

Oregon Real Choice Rate Restructuring Systems Transformation Grant

Presentation of Strategic Plan to CMS - May 15, 2006



Baltimore, Maryland

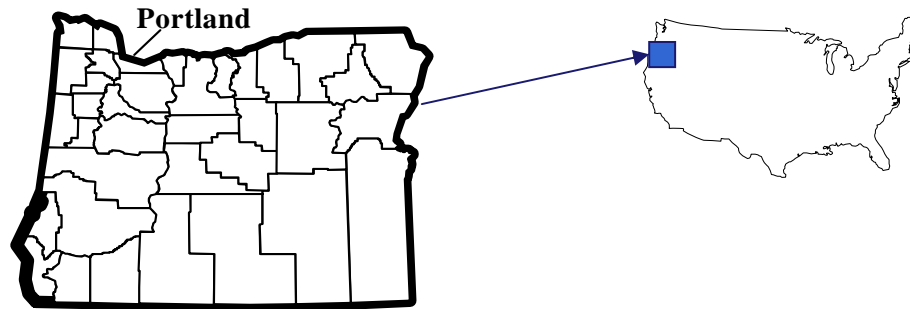
May 15, 2006

Agenda

- ❖ **Welcome and Introductions**-----Bob
- ❖ **Orientation** ----- Bob
- ❖ **Strategic Planning Process**-----Jean
- ❖ **Stakeholder Videoconference**-----Jack, Stakeholders
- ❖ **Plan Implementation** ----- Bob, Jan
- ❖ **Rollout Measures & Timelines** ----- Jan
- ❖ **Technical Assistance & Wrap-up** ---- Bob



About Oregon



- ❖ Oregon has 3.5 million people. Most live along the “I-5 Corridor” from Portland south to the state line, where economic and population growth is centered. Rural areas can be quite different – growing slowly, more agrarian, more conservative, and with long distances between services.
- ❖ Unemployment is typically above the national average.
- ❖ The aging population is proportionately among the highest in the nation, leading to a high demand for human services & the direct support workforce.
- ❖ Government relies on state income tax and local property taxes. There is no sales tax. This “two-legged tax stool” can be hard to balance.
- ❖ There are 36 counties with strong constitutional powers. “Local control” is a philosophy supported by state laws. Counties are major players.

Oregon's DD Services System

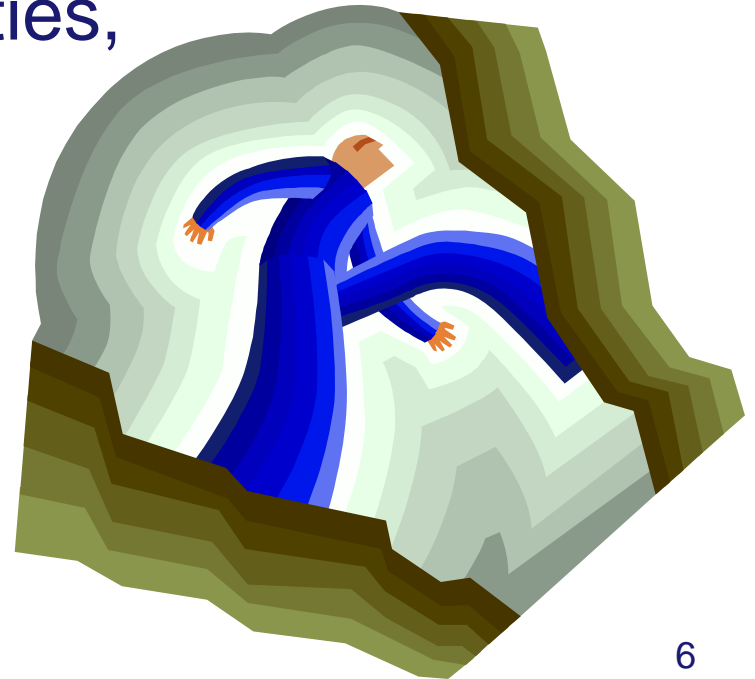
- ❖ Administered by the Department of Human Services, Seniors & People with Disabilities, Office of DD Services.
- ❖ The state provides funding and regulates community-based services that are managed locally by counties.
- ❖ County governments generally provide case management services directly, and contract with provider organizations or individuals for delivery of other services.
- ❖ There is an active network of providers, many of whom operate across multiple counties and regions.
- ❖ There is an active advocacy community.

