

# Evaluation of Medicaid Assisted Living Services

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## Discussion Overview

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- U.S. Government Accountability Office
- GAO Health Care Team
- GAO Evaluation Methods
- Background
- Study Questions
- Study Methods
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- Questions

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# Overview of the U.S. Government Accountability Office

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## GAO Mission:

- Support the Congress in meeting its constitutional responsibilities and help improve the performance and ensure the accountability of the federal government for the benefit of the American people; and
- Provide the Congress with timely information that is objective, fact-based, nonpartisan, and non-ideological.

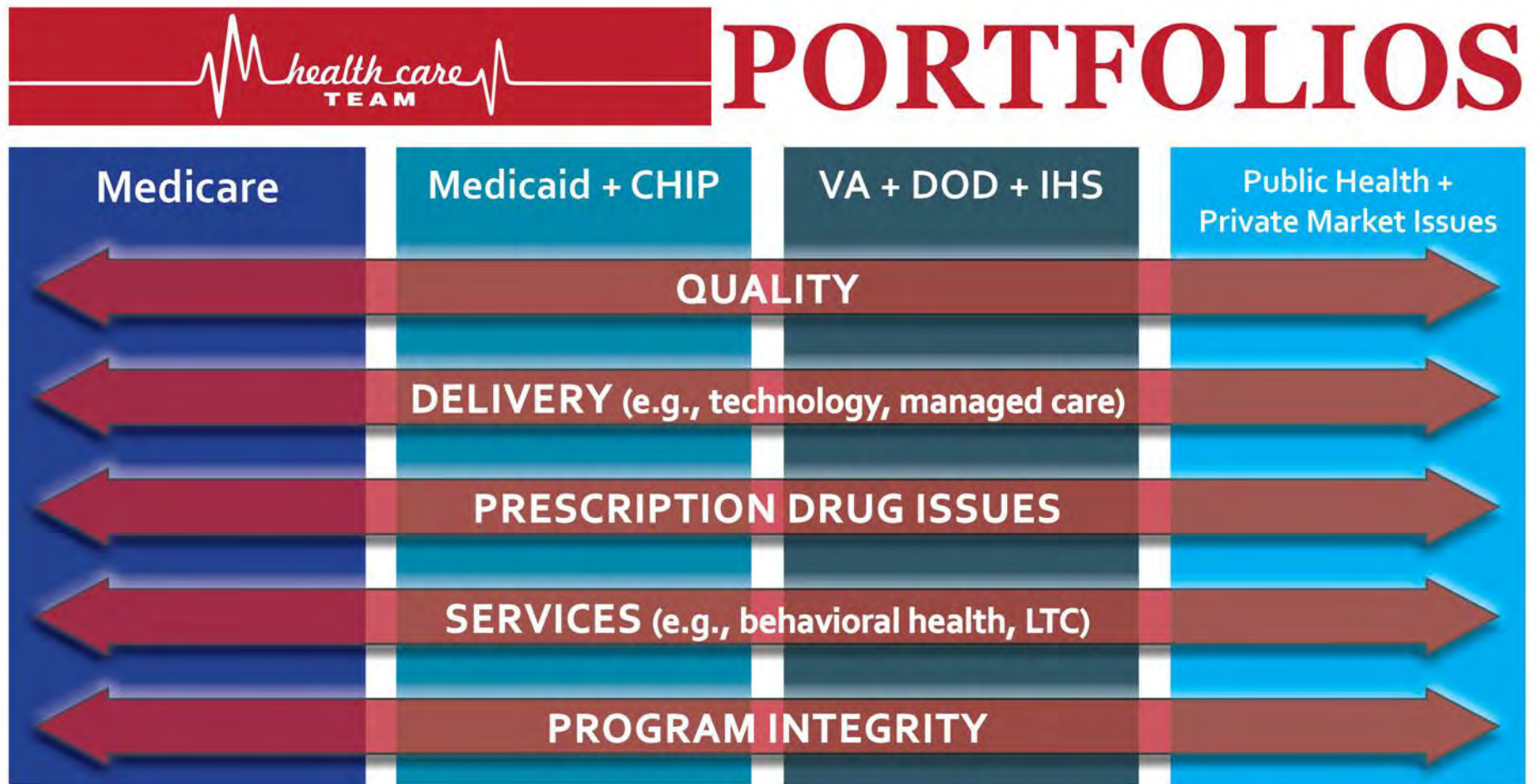
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## GAO Health Care Team

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- The Health Care team leads efforts in supporting congressional oversight of federal health agencies and programs.
- We help Congress and federal agencies ensure federal health care programs provide access to quality care, protect the public, and remain fiscally sustainable.
- Collectively, federal health care programs' expenditures represent about one-quarter of all federal spending.

