

A Concept Paper and Joint Plan to Transform Tennessee’s Service Delivery System for Individuals with Intellectual and Developmental Disabilities

The Department of Intellectual and Developmental Disabilities (DIDD) is the state agency responsible for administering services and support to Tennesseans with intellectual and developmental disabilities (I/DD).

Our mission is:

To become the nation’s most person-centered and cost-effective state support system for people with intellectual and developmental disabilities.

We envision a world where we:

*Support **all** Tennesseans with intellectual and developmental disabilities to live the lives they envision for themselves.*

There are multiple barriers to achieving this vision.

Currently, there are more than 5,000 people with I/DD on a waiting list to receive services and supports, with more than 4,000 of those individuals seeking to receive services now. Our ability to achieve our vision depends on achieving our mission—providing supports that are **both** person-centered **and** cost-effective in order to allow us to use limited resources to support **all** Tennesseans with I/DD to live the lives they envision.

Also critical to our vision is that today, DIDD operates *some* of the programs and services for individuals with I/DD in Tennessee—three Medicaid Home and Community Based Services (HCBS) waiver programs, state-operated Intermediate Care Facilities for Individuals with Intellectual and Developmental Disabilities (ICFs/IID), and the Family Support Program. We are also the lead agency for the Tennessee Early Intervention System. However, other components of the delivery system for people with I/DD are not currently operated by DIDD. These include the Employment and Community First CHOICES program (operated by the Division of TennCare through the managed care program) and private ICF/IID services (delivered through fee-for-service contracts with TennCare). While we collaborate with TennCare around the delivery of these services, DIDD is not *leading* the delivery of these services, bringing to the day-to-day operation of these programs our expertise and commitment in serving people with I/DD and their families.

Finally, the lives that people envision for themselves are rarely lives of dependence. Like all of us, they want to work, be part of their communities, have meaningful relationships, and achieve personal goals. They want to go where they want, do the things they want, with the people they want, and with as much independence and self-determination as possible. We

need a system—a single aligned person-centered system that supports each person with an *expectation* of helping them live the life they want in their communities, that supports growth and independence, and delivers on personal outcomes.

During the multi-year strategic planning process, as part of an overarching goal to transform the service delivery system for people with I/DD, DIDD and TennCare committed to develop a model working partnership in order to accomplish the following strategic objectives:

- **Eliminate the waiting list** of persons with I/DD who are actively seeking to enroll in Medicaid services.
- Embed person-centered thinking, planning and practices and align key requirements and process across Medicaid programs and authorities in order to **create a single, seamless person-centered system of service delivery for people with I/DD**, including:
 - Critical incident management;
 - Quality assurance and improvement;
 - Direct support workforce training and qualifications;
 - Provider qualifications and enrollment/credentialing processes;
 - Value-based reimbursement approaches aligned with system values and outcomes.
- **Increase the capacity, competency and consistency of the direct support workforce.**
- **Support the independence, integration, and competitive, integrated employment of individuals with I/DD** through the use of effective person-centered planning, enabling technology, and the development of natural supports as evidenced by an increase in the number of working age adults participating in competitive, integrated employment, and the transition of persons supported to less intensive support arrangements based on individualized needs and preferences.
- **Integrate the budgeting process** for programs and services for people with I/DD in order to best meet the needs of all Tennesseans with I/DD and their families.

While the budgetary challenges brought on by the COVID-19 public health emergency brought unanticipated challenges to achieving this goal (i.e., the loss of previously approved funding to serve 2,000 people from the waiting list), it has also brought opportunity—the need to take bold action that will have significantly greater impact in achieving **all** of these strategic objectives.

DIDD and TennCare plan to integrate all Medicaid programs and services for individuals with I/DD—including Intermediate Care Facility Services for Individuals with Intellectual Disabilities (ICF/IID), the Section 1915(c) home- and community-

based services (HCBS) waivers, and Employment and Community First CHOICES¹ into the managed care program, under the direct operational leadership, management, and oversight of DIDD.

Doing so will yield an immediate increase in state revenues - \$34.4 million, which will assist in limiting benefit or provider reimbursement cuts in these waivers as part of necessary state budget reductions.

