The Future of the ICF-IID Program

Values, Vision, Rebalancing & Funding

The department views the Intermediate Care Facilities for Individuals with an Intellectual Disability (ICF-IID) Program as an important piece in maintaining a strong DD system in Ohio. This document was created as an outline of our vision for the ICF-IID program in both the short-term and long-term and reflects feedback from stakeholders.

- The strength of the ICF-IID program is that it provides a bundle of services to those individuals whose needs cannot be reasonably met in community based settings through the utilization of waiver services.

- The department is committed to rebalancing in the state of Ohio, through both the downsizing of large facilities and the conversion of ICF-IID funded beds (and smaller homes) to home and community based waiver services.

- In accordance with the Office of Health Transformation’s goal across all Medicaid programs, the ICF-IID reimbursement methodology and IAF will be revised to be value driven and to more appropriately direct resources. These revisions will reflect the goals of improving the quality of services, connecting resources to the level of individual need and assuring the long-term financial sustainability of the system.

- Ohio is committed to relocating all relevant operational responsibilities to DODD (including all ICF-IID licensure responsibilities) and providing appropriate technical assistance to providers during the transition.
WHAT WE VALUE IN DD SYSTEMS

Our systems need to be aligned to support our values in a way that recognizes the impact of change.

1. We value models where individuals have the ability to make distinct and independent choices of providers of services, housing, day or employment services, medical services and behavioral health services.
2. We value models where services provided are individualized, based upon individual needs and incorporate individual preference with the goal of allowing the individual to live as independently as possible.
3. We value models where individuals can live in community settings that look like other’s homes, where individuals can participate and have a presence in their community and work in jobs that provide economic freedom.
4. We value models where funding is tied to the person, not the bed, to enable individuals to receive services in a setting of their choice and to be reactive to changing needs of the individual.
5. We value models that provide individuals making choices related to their care with the appropriate levels of advocacy and guardian support.
6. We understand that individuals with complex needs or short term needs may prioritize the obtainment of a bundle of services in an environment tailored to meet their needs above the advantages of values 1-5.
7. We value efficient service models that are value driven and provide quality outcomes, in order to provide adequate care and to be good stewards of tax payer dollars.

ROLE OF THE ICF-IID PROGRAM IN DD SYSTEMS

Individuals with developmental disabilities have a wide range of service options to consider, including home and community based services (waivers), private and county board operated intermediate care facilities and state operated developmental centers. The department’s goal is to increase the number of individuals who have the option to receive services in home and community based settings. We do NOT envision identifying a specific number of beds to
move from ICF to waiver; rather, we envision a system where individuals with the most severe disabilities and the highest needs, beyond those provided through waivers, would be appropriate to receive the bundle of services that are provided in intermediate care facilities. As part of this vision, DODD will evaluate and revise the level of care rule with the goal of providing a tool for assessing and providing recommendations for the most appropriate and least restrictive setting required to meet the individual’s needs.

The department, along with a group of stakeholders, is in the process of reviewing the Individual Assessment Form (IAF) that is currently used to measure the resource needs of individuals in non-state operated ICF-IID programs. The results of these reviews will help us have a better understanding of the needs of the current residents in these facilities. It is the department’s view that those individuals currently being assessed as “Typical Adaptive” may not require the bundle of services provided by the ICF-IID program. The department also believes that a portion of the individuals with IAF results in the “High Adaptive Needs and/or Chronic Behaviors” RAC could also be served in community settings. DODD is committed to encouraging development of increased capacity of waiver services and to allowing appropriate transition time for individuals, providers and counties when individuals currently served in ICF-IID programs choose to move to waiver settings.

Intermediate care facilities will also continue to be utilized to provide short-term respite services for individuals in the community and for short term placements, providing individuals with the skills that are necessary for them to live in less restrictive settings. In these cases, discharge planning will need to take an enhanced role in the service planning process. The department envisions the county boards of dd taking a more active role in this process. We recognize that additional interaction with the county boards of dd may lead to increased demand on limited county resources. Analysis of the financial impact to county boards as well as research around what supports the state may be able to provide may be necessary.
IMPLEMENTING REBALANCING EFFORTS

One of the Governor’s policy priorities is to rebalance long-term care. This effort includes shifting resources from facility based services to home and community based services. It is important for us to understand both where individuals can best be served as well as their desire for where they receive services. Statewide data indicates that over 35% of individuals residing in ICF-IIDs are also on a waiting list for waiver services. This tells us two things: 1) There are individuals who would prefer to receive waiver services and 2) There is currently not enough funding for waivers to serve those individuals. In order to serve individuals in home and community based settings using waiver services, a shift in financial resources as well as providers will be necessary. This shift is the “rebalancing” that will be necessary to allow more individuals to be served in community settings. We understand that this shift in resources will need to occur slowly, over time, in order to allow for sufficient planning, funding and growth of provider networks required to adequately serve the increased number of waiver recipients. We anticipate that the on-going amount of public funding for long term services and supports will remain flat or even decrease. Thus, redirecting resources from the ICF-IID program may be the only way to increase HCBS services in the future.

