



Department of
Human Resources

311 West Saratoga Street, Baltimore, MD 21201

Report dated June 6, 2011

**Monthly Long-Term Care Eligibility Report
June 2011**

Prepared for:

Joint Chairmen, Senate Budget & Taxation and
House Appropriations Committees, Senate
Finance and House Health and Government
Operations Committees

As required by:

Page 77 of the 2011 Joint Chairmen's Report



STATE OF MARYLAND

June 6, 2011

The Honorable Norman H. Conway
Chairman
Appropriations Committee
Room 121, House Office Building
Annapolis, MD 21401 – 1912

Dear Chairman Conway:

The Department of Health and Mental Hygiene (DHMH) and the Department of Human Resources (DHR) continue to be committed to improving the eligibility process for applicants applying for long term care services. As required by the 2011 Joint Chairman's Report (p. 77), we have developed an update on our progress to streamline the process for long term care eligibility determinations.

In the report sent to you on March 9, 2011, we created an inter-agency plan to address these issues. As noted in our March 9 report, our strategy to improve the current process had three parts: (1) initiating or "pending" all annual redeterminations of existing cases to improve cash flow to providers; (2) implementing a new technology and (3) streamlining policy concerning the 60 month look back period.

This report updates the status of those three strategies and provides a fourth update on our efforts to simplify application forms for both new applications and redeterminations in order to make them more user-friendly.

1. Initiating or Pending all Annual Redeterminations

As we noted in our March 9 report, between 40 and 50 percent of application volume are annual redeterminations of existing cases that have already been declared eligible. At that time, we implemented procedures to ensure that these cases are initiated or "pended" very soon after receipt of paperwork. Once pended, benefits will continue to be paid for this client while the redetermination process is ongoing and will help alleviate some of the cash flow concerns associated with a delay in final determination of eligibility.

As a result of these changes, the number of redeterminations that have been pended or initiated increased from 544 in February to 804 in May, an increase of 49 percent. These additional redeterminations increased cash flow to providers by \$1.8 million in the last month alone. We met our goal of having this change in policy

effective by March 21 statewide and we are working to ensure that redeterminations are initiated as quickly as possible going forward.

2. Implementing New Technology

In our March 9 update, we noted that we are in the process of acquiring technology utilized by other states such as the State of Georgia that will allow the State to quickly assess the risk of an application and speed the processing of cases, particularly cases identified as low risk cases. The technology makes use of several third party databases to verify income, assets and other factors to determine the likelihood that a case is eligible. This will ultimately allow caseworkers to more quickly determine low risk cases and approve them and identify the problems with high risk cases and more quickly get the information required to determine eligibility.

Our initial timeline called for the technology to be implemented and rolled out by June 30, 2011. We are on schedule to meet that timeline and may actually be ready to move forward slightly ahead of schedule in mid-June. The vendor has completed the customization process for Maryland and just recently scanned approximately 30,000 previously determined cases into the system to test the system's accuracy.

The results were very encouraging with the system accurately identifying cases that we approved as having low to moderate risk and cases that we denied as being very risky. In all, the system identified approximately 23 percent of cases as simple and low risk cases, 35 percent as being high risk with the remainder have moderate levels of risk. As we move forward, we anticipate integrating the system into the currently eligibility process to significantly reduce the workload for caseworkers and increase the speed at which we make eligibility determinations.

3. Streamlining Policy Concerning the 60-month Look-Back Period

In consultation with community stakeholders, we have made significant progress in making policy changes that will streamline the eligibility process, while continuing to comply with the required five-year "look-back" of applicants' financial histories. The plan, outlined in our March letter, set forth the following objectives:

- a. Development of a new procedure for the look-back period to streamline the documentation process while maintaining program integrity and minimizing financial risk to the State (May 2, 2011)
- b. Develop new application and redetermination forms consistent with the new 60-month look back approach (July 1, 2011)
- c. Create materials and offer training on the new procedures and applications to providers, advocacy groups and other stakeholders (August 1, 2011)
- d. Make applications and materials available on line (September 1, 2011)
- e. Evaluate the applications process (December 1, 2011).

Effective May 1, 2011, the new look-back period process was implemented by the release of an Action Transmittal to eligibility case workers. Also in May, we trained staff in the Bureau of Long-Term Care on the new look-back procedures. As you are aware, the Bureau of Long Term Care encompasses three counties and Baltimore City and has had the largest share of applications for long term care services.

DHR and DHMH will evaluate the look-back procedures by monitoring application timeliness compliance rates monthly and at interim checkpoints throughout the year to ensure the process is helpful for applicants, workers and providers.


4. Simplified Applications per new Policies and Procedures

On May 10 and 11, we held two focus groups with stakeholders from nursing homes and consumer groups to evaluate draft new long-term care applications and redetermination applications with clearer, more user-friendly formats. The focus groups reacted positively to the new forms and provided some great feedback that we are working to incorporate into the revised applications.

Once the new applications are finalized, we will proceed to make them available online. We will schedule additional trainings for staff, advocates, nursing facilities and providers throughout the state for both the look back process and the new applications by August 1, 2011.

Thank you for your support of our efforts to improve service delivery in this critical program area. Please feel free to contact us if you have any questions or need further information.

Sincerely,



Joshua M. Sharfstein, M.D.
Secretary
Department of Health and
Mental Hygiene



Theodore Dallas
Secretary
Department of Human Resources

cc: Rosemary Malone, DHR
Debbie Ruppert, DHMH
Tammy Bresnahan, DHR
Wynee Hawk, DHMH



June 6, 2011

The Honorable Peter A. Hammen
Chairman
Health and Government Operations Committee
Room 241, House Office Building
Annapolis, MD 21401 – 1912

Dear Chairman Hammen:

The Department of Health and Mental Hygiene (DHMH) and the Department of Human Resources (DHR) continue to be committed to improving the eligibility process for applicants applying for long term care services. As required by the 2011 Joint Chairman's Report (p. 77), we have developed an update on our progress to streamline the process for long term care eligibility determinations.

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The results were very encouraging with the system accurately identifying cases that we approved as having low to moderate risk and cases that we denied as being very risky. In all, the system identified approximately 23 percent of cases as simple and low risk cases, 35 percent as being high risk with the remainder have moderate levels of risk. As we move forward, we anticipate integrating the system into the currently eligibility process to significantly reduce the workload for caseworkers and increase the speed at which we make eligibility determinations.

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Joshua M. Sharfstein, M.D.
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cc: Rosemary Malone, DHR
Debbie Ruppert, DHMH
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Wynee Hawk, DHMH



STATE OF MARYLAND

June 6, 2011

The Honorable Thomas M. Middleton
Chairman
Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

The Honorable Edward J. Kasemeyer
Acting Chairman
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

Dear Chairmen Middleton and Kasemeyer:

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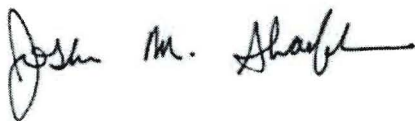
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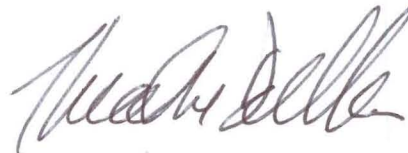
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