# GAO Health Care Team



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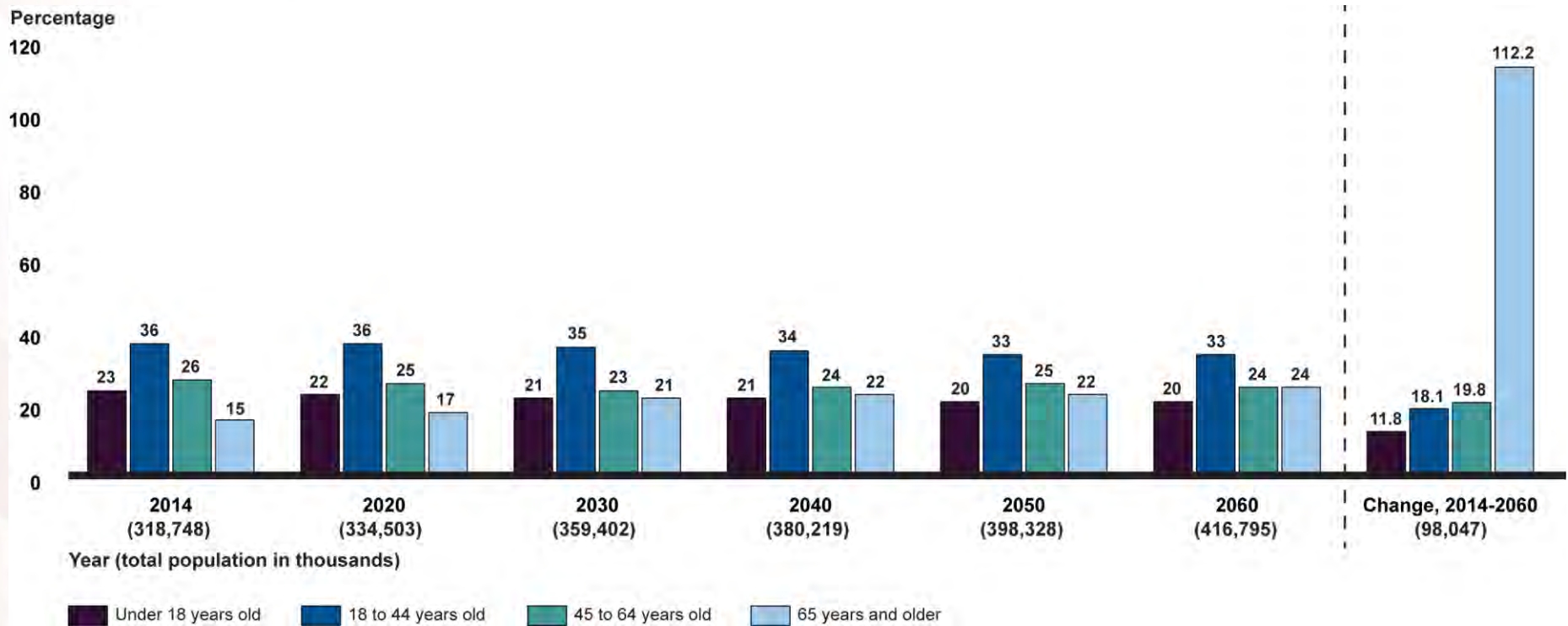
## GAO Evaluation Methods

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GAO uses a wide range of evaluation methods to study government agencies and programs, including:

- Interviews of agency officials and experts;
- Quantitative analysis of agency data such as spending, people served, benefits provided;
- Quantitative analysis of national databases and surveys on different health care issues;
- Review of published research on health policy issues;
- GAO-developed surveys on health care issues; and
- Case studies

# Background: United States Demographics



Source: U.S. Census Bureau, 2014 National Projections.

