

# AGING STRATEGIC ALIGNMENT PROJECT

## State Profile for

# TEXAS

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

### Background

- Texas' 60+ population was 3,515,525 in 2008 (14.5% of the state's total population), with 11.7% below the federal poverty level.<sup>1</sup>
- The 60+ population is projected to be 6,089,260 in 2025 (19.7% of the state's total population).<sup>2</sup>
- About 19.6% of all households in 2007 had one or more persons age 65 years and older and 45.1% of person's age 65 years and older had a disability.<sup>3</sup>
- Of the 3,339,796 Medicaid beneficiaries in the state in 2003, 8.1% were aged, 10.3% were blind and disabled, 15.1% were Dual Eligible, and 1.7% were HCBS waiver beneficiaries.<sup>4</sup>
- Medicaid expenditures for institutional long-term care were 57.5% of total long-term-care expenditures, compared to 42.5% for HCBS in fiscal year 2007.<sup>5</sup>

*Note: Data for Texas do not include managed long-term-care expenditures.*

#### 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

<sup>1</sup> 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>

<sup>2</sup> 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](http://www.aoa.gov/AoARoot/Aging_Statistics/future_growth/future_growth.aspx).

<sup>3</sup> 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.

<sup>4</sup> 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)*.

<sup>5</sup> 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 Assessment Process

- **SUA:** Texas Department of Aging and Disability Services (DADS).  
[www.dads.state.tx.us/](http://www.dads.state.tx.us/)
- **State Medicaid Agency:** Health and Human Services Commission.  
[www.hhsc.state.tx.us/Medicaid/index.html](http://www.hhsc.state.tx.us/Medicaid/index.html)
- Texas does not have a consolidated agency for long-term-care programs. However, DADS regulates and oversees all nursing facilities and licensure for long-term services, and administers the waiver programs for physical and intellectual disabilities and aging programs. The financial eligibility for Medicaid programs is overseen by the Health and Human Services Commission.
- The director of Texas' SUA reports to the Health and Human Services Executive Commissioner, who reports to the Governor.
- Texas has 28 Area Agencies on Aging.

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

- Texas has an ADRC that is not statewide. Eight ADRCs operate in Dallas, Tarrant County, North Central Texas, East Texas, Central Texas, Bexar County, Harris County, and Houston-Galveston.
- Most ADRC sites have a physical (bricks and mortar) infrastructure; one ADRC site operates solely through a virtual model, with partner agencies co-located through technology.
- In addition to serving older adults, Texas' ADRCs serve those with MRDD, physical disabilities or cognitive impairment (such as with Alzheimer's disease and related conditions), and families and children.

## Medicaid

- For Medicaid applicants, in determining functional eligibility for nursing home pre-admission, Texas does not require an in-person assessment by someone other than nursing home staff.
- Medical necessity is determined by the Texas Medicaid Health Partnership (TMHP), a contractor in the state. Financial eligibility is determined by the Health and Human Services Commission. TMHP makes the final determination on medical necessity for nursing facility care.

## Non-Medicaid

- For non-Medicaid applicants in Texas, nursing home pre-admission assessment is not performed by someone other than nursing home staff.
- The same process is used for Medicaid and non-Medicaid clients; medical necessity is determined by the Texas Medicaid Health Partnership (TMHP), a contractor in the state. Financial eligibility is determined by the Health and Human Services Commission. TMHP makes the final determination on medical necessity for nursing facility care.

## State Medicaid Plan

- Texas provides HCBS through the state Medicaid plan.
- Refer to Table 1 for specific services provided.
- **PACE:** Texas has two PACE sites located in El Paso and Amarillo. A third PACE site has been approved for Lubbock and is under construction. It is expected to be operational by the end of 2009.

## Medicaid Waivers

- Texas has four waivers that provide HCBS to older adults and/or adults with physical disabilities. These are: Community Based Alternatives Waiver (CBA), Integrated Care Management (ICM) Mandatory, Integrated Care Management (ICM) Non-Mandatory, and STAR+PLUS.

- **Community Based Alternatives Waiver (CBA):**

Participants in this program are adults age 21 and over who are physically disabled and low income. The Medical Necessity and Level of Care Assessment is used to determine an individual's skilled nursing level-of-care need. Form 2060, Consumer Needs Assessment Questionnaire and Task/Hour Guide, is used to determine the individual's functional ability to complete ADLs. Participants choose a home health agency to conduct the medical assessment and to provide waiver services. TMHP determines medical necessity. A care plan is developed through this process. The home health agency ensures that services are coordinated through assigned provider networks. The cost of services can not exceed 200% of the reimbursement rate that would have been paid to receive services at a nursing home. In addition, Department of Aging and Disability Services (DADS) case managers provide support and follow-up interventions. As gatekeepers, DADS staff ensure through follow-up and home visits that all necessary services are being provided. Participants' income levels may be no greater than 300% of Supplemental Security Income (SSI). Applicants are required to meet the Medicaid resource limits for Medicaid in a nursing facility, which for individuals are \$2,022 for income and \$2,000 for assets. Spousal impoverishment levels apply and vary by household. Consumer-directed options are available and are referred to as Consumer Directed Service Options. This option may include nursing, respite, and speech, occupational and physical therapy services. Individuals may access Community Based Alternatives by being placed on an interest list or by using the Money Follows the Person provisions that apply to individuals applying for CBA services while in a nursing facility.