DD Comprehensive Services Waiver

- ❖ 99.99% of the people are in community-based settings
- ❖ DD Comprehensive Waiver supports about 5,500 individuals in the community needing 24-hr services.
- ❖ FY 2005 Spending: over \$300 million.
- ❖ People are served in small community residences, supported living, foster care & family homes.
- ❖ There are no private-sector ICFs/MR in Oregon. The single state facility serves only 40 people in small homes.

Major Challenges

- ❖ Although Oregon has been a leader in moving to community-based services, waves of deinstitutionalization and differences in slot-based funding have left a “legacy” of inconsistent rates, inequities, and barriers to meeting individual goals.



Major Challenges – Cont'd

- ❖ Oregon lacks adequate historical and current data on individual needs and service costs.
- ❖ Current funding for individuals is not consistently need-based.
 - Oregon lacks the necessary tools to link funding to objectively-assessed support needs.
 - Variations in funding interfere with portability & choice.
- ❖ Rates have not been systematically reviewed and updated over time.
- ❖ The current funding system cannot serve as a platform for individual budgets based on support needs.
 - Person-centered planning would be strengthened by incorporating use of Individual Budget Allocations.



Major Challenges – Cont'd



- ❖ The current funding picture is very tough:
 - The number of people requesting Crisis services is growing, & waiting lists must be funded.
 - Providers have not received cost-of-living increases for several years. Financial stability is a serious issue.
 - A Special Legislative Session was required in April 2006 to address a large shortfall in the DHS budget.
- ❖ The absence of good information about consumer needs, provider costs and consistent, credible rate-setting methodologies, makes it very difficult to compete for scarce resources & effectively target what we have.

What Do We Want to Do?

- ❖ Meet critical needs of individuals
 - Tie funding to needs of individuals
 - Respond to changing needs & circumstances
 - Enhance PCP & choice between services & providers
- ❖ Distribute resources equitably & fairly
 - Same standards and process for all
- ❖ Enhance flexibility of provider base
 - Opportunity for providers to retool & refocus
- ❖ Enhance credibility and understanding
 - Consistent, explainable decision making
- ❖ Control costs within total resources available
 - Improve capacity planning and budget projection
 - Spend resources more logically, wisely, predictably

CMS Grant: An Opportunity to Do It

❖ Goal 2: Increase Choice & Control: Development or Enhancement of Self-Directed Service Delivery System

- Develop or enhance Person-Centered Planning (PCP)
- Develop or enhance Individual Budgeting

❖ Goal 3: Comprehensive Quality Management System

- Develop and implement a comprehensive quality management strategy, consistent with the state's transformation of its long-term support system.
- Develop and routinely disseminate quality management reports to key entities and other stakeholders, including but not limited to state and local agencies, participants, families, other interested parties, & public.
- Periodically evaluate the quality management strategy.

❖ Goal 5: Create System that More Effectively Manages Funding for Long-term Supports that Promote Community Living Options

- Develop and implement more effective payment methodologies.

Strategic Planning Process



Strategic Planning Process

❖ Strategic Planning

- January – June 2006
- Abt visit- Feb 22-24
- Completed draft submitted May 3rd
- Planning contract awarded to Oregon Technical Assistance Corporation (OTAC) Team, including:
 - Human Services Research Institute (HSRI)
 - Oregon Consulting Services Inc. (OCS)
- Logistics contract awarded to the Oregon Developmental Disabilities Coalition, & subcontractor:
 - Partnerships for Community Living
- Supported by diverse group of Stakeholders