# Background: Medicaid at a Glance (Fiscal Year 2016)

- 72.2 million beneficiaries enrolled

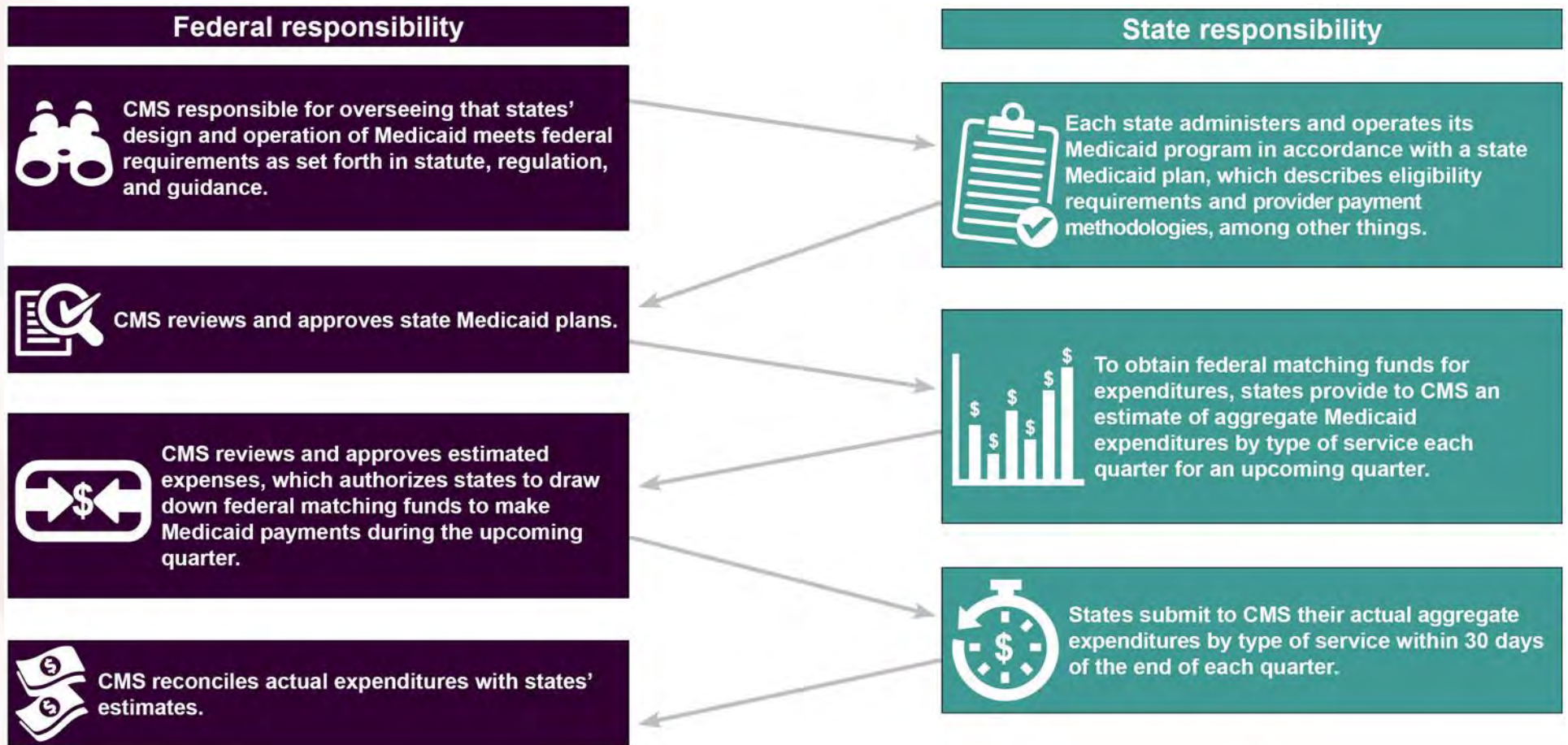


- \$575.9 billion expenditures:





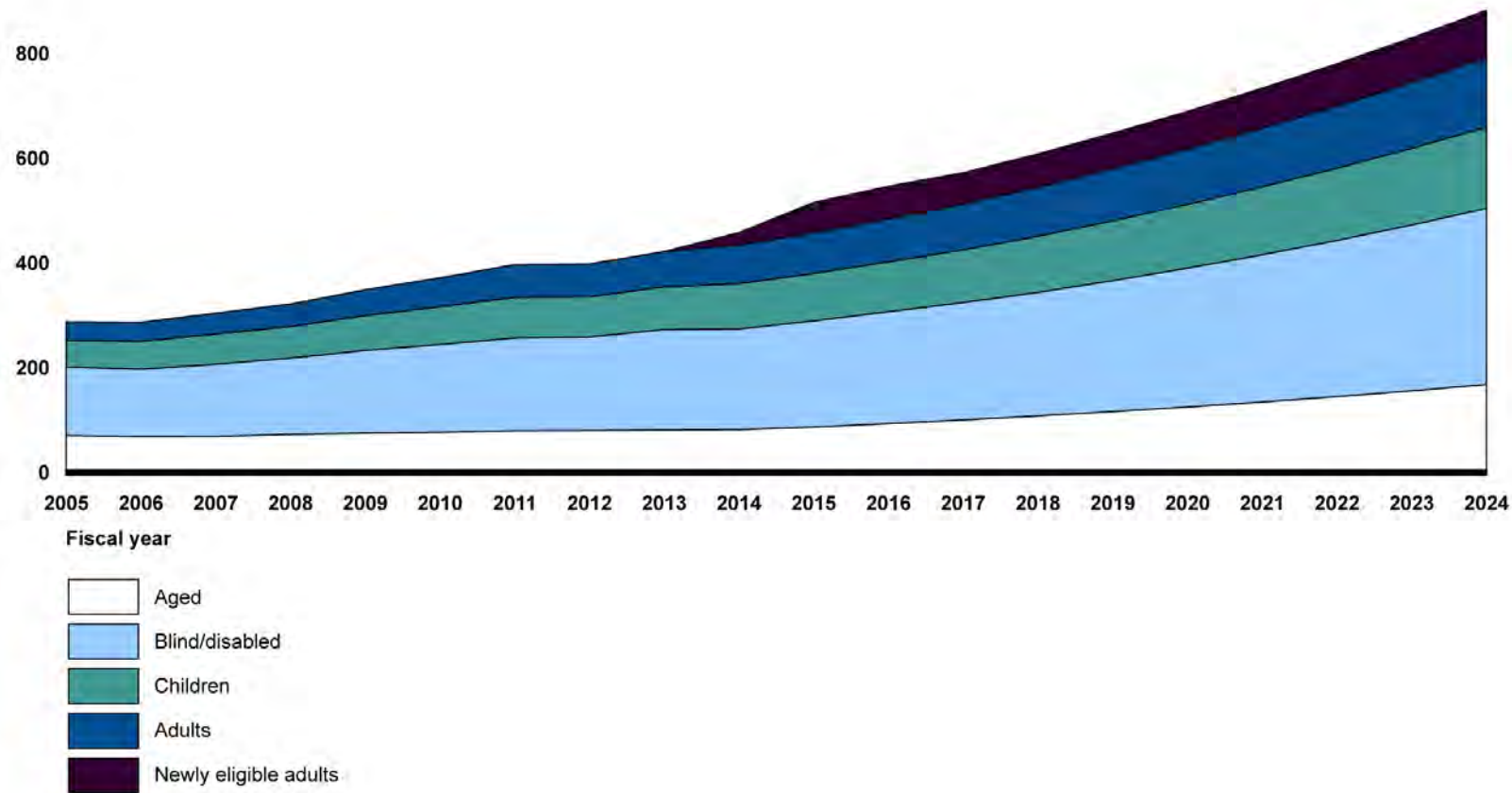
# Background: Medicaid's Federal-State Partnership Framework