To facilitate the shift of resources, both human and financial, the department has authority to approve (up to 500) voluntary conversions of ICF-IID beds to fund waiver services for individuals residing in ICF-IIDs. The department has been meeting with providers to inform them of this option. While there have been few providers seeking voluntary conversion to date, recently there have been several encouraging developments. The department will be collaborating with Providers on exercises (assessments/cost projection and related) to determine the mechanics of transitioning small facilities from ICF funding to waiver funding. The goal of these exercises will be to gather information to understand where additional supports and funding mechanisms beyond the current waiver services are needed for these transitions to be successful for both providers and individuals. The department has also worked to implements some changes to the ICF-IID program that will assist providers interested in participating in the
voluntary conversion program. The mid-biennium review enacted changes to statute that allow for semi-annual reassessments of franchise fees for those who participate in conversions and for the extension of a rate incentive for waiver providers who serve individuals moving to a waiver from a non-state operated ICF. Home Choice funding is available to assist with start-up costs and community transition related activities. Capital funding is also being made available as needed.

Home and community based services provide many benefits to individuals that institutional settings are not required to provide, mostly due to federal and state regulations. Home and community based services not only provide care and support to individuals in an integrated community setting, but empower the individual or guardian to design a service plan that is specific to that individual’s needs. Home and community based services are based on a person-centered care model that is much more focused on individual choice than services typically received in institutional settings. Individuals have more involvement in everyday choices, such as what to eat and when, where they go and when and how they decorate their personal living space. Individuals also have greater ability to choose where they receive employment or day services, as well as which doctor or dentist they want to treat them. In addition, HCBS waiver services are portable, so if the individual chooses to move, the waiver can follow them throughout the state.

Conversion of ICF-IID beds to waiver funding will assist with providing services to individuals in the most integrated and least restrictive setting possible. Ohio has numerous small ICF-IID homes that are already located in community settings. However, the ICF-IID funding requires these settings to operate under the same institutional regulations that larger, congregate settings are subject to. If individuals in these homes do not require all of the services provided in an ICF-IID setting and would prefer the ability to have greater choice in their care, there is an option that the entire home could change from ICF-IID funding to waiver
funding as a licensed waiver setting. This would provide the individuals all of the benefits of receiving services in a waiver setting, but would also allow them the ability to maintain their current home and caregiver, if they choose to do so.

In addition to converting ICF-IID beds to waiver services, there is a desire to reduce the number of ICF-IID beds located in a single dwelling. The department is continuing its efforts to decrease the number of individuals being served in the state operated Developmental Centers. The non-state operated ICF-IID program also has a number of relatively large institutional type facilities. The desire of the department is to encourage providers to downsize these facilities to smaller setting sizes located in residential communities. The department believes that even individuals who require the bundle of services that ICF-IIDs provide should have the opportunity to choose to reside in a smaller community based setting, if they desire. Therefore, the department will be working with individual providers to review and facilitate development opportunities, keeping in mind the goals of downsizing and community inclusion. We strongly encourage providers and boards to keep this in mind as part of their strategic planning efforts and understand that the department will be hesitant to approve long-term investments in capital for large settings, as this is not the department’s vision for where individuals will be served in the future.

VALUE DRIVEN AND OUTCOME BASED FUNDING
The current funding model for the non-state operated ICF-IID program needs to be revised to provide incentives for positive outcomes and providing high quality services. The current reimbursement methodology is cost based and there is insufficient correlation to projected resource needs (from IAF results). Current funding relies heavily on how one facility’s costs compare to other facilities, with no measure for health or habilitation improvements or declines. The current funding model actually provides incentives for serving individuals with low resource needs who could have their needs met in home and community based settings.
The department will research the following possibilities when considering the revised funding model:

- **Value Driven funding**
  - Additional funding for provider rebalancing efforts, as appropriate
  - Fixed funding model for those individuals with the lowest resource needs
    - Possibly using comparable waiver costs as funding level
  - Funding those individuals with the highest service needs more appropriately
  - Examine the possibility of changes to the active treatment rate to better align with day habilitation rates in the waiver
  - Examine the possibility of a separate reimbursement group for county operated ICF-IIDs to recognize their unique cost structure and to maximize reimbursement of public expenditures
  - Examine the possibility of changes to the reimbursement method for truly medically based ICF facilities to recognize their unique costs
  - Provide a temporary add-on for ICFs taking individuals from DC’s
  - Providing a temporary waiver add-on for individuals leaving a state, private or county board operated ICF to waiver (in event of a bed conversion)
  - Other opportunities for ICFs to provide services for individuals who are receiving Medicaid services in higher cost settings (ex. hospitals for children on vents), including review of the current outlier rule
  - Research costs by setting size to see if there is an optimal setting size
  - Changes to the capital reimbursement structure to incentivize smaller community based locations
• **Funding for outcomes:**
  o Progress towards goals in ISP, including maintenance of critical skills and health needs
  o Improvement of behaviors (resulting in less staff needs)
  o Discharge planning efforts
    ▪ Transition programs – that provide skill development in how to live more independently

• **Funding to pay for quality measures**
  o # of individuals in one room
  o Employee turnover and training
  o Incorporation of family and/or individual choice (room décor, outings, meals, etc.)
  o Incorporation of family, volunteers, community members in individual’s life
  o Individual and/or family/guardian satisfaction
  o Licensure/Certification measures