

# Trust

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## Alaska Mental Health Trust Authority

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To whom it may concern:

Home- and community-based services (HCBS) provide opportunities for Alaskans to receive services and supports in their own home or community while maximizing one's independence. The Division of Senior and Disabilities Services (SDS) manages four HCBS Medicaid waivers that support Alaskans who are elderly or experience a physical, intellectual or developmental disability. Multiple service providers made up of tribal health organizations, nonprofits, for-profits, and other agencies across Alaska provide these services and supports which include: care coordination, chore, respite, day habilitation, meals, transportation, supported employment, residential services, environmental modifications, etc. Alaska's current service delivery system was built around providing comprehensive services and supports to individual service recipients and their families, which has historically included agencies providing both the case management and direct services.

On March 17, 2014, the Centers for Medicare and Medicaid Services (CMS) who provides federal oversight of the Medicaid Waiver programs, issued the final rule for home- and community-based services that defines and describes the qualities and characteristics of a "home and community-based setting" and "person centered planning" which mandates that all waiver services adhere to these new requirements in order to be considered for reimbursement. States are required to submit a transition plan and timeline by March 17, 2015, to address how each of these new components will be implemented. The changes in federal regulation around "person centered planning," which is the process by which waiver recipients and their supports develop a plan of care should include the opportunity to freely choose their services providers. This change from CMS reflects the belief that recipients have real choice of providers only if that choice is made free from provider influence or pressure. To achieve this "conflict-free case management" (CFCM) as it is described by CMS, provider agencies that offer case management services (or care coordination, as we now call it in our waiver system) will not be able to provide direct services. There is one exception to this. If any locality has only one agency willing and able to serve waiver recipients, the state will waive the "conflict-free" requirements and allow the agency to provide both case management and other waiver services.

In August, the Division of Senior and Disabilities Services (SDS) hosted community forums to provide information on the new rule, address questions and hear feedback from the communities. Adapting the required changes for CFCM was identified as having the most impact on the current service delivery system. In September, at the National Association of States United for Aging and Disabilities conference, CMS clarified that states were expected to have already implemented CFCM, and would be currently out of compliance if care coordination is provided by an agency that also provides direct home and community based services. This also means that CFCM is **not** to be included in the transition plan that states submit March 2015. CMS stated that upon Waiver renewals for states' Home and Community Based Service, CFCM must be in place, which for Alaska is due July 1, 2016.

Significant changes to the existing service delivery system will be required to ensure CFCM is in compliance, however most importantly, it is essential that the transition minimizes disruption for service recipients and retains continuity and knowledge with the existing care coordinators who are employed

by agencies that are considered to have a conflict. SDS reports that approximately 42% of clients are currently receiving conflict free case management. Below is the breakout by waiver type:

- Alaskans Living Independently: 68% served by Independent Care Coordinators
- Intellectual and Developmental Disabilities: 17% served by Independent Care Coordinators
- Children with Complex Medical Conditions: 19% served by Independent Care Coordinators
- Adults with Physical and Developmental Disabilities: 41% served by Independent Care Coordinators

In October, the Community Care Coalition, which includes representation from the Alaska Association on Developmental Disabilities, PCA Provider's Association, AgeNet, Alaska Behavioral Health Association and the Assisted Living Association of Alaska began meeting with SDS to seek clarification on the final rule and how these changes will affect the current service delivery system. The Community Care Coalition committed to proactively partner with SDS to identify strategies to adopt CFCM and become in compliance. Due to the shortened timeframe and changes that will need to occur, the Community Care Coalition requested funding from the Trust to hire a consultant to fully understand the CMS rule on conflict free case management, learn what four other states have done to address CFCM, develop options for a sustainable case management system, and an implementation plan that is streamlined for recipients and providers across the spectrum of Medicaid recipients. With multiple efforts underway within DHSS to implement case management/service coordination for Medicaid recipients, it was also felt that this was an opportunity to look more broadly than just the HCB Waiver case management services to mitigate confusion or duplication of services for the service recipient.

On December 8, 2015, the Trust awarded a grant to the Alaska Association for Developmental Disabilities on behalf of the Community Care Coalition. Agnew:Beck, who subcontracted with HCB Strategies, was awarded the contract in December with the final report due February 18. Two large stakeholder work groups were facilitated by the contractors on January 12-13 and February 5, to review preliminary results of research and case studies, review and comment on the proposed design options and timeline for person centered CFCM. Those who participated in the meetings included, service providers across the state who represented nonprofits, for-profits, Independent Care Coordinators, tribal health organizations, Governor's Council on Disabilities and Special Education, Alaska Mental Health Board, Advisory Board on Alcohol and Drug Abuse, Alaska Commission on Aging, DHSS staff, and the Trust. Camille Dobson, the Deputy Director of National Association of States United for Aging and Disabilities, who formerly worked for CMS, also attended the January meetings to provide technical assistance. A third stakeholder meeting is scheduled for February 27 to review the final report which includes design options, a timeline and communication plan. It is important to note that these are only recommendations to SDS. The desired outcome of the report was to ensure a system design that minimizes the effect on the capacity of care coordinators and maximize a smooth transition towards conflict free case management which will ultimately result in limited disruption to beneficiaries receiving services.

This has certainly been an open and transparent process despite the tight timelines. If you have any further questions please contact Amanda Lofgren, Program Officer at 269-3409 or [Amanda.Lofgren@alaska.gov](mailto:Amanda.Lofgren@alaska.gov).

Sincerely,  
Jeff Jessee  
CEO