Source: GAO. | GAO-15-677

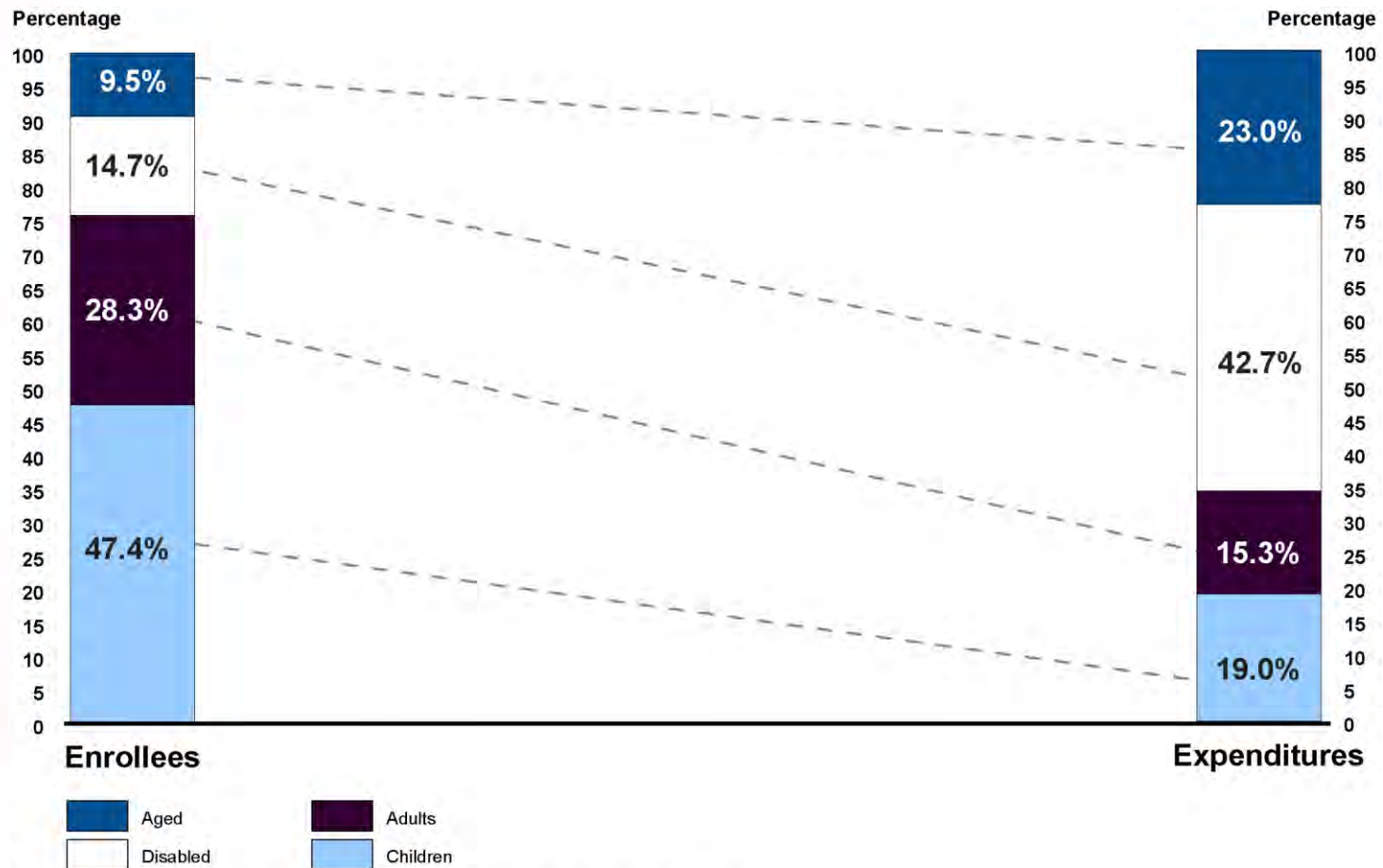
# Background: Growth in Medicaid Spending by Eligibility Group

