



## Long Term Care Service and Finance Performance Report

April 1, 2022

This report is responsive to the statutory reporting requirement included in R.I.G.L. 40-8.9-6(a) (1-6). It contains requested information related to the annual performance of Rhode Island’s Medicaid-funded system of long-term services and supports (LTSS). All data is reported by fiscal year. Pursuant to R.I.G.L. 40-8.9-6(b), this report is posted to the R.I. Executive Office of Health and Human Services’ website for public view.

**(a)(1) The number of Medicaid-eligible persons aged sixty-five (65) years and over and adults with disabilities served in nursing facilities.**

§ 40-8.9-6.(a)(1) The number of Medicaid-eligible persons aged 65 years and over and adults with disabilities served in nursing facilities		2018	2019	2020	2021 <sup>1</sup>	% Change SFY 2020 to SFY 2021
Those served in Custodial Nursing Facilities	Medicaid Eligible Persons, Ages 65+	6,024	5,978	5,756	4,840	-15.9%
	Adults with Disabilities, Ages 18-64	1,121	1,163	1,072	907	-15.4%

Definitions

*Medicaid eligible persons, ages 65+:* Unique number of people ages 65+ who are eligible for Medicaid, eligible for long term care services, and served in a nursing home at any point in the year.

*Adults with disabilities, ages 18-64:* Unique number of people ages 18-64 who are eligible for Medicaid, eligible for long term care services, and served in a nursing home at any point in the year.

Notes

In part due to the COVID-19 pandemic, Rhode Island experienced a significant decrease in nursing facility utilization over the past two years. As the pandemic eases, utilization is slowly increasing again, but remains well below pre-pandemic rates. The State has implemented programs such as Nursing Facility Transformation Grants and the Hospital Care Transitions Initiative (HCTI) to help sustain a more balanced LTSS system by supporting individuals who wish to remain in home and community-based settings, safely do so. In addition, these programs encourage nursing facilities to offer more specialized care, which is lacking in our current LTSS service continuum, so that individuals can adequately secure the supports they need in the most appropriate care setting, and in a timely, high-quality, and cost-effective manner.

**(a)(2) The number of Medicaid-eligible persons aged sixty-five (65) years and over and adults with disabilities transitioned from nursing homes to Medicaid supported home and community-based care through the Money Follows the Person and Nursing Home Transitions Programs.**

§ 40-8.9-6.(a)(2) The number of Medicaid-eligible persons aged 65 years and over and adults with disabilities transitioned from nursing homes to Medicaid-supported HCBS		2018	2019	2020	2021 <sup>1</sup>	% Change SFY 2020 to SFY 2021
Nursing Home Transitions	Medicaid Eligible Persons Transferred from Nursing Homes	98	93	118	123	4.2%

## Notes

These data reflect transitions made through the Nursing Home Transition Program (NHTP). The NHTP, which includes the Money Follows the Person (MFP) federal demonstration grant, provides support to Rhode Islanders who are eligible for Medicaid and want to transition from a nursing facility back into a home in the community. NHTP and MFP provide similar supports, though the MFP program has more specific eligibility criteria and provides case management support in the community for a longer period of time following transition. MFP eligibility criteria include a requirement for a minimum length of stay in the nursing facility. The required length of stay was previously 90 days excluding any days for short-term rehabilitation services. In January 2021, the criteria changed to remove the exclusion on counting short-term rehabilitative days and to reduce the minimum length of stay to 60 days. In Rhode Island, this policy change has resulted in an increase in transitions that qualify for MFP. However, this has not resulted in a net increase in transitions, as individuals who were in the 60-90 day length of stay group previously qualified for and were counted as NHTP transitions. The total number of transitions through the two programs is not impacted by the change. It is important to note, the data do not capture transitions that occurred outside of these programs, such as transitions that nursing homes have facilitated following short-term rehabilitation stays.

### (a)(3) The number of persons aged sixty-five (65) years and over and adults with disabilities served in Medicaid and Office of Health Aging (OHA) home and community care, to include home care, adult day services, assisted living, the Personal Choice program, the Program of All-Inclusive Care of the Elderly (PACE), and shared living.

