



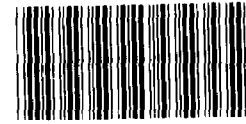
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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

INSTITUTE FOR PROGRAM
EVALUATION

May 4, 1982

B-207323



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The Honorable Henry A. Waxman
Chairman, Subcommittee on Health
and the Environment
Committee on Energy and Commerce
House of Representatives

Dear Mr. Chairman:

Subject: The Status of the Department of Health and Human Services' Compliance with Requirements to Establish a Data Collection Plan for the Medicaid Home and Community Care Waiver (GAO/IPE-82-3)

On April 2, 1982, your office asked the General Accounting Office to determine the status and nature of the data collection plan being developed by the Department of Health and Human Services as required under the Home and Community-Based Service provisions of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, sec. 2176). The legislation authorizes the Secretary of the Department of Health and Human Services (HHS) to waive current Federal Medicaid requirements so that States can submit a plan to provide coverage to Medicaid patients for a broad range of home and community-based services. These services are offered according to a written individualized care agenda to patients who would otherwise require care in a skilled nursing home facility or intermediate care facility. The individual can then make an informed decision and choose between the community care services offered under the waiver or the institutional facility services covered under other Medicaid provisions. The legislation requires that each State

"will provide to the Secretary annually, consistent with a data collection plan designed by the Secretary, information on the impact of the waiver granted under this subsection on the type and amount of medical assistance provided under the State plan and on the health and welfare of recipients."

On April 17, 1982, we contacted Mr. Andreas Schneider and provided him with an overview of our findings regarding the status of the data collection plan. This letter includes more

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details on our review and those findings. In order to assess the status of the plan we met with the appropriate responsible officials in the Health Care Financing Administration's (HCFA's) Bureau of Program Policy. The plan currently is in draft form and is being circulated within the agency for comment and revisions. It will then be submitted to the Secretary for approval before it can go out officially to the States.

The proposed plan is to be completed annually by the States and would provide the basis for the annual impact monitoring report on the waiver program. This report would supply information on total expenditures by service category for three groups of individuals:

1. individuals covered under the waiver at any time during the year who are in an SNF, ICF, or ICF/MR immediately prior to enrollment in the waiver by basis of eligibility; 1/
2. individuals covered under the waiver at any time during the year who were not in an SNF, ICF, or ICF/MR immediately prior to enrollment in the waiver by basis of eligibility; and
3. individuals not covered under the waiver at any time during the year who are in an SNF, ICF, or ICF/MR at any time during the year by basis of eligibility.

The expenditure information would be categorized by eligibility (aged, disabled, and other); there would be data on the aggregate number of participants for the eligibility categories but not by services. The form would also provide information on how many people refused the waiver option.

The memo outlining the proposed plan does not include a description of how an unduplicated count of recipients will be determined. Without this explanation, there is no way to assess how much confidence could be placed in these numbers. Standard definitions are also not provided for the new services covered under the waiver. Without standardization, States could report expenditures under one service category which would be classified as a different service in another State. Comparisons of expenditures by service across States would not, therefore, be valid. Also, summaries could not be made across States for the purposes of describing the national commitment. The agency has informed us that they are in the process of developing such definitions.

1/SNF refers to skilled nursing facility, ICF refers to intermediate care facility, and ICF/MF refers to intermediate care facility for the mentally retarded.

Even if the problems above are resolved, the information available will be restricted to total expenditures for services within States and total individual participants in the waiver by prior status. This will severely limit the kinds of information HCFA will be able to report to the Congress on how the waiver program is operating. For example, no data will be available on

- who applied to participate in the waiver;
- the outcome of the screening application (for example, the determination made that a nursing home resident could be returned home or could not because services were not available or the determination that an applicant could remain in the community with services provided under the waiver);
- how long individuals use services under the waiver;
- costs per waiver participant (for example, do some individuals require high expenditures while the majority require low financial support?);
- services most commonly needed and used;
- characteristics of individuals successfully and unsuccessfully served under the waiver; and
- outcome of participation in the waiver (for example, individuals helped to stay in the community at a lower cost, higher cost).

The plan will not provide information on how and if people are shifting service use, the nature of the kinds and packages of services being provided, or how long they are being provided. It will not tell anything about the details and actual practice of the screening process or about how eligibility is determined. Neither will it allow different populations to be compared or furnish information on the quantity (beyond aggregate costs) or quality of services provided. If the proposed plan is implemented, therefore, the Congress will have limited information as to the impact of the legislation on Medicaid expenditures and service mix. Also, there will not be a data base available to evaluate the effect of the program on the individuals who are recipients of the waived services.

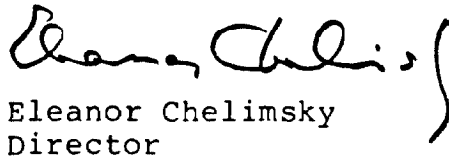
HCFA staff stated that providing this information would require a data collection system that would be person-based (that is, a system that could track individuals through the system). We were informed that this was not possible because of certain constraints and general policies coming from the administrator's office that dictated that the plan had to (1) require no external contract expenditures, (2) be a minimal reporting or financial burden to the States, and (3) require as little original data collection as possible.

According to agency officials, the proposed plan meets these constraints. The existing Medicaid Management Information System each State has will provide almost all the information the plan requires. The number of people who refuse the waiver will be the only new data requirement they will have to add. HCFA staff also stated that the plan was developed with the informal input of contacts in key States; therefore, they believe it would impose reasonable data requirements upon the States. We were informed that the agency had considered a more ambitious five-State evaluation of the waiver impact and that \$2 million had been proposed for that purpose. When the research budget was reduced, that evaluation study was dropped.

While no approved version of the data collection plan exists, four States have been approved for the waiver: Kansas, Louisiana, Montana, and Oregon. These States have provided assurances that they would provide the data once the plan is implemented. We were told that some States have informally received copies of the draft report so that they will know what to expect if it is approved.

We hope that the information we have provided will help in your oversight of HHS's actions in implementing the data plan requirements of these waivers. We appreciate the opportunity to have worked with you on this important task.

Sincerely yours,


Eleanor Chelimsky
Director