Dollars in billions  
1,000



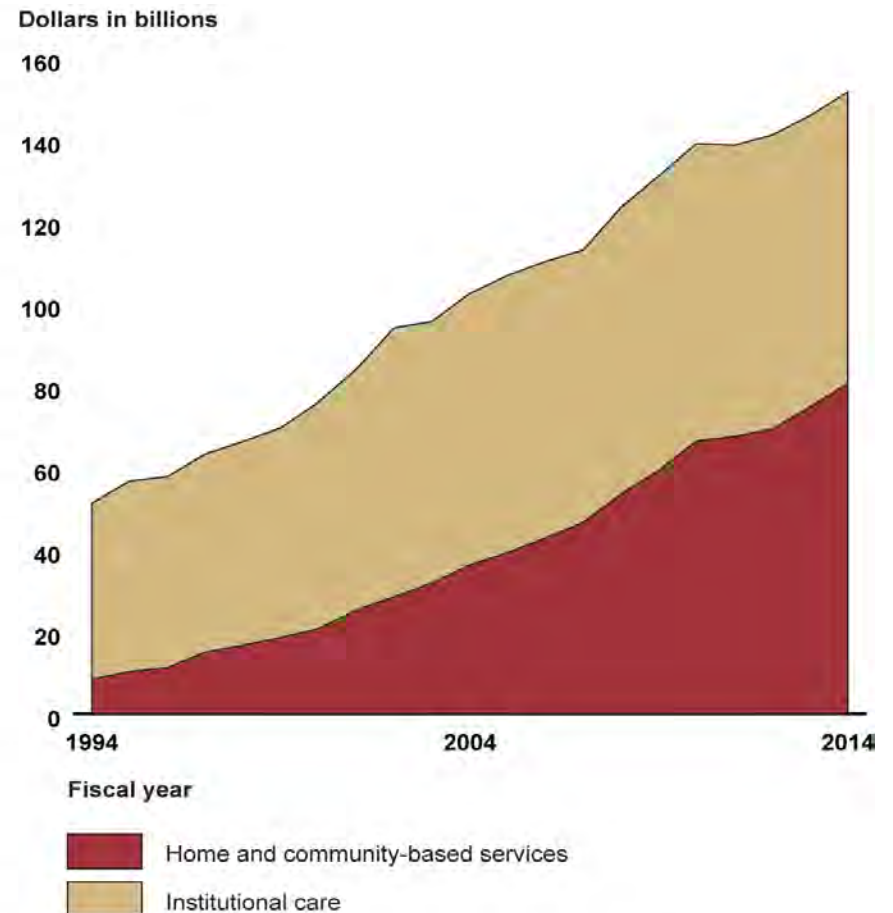
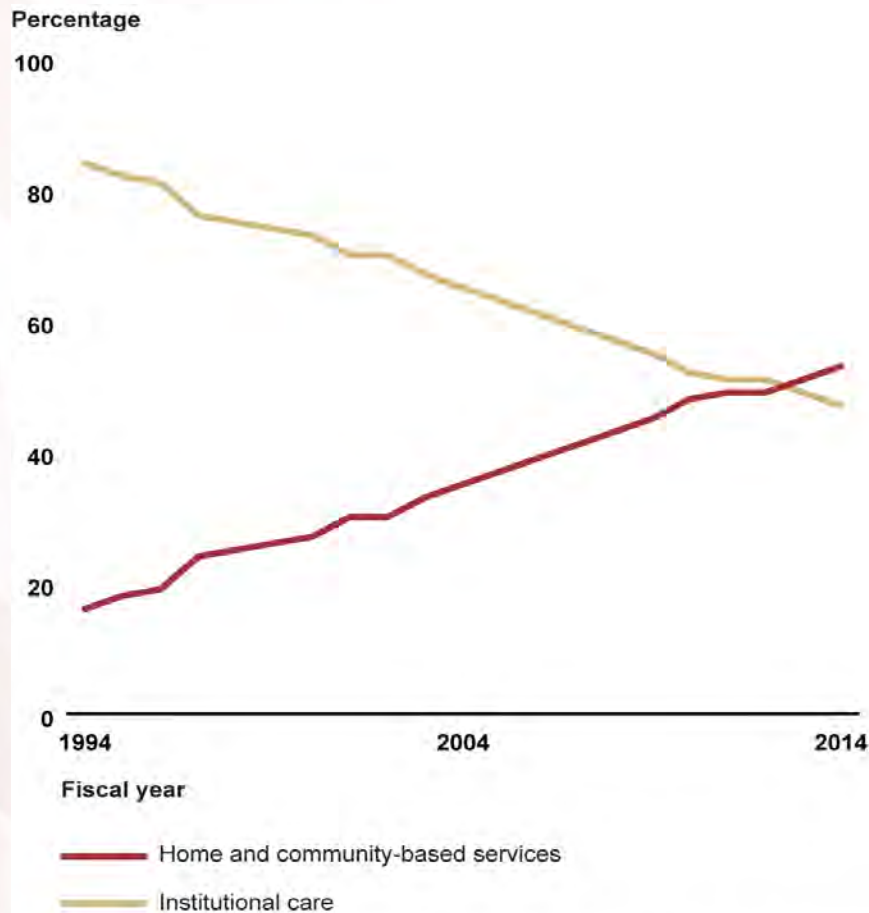
Source: 2015 Actuarial Report on the Financial Outlook for Medicaid (data not published). | GAO-17-317

# Background: Medicaid Enrollment and Expenditures by Eligibility Group, Fiscal Year 2011



Source: GAO analysis of Medicaid and CHIP Payment and Access Commission (MACPAC) data. | GAO-15-677

# Background: Long Term Services and Supports (Medicaid Spending by Setting, Fiscal Years 1994-2014)



Source: GAO analysis of Centers for Medicare & Medicaid Services (CMS) and state data collected and published by Truven health Analytics, under contract with CMS. | GAO-17-28

## Home and Community-Based Services (HCBS)

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HCBS are an alternative to institutional care

- Individuals can maintain their independence and participate in community life.
- Individuals receive assistance with daily living activities (grooming, bathing, dressing, meals).