Stakeholders

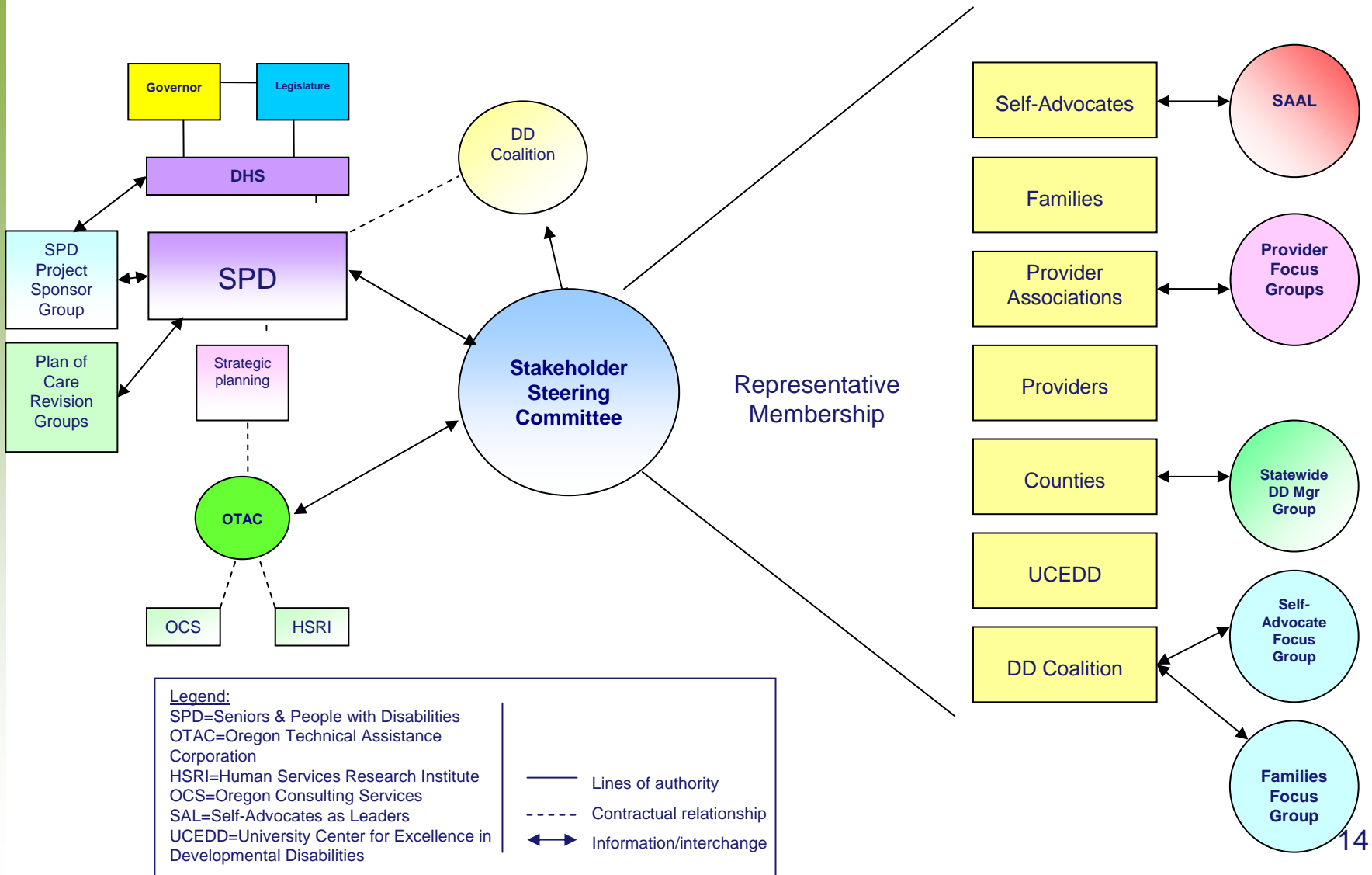
❖ Government

- DHS/SPD
- Counties

❖ External Partners

- Self-advocates
- Families
- Providers
- Provider trade associations
- DD Coalition
- DD Council
- University Centers for Excellence

