

# *The Comprehensive Analysis of Home and Community-Based Services Project*

Co-Funders:



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## SUMMARY

The Comprehensive Analysis of Home and Community-Based Services (HCBS) in California is a 36-month project to conduct the first comprehensive review of all HCBS in California. Funded by The SCAN Foundation and the State of California Department of Health Care Services (DHCS), researchers with the California Medicaid Research Institute (CaMRI) located at the University of California San Francisco (UCSF) will conduct three research tasks:

- (1) a review and summary of the published research on cost-effectiveness of home and community-based services;
- (2) a comprehensive analysis of the utilization and cost information for Medi-Cal beneficiaries receiving home and community-based services in California; and
- (3) an analysis of the costs and utility of home and community-based service benefits provided under Medi-Cal via federal waivers and the State Plan.

The research will inform HCBS-related policy by providing information on how HCBS: prevent or delay institutionalization, reduce the use of emergency rooms services and hospital admissions, and improve or maintain a person's quality of life. In addition, this project endeavors to provide insight on the cost-

effectiveness of programs and services, identifying which of these are the most essential to consumers.

## Research Task #1 - Literature Review

The initial phase of the project will include a systematic review of the published literature on the use of home and community-based services and effective practices in their delivery. A starting point for this review is the perspective that health care and long-term care services and practices constitute a continuum of care that is highly compartmentalized. These compartments are varyingly defined by the setting (e.g., hospital, nursing home), the provider (e.g., primary care physician, social worker), the body system or disease (e.g., dementia, congestive heart failure), or the severity of the conditions (e.g., levels of functional limitations, nursing home level of care thresholds, stages of chronic or terminal disease). Compartmentalization has been reinforced by policy makers for funding purposes and in turn has influenced the means of publicly financing and regulating these different levels and types of care.

The literature review, drawing on California and other state experiences as well as national demonstrations and evaluations, will describe recent trends in service delivery approaches and place them into the context of a continuum of care across the different services and settings considered. The researchers will also review the literature addressing the question of how to appropriately and safely transition individuals from institutional settings back to the community. Finally,

the review will identify examples of efficacious and cost-effective care as well as identify factors contributing to the failure of some approaches addressing the safe transition of individuals back into community settings.

## **Research Task #2 - Analysis of Utilization and Cost**

The second phase of the project will examine health and long term care utilization and costs for Medi-Cal beneficiaries over a four-year period (January 2005-December 2008). The analysis will cover seniors and people with disabilities, but will be conducted separately for those over and under the age of 65. Within each age group, the research team will compare the utilization and costs of acute, primary, and long-term care and other services for those who are enrolled in HCBS waivers, In-Home Supportive Services (IHSS), and Adult Day Health Care (ADHC) with age-matched recipients who are not in enrolled in these programs. Using a merged dataset, CaMRI will conduct a series of analyses that will attempt to answer a range of questions about service use and outcomes, with a specific focus on cross-sectional and longitudinal comparisons.

### *Cross-Sectional Analysis of the Effectiveness of HCBS*

Building on the descriptive information obtained in the analyses described above, this component of the project will examine the factors associated with health care and other Medi-Cal/Medicare expenditures. The specific goal of this component is to look across the range of programs and make comparisons between those persons receiving HCBS and those receiving institutional long-term care services (e.g., nursing homes).

### *Longitudinal Analysis of the Effectiveness of HCBS*

This next component will be an analysis of four years of linked Medi-Cal and Medicare data to look at the outcomes over time for seniors and people with

disabilities, across the programs and services they have used during specified time periods. This component of the project examines patterns of person-specific service use over time, and the extent to which these patterns are associated with HCBS participation.

### *Transitioning Beneficiaries from Nursing Homes Back to the Community*

In this study component, CaMRI will evaluate data reflecting current practices for transitioning Medi-Cal nursing home residents back to the community appropriately and safely. The Department of Health Care Services will identify Medi-Cal beneficiaries who have been residents of long-term care facilities and who have successfully transitioned to home or community environments. Three programs provide the majority of transitions: the Assisted Living Waiver, the Nursing Facility/Acute Hospital waiver (Senate Bill 643, Chapter 551, Statutes of 2005), and the California Community Transitions "Money Follows the Person" demonstration. Initially, transitions between long-term care facilities have been rare, but it is expected that the incidence of these transitions has grown over the evaluation time period. Starting in the second year of the research project, linked Medi-Cal, Medicare and OSHPD data for seniors and people with disabilities will be conducted to identify the types, intensity and costs of services used while institutionalized, and during and after transition. The utilization data will be explored as possible sources of information for determining what services were most effective in securing and maintaining community living arrangements.

## **Research Task #3: Analysis of HCBS Benefits Packages**

The goal of this task is to synthesize the results from the analyses as outlined above and to make recommendations informed by the data regarding service benefit packages that may reduce costly

utilization such as emergency room use and hospitalization.