§ 40-8.9-6.(a)(3) The number of persons aged 65 years and over and adults with disabilities served in Medicaid and office of healthy aging home and community care, to include home care, adult day services, assisted living, the personal choice program, the program of all-inclusive care of the elderly (PACE) and shared living		2018	2019	2020	2021 <sup>1</sup>	% Change SFY 2020 to SFY 2021
<b>Medicaid Eligible Persons Ages 65+ and those served by OHA</b>	Home Care	3,721	3,688	3,779	3,698	-2.1%
	Adult Day Services <sup>2</sup>	651	706	655	347	-47.0%
	Assisted Living	571	687	704	706	0.3%
	Personal Choice Program	274	305	363	331	-8.8%
	PACE	291	320	355	376	5.9%
	EOHHS Shared Living	104	129	150	173	15.3%
	Other Non-Institutional (I/DD services, BH & DD Group Homes)	452	468	471	490	4.0%
<b>Adults with Disabilities Ages 18-64</b>	Home Care	1,107	1,166	1,013	1,030	1.7%
	Adult Day Services <sup>2</sup>	485	488	463	293	-36.7%
	Assisted Living	184	206	196	210	7.1%
	Personal Choice Program	158	175	195	192	-1.5%
	PACE	46	55	76	76	0.0%
	EOHHS Shared Living	64	95	110	128	16.4%
	Other Non-Institutional (I/DD services, BH & DD Group Homes)	3,759	3,942	3,954	3,864	-2.3%
<b>Total <sup>3</sup></b>	Home Care	4,780	4,696	4,731	4,761	0.6%
	Adult Day Services <sup>2</sup>	1,121	1,179	1,104	638	-42.2%
	Assisted Living	747	873	889	896	0.8%
	Personal Choice Program	425	474	550	518	-5.8%
	PACE	333	368	421	442	5.0%
	EOHHS Shared Living	167	222	259	300	15.8%
	Other Non-Institutional (I/DD services, BH & DD Group Homes)	4,167	4,366	4,387	4,307	-1.8%

<sup>1</sup> SFY 2021 data is incomplete due to claims lag.

<sup>2</sup> Adult Day Services (i.e., Adult Day, No Waiver Adult Day, DD Adult Day) have seen a rapid decline in utilization due to COVID-19. Adult Day facilities closed during the height of COVID-19 and some remain closed.

<sup>3</sup> An individual can be in both age groups throughout the same State Fiscal Year, SFY (e.g., someone can be age 64 in September 2021 and 65 in December 2021), therefore we take the "true" total for each population to avoid double counting (i.e., this is counting unique people in the LTSS Program(s), not accounting for age). This means that the Age Groups' Total population will not be additive of each other.

## Definitions

*Medicaid eligible persons, ages 65+ and those served by OHA:* Unique number of people ages 65+ who are eligible for Medicaid, eligible for long term care services, and eligible for select OHA programs, at any point in the year.

*Adults with disabilities, ages 18-64:* Unique number of people ages 18-64 who are eligible for Medicaid, eligible for long term care services, and eligible for select OHA programs, at any point in the year.

*I/DD services:* Subsets of “Medicaid eligible persons, ages 65+” and “Adults with disabilities, ages 18-64”, respectively. These adults live with intellectual and/or developmental disabilities and receive HCBS support services provided by the Division of Developmental Disabilities (DDD).

The following table maps the legislatively required categories for HCBS services to the HCBS categories in the Medicaid data:

<b>Category in Legislation</b>	<b>Categories in Medicaid Claims</b>
<b>Home Care</b>	Core Community Services, OHA Community Services, Preventative Services, OHA co-Pay, Habilitation Community Services, Habilitation Group Homes
<b>Adult Day Services</b>	Adult Day, DD Adult Day, No Waiver Adult Day
<b>Assisted Living</b>	OHA Assisted Living, RI Housing
<b>Personal Choice</b>	Self-Directed
<b>Program for All Inclusive Care of the Elderly</b>	PACE
<b>Shared Living</b>	Self-Directed
<b>Other HCBS</b>	I/DD HCBS, BH and DD Group Homes and Residential providers

## Notes

Table (a)(3) references unique people with services from each aforementioned home and community-based services (HCBS) program. Since people can receive services from multiple HCBS programs, summing the numbers within each age group will overcount the total population.

Further, the data above represent unique *users* of each service. Some individuals are eligible for LTSS services from Medicaid, but do not use the services.

Adult Day Services were particularly hard hit by the COVID-19 pandemic and are recovering at a slower rate than other service providers. In State Fiscal Year (SFY) 2021, Adult Day Providers were provided stabilization payments. In SFY 2022, they are included in the Workforce Recruitment and Retention program.