Process Map



Constituent Meetings: January to May

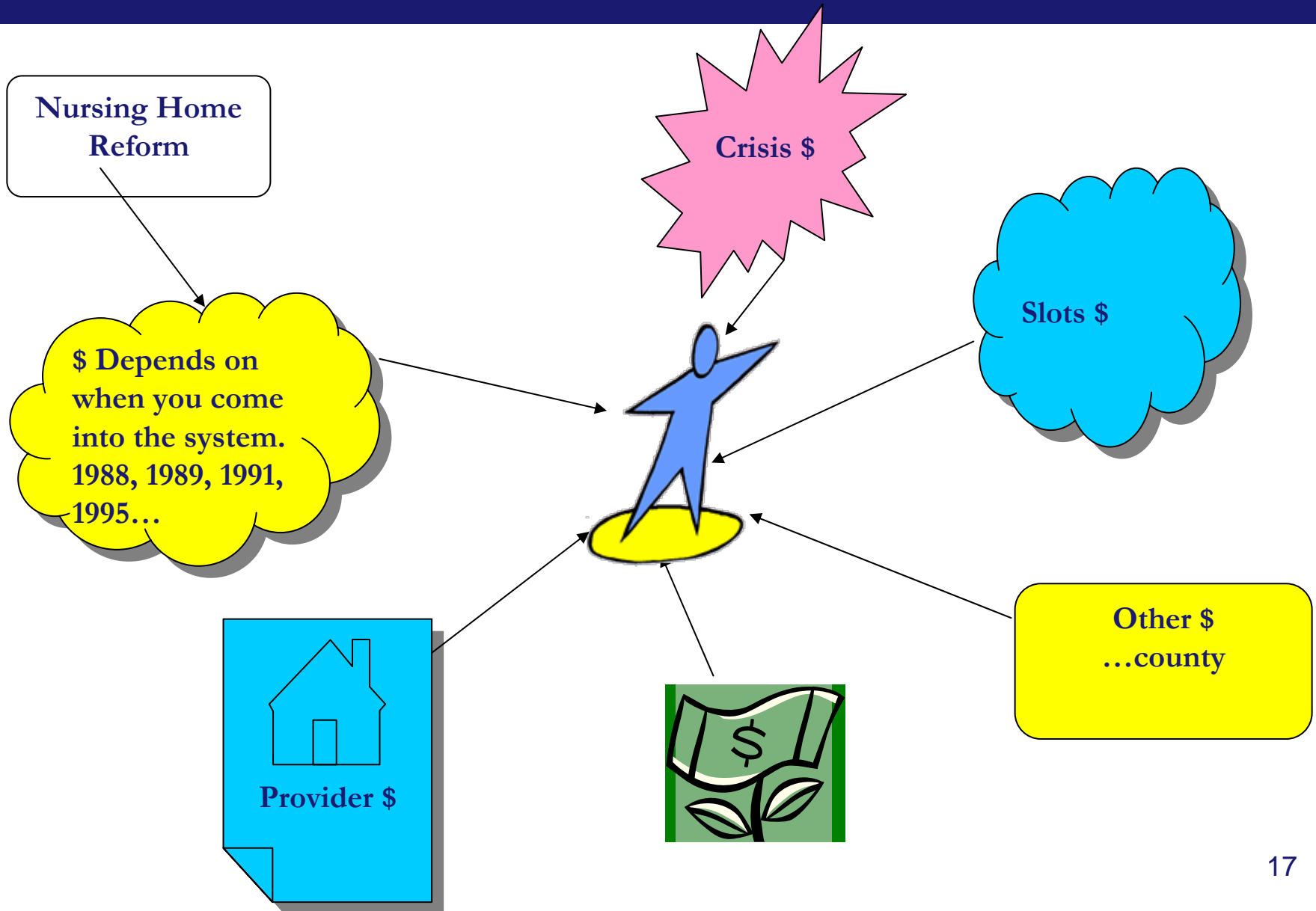
- ❖ Stakeholder Steering Committee
 - Five day-long meetings
- ❖ Provider Associations
 - Three, 1-2 hour meetings
- ❖ DD Coalition
 - Monthly reports & discussion
- ❖ County DD Program Managers
 - Three meetings totaling approximately 4 hours
- ❖ Self-Advocates
 - Two focus group meetings lasting 2 hours each
- ❖ Family Members
 - One, 2-hour focus group meeting
- ❖ DHS Agency Project Sponsors & Mgrs
 - Multiple sessions



Content of Stakeholder Steering Committee Meetings

- ❖ Values and Guiding Principles
- ❖ State Profiles
- ❖ Strategies
- ❖ March through the Template
- ❖ Discussions, Hopes and Concerns

Focus Groups: Self-Advocates and Families



Discussion Points at Self-Advocate Focus Group Meetings

- ❖ What questions do you want to be asked in your planning meetings?
- ❖ How should we decide how much money an individual should get?
- ❖ Should you know how much your services cost?
- ❖ What would you change in your life?
- ❖ What would happen if your support needs change?

Discussion Points at Family Focus Group Meetings

- ❖ How do you think the current system operates?
- ❖ How does the money flow from the State to the provider?
- ❖ Who determines how much money goes where?
- ❖ How is it decided how much a provider gets to serve people?
- ❖ What is a “rate” and how is it determined?
- ❖ What values should guide overall systems funding strategies?
- ❖ What should be considered when an individual is assessed?
- ❖ What should be considered when an individual budget allocation is developed?

