

PROMISING PRACTICES IN HOME AND COMMUNITY-BASED SERVICES

Florida – Cash Allowances and Support Services for Managing the Allowance

Issue: Consumer Directed Care – The Florida Cash and Counseling Demonstration

Summary

Florida is part of a demonstration project to measure the impact of substituting a cash allowance for Medicaid services from provider agencies. Before enrollment closed in June, 2002, people who enrolled were randomly assigned into two groups that could receive services for at least two years. The control group received Medicaid home and community-based waiver services through provider agencies. The treatment group received a monthly cash allowance and services to help them effectively use the allowance. Early studies indicate high satisfaction with the project. Florida plans to expand the project statewide in 2003 with a few changes.

Introduction

People with disabilities and advocates have long sought more control over services in order to increase the responsiveness of those services.

Florida is the only state in the demonstration to serve both children and adults.

Similarly, many parents of children with disabilities want more control over the services their children receive.

People and families can arguably spend public dollars more effectively if they have more flexibility to determine how the money is used.

This report describes a Florida project, Consumer Directed Care. This project is testing the effectiveness of a cash allowance that people with disabilities – and family members of children with disabilities – can use to control the money that would normally be spent on their services. This report is based on interviews with state and national project staff and published reports regarding the demonstration.

Background

Consumer Directed Care is part of the Cash and Counseling Demonstration, a three-state demonstration that uses an experimental design to evaluate the impact of a cash allowance

program that offers assistance to help participants use the allowance. The Assistant Secretary of Planning and Evaluation in the U.S. Department of Health and Human Services (DHHS) and the Robert Wood Johnson Foundation sponsor the demonstration. The Centers for Medicare and Medicaid Services (CMS), also in the U.S. DHHS, granted the States the demonstration authority necessary to conduct this project. A national program office, based in the University of Maryland Center on Aging, provides direction, coordination, and technical assistance to the states.

In each state, the evaluator randomly assigned people into two groups: a treatment group that receives a cash allowance and a control group that receives home and community-based services from provider agencies. In Florida, the control group receives services from one of Florida's Medicaid home and community-based services (HCBS) waivers. Although Florida offered nine waivers during the project enrollment period, most participants were eligible for one of three waivers: the Developmental Services Waiver for people with developmental disabilities; the Aged/Disabled Adult Waiver for adults with physical disabilities and older people; and the Brain and Spinal Cord Injury Program for people with brain and/or spinal cord injuries. In each of these waivers,

provider agencies that meet state Medicaid standards provide all waiver services.

For each waiver, people receive an assessment to determine their functional eligibility for the waiver. Based on the assessment, a case

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manager (e.g., in the Aged/Disabled Waiver) or support coordinator (e.g., in the Developmental Services Waiver) develops a plan

– often called a plan of care or support plan – that identifies the person’s services and when and how often services will be provided.

Intervention

Consumer Directed Care operates in 19 of Florida’s 67 counties for adult waiver participants, including people with cognitive impairments. The project serves waiver participants with developmental disabilities throughout the state. The person’s parents administer the allowance for children in the project. An adult participant can choose a representative to administer the allowance on his or her behalf. While Florida stopped enrolling new participants in June, 2002, each person can receive services for at least two years.

People began the enrollment process by expressing interest in the project to their case manager or support coordinator, or to a project consultant. Outreach workers called interested people to tell them more about the project and to offer an in-person informational visit. If the person enrolled, he or she was randomly assigned to the treatment or control group. People assigned to the treatment group can withdraw from the cash allowance program and resume traditional waiver services at any time.

Participants completed training on how to hire, train, and manage paid caregivers before receiving the allowance. The consultant who provided this training was from the same organization (and/or was the same individual) that would have provided waiver case management or support coordination if the person received traditional waiver services.

Consultants provided other services, including help developing a required purchasing plan for using the allowance. This plan includes an emergency back-up plan to be used when a scheduled caregiver cannot work.

Although Consumer Directed Care is part of the Cash and Counseling Demonstration, few people receive a direct cash payment. Florida contracts with an employer agent to prepare paychecks, withhold taxes, and provide other bookkeeping services associated with employing caregivers. A person can choose to do his or her own bookkeeping if he or she passes a test regarding employer duties.

People in the treatment group have flexibility in using the allowance. Unlike people in the control group, these people can hire whomever they wish, including family and friends. Participants can also purchase home modifications and items that promote independence, such as assistive technology. To ensure the services meet participant needs and to check for fraud or abuse, consultants call and visit each person periodically. Participants also receive reassessments at least every twelve months to verify the person’s eligibility and to adjust the allowance amount if necessary.

Implementation

Consumer Directed Care required a Medicaid research and demonstration waiver authorized by Section 1115 of the Social Security Act, which CMS granted. The waiver permits the state to disregard certain federal Medicaid rules such as the restriction on providing cash allowances to participants. The project also negotiated agreements with other federal agencies to ensure the allowance would not affect a participant’s Supplemental Security Income, food stamps, and other benefits. The Robert Wood Johnson Foundation gave each state a grant of approximately \$700,000 to implement their project. States are able to match the grant amount using federal Medicaid administrative funds.

To increase interest, the Governor sent a letter to all HCBS waiver participants that described

the project and enclosed a reply card people could use to express interest. Also, Florida's outreach workers met with people who were not satisfied with their services (according to case managers, support coordinators, and other professionals) as well with people who expressed interest.

A particular challenge for Florida was using traditional case managers and support coordinators as consultants that help people use the allowances. To prepare consultants for the new duties of advising participants and training them to make their own decisions, state trainers with population-specific expertise trained each consultant before he or she worked with Consumer Directed Care participants.

Impact

Mathematica Policy Research, Inc. is evaluating the allowance's impact on participants, paid and unpaid caregivers, and public expenditures. The evaluation also analyzes project implementation and identifies factors that influence a person's interest in a cash allowance. Results from a survey of 231 early clients indicate that 88% feel the project has improved their quality of life and 97% of participants would recommend the project to others wanting more control over their support.

In an early survey, 97% of participants would recommend the cash allowance to others.

Between May 2000 and June 2002, 2,820 people enrolled in Consumer Directed Care, including more than 1,000 children with developmental disabilities and more than 800 people age 65 or older. To ensure cost-neutrality, the allowances are approximately

equal to the cost of the Medicaid HCBS waiver services the people would have otherwise received.

The 2002 Florida legislature authorized a statewide self-directed support program similar to Consumer Directed Care. Unlike the demonstration project, the program will be available statewide for all populations and there will be no control group. All individuals who enroll will receive an allowance. Also, the state will require all participants to use a fiscal intermediary and will require background screening for all people who provide supports. State staff expect to complete program implementation, including an amendment to the Medicaid Research and Demonstration Waiver that authorized the Consumer Directed Care project, in 2003.

The University of Maryland, Baltimore County (UMBC) will perform an ethnographic study. The study will describe how Consumer Directed Care operates on a personal level by presenting the experience of 25 participants. UMBC interviewed the participants, their representatives if applicable, the participants' consultants, and the participants' paid support workers. UMBC is currently writing a report based on these interviews.

Contact Information

For more information about Consumer Directed Care, please contact Dr. Kevin Mahoney, National Project Director, at (617) 552-4039 or kevin.mahoney@bc.edu. Online information is available at <http://www.hhp.umd.edu/AGING/CCDemo/index.html> and <http://elderaffairs.state.fl.us/doea/english/cdc.html>.

Discussion Questions:

What are the advantages and risks of using traditional case managers to help people use their allowances?

How may the effect of a cash allowance be different when the participants are children?

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