**(a)(4) The dollar amounts and percent of expenditures spent on nursing facility care and home and community-based care for those aged sixty-five (65) year and over and adults with disabilities, and the average cost of care for nursing facility care and home and community-based care.**

Rhode Island LTSS Annual Performance Report: SFY 2018 - SFY 2021		2018	2019	2020	2021 <sup>1</sup>	% Change SFY 2020 to SFY 2021
<b>40-8.9-6(a)(4)</b> The dollar amounts and % of expenditures spent on nursing facility care and HCBS for those aged 65 years and over and adults with disabilities and the average cost of care for nursing facility care and HCBS.						
<b>Nursing Facilities (Custodial)</b>	Total Dollars: Age 65+	\$245,488,924	\$237,737,357	\$225,477,681	\$175,896,493	-22.0%
	Total Dollars: Age 18-64	\$34,813,188	\$35,382,725	\$33,068,125	\$27,896,682	-15.6%
	Total Dollars: All Ages	\$280,302,112	\$273,120,082	\$258,545,806	\$203,793,175	-21.2%
	% of LTSS Spending: Age 65+ [No DD included]	86%	82%	79%	75%	-5.3%
	% of LTSS Spending: Age 65+	75%	73%	69%	63%	-8.6%
	% of LTSS Spending: Ages 18-64	13%	13%	12%	10%	-11.4%
	% of LTSS Spending: All Ages	47%	46%	42%	37%	-12.4%
	Average cost of care: 65+	\$64,521	\$65,079	\$65,888	\$65,944	0.1%
	Average cost of care: 18-64	\$67,691	\$68,252	\$70,069	\$69,785	-0.4%
	<b>Home and Community Based Services (HCBS), except for those with Intellectual and Developmental Disabilities (HCBS, No IDD)</b>	Total Dollars: Ages 65+	\$41,555,523	\$50,732,505	\$60,985,335	\$59,992,867
Total Dollars: Ages 18-64		\$21,874,493	\$24,704,985	\$28,590,735	\$26,918,382	-5.8%
Total Dollars: All Ages		\$63,430,016	\$75,437,490	\$89,576,070	\$86,911,249	-3.0%
% of LTSS Spending: Ages 65+		13%	16%	19%	22%	15.2%
% of LTSS Spending: Ages 18-64		8%	9%	10%	10%	-1.1%
% of LTSS Spending: All Ages		11%	13%	15%	16%	7.9%
Average Cost of Care: Ages 65+		\$15,386	\$18,037	\$20,134	\$21,655	7.6%
Average Cost of Care: Ages 18-64	\$15,269	\$17,564	\$20,604	\$22,643	9.9%	
<b>HCBS for Adults with Intellectual and Developmental Disabilities (HCBS, IDD only)</b>	Total Dollars: Ages 65+	\$39,261,080	\$35,417,426	\$38,958,733	\$41,938,446	7.6%
	Total Dollars: Ages 18-64	\$212,359,580	\$212,606,922	\$221,768,462	\$214,929,418	-3.1%
	Total Dollars: All Ages	\$251,620,660	\$248,024,348	\$260,727,195	\$256,867,864	-1.5%
	% of LTSS Spending: Ages 65+	12%	11%	12%	15%	26.1%
	% of LTSS Spending: Ages 18-64	79%	78%	78%	80%	1.8%
	% of LTSS Spending: All Ages	42%	42%	43%	47%	9.5%
	Average Cost of Care: Ages 65+	\$104,512	\$96,506	\$102,815	\$103,875	1.0%
Average Cost of Care: Ages 18-64	\$66,509	\$65,578	\$67,010	\$67,396	0.6%	
<b>Total</b>	Total dollars: Age 65+	\$326,305,527	\$323,887,288	\$325,421,749	\$277,827,806	-14.6%
	Total Dollars: Age 18-64	\$269,047,261	\$272,694,632	\$283,427,322	\$269,744,482	-4.8%
	Total Dollars: All Ages	\$595,352,788	\$596,581,920	\$608,849,071	\$547,572,288	-10.1%
	Average cost of care: 65+	\$29,466	\$28,810	\$29,087	\$27,650	-4.9%
	Average cost of care: 18-64	\$41,132	\$40,143	\$42,378	\$42,500	0.3%

## Definitions

**Nursing Facilities (Custodial):** Services rendered in an institutional nursing facility for a non-rehabilitation, non-hospice stay. Services in state hospitals are not included.

**Home and Community Based Services (HCBS), except for those with Intellectual and Developmental Disabilities:** HCBS (full list in definition booklet) provided to Medicaid LTSS-eligible clients and those eligible for HCBS through OHA. Note that Personal Choice spending and those in Rhody Health Options Phase II may be understated due to some outstanding claims from the managed care organization.

**HCBS for Adults with Intellectual and Developmental Disabilities:** Residential, day, employment, support coordination, care management services, and all self-direction costs for I/DD consumers who chose that pathway.

**Total Dollars:** Spending based on date of service, within the fiscal year; all spending from claims (does not include interim payment advances with a claim not already paid).