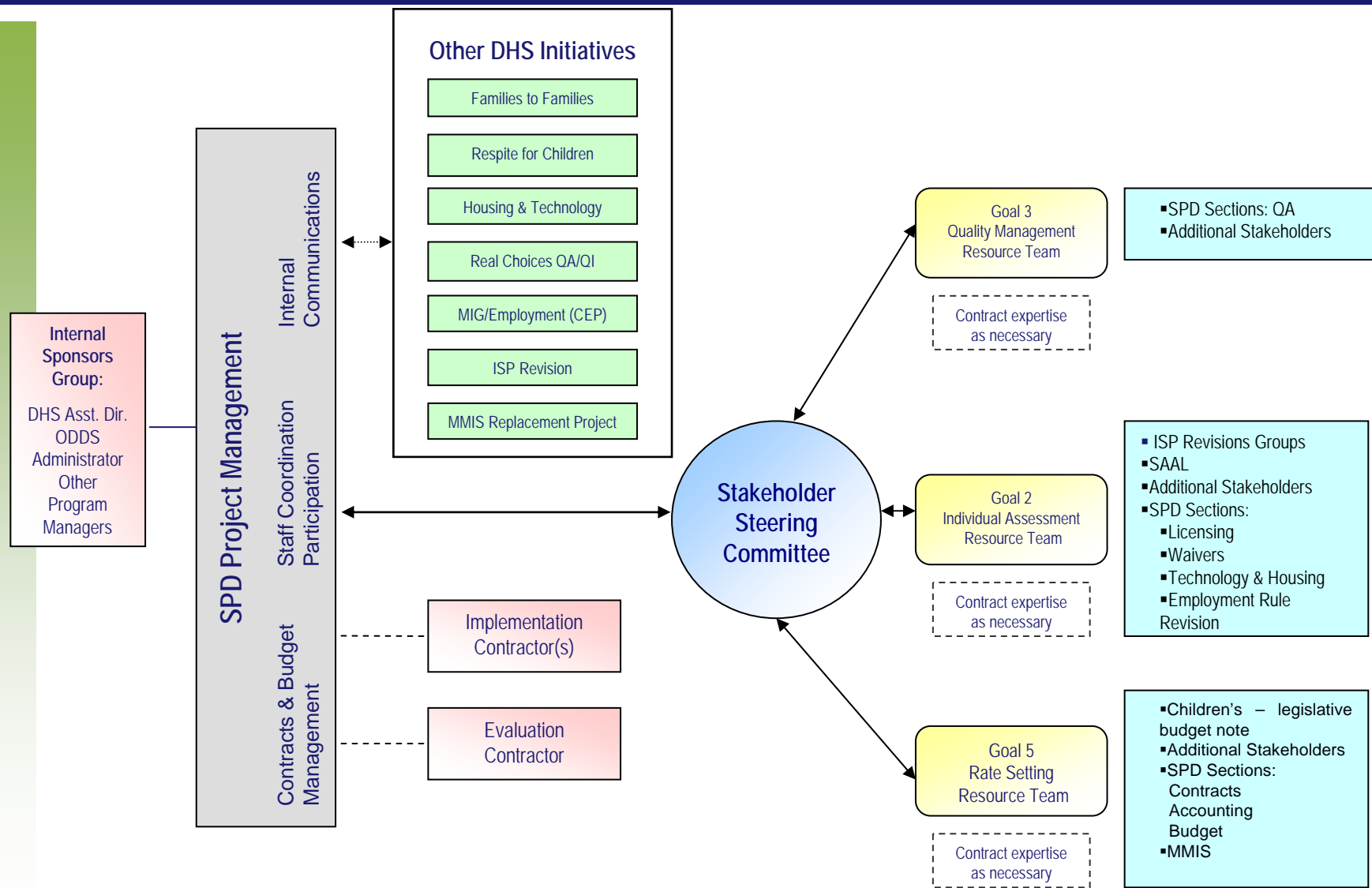
Meet Some of the Stakeholders in Oregon

- ❖ Jack Morgan facilitating (Oregon Consulting Services)
- ❖ Kathryn Weit – parent, advocate, DD Coalition representative, currently employed by Oregon’s State Council on Developmental Disabilities as the Policy Analyst.
- ❖ Tim Kral – former provider, current Exec. Director of the largest DD provider association, Treasurer of the DD Coalition.
- ❖ Judy Cunio – self-advocate, employed by Oregon’s State Council on Developmental Disabilities as the Self-Advocacy Coordinator, liaison to Self-Advocates As Leaders and a member of the Executive Committee of the DD Coalition.
- ❖ Lynn Greenwood – former provider and a Program Manager at OTAC, currently DD Program Manager in Lane County₂₀

