

# State Medicaid Reimbursement Policies & Practices in Assisted Living

By

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# Background

- Updates Residential Care and Assisted Living Compendium: 2007 prepared for ASPE with RTI
- Update supported by National Center for Assisted Living
- Sources: state web sites, survey, phone interviews with state HCBS staff

# Findings

- Coverage
  - HCBS 1915 (c) waivers 37
  - Medicaid state plan services 13
  - Section 1115 demonstration waivers 4
  - State general revenues 6

Note: states sometimes use more than one source of funding

# Scope

Coverage	2009	2007	2004	2002
Medicaid waiver & 1115 states	74,970	65,570	48,173	33,750
State plan	56,238	54,589	72,227	57,521
State revenues	3,317	1,003	2,678	2,1080
Total	134,525	121,162	121,968	93,379
No. of states	41	39	40	34

# Room and board issues

- Payment – tiers, flat, case mix, care plan
- Room & board paid by the resident generally is not included in the Medicaid rate
  - Except in 6 states
- 23 states cap ALF charges for room & board
- 25 states allow family supplementation
- 24 states supplement the federal SSI payment in residential settings: range from \$722-\$1,350 per month

# Unit requirements

- **Apartment style units** **23**
- **Allow shared units** **40**
- **Permit shared units by choice** **24**

# Defining “Community Settings”

- Money Follows the Person Demonstration
- Draft HCBS state plan option (1915(i)) regulations
- 1915 (c) waiver advance notice of proposed rule making

# MFP Qualified Residence

- Apartment with an individual lease
  - Lockable access and egress
  - Includes living, sleeping, bathing and cooking areas
- Residence in community based residential setting serving no more than 4 unrelated residents

# MFP Guidance

- Resident agreement must have elements of a lease
- Medicaid may only contract with apartment style ALFs if not required by regulation
- Aging in place
- ALFs cannot assign or reassign units

# State plan HCBS rules

- CMS will set minimum standards and a process to consider whether a facility is considered a “community setting”
- Consider control of access to the unit, opportunities for independence, community integration size of residence

# 1915 (c) notice

- Home or apartment owned, leased or controlled by a provider of one or more health-related treatment or support services and
- Meets standards for community living as defined by the state and approved by the Secretary