However, this transformational change will have far more significant benefits than these increased revenues.

- First, it will finally and fully achieve the vision of **a single, seamless person-centered system of service delivery for people with I/DD**. By bringing all of these programs, populations, and services together under the direct operational leadership, management, and oversight of DIDD, Tennessee can align critical incident management, quality assurance and improvement, direct support workforce training and qualifications, and provider qualifications and enrollment/credentialing processes—reducing administrative burden for providers. Providers have long sought not just alignment, but *person-centered* alignment, that minimizes some of the restrictive and burdensome expectations that have resulted from the impact of longstanding litigation.
- It will set the stage for new **value-based reimbursement** approaches aligned with system values and outcomes. These value-based approaches will be specifically designed to support the independence, integration, and competitive, integrated employment of individuals with I/DD through the use of effective person-centered planning, technology first approach, and the development of natural supports as evidenced by an increase in the number of working age adults participating in competitive, integrated employment, and the transition of persons supported to less intensive support arrangements based on individualized needs and preferences. This will be beneficial in multiple ways:
 - Most importantly, it will **help persons supported live better lives in the community with as much independence as possible**.
 - It will **utilize limited staffing resources much more efficiently**, addressing critical workforce shortages and creating additional workforce capacity to serve additional people.
 - It will allow for **a much more efficient and effective use of state and federal Medicaid resources** to serve the I/DD population. By integrating the budget process for programs and services for people with I/DD and providing services more efficiently, we will be able to utilize existing program resources to serve additional people with I/DD from the current waiting list.

¹ Employment and Community First CHOICES is already part of the managed care program, but not under the direct operational leadership, management and oversight of DIDD.

In the absence of the funding that had been appropriated to serve people from the waiting list, it provides a pathway (subject to the budget process) to achieving the goal of eliminating the waiting list that will otherwise not be available, at least in the near future.

Proposed New System Structure

Under the transformed service delivery system for people with I/DD, all long-term services and supports (LTSS) for individuals with I/DD will be part of the managed care program. They will be administered through the managed care program under the direct operational leadership, management, and oversight of DIDD.

TennCare will contract with DIDD to serve as the operational lead agency for all I/DD programs and services.

TennCare and DIDD, will in turn, contract jointly with Managed Care Organizations, with DIDD leading the day-to-day management and oversight of the MCO contracts for I/DD benefits, and TennCare working alongside DIDD and continuing to lead management and oversight of other integrated benefit components for the I/DD population—physical and behavioral health, pharmacy, and dental services, in consultation and partnership with DIDD. This partnership and shared leadership responsibility will be particularly critical as it relates to building the statewide capacity and continuum of the behavioral health system to meet the needs of individuals with I/DD who have co-occurring mental health conditions or behavior support needs in a person-centered way (moving toward independence and integration to the maximum extent appropriate), including:

- The development and engagement of statewide HCBS provider networks, including workforce capacity, to serve people with I/DD and co-occurring behavior support needs;
- The development of statewide capacity for behavioral crisis response and stabilization, leveraging telehealth with in-person backup as needed; and
- The development of statewide capacity for rapid placement, stabilization and assessment, including person-centered transition planning with the HCBS provider and/or family caregiver (as applicable); program development and implementation (including training), and post-transition stabilization placement support (telehealth and in-person).

Authority

TennCare will maintain the existing 1915(c) waivers, with modifications as determined by TennCare and DIDD to be needed, with input from our stakeholders.

TennCare will submit an 1115 waiver request for concurrent 1115 demonstration authority to bring these waivers and the ICF/IID benefit under the managed care program and to operate these services, along with Employment and Community First CHOICES, as part of single, seamless person-centered system of service delivery for people with I/DD.

Timing and Funding

To implement this plan, we will be seeking the necessary federal authority through the renewal of the TennCare demonstration waiver from the Centers for Medicare and Medicaid Services (CMS). While the timeline for implementation is uncertain, considering the federal approval process and the necessary IT system upgrades, and other needed changes for integration to occur, our goal is to have full integration by July 1, 2021.