**Percent of LTSS Spending:** Percent of total LTSS spending for the respective age group, or total, depending on the line.

**Average Cost of Care:** Total spending divided by 'average eligible people' in a given year. 'Average eligible people' is the total months of Medicaid and LTSS eligibility, divided by 12.

## Notes

The data in this chart are based on actual spending on an incurred basis. There have not been any adjustments for missing data, including the lag between services being rendered and claims payment. EOHHS has not included rehabilitative stays or hospice in our definition of institutional long-term care.

The chart does not include approximately \$120,062 of interim payments for custodial nursing home care. Interim payments are those advances made to LTSS providers, as required under R.I. Gen. Laws 40-8-6.1, where an LTSS application has been pending over 90 days.

**(a)(5) The amount of savings attributed to the value of the reduction in nursing home days including hospice nursing home days paid for by Medicaid in accordance with 40-8.9-4 and how the savings, if any, are allocated in the current fiscal year and in the proposed budget for the ensuing fiscal year to promote and strengthen community-based alternative.**

There was an 11% reduction (or 188,000 bed days) in Nursing Home average daily census between SFY 2020 to SFY 2021. This equates to a savings of \$38.6 million (i.e., an increase of \$17.7 million in General Revenue). This significant decline is in part a result of the COVID-19 pandemic and the resulting quarantine requirements in Nursing Facilities and similar settings.

The Governor's proposed budget for SFY 2023 did not include this funding for HCBS initiatives due to the investment of more than \$160 million in HCBS Enhanced FMAP for SFY 2022 and SFY 2023.

**(a)(6) Estimates of the continued investments necessary to provide stability to the existing system and establish the infrastructure and programs required to achieve systemwide reform and the targeted goal of spending fifty percent (50%) of Medicaid long-term care dollars on nursing facility care and fifty percent (50%) on home and community-based services.**

EOHHS and its sister agencies – DHS, BHDDH, OHA, and RIDOH – remain focused on fostering a more person-centered, high quality, and resilient continuum of long-term care services that delivers the right support, at the right time, in a cost-efficient manner, while promoting choice, community, and opportunity for older Rhode Islanders and individuals living with disabilities. Rhode Island's older adult population is growing rapidly. Over 31% of Rhode Islanders are age 55 or older, versus 28% nationally, and our State has the highest proportion of individuals age 85 or older in the United States. Given this, continued investment in the State's home and community-based workforce and service array is paramount – along with continued focus on rightsizing and strengthening institutional care options. To that end, the State continues to focus on better coordinating services, maximizing resources, and promoting person-centered planning, conflict-free case management, robust options counseling, expanded home and community programs, and stable nursing home capacity. The State is also focused on improving Rhode Island's behavioral healthcare landscape and ensuring the State is prepared to support the rising number of individuals and families affected by dementia as well as prioritizing the LTSS population in planning for the state housing needs.

Over the past two years, Rhode Island's response to the federal COVID Public Health Emergency (PHE) has demonstrated our collective commitment to improving these services. Through the support of the

Rhode Island General Assembly, the Governor's Office, the Executive Office of Health and Human Services (EOHHS), its sister agencies, and partners have:

- Distributed over \$20 million in supports for congregate care and home care workers during the PHE to ensure that no one working in these areas during the COVID surge of Fall 2020 was making less than \$15 per hour.
- Implemented a \$20 million LTSS Resiliency Initiative with funding across 10 different programs to support LTSS providers, workers, and expand HCBS options during the PHE, including a \$9 million nursing facility transformation program.
- Launched the DigiAge initiative through the Office of Healthy Aging (OHA) to provide devices, connectivity, and training for older Rhode Islanders.
- Created a community-based emergency department alternative for residents experiencing a behavioral health crisis.
- Implemented SFY 22 budget investments in HCBS, including increases in shift-differentials for home care workers, raises in developmental disabilities (DD) provider rates, moving to acuity-based payment for assisted living residences, rewarding home care workers and agencies who achieve training in behavioral health, increasing shared living rates, and increasing the HCBS maintenance of need allowance.

With the continued support of the Governor and Legislature, EOHHS will continue to invest in expanding and strengthening our Home and Community Based Services through the use of HCBS Enhanced FMAP funding. Initial investments, including more than \$58 million in workforce recruitment and retention payments for direct care workers in HCBS settings, will help stabilize the LTSS system as it rebuilds from the COVID-19 pandemic. Additional investments, such as \$6 million in direct care workforce training and \$6.8 million in No Wrong Door information technology enhancements, will support the long-term financial rebalancing of the Rhode Island LTSS system and help us build a more accessible and resilient system than we had prior to the pandemic.