

PROMISING PRACTICES IN HOME AND COMMUNITY-BASED SERVICES

Oregon - Maximizing Participant Control Over Services

Issue: Independent Choices Program

Summary

Oregon's Independent Choices Program allows Medicaid-eligible individuals to pay cash directly to providers for personal care and related services. Under this five-year project, participants receive a monthly cash payment and are fully responsible for the mechanics of payroll and budgeting for needed services. An independent evaluation of the pilot project will examine, among other things, whether participant satisfaction and sense of control have increased in comparison to traditional approaches.

Introduction

Oregon has a long history of publicly funded participant-directed services. For example, the Client-Employed Provider Program (CEP) began in the 1970s, pre-dating Medicaid home and community-based services waivers. Oregon launched a Medicaid research and demonstration project in fall 2001, the Independent Choices Program, to offer people with disabilities additional choice and control over their services. Under the Independent Choices Program, the state sends monthly cash payments to participants' bank accounts. Participants are responsible for managing personal care and related services within the monthly allotment.

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This report briefly describes this demonstration project. The report is based on documents produced by the Centers for Medicare and Medicaid Services (CMS) and state staff, as well as interviews with state employees administering the project and the similar CEP.

Background

The Independent Choices Program is, in essence, an experimental offshoot of CEP, which is now part of a Medicaid home and community-based services waiver. In 2001,

CEP served approximately 20,000 individuals per month, at an approximate cost of \$90 million. The program is designed for individuals living at home. Services include homemaker, personal care, chore, companion, attendant care services, and transportation.

As the name implies, CEP places the provider and the person with a disability in an employee/employer relationship. The participant is responsible for hiring, training, supervising, and, if necessary, firing employees. Participants also maintain employee records and sign vouchers for the number of hours worked. Oregon's Seniors and People with Disabilities Services Division (SPDS) pays providers based on the vouchers.

The program is similar to the Client-Employed Provider Program, part of a HCBS waiver.

In order for a person to participate in CEP, SPDS or the local Area Agency on Aging first assesses the person's financial and functional eligibility. If eligible, the person and case manager develop a plan of care identifying the person's services and the number of approved hours for each service. The case manager offers some assistance in locating a provider, if needed, and completes criminal record checks on the providers.

Intervention

The Independent Choices Program has three pilot areas: two in rural southwest Oregon (Jackson-Josephine Counties and Coos-Curry Counties), and a county just south of Portland (Clackamas County). The program has a limit of 300 people (100 in each area).

The Independent Choices Program differs from CEP in several key respects. First, instead of using vouchers, SPDS sends electronic deposits to participants' bank accounts, which they use to pay directly for services. The monthly allocation is based on a functional assessment completed by the local case management staff. Receipt of the cash does not impact any other benefits (such as SSI and food stamps) that are available to the participants.

Second, two Centers for Independent Living and two Senior Service Centers provide training and technical assistance services. Participants must

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complete a ten-hour training session and pass an exam to be eligible to conduct payroll tasks. If a person or the designated surrogate fails to pass the exam, the person must use a fiscal intermediary. The centers also provide up to six hours of technical assistance per year to each person, if he or she desires such assistance.

Third, spouses are eligible to serve as providers under the Independent Choices Program. Although Oregon has a history of using state funds to pay spouses for in-home services, a Medicaid research and demonstration waiver is required to do so using Medicaid funds.

The state provides more intensive monitoring of participants in the Independent Choices Program than in CEP. Case managers evaluate the person's plan of care every six months. The evaluation includes a functional reassessment. Under CEP, these evaluations occur every 12 months. Also, case managers contact

Independent Choices Program participants monthly.

Participation in the program is voluntary. Participants must be age 18 or older, eligible for a Medicaid home and community-based services waiver, and live in one of the pilot areas. Participants must also be able to assess their need for services and to plan for the adequate provision of necessary services, or have a representative who is able to do so.

Implementation

A five-year Medicaid research and demonstration waiver authorizes Medicaid payment for the Independent Choices Program. The waiver is authorized by Section 1115 of the Social Security Act and granted by the Centers for Medicare and Medicaid Services. The waiver allows participants to hire non-Medicaid providers and allows payments to participants' spouses.

The Independent Choices Program steering committee, consisting of advocates and state staff, started planning program implementation in 1997. Advocates on the steering committee played an instrumental role in creating the eligibility criteria and program policy and procedures.

To generate awareness and interest before the program started, SPDS mailed information to CEP recipients and held several case manager trainings. SPDS also established an in-state toll-free number for information about the project, 866-294-0153, and encouraged media coverage soon after the program's start date.

Under this pilot project, a \$300,000 grant from the Robert Wood Johnson Foundation covers implementation costs in excess of ongoing CEP costs. The grant includes the cost of the training, technical assistance, and a formal, independent evaluation. Oregon used existing SPDS state staff to implement the pilot project. The research and demonstration waiver requires the project to be cost neutral over the five-year demonstration period.

Impact

In 2001 and 2002, 172 people enrolled in the Independent Choices Program. Monthly benefits range from \$900 to \$1,200. Oregon plans to select an independent evaluator to measure the impact of the program on overall participant satisfaction, participants' report of control over services, and the degree to which participants indicate their needs are being met.

In the first year of the program, most enrollees were people under age 65 who need 20 or more hours of personal assistance. A majority of enrollees also had a tight network of family and friends who, with the participant, organized

supports. Most participants or their surrogates have passed the payroll training for program participants; only five participants failed the payroll training exam and needed a fiscal intermediary.

Contact Information

For more information about the Independent Choices Program, please contact Dolores Miller, Independent Choices Program Coordinator, at (503) 947-5162 or Dolores.R.Miller@state.or.us. Online information is available at http://arcweb.sos.state.or.us/rules/OARS_400/OAR_411/411_036.html.

Discussion Questions:

How does direct deposit into a person's bank account affect the person's control over the money for services?

How can the presence of advocates on the steering committee affect a program's implementation?

One of a series of reports by Medstat for the U.S. Centers for Medicare & Medicaid Services (CMS) highlighting promising practices in home and community-based services. The entire series is available online at CMS' web site, <http://www.cms.gov>. This report is intended to share information about different approaches to offering home and community-based services. This report is not an endorsement of any practice.