

State of Connecticut: Implementation Support for State Demonstrations to Integrate Care for Medicare-Medicaid Enrollees: Budget & Budget Narrative

D. Budget and Budget Narrative

D.1.1. Budget: See Appendix A for line items in the Budget.

D.1.2 Budget Narrative

In the budget provided in Appendix A, Connecticut has displayed projected Demonstration-related costs as fully funded under the demonstration grant (100%) in the first year and 75% in the second year. This support is essential to fulfilling our stated intention in administering this Demonstration.

Much of the original intent regarding reimbursement has been retained from the original application. This includes the start-up payments to HNs, the proposed APM I payments and the structure for performance payments. Connecticut has, however, based on stakeholder feedback and internal review, revised two aspects of the original design of the APM II payments. First, these payments no longer include the supplemental services. Payments for supplemental services will instead be made to the Administrative Lead Agency of each HN, which will indicate in its contract with the Department how these services will be selected and procured. Second, APM II payments will be made through HP directly to Lead Care Management Agencies and not, as originally contemplated, to the HN Administrative Lead Agencies.

The State intends to submit a combination of State Plan Amendments, and also potentially waivers, to support both APM I and APM II and to ensure the viability of the reform in future years. The statutory authorities that Connecticut is considering include PCCM under the State Plan, 1915 (i) option under the State Plan, and use of, or combination of, 1915 waiver authorities.

In the design of the budget for both the Demonstration and the State Plan vehicles for the APM I and APM II funding, the State is aware of the potential for service and cost duplication with both the existing Home- and Community-Based Services Waiver and the reintegration services provided by Connecticut’s successful MFP program. In the first instance, it will be the responsibility of the care coordinators in APM I and APM II to orchestrate the Plan of Care (POC) so that any potential duplication does not occur. In the case of MFP, we believe that there are opportunities for productive linkages between the transitional services provided under MFP for individuals leaving the institutions and receiving supplemental services provided to the MMEs enrolled in the HNs in Model 2.

Narrative Staffing Plan:

Name	Title/Division	Role and Responsibilities	Qualifications	% time/ hrs. per mo.
Kate McEvoy	Interim Director/ Division of Health Services (DHS)	Overall project oversight including procurement, contracting, performance and quality assurance	Twenty years of experience in health policy and long-term services and supports	10%/ 16
Uma Ganesan	Associate Director/ DHS	Oversight of reimbursement and financial reporting	Ten years of experience of financial management experience with private payer	10%/ 16
TBD (New hire)	Project Coordinator/DHS	Day-to-day project lead, liaison to ASO and HNs as well as Department staff	Hiring criteria will include project management, program	100% /160

			development and quality assurance experience	
TBD (New hire)	Project Assistant/DHS	Assistant to day-to-day project lead	Hiring criteria will include project management, program development and quality assurance experience	100% /160
Lee Voghel	Fiscal Director/ Division of Finance Administration (DFA)	Oversight of project budget and Federal reporting	Long tenured director of Department financial management	10%/ 16
TBD (New hires)	2 Fiscal Analysts/ DFA	Support for project budget and Federal reporting	Hiring criteria will include budget drafting and reconciliation, Federal reporting experience	100% /160
Mark Heuschkel	Medical Operations Manager/DHS	Oversight of MMIS and lead liaison to HP	Experienced director of Department's MMIS responsibilities	10%/ 16
Sandi Ouellette	Medical Ops. Supervisor/DHS	Support with MMIS and liaison activities with HP	Experienced manager in medical operations	10%/ 16
Rivka Weiser	Health Program Assistant II/DHS	Project Coordinator	Performed lead support role in development of program design	75%/ 120
Judi Jordan	Director of Medical Care/DHS	Department lead liaison with CHNCT	Director with extensive contracting and performance monitoring experience	10%/ 16
Kristin	Manager/DHS	Department lead liaison	Experienced manager	10%/ 16

Dowty		with Xerox	with lead liaison responsibility	16
William Halsey	Director of Behavioral Health/ DHS	Department lead liaison with Value Options, DMHAS and DDS	Director with extensive BH clinical care coordination experience	25%/40
Dr. Robert Zavoski	Medical Director/DHS	Support to project with overall performance monitoring	Physician with extensive applied clinical and policy experience	10%/16
Kathy Bruni	Manager of Alternate Care Unit/DHS	Support to project with performance monitoring on care coordination	Manager with extensive applied clinical care coordination experience	10%/16
Contractors	<ul style="list-style-type: none"> a. JEN Associates b. Actuarial Consultant c. HP d. Xerox e. Ombudsman f. Program Evaluation Consultant g. EHR Swipe Card Vendor h. CHNCT 	<ul style="list-style-type: none"> a. Data integration b. Review and refine PMPM payments, calculation of savings projections c. MMIS reimbursement d. HN member outreach and enrollment functions e. Member appeals and grievance f. Review of performance measures, analysis of performance using identified methods g. Provision of electronic health record cards and platform h. Member services, data analytics, and Model 1 	<ul style="list-style-type: none"> a. Experienced b. Engagement criteria will require relevant experience c. Long-tenured current Department contractor d. Long-tenured current Department contractor e. Engagement criteria will require relevant experience and capability f. Engagement criteria will require relevant experience g. Engagement criteria will require relevant capability 	

		care coordination functions	h. Current Department contractor	
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Staffing: Please also see Appendix B for an Organizational Chart.

