

HFAM_FAV_SB981

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Position: FAV



**TESTIMONY BEFORE THE
SENATE FINANCE COMMITTEE**

February 28, 2020

Senate Bill 981: Workgroup to Study Long-Term Care Medicaid Eligibility and Payments to Providers
Written Testimony Only

POSITION: SUPPORT

On behalf of the members of the Health Facilities Association of Maryland (HFAM), we appreciate the opportunity to express our support for Senate Bill 981. HFAM represents over 170 skilled nursing centers and assisted living communities in Maryland, as well as nearly 80 associate businesses that offer products and services to healthcare providers. Our members provide services and employ individuals in nearly every jurisdiction in the state.

HFAM members provide the majority of post-acute and long-term care to Marylanders in need: 6.2 million days of care across all payer sources annually, including more than four million Medicaid days of care and more than one million Medicare days of care. Thousands of Marylanders across the state depend on the high-quality services that our skilled nursing and rehabilitation centers offer every day.

Senate Bill 981 would create a workgroup to identify issues regarding Long-Term Care (LTC) Medicaid eligibility determinations and payments to providers and to make recommendations to improve the policies and procedures of the current system. We support this legislation because there has been a crisis in the Long-Term Care Medicaid eligibility system for decades.

The longstanding eligibility determination and payment problems have resulted not only in delayed or denied payments to skilled nursing and rehabilitation centers that provide quality care to Marylanders in need, but more importantly, have created barriers to access to quality care and placed unnecessary stress and burdens on residents and their families during already difficult times.

The eligibility system is inefficient and inconsistent across the state in part because of an overlap in state agencies that are responsible for the eligibility system. The Maryland Department of Health (MDH) develops policy and oversees LTC Medicaid payments to providers; the Maryland Department of Human Services (DHS) oversees local departments of social services and is responsible for making eligibility determinations.

The process for determining eligibility for LTC Medicaid requires a substantial volume of information, which can be difficult for vulnerable applicants and their families to provide. To make matters worse, caseworkers in charge of determining eligibility are often overburdened with an extremely high volume of cases, there is high turnover, and policies are inconsistently applied across jurisdictions.

Once eligibility is determined by DHS, there are often problems with providers being reimbursed for the care that they provide to Marylanders in need. HFAM has received increasing concerns from providers regarding the problematic LTC Medicaid billing claims that result from system or process errors and are sent for processing in the Problems Resolution Unit (PRU) of the Maryland Department of Health.

Skilled nursing and rehabilitation centers have long provided quality care while waiting months for millions of dollars in payments for care already provided. These centers depend on being reimbursed for services in a reasonable time frame to ensure cash flow to pay employees, make building improvements, and most importantly, invest in quality care.

Technological enhancements, including the Asset Verification System (AVS) and the Maryland Total Human-Services Integrated Network (MD THINK), have been made in recent years in attempt to alleviate the ongoing determination and payment crisis. While these developments have helped in some ways, there have also been unintentional negative consequences that have yet to be resolved.

The Asset Verification System (AVS) was implemented in 2017 as a way to accelerate the processing of applications by returning the necessary proof of financial and real property assets within ten days. Bank accounts may show up as belonging to an applicant by mistake, yet applicants are not made aware of AVS findings. More transparency is needed to allow applicants to review and if necessary, rebut information found on AVS.

MD THINK serves as the platform for submitting electronic applications for LTC Medicaid. From the launch of MD THINK in 2018, there have been a variety of technical issues that have hindered the eligibility process. While the State has made efforts to improve the system and progress has been made since the launch, many providers and applicants still experience technical issues. For example, MD THINK does not always sync with MMIS (the State's payment system) which results in delayed or denied payments to providers even after eligibility has been approved.

The long-term and post-acute care community has actively worked with the State to identify and implement policy solutions for many years. While we appreciate the work that we have done together thus far, delays in eligibility determinations and delays in Medicaid reimbursement for care already provided persist and are only becoming worse.

It remains our priority to continue to work with MDH, DHS, providers, and all stakeholders to solve ongoing eligibility and payment problems to ensure that Marylanders in need continue receiving high quality care. It is our sincere hope that the Workgroup proposed in SB 981 will create accountability to help resolve this crisis once and for all.

