

Money Follows the Person (MFP)

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Issue

This report provides an overview of the Money Follows the Person (MFP) federal demonstration program, one of Connecticut's major long-term care rebalancing initiatives.

MFP Overview

Authorized by the Deficit Reduction Act of 2005, MFP was designed to help states rebalance their long-term care systems and support Medicaid enrollees who choose to transition from living in institutions to less restrictive, community-based settings. It serves the elderly and individuals with mental illness and developmental disabilities by offering (1) enhanced federal Medicaid reimbursement for services for the first 12 months the participant lives in the community (i.e., 75%, instead of 50% reimbursement) and (2) flexibility to provide supplemental support services, such as housing coordinators, that Medicaid does not typically cover. States must continue to provide community-based services after the 12-month period for as long as the person remains Medicaid eligible and in need of services. States are also expected to reinvest the savings they realize through the program. Connecticut is one of 43 states, plus the District of Columbia, participating in the program.

The program began in 2007 and was extended through 2016 by the Affordable Care Act. States may use any remaining 2016 grant funds until 2020, but no additional funding is expected after the final 2016-2020 awards are made. States can request to continue transitioning MFP participants until December 31, 2018 and receive the enhanced match through December 31, 2019. All service claims must be finalized by September 30, 2020.

The Department of Social Services (DSS) implemented MFP in December 2008. To qualify, a person must (1) have been institutionalized for at least 90 days and (2) meet Medicaid eligibility criteria. In addition, it cannot cost more to care for the person in the community than in an institution. After someone qualifies for MFP, DSS assesses the person's service needs, develops a care plan, and helps the person find housing and services.

For FY 17, MFP received 1,896 applications and supported 742 individuals in transitioning from institutional facilities to the community. Of these, 304 were elders (over age 65), 321 were under age 65 with physical disabilities, 38 had behavioral health conditions, and 44 had intellectual disabilities. An additional 35 participants who did not meet MFP criteria were also transitioned (e.g. moved to a non-qualified MFP setting, such as a residential care home). For FY 17, total state expenditures were \$10,772,833 and federal reimbursements received totaled \$34,156,629. As of June 30, 2017, DSS transitioned a total of 4,447 institutionalized people into the community since the program's inception, with an additional 716 participants expected to transition in FY 18. By law, the program is limited to serving 5,000 participants ([CGS § 17b-369\(a\)](#)).

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