- **Integrated Care Management (ICM) Mandatory:**

This 1915(c) waiver program provides a non-capitated service rate. The ICM waiver includes the same array of services as the Community Based Alternatives waiver. ICM members who receive only Medicaid have access to an annual adult wellness check. The Integrated Care Management contractor (ICMC) must provide, or arrange to provide to members who receive only Medicaid, comprehensive disease management services. For participants deemed eligible for SSI

or other full Medicaid benefits and who qualify for services under this program, there is no interest list. The Medical Necessity and Level of Care Assessment for this program are completed by an agency under contract with the state. The contractor then forwards the assessment to the DADS, Integrated Care Management Support Unit (ICMSU), which approves the assessment and plan of care. The ICMSU enters the services authorized by the contractor into the Service Authorization System (SAS). The contracting agency is also responsible for service coordination. Income limit for this program is 300% SSI. Applicants are required to meet the Medicaid resource limits for Medicaid in a nursing facility, which for individuals are \$2,022 for income and \$2,000 for assets. Spousal impoverishment levels apply and vary by household. Consumer-directed service options are available for this program and allow participants to choose providers and manage services.

- **Integrated Care Management (ICM) Non-Mandatory:**

This program duplicates the program description and services of the ICM Mandatory program (described above) except that applicants may be placed on an interest list if all slots are filled. Applicants must meet all other eligibility requirements of other waiver programs in the state, including income and asset requirements.

- **STAR+PLUS:** This 1915(b) waiver program provides a capitated service rate. Functional assessments in this program may be provided by various managed care organizations contracted throughout the state. Income and asset limits for this program include income levels no greater than 300% SSI. Applicants are required to meet the Medicaid resource limits for Medicaid in a nursing facility, which for individuals are \$2,022 for income and \$2,000 for assets. Spousal impoverishment levels apply and vary by household. Consumer-directed service options allow participants to interview, choose Attendant Services or Personal Assistant Services, schedule service time and manage services provided. Participants may also elect not to choose and manage services.

- 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

- Texas has one CMS-funded program and grant that provides HCBS to older adults and/or adults with physical disabilities. This is: Money Follows the Person

- **Money Follows the Person (MFP):** This program has been a part of Texas' long-term-care model for several years, transitioning thousands of Texas residents from a nursing facility or Intermediate Care Facility for Persons with Mental Retardation (ICF/MR). MFP options are available in all Texas waivers. The program has been so successful that some ICF/MR facilities within the state are interested in closing and transitioning their participants into a HCBS waiver. For eligible applicants, the MFP program may be used to bypass interest lists for other waiver programs. The goal is to assist participants with relocation and services that enable them to remain in the community. Functional and financial assessments are not needed in the MFP program, as participants have already been assessed as Medicaid-eligible residents in ICF/MR facilities and nursing homes. MFP initiatives have enabled Texas to extend supports in the Community Based Alternatives Waiver, the STAR+PLUS Waiver and the Integrated Care Management Waiver. Texas has also been able to expand and pilot some behavioral health initiatives in at least one county and provide night staff for individuals requiring 24-hour supervision.

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

### State-funded HCBS Programs

- Texas has one state-funded program that provides HCBS to older adults and/or adults with physical disabilities. This is: In-Home and Family Support.
- **In-Home and Family Support:** This program provides direct grant benefits to those who have a physical disability that substantially limits their ability to

function independently. An individual must meet functional eligibility criteria based on assessment of ADLs and functional limitation areas in order to receive In-Home and Family Support Program (IHFSP) benefits. A co-payment for services is determined by utilizing a sliding fee scale that starts at 105% of the state median income for household size. There are no asset limits for this program. This program allows flexibility for applicants who may not qualify for other state plan or waiver benefits financially or functionally.

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

### Locally Funded HCBS Programs

- Texas uses local funds for HCBS for older adults and/or adults with physical disabilities.
- AAAs and their services providers require a funding match at the local level. Sources of the match include city and county funds.

### OAA-funded Programs and Grants

- Refer to Table 1 for services provided through Title III of the OAA.
- Texas does not use cost-sharing mechanisms or sliding fee scales in the delivery of Title III services.
- Texas has one other OAA-funded program and grant that provides HCBS to older adults and/or adults with physical disabilities, the Nursing Home Diversion Grant. These dollars will be used to establish a partnership with the Central Texas ADRC and the Scott and White Healthcare System. Services to veterans will be coordinated under the Nursing Home Diversion grant.

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

- Texas uses SSBG to provide HCBS for older adults and/or adults with physical disabilities.

