

AGING STRATEGIC ALIGNMENT PROJECT

State Profile for

MICHIGAN

Home- and Community-based Services for Older Adults and Adults with Physical Disabilities

Background

- Michigan's 60+ population was 1,822,024 in 2008 (18.2% of the state's total population), with 8.4% below the federal poverty level.¹
- The 60+ population is projected to be 2,566,831 in 2025 (24.0% of the state's total population).²
- About 23.2% of all households in 2007 had one or more persons age 65 years and older, and 40.7% of persons age 65 years and older had a disability.³
- Of the 1,589,501 Medicaid beneficiaries in the state in 2003, 5.8% were aged, 18.1% were blind and disabled, 14.4% were Dual Eligible, and 0.6% were HCBS waiver beneficiaries.⁴
- Medicaid expenditures for institutional long-term care were 66.7% of total long-term-care expenditures, compared to 33.3% for HCBS in fiscal year 2007.⁵

Abbreviations

AAA	Area Agency on Aging
ADL	Activities of Daily Living
AoA	Administration on Aging
CMS	Centers for Medicare and Medicaid Services
HCBS	Home- and Community-based Services
IADL	Instrumental Activities of Daily Living
MRDD	Mental Retardation and Developmental Disabilities
OAA	Older Americans Act
PACE	Program of All-inclusive Care for the Elderly
SUA	State Unit on Aging

¹ Department of Health and Human Services, Administration on Aging. (2009). *AGing Integrated Database (AGID): American Community Survey (ACS) demographic data 2004-2007 and state-level population estimates data 2000-2008* [Data files]. Available from <http://198.136.163.234/default.asp>

² Department of Health and Human Services, Administration on Aging. (2009). *Aging statistics: Projected future growth of the Older population; By state: 2005-2030; Aged 60 and above* [Data files]. Available from http://www.aoa.gov/AoARoot/Aging_Statistics/future_growth/future_growth.aspx.

³ Reimbursement and Research Department, American Health Care Association. (2006, August 29). *The state long-term health care sector 2005: Characteristics, utilization, and government funding*. Washington, DC: Author.

⁴ U.S. Census Bureau, 2007 American Community Survey, United States and States. *Percent of households with one or more people 65 years and over (R1104) and Percent of people 65 years and over with a disability (R1803)*.

⁵ Burwell, B., Sredl, K., & Eiken, S. (2008, September 26). *Medicaid long term care expenditures FY 2007*. Eagan, MN: Thomson Reuters.

Government Structure to Manage HCBS

- **SUA:** Office of Services to the Aging, Department of Community Health.
www.michigan.gov/miseniors
- **State Medicaid Agency:** Medical Services Administration, Department of Community Health.
www.michigan.gov/mdch
- Michigan does not have a consolidated agency for long-term-care programs. The Michigan Department of Community Health includes the Medical Services Administration (state Medicaid program) and the Health Policy, Regulation and Professions Administration (which includes the regulatory functions). The Office of Services to the Aging and the Department of Human Services also have certain long-term-care responsibilities.
- The director of Michigan's SUA is appointed by and reports to the Governor.
- Michigan has 16 Area Agencies on Aging.

Single Point of Entry (SPE)/Aging and Disability Resource Center (ADRC)

- Michigan has an ADRC, but it is not statewide.
- All ADRC sites have a physical (bricks and mortar) infrastructure; no ADRC sites operate under a virtual model.
- In addition to serving older adults, Michigan's ADRC serves those with physical disabilities; with cognitive impairment, Alzheimer's disease and related disorders; on waivers; and in nursing homes.
- Four SPEs, called "Long-term Care Connections," cover half the counties in the state.

Assessment Process

Medicaid

- For Medicaid applicants, in determining functional eligibility for nursing home pre-admission, Michigan requires an in-person assessment. The assessment is

conducted by ADRCs/SPEs, and outside the SPE pilot areas, by HCBS waiver agents (mostly AAAs) and nursing facilities.

Non-Medicaid

- For non-Medicaid applicants in Michigan, nursing home pre-admission assessment is not performed by someone other than nursing home staff.
- There is a 14-day window after admission to a nursing home during which a level-of-care determination is completed.

