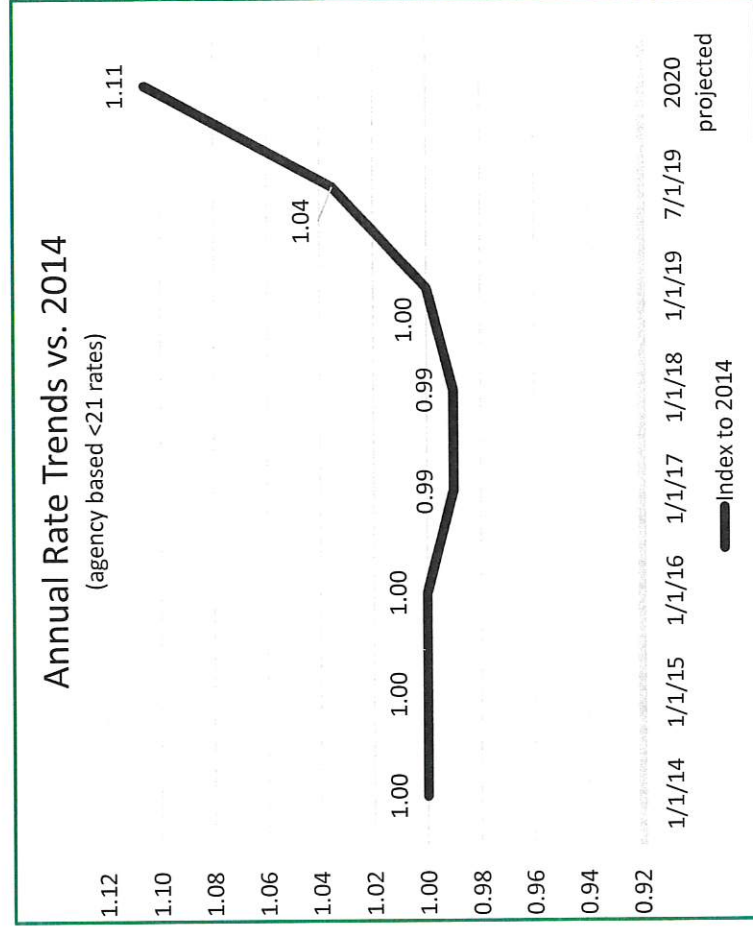
## MEDICAID PCS RATE INCREASE

- PCS received the greatest share of the Medicaid rate increases on 7/1/19 on a per member per month (PMPM) basis

Rate Increase Type	PMPM Adjustment
Personal Care Services	26.1%
Home & Community-Based Services	19.6%
Inpatient hospital	14.2%
Outpatient hospital	12.1%
Physician services	6.2%
Pharmacy	3.7%
Dental services	2.0%

## MEDICAID PCS RATES

- 2016 cost-containment – PCS rates reduced by 1% on 7/1/16 (savings = \$1M GF)
- January 1, 2019 – PCS rates restored by 1% (cost = \$1M GF)
- July 1, 2019 – PCS rate increase – 50 cents/hour for part one of minimum wage adjustment (cost = \$2.6M GF)
- January 1, 2020 – PCS rate increase – second adjustment for minimum wage – \$1+/hour (*projected* GF cost = \$5.2M)



## MEDICAID PCS RATES\*

	Average PCS Rates – 1/1/19	Average PCS Rates – 7/1/19 (projected)	Average PCS rates – 1/1/20 (projected)
99509 Agency-Based (Age <21)	\$14.21/hour	\$14.71/hour	\$15.71/hour
99509 Agency-Based(Age >21)	\$15.17/hour	\$15.67/hour	\$16.67/hour
99509 Consumer Directed (Age <21)	\$13.60/hour	\$14.10/hour	\$15.10/hour
99509 Consumer-Directed (Age >21)	\$13.79/hour	\$14.29/hour	\$15.29/hour
T1019 Delegated (Age <21)	\$13.40/hour	\$13.90/hour	\$14.90/hour
T1019 Delegated (Age >21)	\$14.63/hour	\$15.13/hour	\$16.13/hour

\*Aggregate rates for each code across Centennial Care MCOs. HSD Fee-for-Service does not have a fee schedule for PCS rates since the service is entirely in managed care.

## OUR PATIENT: FOLLOW UP

- Moved back to her home when discharged from the hospital
- Daughter *did* quit work to provide care, and became a PCS provider in her parent's home 30 (and later 40) hours per week
- PCP made home visits every 2-3 months
- Patient able to live in her own home for the remaining three years of her life at half of the cost of a nursing facility







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# QUESTIONS?

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