Section B6(a) Personnel, (b) Fringe Benefits, and (e) Supplies

The implementation and operation of the Demonstration will require significant investment by existing staff at DSS and the addition of two new full-time project positions, including a project coordinator, who will oversee the Demonstration and will also be responsible for coordinating with the managers for the supporting contractors (CHNCT-Model 1, HP-MMIS, Xerox-enrollment). In addition, two new financial analyst positions will be created and dedicated full-time to the project to support program oversight, financial reporting, and the monitoring of estimated savings. Fully loaded staff costs, including fringe benefits, are detailed in Appendix A. In addition, the State will provide, directly to consumers, marketing materials to promote awareness and convey the benefit of participation in the Demonstration.

Section B6(f) Contractual Costs (subcontracted services)

An array of new and existing contractors will provide and support services for the project. Below are brief descriptions of partner activities supporting the Demonstration. A more detailed fiscal impact of these relationships is included in the budget.

1. JEN Associates: JEN Associates will be responsible for the creation of the linked Medicare-Medicaid dataset in both Year 1 and Year 2. JEN Associates will also provide a cluster analysis to support identification of potential Model 2 enrollees.
2. Mercer: Mercer will provide actuarial services in calculating the rates for APM 1, APM 2, and the shared savings model.

3. Hewlett-Packard (HP): HP will provide the requirements definition, configuration, testing, implementation, and operations for the MMIS system changes necessary to support payment, as well as client and provider enrollment and the required federal financial reporting.
4. Xerox: Xerox will provide the client enrollment services to potential Demonstration enrollees based on the JEN Associates data, and modify their enrollment system in order to process client enrollment in the Demonstration.
5. Ombudsman Services: The Department will contract with an external agency that will assist consumers in navigating appeals and be a general point of assistance for consumer affairs and grievances.
6. Performance Measures and Program Evaluator (TBD): This partner will conduct performance assessments of HNs against contract standards for care coordination and will oversee program evaluation for both models in the Demonstration.
7. Design assistance for the HNs: The Department will contract with a quality review organization to provide assistance with HN startup by supporting providers in connecting across disciplines.
8. Electronic Health Record swipe cards: The Department is pursuing a contract with a vendor that will provide member swipe cards that will be encoded with health information that can be read and updated by providers in the HNs. Because client enrollment is anticipated to be effective 4/1/13, the Year 1 costs associated with this line item represent three months of costs.
9. Electronic care coordination tool development: The contract amendment with CHNCT will include funds to configure the current predictive modeling tools for the Medicaid population to receive and produce reports based on the JEN dataset for both Model 1 and Model 2.

10. Model 1 ICM - Enhanced ASO, including start up: CHNCT will adapt its current ICM program to accommodate the new MME population it will be taking on as ASO. CHNCT is adapting its current risk stratification procedures to include ICM as a standard practice, as necessary, for all non-PCMH, non-HN enrolled MMEs. These costs are based on CHNCT staffing costs estimates related to providing ICM services to approximately 1,600 members with intensive health care needs. During the Demonstration, CHNCT will staff one ICM Director, fifteen Intensive Care Managers, and eleven ICM support staff. Because client enrollment is anticipated to be effective 4/1/13, the Year 1 costs associated with this line item represent six months of costs. This will afford CHNCT an implementation period to hire, train, and orient its care management staff for the Demonstration.
11. Health Neighborhood costs: The Department will provide start-up grants of \$250,000 to up to five HNs that will be created as a result of the competitive procurement. Each HN will receive approximately \$105,000 per year to support administrative activities. The Year 1 costs associated with this line item represent nine months of administrative costs, allowing HNs time to develop and set up infrastructure before client enrollment. In addition, each HN will receive approximately \$160,000 to provide supplemental services to HN enrollees over the two-year grant period (with Year 1 costs representing 3 months of costs due to enrollment beginning 4/1/13). The supplemental service costs were derived using the full Model 2 potential enrollee estimate, a penetration rate to estimate those that will actually present for a particular service, and caseload ratio. The full enrollee estimate of need was then divided by the number of HNs.