Assisted living facilities are residential settings that provided these services in the community

- Adult homes, personal care homes, etc.
- Regulated by the state or local government.

## Study Questions

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1. To what extent does Medicaid cover assisted living services, including the amount of spending, number of beneficiaries served, and types of services covered?
2. How do state Medicaid agencies oversee the health and welfare of beneficiaries receiving assisted living services in their largest programs?
3. To what extent does CMS oversee state Medicaid agencies' monitoring of the health and welfare of beneficiaries receiving assisted living services under HCBS waivers?

## Developing Methods for Study

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- Availability of data needed to answer research questions.
- Variety of programs state Medicaid programs may administer that cover assisted living services.
- Different rules and requirements at federal and state level that govern different types of programs.
- Need to be responsive to the Congressional request in a timely manner.

## Study Methods



Surveyed all states and the District of Columbia (51 in total)



Reviewed federal requirements and oversight process

- Reviewed statute, regulations, and program guidance
- Interviewed CMS officials

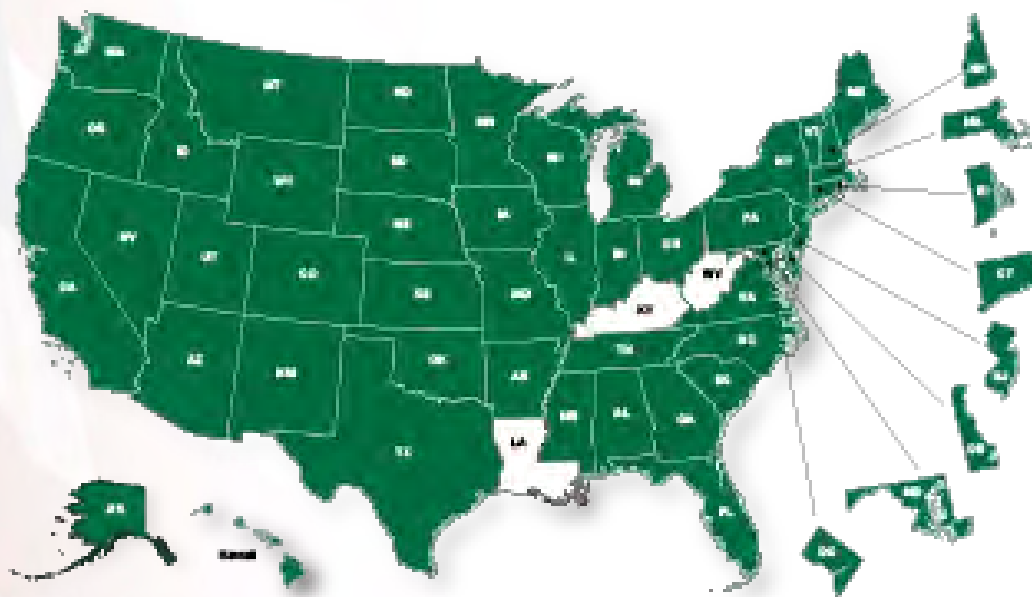


Conducted case studies in 3 states

- Georgia
- Nebraska
- Wisconsin



# Study Findings: Assisted Living Coverage and Spending



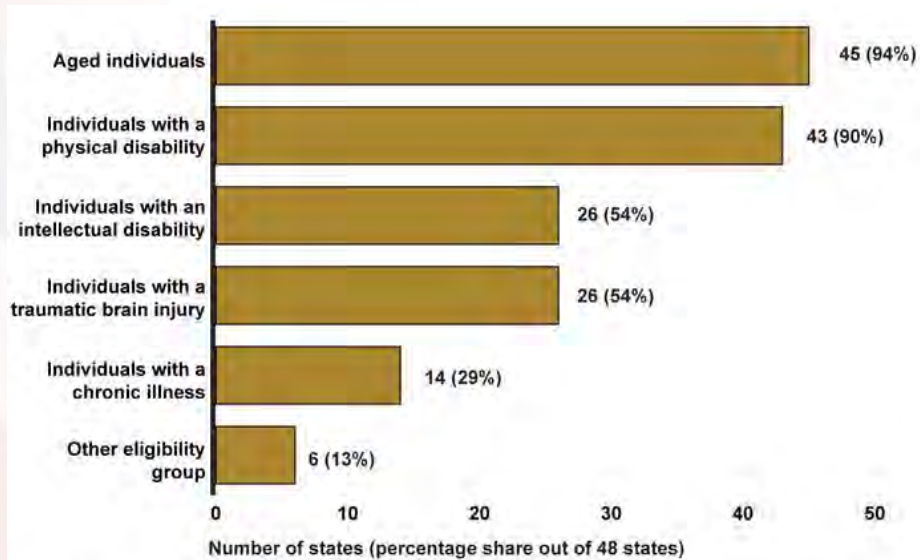
Medicaid Assisted Living Services NOT covered by State (3 states)  
 Medicaid Assisted Living Services Covered by State (48 states)