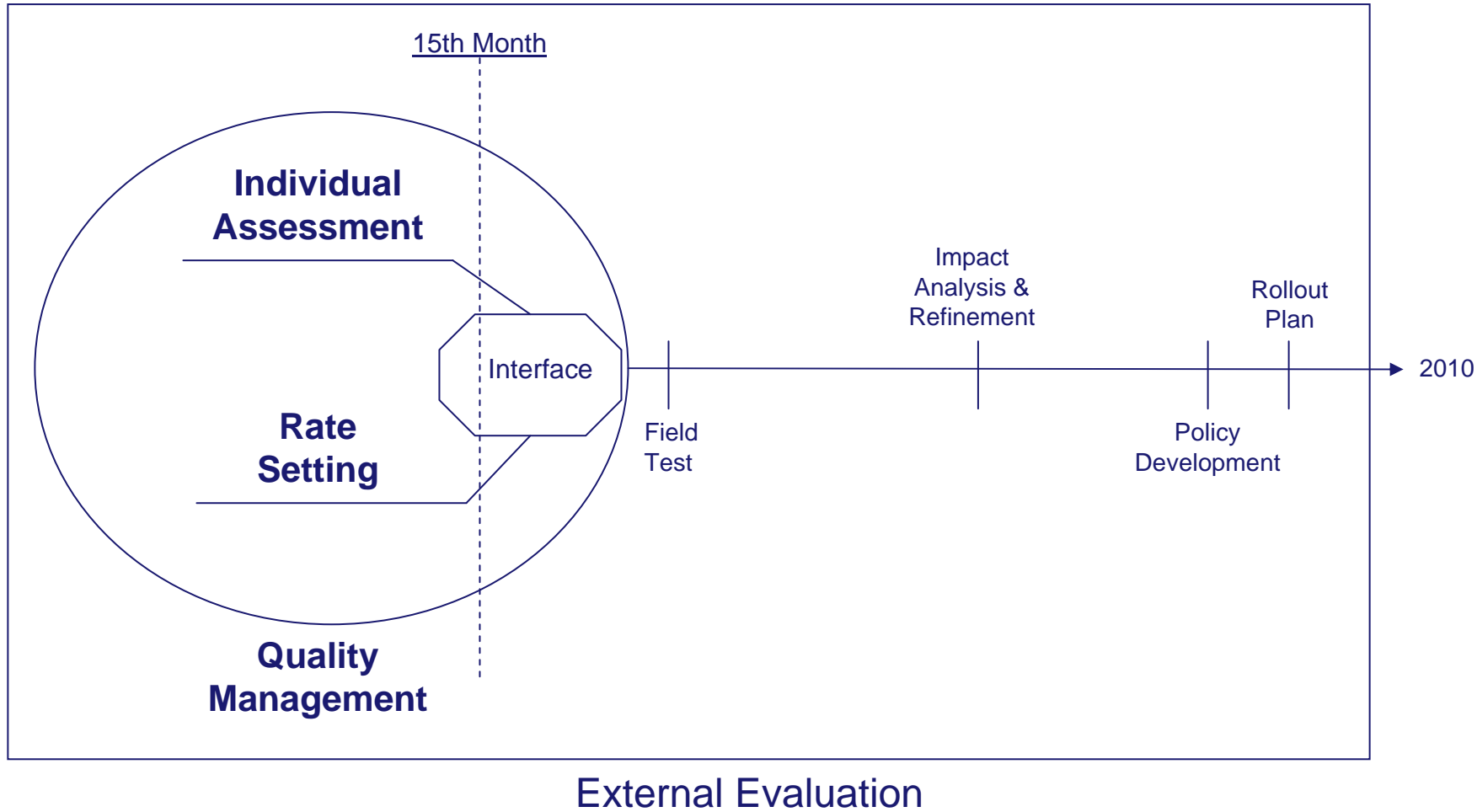
Stakeholder Discussion Points

- ❖ What efforts were made to involve stakeholders in the planning process?
- ❖ What are the primary interests and concerns among your constituent group relating to this project (goals, outcomes, objectives, etc.)?
- ❖ Was the planning process open to hearing from stakeholders about their interests and concerns ... and did the plan incorporate stakeholder input where appropriate?
- ❖ Overall, how satisfied are you and your constituents with the plan and the planning process?

