Annual Program Report

Kentucky's Independence Plus Consumer-Directed Services Program

The Cabinet for Health and Family Services

Submitted in Accordance with
KRS 205.5606 (14)

Kentucky General Assembly

January 14, 2005

Kentucky's Independence Plus
Consumer-Directed Services Program
Annual Program Report

On April 2, 2004, Governor Ernie Fletcher signed into law HB 116 an act relating to the Kentucky Independence Plus through the Consumer-Directed Services Program. The act requires that all of Kentucky's home and community based waivers include a Consumer-Directed component. The component provides an option for individuals enrolled in the waivers to voluntarily participate in a program where the individual may independently choose providers of services, purchase services through a fiscal intermediary and direct the delivery of services. Planning, budgeting and spending are all controlled by the person and those closest to him or her.

The following report is in response to the mandates as stated in KRS 205.5606(1) & (14):

HB 116 Mandate: The Cabinet for Health and Family Services shall establish the Kentucky Independence Plus through Consumer-Directed Services program that shall provide an option within each of the home and community-based services waivers. The option within each of the waiver programs shall be based on the principles of consumer choice and control and that shall be implemented upon federal approval.

The specific Medicaid waiver programs involved are the: Home and Community Based (HCB) for persons who are elderly or have disabilities; Supports for Community Living (SCL) for persons with mental retardation or developmental disabilities; Acquired Brain Injury (ABI) waiver for persons with acquired brain injury.

Outcomes from the new option will be increased consumer choice and control, expanded flexibility of the dollars utilized, increased access to services and option for consumers to receive a blended package of services and to have the ability to seamlessly shift dollars among needed supports and services as their needs change. The new option will allow consumers to recruit, hire and supervise their own employees for services such as personal care. The new option will include only non-medical and non-residential services currently covered within each of the waiver programs.

During the past several months the Department for Medicaid Services (DMS) and the Department for Mental Health/Mental Retardation Services (DMHMRS) have been actively involved in the implementation of HB 116. Project staff have conducted various consumer and stakeholder advisory meetings, applied for planning and implementation grants, sought technical assistance and guidance from federal consultants and drafted waiver amendment language.

The following provides a summary of activities to date for the implementation of HB 116:

Grant Applications:

The Department for Medicaid Services applied for grants through the Robert Wood Johnson Foundation (RWJF) and the Foundation for a Healthy Kentucky. These grants would be utilized to support change within the state Medicaid programs to allow for implementation of consumer directed services for increased consumer direction and control over their home and community based services.

Kentucky is among eleven (11) new states to receive the RWJF grant. Official award notification was received from the RWJF on October 1, 2004. This grant will provide $250,000 over a three year period. The RWJF grant will allow Kentucky to implement the new model of delivery of Medicaid funded home and community based services, provide valuable technical assistance through consultants and other states that have active consumer-directed programs operational and cover the cost of temporary staff specifically for the implementation of the project.

Project staff have been involved in numerous technical assistance calls with RWJF consultants and attended the first annual meeting in November 2004 which involved three states that were previous RWJF grantees and all the new state grantees. Valuable sharing of development and implementation information occurred during this two and half day meeting.

Official notification regarding the second grant application through the Foundation for a Healthy Kentucky (FHK) is currently pending. The FHK grant includes funding to cover costs for development and printing of educations and marketing materials; travel for state staff and advisory members; travel for staff for conducting forums and educational sessions statewide; contracts with advocacy organizations to assist with education and outreach; and initial start up costs for providing financial management services not covered by federal funding.

Consumer and Stakeholder Involvement:

To date, six meetings with consumers and advocates have been conducted in order to obtain input regarding waiver amendment language and education and outreach for the new program option. Recommendations from the advisory group have been incorporated into the waiver amendment language and education and outreach plan. The recommendations from the Commission on Services and Supports for Persons with Mental Retardation and Other Developmental Disabilities have also been reviewed with the advisory group and incorporated into the waiver language.

This same group of consumers and advocates will be involved in future evaluation and development of recommendations for any necessary revisions to the program.

Federal Consultation:

Representatives from the Center for Medicare and Medicaid Services (CMS) came to Kentucky on September 8th and 9th, 2004 to provide technical assistance to DMS and DMHMRS project staff. During that time the CMS staff provided recommendations about conversion of the traditional waiver services to the new consumer-directed services and associated CMS requirements for future waiver amendment approval.

In addition to the site visit, CMS staff have provided technical assistance to the Project staff via conference calls on numerous occasions and have shared approved waiver language from other states.

Additional consultation has been provided by current DMS consultants who have past CMS experience as the waiver language has been developed.

Individual Waiver Applications:

The Home and Community Based (HCB) waiver and the Supports for Community Living (SCL) waiver are due for renewal by CMS in July 2005 and September 2005 respectively. For that reason the amendments will be included in the renewal request for each of these waivers. Implementation of the consumer-directed option will be phased into the waivers.

Draft waiver amendment language was submitted to the Centers for Medicare and Medicaid Services (CMS) in October for preliminary review and feedback. Response was received from CMS in November 2004. Subsequent meetings were conducted with the consumer and advocate advisory group for additional input.

It is anticipated the official written request will be submitted by spring 2005 to CMS for approval of the amendments and renewal of the HCB and SCL waivers. Upon CMS approval of the waiver amendments the governing regulations will then be revised to incorporate the new service option. It is expected that implementation of the new option will begin in late fall 2005.

The submission to CMS of the amendment language for the ABI waiver will occur upon implementation of the new consumer directed option in the above two waiver amendments. Anticipated implementation date of the new consumer-directed option in this waiver is 2006.

Education and Outreach:

Recommendations from the consumer and advocate advisory group have been obtained and preliminary development of training and education material is ongoing. An anticipated date to initiate public outreach and initial training is spring 2005.

Other Activities:

Job descriptions have been developed for new positions related specifically to the grants and waiver project. Two new staff have been hired and interviews are currently being conducted for a third new staff person.

We are extremely pleased to be able to share with you the progress that has been made. With the implementation of this new waiver option, individuals will be empowered to exercise more control over their support services and ultimately the overall quality of their lives.

This will also further the progress on obtaining some of the outcomes included in the ten year plan developed in 2001 by the Commission on Services and Supports for Individuals with Mental Retardation and Other Developmental Disabilities.

The Cabinet and its staff greatly acknowledge the support of the Governor and the General Assembly in making people with disabilities a priority and allowing opportunities for them to be empowered to have increased control over their lives.

We thank you for your past support and request your assistance in continuing to improve the options available to people of the Commonwealth.