Source: GAO survey of state Medicaid agencies. | GAO-15-179

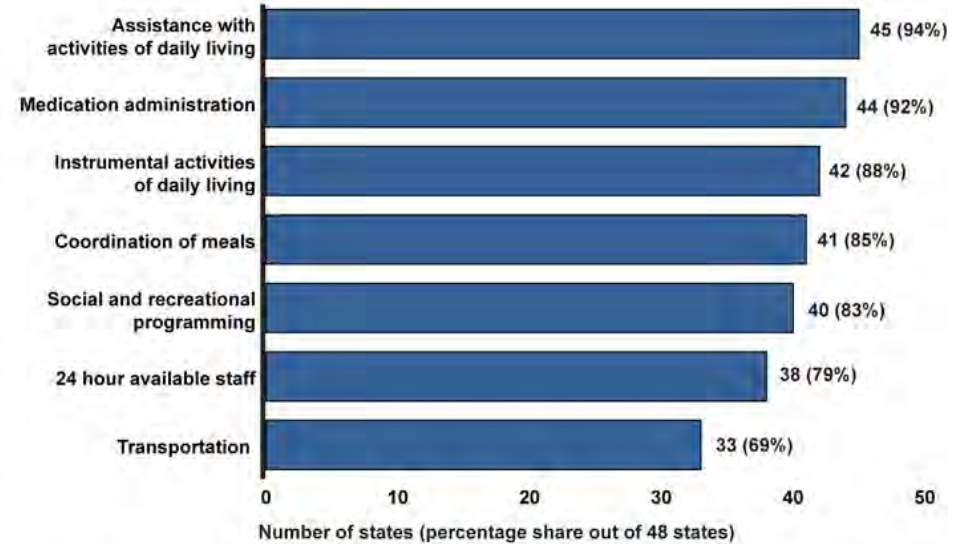
In 2014

- States = **48 of 51**
- Medicaid Beneficiaries > **330,000**
- Spending > **\$10 billion**

# Study Findings: Types of Beneficiaries and Services Covered

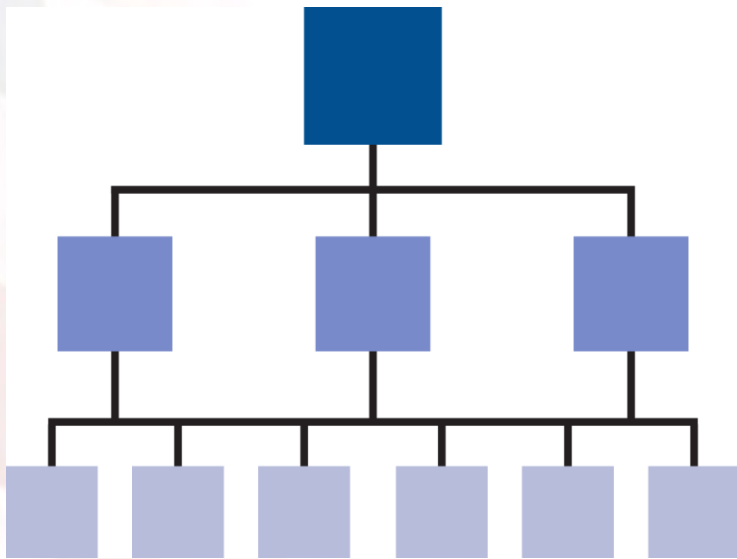


Source: GAO survey of state Medicaid agencies. | GAO-18-179



Source: GAO survey of state Medicaid agencies. | GAO-18-179

# Study Findings: Program Administration



- Medicaid agencies may delegate the administration of programs to government or other agencies.
- Medicaid agencies that administer HCBS programs may delegate certain oversight responsibilities to other state or local agencies.
- State Medicaid agencies may not be notified by other agencies of oversight findings

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## **Study Findings: State Reporting of Critical Incidents**

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**Critical incidents are events or occurrences that caused actual harm or can potentially harm Medicaid beneficiaries residing in assisted living facilities.**

We found that the 48 states varied in

1. their ability to report the number of critical incidents;
2. how they defined critical incidents; and
3. the extent to which they made information on such incidents and other information readily available to the public.

