

Balancing Incentive Program

Background

The Balancing Incentive Program (BIP) was created through the implementation of the Patient Protection and Affordable Care Act (ACA). Under BIP, until September 30, 2015, states were able to apply for federally funded grants to increase their portion of state Medicaid spending on home and community-based long-term services and supports (LTSS).

BIP was created because state and federal authorities recognized both the fiscal savings that home and community-based LTSS provide relative to institutional care settings and the strong preference of beneficiaries to receive care in the most integrated surroundings. BIP created financial incentives for states to broaden access to home and community-based care through increases in annual Federal Medicaid Assistance Percentage (FMAP) grants to states that committed to three structural reforms of their Medicaid programs:

- A no wrong door/single entry point system.
- A conflict free case management system.
- A set of standardized assessment instruments.

Why is this important?

More than 220,000 Illinois residents have Alzheimer's disease, and demographic projections indicate that this number could increase by as much as 25 percent in the next decade. By providing care in comfortable, familiar environments and leveraging the support of families, friends and neighbors, home and community-based LTSS are critical to ensuring a high quality of life for individuals facing Alzheimer's disease in our state.

Individuals living with Alzheimer's also spend almost twice as much annually on healthcare and long-term care services as compared to the national average. Given the high percentage of people with Alzheimer's receiving publicly funded medical services, expanding access to home and community-based LTSS will reduce the cost of care borne by taxpayers.

The three structural reforms to state-administered Medicaid programs required to receive increased FMAP grants under BIP each seek to address inefficiencies that have both increased costs and reduced the quality of care that beneficiaries receive:

No Wrong Door/Single Entry Point (NWD/SEP): LTSS in Illinois are provided by a diverse and disparate coalition of government agencies, not-for-profit entities and health services corporations, which often have no formal or legal connections, different application processes and disparate funding sources. As a result, Alzheimer's patients and caregivers are often faced with significant difficulties finding appropriate dementia-capable LTSS, determining eligibility and navigating enrollment processes. While the U.S. Department of Health and Human Services has not established a uniform structure for a NWD/SEP system, guidelines require that they: increase the availability to consumers of information on community LTSS; establish uniform eligibility determination and enrollment processes; and streamline the collection and exchange of information between agencies about the clients they serve to improve service coordination, decrease reaction time to public health trends and inform long-term planning.

Conflict-free case management: Since people with Alzheimer's receive LTSS from a wide-ranging array of entities, ensuring a uniform standard of care, benefit programs' fiscal soundness and the ethical treatment of beneficiaries are priorities of the Alzheimer's Association. States receiving increased FMAP funds under BIP are required to implement case management rules that correspond to the following guidelines to reduce the likelihood of conflicts of interest arising between case managers, agencies and their clients: ^[1]

- Clinical or non-financial eligibility determination is separated from direct service provision.
- Case managers and evaluators of the beneficiary's need for services are not related by blood or marriage to the individual; to any of the individual's paid caregivers; or to anyone financially responsible for the individual or empowered to make financial or health-related decisions on the beneficiary's behalf.
- There is robust monitoring and oversight.
- Clear, well-known, and accessible pathways are established for consumers to submit grievances and/or appeals to the managed care organization or State for assistance regarding concerns about choice, quality, eligibility determination, service provision and outcomes.

- Grievances, complaints, appeals and the resulting decisions are adequately tracked, monitored and used.
- State quality management staff oversees clinical or non-financial program eligibility determination and service provision business practices to ensure that consumer choice and control are not compromised.
- State quality management staff track and document consumer experiences with measures that capture the quality of care coordination and case management services.
- In circumstances when one entity is responsible for providing case management and service delivery, appropriate safeguards and firewalls exist to mitigate risk of potential conflict.
- Meaningful stakeholder engagement strategies are implemented which include beneficiaries, family members, advocates, providers, State leadership, managed care organization leadership and case management staff.

Core Standardized Assessment Instruments: To qualify for additional FMAP funds under BIP, states must also establish standardized assessment tools used to determine a patient's eligibility and need for Medicaid-funded LTSS, and to develop a service plan to address the individual's needs. Uniform assessments reduce administrative overlap and public expenditure while expanding the options of care available to beneficiaries and increasing equality of access.

What do we want to happen?

The Alzheimer's Association, Illinois Chapter Network, strongly supports a robust home and community-based LTSS system and encourages the state to fully fund Illinois' Medicaid program, expand services for people and families facing Alzheimer's and continue implementing the reforms mandated by BIP. Conflict-free case management, common assessment tools and a NWD/SEP system for accessing benefits will reduce bureaucratic overlap, spur innovation in service delivery, bring down the costs of care to taxpayers and improve the quality of life for the nearly one million people facing Alzheimer's disease in Illinois.

The Alzheimer's Association, Illinois Chapter Network, is the leading advocacy organization for state-level public policies that protect and improve the quality of life of the nearly one million Illinoisans who suffer from or care for someone living with Alzheimer's disease or a related dementia.