Using data from the approved Medi-Cal HCBS waivers operated in California, the research team will analyze the benefits allowed under each waiver to determine differences and gaps between the waivers. This analysis will specifically attempt to determine whether benefit packages could become more standardized or whether they need to be modified. Researchers will also compare funding mechanisms, including the use of capitated payments, to understand their impact on cost and utilization. A fundamental question is whether the waivers could be streamlined or merged in ways that reduce complexity and increase cost savings while improving utilization, outcomes, and satisfaction.

## **POLICY DISCUSSION**

The State of California DHCS developed a set of key policy questions to guide the CaMRI research. While not meant to be exhaustive, these questions reflect current policy concerns.

- What HCBS programs prevent or delay a person's placement in a long-term care facility?
- What HCBS programs reduce a person's use of emergency room services and hospital admissions?
- What HCBS programs improve or maintain a person's health status and lead to better health outcomes?
- What is the cost-effectiveness of HCBS programs?
- Given current budget constraints, what HCBS services or programs are most essential for supporting seniors and persons with disabilities in community environments? What HCBS services or programs are less essential?

In addition to the above overarching questions, CaMRI will explore specific programmatic and policy questions such as:

- Are there significant differences in the type, scope and duration of services provided depending upon the population served?
- Are these differences in service type, scope and duration based upon the level of need, availability of service providers, structure of the service delivery system, or other factors?
- Are there significant differences in health outcomes depending upon the population served? Upon the type, scope and duration of services provided? Upon the service delivery system?
- What are the factors that drive and influence health outcomes, and to what degree do they contribute to them?
- How well do the different programs and delivery systems for HCBS deliver services to specific populations? Are there differences based on geographical settings?
- Can a particular program or delivery system be successfully replicated to serve different populations? Can the success be replicated in different geographical areas?

State and local policy makers (such as boards of supervisors or city councils) and program administrators (such as the Area Agencies on Aging) are currently wrestling with these questions and trying to decide what level of HCBS service and payments they can continue to maintain given California's economic crisis. They are searching for and often not finding reliable data and analytical information to guide their decision making. As important as comprehensive data and analysis is to present-day decision making, it will be equally, if not more so, critical to future decisions about which HCBS programs or delivery systems should be restored and/or expanded at both the state and local

levels. This project will provide policy makers and program administrators with the breadth and depth of data and analytical information that they will need to face these challenging decisions well into the future.

## ABOUT THE GRANTEE



The California Medicaid Research Institute (CaMRI) is a University of California multi-campus research program hosted at the University of California San Francisco (UCSF) and directed by Professor Andrew Bindman, MD. Through a multi-year interagency Master Agreement with the California Department of Health Care Services (DHCS), CaMRI provides research and analytic expertise to Medi-Cal that is grounded in data and focused on health policy. Negotiated projects between the University of California and DHCS are intended to strengthen Medi-Cal's analytical foundations for policy setting while advancing the University's research, training, and public service missions.

## ABOUT THE PARTNERS

The California Health and Human Services Agency (CHHS) oversees twelve departments and one board that provide a range of health care services, social services, mental health services, alcohol and drug treatment services, income assistance and public health services to Californians from all walks of life. CHHS also directly manages the federally-funded California Community Choices project to promote systems change and better insure that seniors and people with disabilities are diverted from unnecessary institutionalization. While the Department of Health Care Services is the State's single Medicaid agency, many of the departments within CHHS administer Medi-Cal waivers that support home and community-based services for seniors and people with disabilities. These departments are also engaged with this study: California Department of Aging,

Department of Developmental Services, Department of Mental Health, Department of Public Health, Department of Rehabilitation and the Department of Social Services. [www.chhs.ca.gov](http://www.chhs.ca.gov)

## ABOUT THE FUNDERS



The SCAN Foundation, located in Long Beach, CA, is an independent nonprofit dedicated to advancing the development of a sustainable continuum of quality care for seniors that integrates medical treatment and human services in the settings most appropriate to their needs and with the greatest likelihood of a healthy, independent life. The SCAN Foundation supports programs that stimulate public engagement, develop realistic public policy and financing options, and disseminate promising care models and technologies. [www.thescanfoundation.org](http://www.thescanfoundation.org)



The Department of Health Care Services' (DHCS) mission is to preserve and improve the health status of all Californians. DHCS works closely with health care professionals, county governments and health plans to provide a health care safety net for California's low-income and persons with disabilities.

[www.dhcs.ca.gov](http://www.dhcs.ca.gov)

For more information on The Comprehensive Analysis of Home and Community-Based Services in California project, please contact Erin Westphal at (562) 308-2882, [ewestphal@thescanfoundation.org](mailto:ewestphal@thescanfoundation.org) or Paul Miller of the Department of Health Care Services at (916) 440-7534.