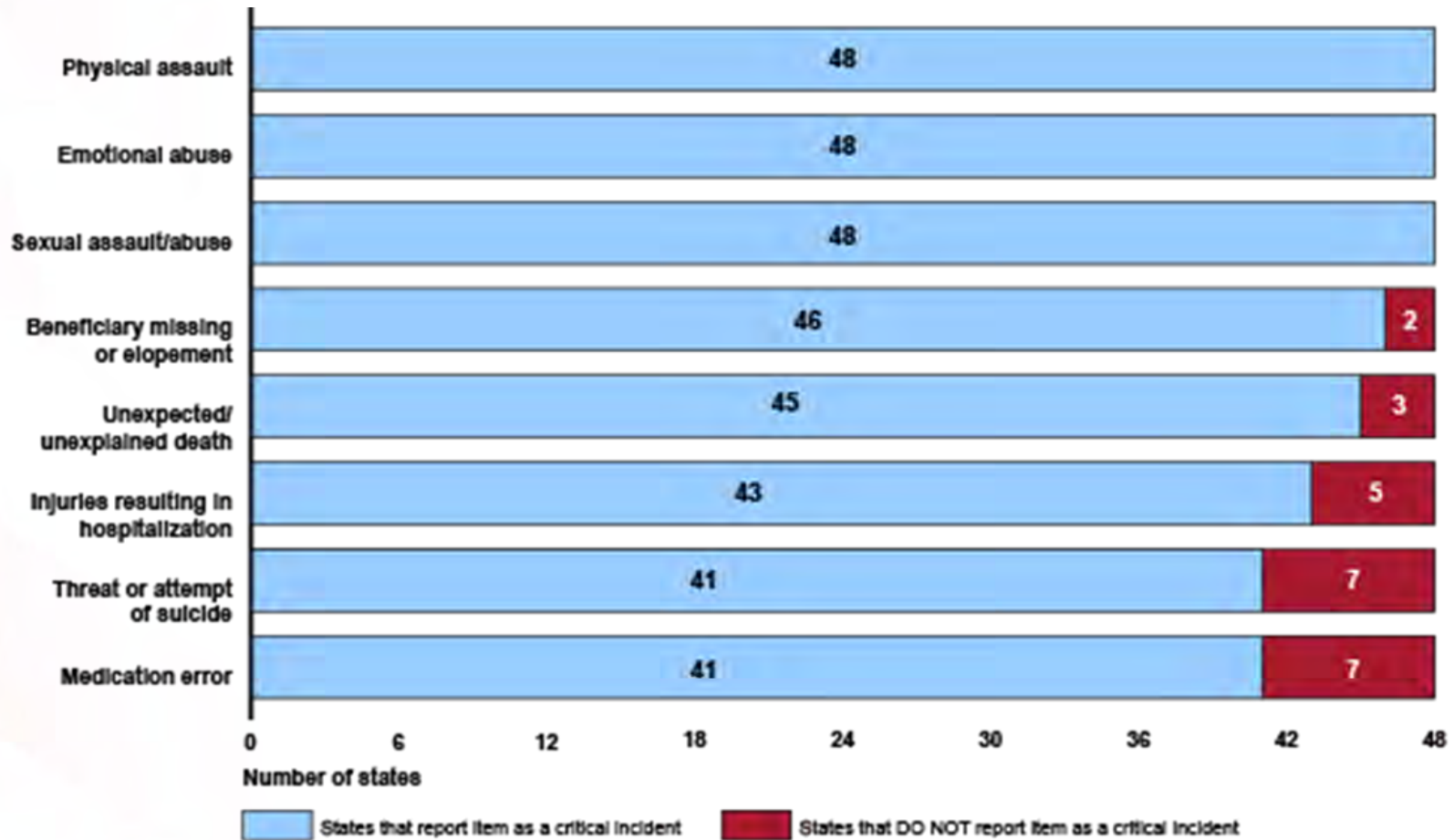
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## Study Findings: State Reporting of Critical Incidents

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- **26 of the 48 state Medicaid agencies** could not report to us the number of critical incidents that occurred in assisted living facilities in 2014.
- Reasons states gave for not being able to report critical incidents included
  - the inability to track incidents by provider type;
  - lack of a system to collect critical incidents; and
  - lack of a system that could identify Medicaid beneficiaries.

# Study Findings: State Definition of Critical Incidents



Source: GAO survey of state Medicaid agencies. | GAO-18-179

## Study Findings: Information Available to the Public

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### Critical Incidents

- 14 of the 48 states did not make critical incident information available to the public.
- For the remaining 34 states, information on critical incidents was available by either phone, website, or in person.

### Complaints and Grievances

- 12 of 48 states did not make information on complaints and grievances involving specific facilities available to the public.

### Medicaid Beneficiaries Accepted

- All 48 states had information on whether an assisted living facility accepted Medicaid beneficiaries.
- 8 states could not provide this information by phone and 22 states could not provide the information in person

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## Study Findings: Federal Reporting Requirements for Critical Incidents

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Lack of requirements for states to annually provide CMS information on critical incidents.

- States **ARE** required to operate a critical incident reporting system.
- States **are NOT** required to report to CMS any data from these systems.



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## Study Findings: Monitoring and Reporting of Program Deficiencies

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- States are required to annually report on “deficiencies” in their HCBS waiver programs.
- Guidance on what should be reported as “deficiency” is unclear.
- No assurance that deficiencies that could have adverse impacts on beneficiary health and welfare are monitored and reported to CMS.

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## Study Findings: State Submittal of Annual Reports

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- States are required to submit a report to CMS annually for each HCBS waiver program.
- Annual reports are intended to provide CMS with information on how well the state is administering its HCBS waiver program.
- CMS enforcement of annual reporting is inconsistent.

## GAO Recommendations

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The Administrator of CMS should

1. Provide guidance and clarify requirements regarding state monitoring and reporting of deficiencies.
2. Establish standard state reporting requirements on critical incidents.
3. Ensure that states submit annual reports on time as required.

## Media Coverage of Report Findings

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***New York Times: U.S. Pays Billions for ‘Assisted Living,’ but What Does It Get? Feb. 3, 2018***

<https://www.nytimes.com/2018/02/03/us/politics/assisted-living-gaps.html>

***McKnight's Senior Living: GAO report on assisted living could be a game changer Feb. 5, 2018***

<https://www.mcknightsseniorliving.com/editors-columns/gao-report-on-assisted-living-could-be-a-game-changer/article/741880/>

***Washington Examiner: States having big problems tracking safety issues at assisted living facilities, GAO finds Feb 5, 2018***

<https://www.washingtonexaminer.com/states-having-big-problems-tracking-safety-issues-at-assisted-living-facilities-gao-finds>

# Questions

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