State Medicaid Plan

- Michigan provides HCBS through the state Medicaid plan.
- Refer to Table 1 for specific services provided.
- **PACE:** Michigan has three PACE sites in operation: Henry Ford Health System Center for Senior Independence in Detroit, Care Resources in Grand Rapids and Life Circles in Muskegon. Another is in the planning stage in Battle Creek.

Medicaid Waivers

- Michigan has one waiver that provides HCBS to older adults and/or adults with physical disabilities. It is HCBS Waiver for the Elderly and Disabled – MI Choice.
- **HCBS Waiver for the Elderly and Disabled – MI Choice:** This program serves the elderly and individuals with physical disabilities and is considered to be a long-term-care client support service. The state contracts with 21 waiver agencies to implement the waiver program, which includes 14 of the 16 AAAs, a home health provider, and a senior center. These agencies provide support coordination and contract with service providers for 17 different services offered. The functional assessment and level-of-care determination are completed by the SPEs in areas that have one; otherwise, the waiver agency is responsible for doing so. Local offices of the Department of Human Services are responsible for financial assessment. The income

limit for an individual and a couple is 300% of Supplemental Security Income (SSI) or \$2,022 per month. The asset limit is \$2,000 for an individual and between \$21,912 and \$109,516 for a couple. There is a self-determination option that has been chosen by about 10% of participants. It allows them to operate within an individual budget and gives them access to a fiscal intermediary.

- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered under each program.

CMS-funded Programs and Grants

- Michigan has one CMS-funded grant that provides HCBS to older adults and/or adults with physical disabilities: It is Money Follows the Person.
- **Money Follows the Person:** This program enables participants to transition from nursing homes into the MI Choice waiver program. It provides an enhanced federal match the first year that a participant receives HCBS, and it has enabled the state to accelerate these transition activities and increase utilization of HCBS. While this program does not target specific applicants or nursing facilities, the MI Choice waiver agencies and Centers for Independent Living conduct outreach to inform residents, families and nursing facilities of the services available, and respond to inquiries from them. Money Follows the Person participants are subject to the same eligibility criteria and assessment process as other MI Choice participants, and also have the option of self-determination within the MI Choice waiver. The functional assessment and level-of-care determination are done by the SPEs in areas that have one; otherwise, the waiver agency is responsible for doing so. Local offices of the Department of Human Services are responsible for financial assessment. The income limit for an individual and a couple is 300% of SSI or \$2,022 per month. The asset limit is \$2,000 for an individual and between \$21,912 and \$109,516 for a couple.
- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered.

State-funded HCBS Programs

- Michigan has one state-funded HCBS program that provides HCBS to older adults and/or adults with physical disabilities. It is the Care Management Program.
- **Care Management Program:** This program, which is offered through the network of 16 AAAs with partial funding from OAA Title III Part B, allows applicants who are not eligible for Medicaid to access a limited number of services. Considered to be a long-term-care client support service, it receives referrals from the Case Coordination and Support program when applicants have been determined to need a nursing facility level of care based on functional limitations but are not eligible for Medicaid. Once Medicaid eligibility has been determined, the participant is referred to an appropriate waiver program.
- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered.

Locally Funded HCBS Programs

- Michigan uses local funds for HCBS for older adults and/or adults with physical disabilities.
- Services for the aging, which may include HCBS, are supported by 75% of Michigan's counties that levy property taxes for this purpose.

OAA-funded Programs and Grants

- Refer to Table 1 for services provided through Title III of the OAA.
- Michigan sometimes uses cost-sharing mechanisms or sliding fee scales in the delivery of Title III services.
- Michigan has two other OAA-funded programs that provide HCBS to older adults and/or adults with physical disabilities. These are: Nursing Home Diversion and Case Coordination and Support.
- **Nursing Home Diversion:** This program's purpose is to target the waiting list for OAA programs and those with impairment in ADLs, IADLs and cognition

whose support network is frail. It does not have financial eligibility requirements and does not mirror Medicaid waivers.

- **Case Coordination and Support:** This program is considered to be a support service for long-term-care clients until it is determined they need a nursing facility level of care based on functional limitations. At that point, participants are referred to the appropriate care management program.

