

## ESTABLISH LTC SINGLE POINTS OF ENTRY

Mitchell Bean, Director  
Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 5389**

**Sponsor: Rep. Rick Shaffer**

**Committee: Senior Health, Security, and Retirement**

**Complete to 4-28-06**

## A SUMMARY OF HOUSE BILL 5389 AS INTRODUCED 11-1-05

The bill would amend the Social Welfare Act to require the director of the Department of Community Health to designate and maintain locally- and regionally-based single points of entry (SPE) for long-term care (LTC) to serve as visible and effective access points for individuals who seek LTC and to promote consumer choice of LTC options. Under the bill, the department would be required to designate an agency to serve as a single point of entry in each region of the state no later than October 1, 2008. (The department could designate SPEs throughout the entire state before that date.)

The department would be authorized to monitor single points of entry for all of the following:

- To prevent bias in eligibility determination and to prevent the promotion of specific services to the detriment of consumer choice and control.
- To review all consumer assessments and care plans to ensure consistency, quality, and adherence to the principles of person-centered planning and other criteria established by the department.
- To assure the provision of quality assistance and supports.
- To assure that quality assistance and supports are provided to applicants and consumers in a manner consistent with their cultural norms, language of preference, and means of communication.
- To assure consumer access to an independent consumer advocate.

### Proposal for SPE of LTC Designation

The DCH would be required to solicit proposals from entities seeking designation as a single point of entry and designate at least three agencies to serve as SPEs in at least three separate areas of the state. There could be no more than one SPE in each designated region. Subject to the "designation termination" provision in the bill, an agency designated by the department under this provision would be required to serve as an SPE for an initial period of three years.

### Criteria for Local/Regional Designation

DCH would be required to establish, in consultation with consumers, stakeholders, and members of the public, criteria for the designation of local or regional single point of entry. The criteria would have to ensure that an SPE met the following criteria:

- Not be a provider of direct Medicaid services. [Care management and supports coordination are not considered direct Medicaid services for the purposes of this provision].
- Be free from all legal and financial conflict of interest with providers of Medicaid services.
- Be capable of serving as the focal point for all individuals, including private-pay individuals, who seek information about LTC in their region.
- Be capable of performing consumer data collection, management, and reporting in compliance with state standards.
- Have quality assurance standards and procedures that measure customer satisfaction, monitor consumer outcomes, and trigger changes to care and support plans.
- Maintain an internal and external appeals process that provides for a review of individual decisions.
- Complete an initial evaluation of applicants for LTC within two business days after contact by the individual or his or her legal representative.
- Develop, in partnership with the consumer, a preliminary person-centered plan within seven days after the applicant is found to be eligible for services.

Single Points of Entry that fail to meet the criteria described above or other fiscal and performance standards determined by the department would be subject to termination as a designated SPE.

### Duties, Responsibilities, and Standards of Service

DCH would require a single point of entry to perform all of the following duties and responsibilities.

- Provide consumers with information on and referral to all LTC options, services, and supports.
- Facilitate movement between supports, services, and settings in an adequate and timely manner that assures the safety and well-being of the consumer.

- Assess a consumer's eligibility for all Medicaid LTC programs utilizing a comprehensive level of care tool.
- Assist consumers to obtain a financial determination of eligibility for publicly funded LTC programs.
- Assist consumers to develop their long-term care support plans through a person-centered planning process.
- Authorize and, if requested, arrange for needed transition services for consumers living in nursing homes.
- Work with consumers in acute, primary care, and community settings to assure they are presented with the full array of LTC options.
- Re-evaluate consumers' need and eligibility for LTC on a regular basis.
- Perform the authorization of Medicaid services identified in the consumer's care supports plan.

#### Evaluation Timelines

The department would be required to promulgate rules establishing timelines of within two business days or less for the completion of initial evaluations of individuals in urgent or emergent situations, as well as rules establishing timelines for completion of a final evaluation and assessment for all individuals. Those timelines could not be longer than two weeks from initial contact with the individual.

#### Toll-Free Number

The department would be required to establish and publicize a toll-free telephone number for areas of the state in which a single point of entry is operational.

#### Rules

The department would be required to promulgate rules to implement the provisions of the bill not later than 180 days after the bill's effective date.

#### Evaluations and Recommendations

The DCH would be required to evaluate the agencies designated as SPEs annually and make any report or recommendation for improvement of the system available to the Legislature and the public.

## FISCAL IMPACT:

According to the Department of Community Health, statewide implementation of a single point of entry system would reduce Medicaid long-term care expenditures by 1.7%. Based on current funding levels, this would represent annual savings of \$32 million. When combined with existing appropriations for MIChoice home and community based services administration and case management activities, the funding would be sufficient to offset the additional costs of implementing the SPE system statewide.

As part of the Michigan Medicaid Long-Term Care Task Force Final Report, completed June 2005, the Michigan Office of Long-Term Care Supports and Services (OLTCSS) within DCH was charged with creating at least three demonstration Long-Term Care Single Points of Entry (SPEs) as part of a statewide phase-in of the report recommendations for SPEs. As of this writing, the Department has issued an RFP for three plans and possible implementation of the accepted plans as soon as July, 2006.

The information below summarizes the three year phase-in costs and financing for the SPE system as identified in the Department's request for proposal document.

<b>Year 1</b>	<b>Total</b>	<b>Federal</b>	<b>GF/GP</b>
Cost: 3 SPEs x \$4,716,000 =	\$14,148,000	\$7,074,000	\$7,074,000
Financing: New Funding	\$6,643,000	\$3,321,000	\$3,322,000
Cost Shift	\$7,505,000	\$3,753,000	\$3,752,000
<b>Year 2</b>	<b>Total</b>	<b>Federal</b>	<b>GF/GP</b>
Cost: 8 SPEs x \$4,716,000 =	\$37,728,000	\$18,864,000	\$18,864,000
Financing: New Funding	\$17,714,000	\$8,857,000	\$8,857,000
Cost Shift	\$20,014,000	\$10,007,000	\$10,007,000
<b>Year 3</b>	<b>Total</b>	<b>Federal</b>	<b>GF/GP</b>
Cost: 14 SPEs x \$4,716,000 =	\$66,027,000	\$33,013,000	\$33,014,000
Financing: New Funding	\$31,000,000	\$15,500,000	\$15,500,000
Cost Shift	\$35,027,000	\$17,513,000	\$17,514,000

In the above financing estimates, "cost shifts" represent existing funding that would be saved by implementing the SPE system and then shifted to finance it. These savings are projected to occur by reductions in existing waiver agent administration and case management funding.

Legislative Analyst: E. Best  
Fiscal Analyst: Steve Stauff

---

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.