Plan Implementation



Strategic Plan Overview



Overview of Strategic Plan

- ❖ Acquire a tool that will assess the needs of individuals, so level of care requirements can be reliably predicted.
- ❖ Acquire/develop a process that sets fair and equitable service rates that are linked directly to the needs of individuals.
- ❖ Develop interface between assessment and rate to use “Individual Budget Allocation” in Person-Centered Planning.
- ❖ Develop a quality management system that will assist DHS and stakeholders in administering these new tools
- ❖ Field test and analyze the impact of using these new tools.
- ❖ Prepare the policies and procedures needed to implement and sustain the use of the new tools over time.
- ❖ Prepare Rollout plan with Governor & Legislature.

Individual Assessment Activities

- ❖ Establish an “Individual Assessment Resource Team” and stakeholder communication plan.
- ❖ Review and refine desired policy outcomes.
- ❖ Evaluate assessment tools used in other states.
- ❖ Select, acquire and modify a tool that will support individual budgeting and meet Oregon’s needs.
- ❖ Define the process and training requirements for administration of the individual assessments.
- ❖ Gather assessment data on a significant sample of the population.
- ❖ Refine the tool and procedures to achieve an acceptable level of reliability and validity.

Rate Setting Activities

- ❖ Establish a “Rate Setting Resource Team” and stakeholder communication plan.
- ❖ Review and refine policy outcomes.
- ❖ Define the services to be offered and the allowable costs.
- ❖ Evaluate rate setting tools used in other states.
- ❖ Select, acquire and modify a tool to meet Oregon’s needs.
- ❖ Define the rate setting process and documentation requirements.
- ❖ Gather cost data from a significant sample of service providers and other sources.
- ❖ Refine the tool and procedures to manage the impact on provider organizations and the state budget.

“The Interface”

- ❖ The Interface brings the assessment process and the rate setting process together in a systematic way, and supports a Person-Centered Planning process that incorporates use of an Individual Budget Allocation.
- ❖ The Interface will be defined in detail once the individual assessment and rate setting tools have been selected and more is known about them.
- ❖ The Interface will likely include:
 - Technology that is applied to the new tools and data sources
 - New policies and procedures related to use of the tools
 - New policies and procedures related to Person-Centered Planning, the Individual Budget Allocation and the application of rates for services.

Quality Management Activities

- ❖ Establish a “Quality Management Resource Team” and stakeholder communication plan.
- ❖ Refine outcome and performance measures that will be used for evaluating Goals 2 and 5.
- ❖ Identify existing QM efforts and data sources that could offer some partnership or data resource opportunities.
- ❖ Identify/develop data sources and technical solutions needed to operate an effective QM System.
- ❖ Design reports appropriate for key entity and stakeholder audiences.
- ❖ Develop policies and procedures to operate the QM System.

Field Test Activities

- ❖ Select an appropriate sample of consumers, providers, counties and DHS staff to participate in a field test.
- ❖ Gather data and operate in a test environment using the proposed policies and procedures to evaluate:
 - Use of the individual assessment tool.
 - Calculation of Individual Budgets within a defined total budget amount.
 - Use of Person-Centered Planning procedures, including selection of services by the consumer/family, that are both appropriate for the consumer and affordable within the Individual Budget Allocation.
 - Dissemination of Quality Management reports that are distributed to those participating in the field test.

Impact Analysis & Refinement Activities

- ❖ Analyze the impact of Field Test activities on:
 - Consumer choice and control.
 - Person-Centered Planning process.
 - Service provider funding level and business practices.
 - Budget management.
- ❖ Project the impact of utilizing the new tools, policies and procedures (following refinements suggested by the Field Test) across the service system.
- ❖ Refine by adjusting tools or procedures and retesting.
- ❖ Develop recommendations for the full rollout plan.

Policy Development Activities

- ❖ Policies and procedures developed throughout the project would be prepared for implementation.
- ❖ Examples of documents likely to be included:
 - A Training Guide for conducting individual assessments.
 - Rules to govern the use of the Individual Budget Allocation.
 - Instructions for Person-Centered Planning that incorporate use of an Individual Budget Allocation.
 - A rate setting guide to be used by DHS staff to update rates in the future, using the same methodology.
 - A Rate Guide to be used by consumers and others interested in knowing the current service rates.
 - A Quality Management Guide that prescribes QM procedures and describes the reports that are available.
 - Contract language for use in county and provider contracts.

Rollout Plan Activities

- ❖ A Rollout Plan will be developed that describes activities, phase-in schedules and costs associated with activation of policies, procedures and the use of tools developed through the Grant.
- ❖ The Plan will include specific provisions designed to assure sustainability of the new policies and procedures, as well as continued use of the new tools over time.
- ❖ The Plan will be refined through consultation with the Governor and the Legislature.

