Testimony presented before the Ohio Senate Finance-Health and Medicaid Subcommittee

Daniel B. Barnes, M.D., Medical Director, CareStar, Inc.

May 17, 2017

- ✓ CareStar, Inc., 5566 Cheviot Road, Cincinnati, OH 45247 (Corporate Headquarters)
- ✓ CareStar, Inc., 2760 Airport Drive, Suite 130, Columbus, OH 43219
- ✓ CareStar, Inc., 4141 Rockside Road, Suite 150, Seven Hills, OH 44132
- ✓ CareStar, Inc., 422 Main Street, Suite 202, Zanesville, OH 43702

Chairman Hackett, Vice-Chair Tavares, members of the Ohio Senate Finance Health and Medicaid Subcommittee, my name is Daniel B. Barnes, Medical Director for CareStar, a case management company coordinating Long-Term Services and Supports (LTSS) in all 88 counties of Ohio for ninteen (19) years. In doing so, we have become experts in the coordination of person-centered services and management of the care for Ohio's severely disabled residents through the Ohio Home Care Waivers Program. These services are provided through a diverse group of providers, including therapists, primary care and specialty physicians, transportation companies, durable equipment providers, adult foster homes and numerous other social services. It is a complicated task for an at-risk group.

In proposing to move LTSS to Managed Medicaid Long Term Services and Supports (MLTSS), the Ohio Department of Medicaid (ODM) has chosen to take this population on a health care adventure fraught with risk and an inherent conflict of interest. The Ohio House of Representatives has already voted to delay implementation of MLTSS pending further review. I would ask that, at a minimum, MLTSS be delayed through the full demonstration of MyCare and careful analysis showing the achievement of the triple aim of improved quality and satisfaction, improved population health, and lower costs.

ODM has provided testimony and preliminary data from the MyCare demonstration program to support moving LTSS programs into MLTSS. This analysis is flawed, primarily because the sample population for the MyCare program is from only 29 of the most urban counties of Ohio, and excludes rural areas, where there are fewer services and greater travel burdens. Further, more than half (55%) of the consumers of MyCare are not LTSS clients. Finally, the survey data provided covers HEDIS and CAHPS, but does not

5566 Cheviot Road • Cincinnati, Ohio 45247 • 513-618-8300 • Fax 513-618-8319 • www.carestar.com

include the quality metrics that specifically apply to the LTSS population. (Barbara R. Sears, Medicaid Director, testimony March 8, 2017).

Other states have moved LTSS to MLTSS and their experience is instructive.

AARP Public Policy Institute, Keeping Watch: Building State Capacity to Oversee Medicaid Managed Long-Term Services and Supports by Debra J. Lipson, Jenna Libersky, Rachel Machta, Lynda Flowers and Wendy Fox-Grage.
http://www.aarp.org/content/dam/aarp/research/public_policy_institute/health/keeping-watch-building-state-capacity-to-oversee-medicaid-managed-ltss-AARP-ppi-health.pdf

Managed Care Organizations (MCOs) do not have the same experience in LTSS as they have in acute healthcare. In managing LTSS, MCOs will have to contract with very small providers, who care for only a few clients (e.g. adult foster home), and neither party is well equipped to manage such a negotiation.

Transitioning Long-Term Services and Supports Providers into Managed Care Programs, Brian Burwell and Jessica Kasten, May, 2013.
https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Downloads/Transitioning-LTSS.pdf

Additionally, managed care provider networks often change which is disruptive to established care and flies in the face of "participant directed services" - an overarching goal of care. Finally, the additional layer of administration delays in approval of services through the requirements of prior authorizations (also disruptive to continuity of care) and delays in payment for services create a further hardship for contracted providers who are stressed by cash flow. In both the short term and long term, "Billing issues are pervasive."

How Have Long-Term Services and Supports Providers Fared in the Transition to Medicaid Managed Care? A Study of Three States by Jessica Kasten, Paul Saucier and Brian Burwell, December 9, 2013.
https://aspe.hhs.gov/basic-report/how-have-long-term-services-and-supports-providers-fared-transition-medicaid-managed-care-study-three-states

In summary, while I do not support the transition of LTSS to MLTSS in general, the states that have done this with less disruption have implemented transition services to address the above concerns and made the switch in a coherent, coordinated manner. I ask that you delay the implementation of MLTSS until the MyCare demonstration is complete and formally evaluated.

Thank you for your time and consideration in hearing this testimony today. I would be happy to answer any questions.