For these reasons, we support Senate Bill 981 and request a favorable report from the Committee.

Submitted by:

Joseph DeMattos, Jr.

President and CEO

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Elena Sallito_FAV_SB981

Uploaded by: Sallito, Elena

Position: FAV

To: Members of The Senate Finance Committee

From: Elena Sallitto, Member and Morris Klein Chair, Elder Law & Disability Rights Section

Date: February 28, 2020

Subject: **SB981**

Position: **Support with Amendment**

The Maryland State Bar Association (MSBA) **supports Senate Bill 981” Workgroup to Study Long-Term Care Medicaid Eligibility and Payments to Provider”** with a friendly amendment that provides that a member of the MSBA Elder Law & Disability Rights Section is to be included on the Workgroup.

Elder law attorneys routinely assist clients and their families with the Medicaid planning and application process. As attorneys, our membership is uniquely suited to understand the nuances of this very complex area of law. We have firsthand knowledge of the eligibility and application process. We have direct experience both with the nursing homes and the Bureau of Long Term Care and are intimately familiar with the misinformation, inefficiencies and delays that plague the system and cost State, provider and recipient unnecessary time and money.

A system review and overhaul is long overdue. It also comes at a particularly good time as we are on the brink of a “silver tsunami” and can expect a significant increase in the demand for Medicaid Long-Term Care. It is only logical that we make sure we have an efficient system in place to process those applications and meet those needs in a timely manner.

For the reasons stated above, the MSBA Elder Law and Disability Rights Section **supports SB981 with a friendly amendment to include a member of the MSBA Elder Law and Disability Rights Section on the Workgroup urges a favorable committee report**

Please contact Elena Sallitto, 410-268-9246, elena@Stavellylaw.com; or Morris Klein, 301-652-4462, morrisklein@morrisklein.com if you have any questions.

Sen Mary Washington_FAV_SB981

Uploaded by: Senator Washington, Senator Washington

Position: FAV

MARY L. WASHINGTON, PH.D
Legislative District 43
Baltimore City

Education, Health, and
Environmental Affairs Committee

Chair

Joint Committee on Ending
Homelessness

Chair

Joint Committee on Children,
Youth, and Families



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SUPPORT - SB 981
***Workgroup to Study Long-Term Care Medicaid Eligibility
and Payments to Providers***

Dear Chair Kelley, Vice Chair and Committee Members:

SB981 creates a workgroup around long-term care Medicaid eligibility and payment for care provided to Marylanders in need. The long-term care Medicaid eligibility system is complicated and has been ineffective for years.

The longstanding eligibility determination and payment problems have resulted not only in delayed or denied payments to skilled nursing and rehabilitation centers that provide quality care to Marylanders in need, but more importantly, have created barriers to access to quality care and place unnecessary stress and burdens on residents and their families during already difficult times.

The work group tasks will include compiling existing information on, identify, and study the unique needs of long-term care Medicaid eligibility, the process in determining eligibility for long-term care, transparency of eligibility decisions and permanent payments for care provided to Marylanders in need.

- Identifying gaps in Medicaid eligibility determination that delay or lead to the denial of payments to skilled nursing and rehabilitation centers.
- Identifying and studying issues with caseworkers, caseload, high turnovers, vacancies and training.
- Identifying gaps which have created barriers to access to quality care and have placed unnecessary burdens on residents and their families.
- Identifying technical, compliance and process issues associated with the Assets Verification System (AVS), including but not limited to processing times, AVS contract renewal deadlines.
- Identifying and studying the issues faced by the Problem resolution unit (PRU) and making recommendations on the outlined issues.

This bill would take effect on June 1, 2020 and requires an interim report of its finding on or before December 1, 2020 and a final report of its findings and recommendations, to the Joint Committee on Ending Homelessness, by June 30, 2021.

For these reasons I ask for a favorable report on **SB981**.

In partnership,

A handwritten signature in blue ink, appearing to read "Mary Washington". The signature is fluid and cursive, with the first name "Mary" and the last name "Washington" clearly distinguishable.

Senator Mary Washington, District 43