How Will We Know We Are Ready For Rollout?

- ❖ PCP instructions have been modified to require documentation that:
 - procedures were established with stakeholder input
 - an individual assessment has been conducted
 - consumer choice has been used with the IBA
- ❖ Policies or Rules have been adopted to govern the use of IBA funds and are readily accessible to all stakeholders
- ❖ Plans for training of participants using the IBA in the PCP include details like curriculum, timelines, funding
- ❖ A Quality Management Plan identifies strategies, tools and processes for:
 - tracking performance towards meeting Goals 2 and 5
 - monitoring continuous improvement

How Will We Know We Are Ready For Rollout? – Cont'd

- ❖ Management reports are formatted to:
 - be read in alternative formats
 - accommodate non-English readers
 - report progress towards achieving goals

- ❖ Strategies have been created to:
 - measure continuous improvement towards achieving goals
 - evaluate the impact of selected strategies

- ❖ A “Service Rate and Resource Guide” has been created to:
 - define “allowable costs”
 - define “reasonable and customary”
 - explain rate setting methodology
 - describe how consumer support needs and circumstances are applied to the rate setting methodology
 - accommodate readers requiring alternative formats

15-Month Timeline: Goal 2

Goal 2: Increased Choice and Control: Development/Enhancement of Self-Directed Service Delivery System	7/1/06 To 9/30/06	10/1/06 To 3/31/07	4/1/07 To 9/30/07
Objective 2.1: Develop or Enhance Person-Centered Planning	Scheduled for later periods		
Objective 2.2: Develop or Enhance Individual Budgeting			
Strategy 1) Establish an “Individual Assessment Resource Team”			
Strategy 2) Develop a communications plan to address stakeholder interests			
Strategy 3) Identify potential tools to assess individual need			
Strategy 4) Establish desired policy outcomes			
Strategy 5) Identify technical requirements for administration of new assessment tools and data management			
Strategy 6) Select and adapt an individual assessment tool to meet Oregon needs a) Acquire tool			
Strategies 6) b through 14	Scheduled for later periods		

15-Month Timeline: Goal 3

Goal 3: Comprehensive Quality Management Systems	7/1/06 To 9/30/06	10/1/06 To 3/31/07	4/1/07 To 9/30/07
Objective 3:1 Develop and Implement a Quality Management Strategy			
Strategy 1) Select outcome/performance measures associated with each Goal 2 and Goal 5 outcome a) Establish Quality Improvement Resource Team			
Strategies 1 b -3	Scheduled for later periods		
Objective 3:2 Develop and Routinely Disseminate Quality Management Reports to Key Entities	Scheduled for later periods		
Objective 3:3 Periodically Evaluate the Quality Management Strategy			
Strategy 1) Establish an ongoing Quality Management Improvement Team to periodically evaluate the quality management strategy and identify opportunities for quality improvement			
Strategies 1 b - 3	Scheduled for later periods		

15-Month Timeline: Goal 5

GOAL 5: CREATION OF A SYSTEM THAT MORE EFFECTIVELY MANAGES THE FUNDING FOR LONG TERM SUPPORTS THAT PROMOTE COMMUNITY LIVING OPTIONS.	7/1/06 To 9/30/06	10/1/06 To 3/31/07	4/1/07 To 9/30/07
Objective 5.1: Develop and implement more effective rate setting methods			
Strategy 1) Establish a Rate Setting Resource Team			
Strategy 2) Develop a communications plan to address stakeholder interests			
Strategy 3) Identify tools that structure cost-finding and rate setting			
Strategy 4) Establish desired policy outcomes			
Strategy 5) Select a tool that will help structure cost-finding and rate setting			
Strategy 6) Confirm services and allowable cost categories			
Strategies 7-14	Scheduled for later periods 37		

Technical Assistance

❖ Strategic Plan TA - \$75,000

- Oregon Technical Assistance Corp (OTAC)
 - Human Services Research Institute (HSRI)
 - Oregon Consulting Services Inc. (OCS)

❖ Plan Implementation TA - \$413,385

- Ongoing Consultation & Coordination for SPD, Stakeholder Steering Committee & Resource Teams– RFP June 2006
- Product-Specific TA – RFP as needed

❖ Evaluation TA – \$149,730

- Design Evaluation model, refine outcome measures, identify instruments, collect data, report progress, recommend changes
- Provide TA for Resource Teams, esp. Quality Mgmt.
- RFP June 2006

Thanks

Thank You For Your Help and Support