- SSBG funds are used to support the Texas Guardianship Program, which works to substantiate abuse, neglect, or exploitation of individuals who have been adjudicated as incapacitated in their ability to manage their personal finances or make decisions. These funds are also used to support Adult Foster Care and “Other Grant Benefits” such as home-delivered meals, family care and emergency response services. Participants receiving SSBG (Title XX) services must have incomes no greater than \$1,869 per month and assets no greater than \$5,000 for an individual or \$6,000 for a couple. Functional assessments are used to determine the need for SSBG services.
- Texas does not use CSBG to provide HCBS for older adults and/or adults with physical disabilities.
- Support advisors are available to assist those who may need guidance with being an employer. Participants are offered the option to participate in consumer direction upon enrollment and annually thereafter. Participants may also request participation at any time during their enrollment in a program. Under consumer direction, 90% of their total budget has to go towards wages and other benefits, so participants have some flexibility in deciding what wage to pay as long as the wage is within the standards set by the state. Service providers must undergo a criminal background check.
- Texas uses fiscal intermediary services in connection with consumer direction.

## Consumer Direction

- Texas offers consumer-directed service options. The HCBS programs in the state that offer consumer direction are Primary Home Care (under the state Medicaid Plan), Community Based Alternatives, Integrated Care Management - Mandatory, Integrated Care Management - Non Mandatory, STAR+PLUS, and In-Home and Family Support programs.
- Models of consumer direction available in the state include: an option modeled after Cash and Counseling and voucher options. Voucher options are available through OAA programs (e.g., homemaking and respite). Texas is exploring the feasibility of adding transportation vouchers.
- Those permitted to provide services under consumer direction in Texas are: provider agencies, adult children of the consumer, other family members, and friends.
- Spouses and representative designees are not allowed to provide services under consumer direction and providers may not live in the home with the participant.
- Texas has HCBS programs run by managed care health plans.

## Managed Care

## Major Accomplishments and Initiatives

- Texas has received a substantial appropriation from the legislature to fund the Interest List, individuals who are waiting to receive HCBS. In the 2006-2007 Legislative session, \$97.9 million in General Revenue funds were allocated, which allowed departments to access federal funding to reduce the wait time for waiver programs. The legislature again appropriated \$71.4 million in 2008-2009 funding. This resulted in services to 8,000 more individuals in the 2008-2009 biennium.
- As a result of its Promoting Independence Plan, Texas has been a leader in promoting independence and implementing Money Follows the Person.

# AGING STRATEGIC ALIGNMENT PROJECT

Types of Services	Program Type / Funding Source							
	Medicaid Waivers				CMS-funded Programs and Grants	State-funded Programs	State Medicaid Plan	OAA Title III
	Community Based Alternatives Waiver (CBA)	Integrated Care Management (ICM) Mandatory	Integrated Care Management (ICM) Non-mandatory	STAR+PLUS	Money Follows the Person	In Home and Family Support		
Adult Day Care / Adult Day Health							X	X
Assisted Living	X	X	X	X	X			
Caregiver Services / Respite / Education	X	X	X	X	X	X		X
Case Management / Care Coordination	X	X	X	X	X	X		X
Chore / Homemaking	X	X	X	X		X	X	X
Companion Services / Socialization Activities								
Employment								
Equipment/Supplies/Modifications/Assistive Technology	X	X	X	X	X	X		X
Health Promotion Activities		X	X					X
Home Health / Personal Care	X	X	X	X	X	X	X	X
Information / Assistance / Referral								X
Legal Assistance / Financial Advice								X
Medical / Dental / Medication Care	X	X	X	X	X	X		
Mental and Behavioral Health Services		X	X	X		X		
Nursing	X	X	X	X	X		X	
Nutrition / Meals	X	X	X	X	X		X	X
Personal Supports for Community Living / Transitioning	X	X	X		X	X		
Rehabilitation / Therapy	X	X	X	X	X	X		
Residential Services	X	X	X	X	X			
Transportation						X		X
Other/Unspecified HCBS								X

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

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	Community Based Alternatives Waiver (CBA)	21+	Yes	State agency: Department of Aging and Disability Services	State agency: Health and Human Services Commission	State agency: Department of Aging and Disability Services; Providers	Yes	Yes
	Integrated Care Management (ICM) Mandatory	21+	Yes	Evercare State Contract Provider	State agency: Health and Human Services Commission	Evercare State Contract Provider	No	Yes
	Intergrated Care Management (ICM) - Non-Mandatory	21+	Yes	Evercare State Contract Provider	State agency: Health and Human Services Commission	Evercare State Contract Provider	Yes	Yes
	STAR+PLUS	21+	Yes	Evercare or Other Managed Care Organization Provider	State agency: Health and Human Services Commission	State agency: Health and Human Services Commission; HMO	Yes	Yes
CMS-funded Programs and Grants	Money Follows the Person	21+	Yes	No functional assessment	No financial assessment	State agency: Department of Aging and Disability Services for non-managed care cases; managed care organization	No	Yes
State-funded Programs	In Home and Family Support	4+	No	State agency: Department of Aging and Disability Services	State agency: Department of Aging and Disability Services	State agency: Department of Aging and Disability Services	Yes	No