Social Service Block Grants (SSBG) and Community Service Block Grants (CSBG) for HCBS

- Michigan uses SSBG to provide HCBS for older adults and/or adults with physical disabilities.
- SSBGs are administered by the Department of Human Services. Funding of \$20 million for home health services comes from both SSBG (Title XX) and Medicaid. Those who are eligible for Medicaid receive these services under the Medicaid waiver. Some block grants help serve area plans, but not uniformly throughout the state.
- Michigan uses CSBG indirectly to provide HCBS for older adults and/or adults with physical disabilities.
- CSBG are passed through to Community Action Agencies and may be used to support HCBS.

Consumer Direction

- Michigan offers consumer-directed options. The HCBS program in the state that offers consumer direction is HCBS Waiver for the Elderly and Disabled – MI Choice.

- Models of consumer direction available in the state include county-level voucher options for respite care and housing.
- Those permitted to provide services under consumer direction in Michigan are: provider agencies, adult children of the consumer, other family and friends. Spouses may not provide services.
- Michigan uses the services of two fiscal intermediaries in connection with consumer direction.

Managed Care

- Michigan does not have HCBS programs run by managed care health plans.

Major Accomplishments and Initiatives

- The SPE effort has been a major accomplishment, as well as Cash and Counseling self-determination.
- Funding limitations, pressure on Medicaid budgets, long waiting lists, and limited rebalancing will continue to significantly affect HCBS in Michigan.
- In the next two years, the state expects Nursing Home Diversion to evolve and to provide another option for those who are not eligible for Medicaid.

Table 1: Types of Home- and Community-based Services Provided Under Michigan’s Programs for Older Adults and Adults with Physical Disabilities

Types of Services	Program Type / Funding Source				
	Medicaid Waivers	CMS-funded Programs and Grants	State-funded Programs	State Medicaid Plan	OAA Title III
	HCBS Waiver for the Elderly and Disabled- MI Choice	Money Follows the Person	Care Management Program		
Adult Day Care / Adult Day Health	X	X			X
Assisted Living					
Caregiver Services / Respite / Education	X	X			X
Case Management / Care Coordination	X	X			X
Chore / Homemaking	X	X			X
Companion Services / Socialization Activities					X
Employment					
Equipment / Supplies / Modifications / Assistive Technology	X	X			X
Health Promotion Activities					X
Home Health / Personal Care	X	X	X	X	X
Information / Assistance / Referral			X		X
Legal Assistance / Financial Advice	X	X			X
Medical / Dental / Medication Care					X
Mental and Behavioral Health Services	X	X			X
Nursing	X	X		X	
Nutrition / Meals	X	X			X
Personal Supports for Community Living / Transitioning	X	X			X
Rehabilitation / Therapy					X
Residential Services					
Transportation	X	X		X	X
Other/Unspecified HCBS		X			X

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Table 2: Selected HCBS Programs for Older Adults and Adults with Physical Disabilities in Michigan

Program Type / Funding Source	Program Name	Ages Served	Nursing Home Level of Care Required	Entity Responsible for Functional Assessment	Entity Responsible for Financial Assessment	Entity Responsible for Case Management	Waiting List (Number)	Consumer Direction Option
Medicaid Waivers	HCBS Waiver for the Elderly and Disabled-My Choice	18+ for the disabled 65+ for the elderly	Yes	Area Agency on Aging; ADRC/SPE; Waiver agencies	State agency: Department of Human Services	Area Agency on Aging; ADRC/SPE; Waiver agencies	Yes (3,700)	Yes
CMS-funded Programs and Grants	Money Follows the Person	18+ for the disabled 65+ for the elderly	Yes	Area Agency on Aging; ADRC/SPE; Waiver agencies	State agency: Department of Human Services	Area Agency on Aging; ADRC/SPE; Waiver agencies	No	Yes
State-funded Programs	Care Management Program	18+ for the disabled 60+ for the elderly	Yes	Care managers, a team consisting of a social worker and a nurse	No financial assessment	Area Agency on Aging	Yes (3,550)	Yes