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Money Follows the Person Demonstration Program: Helping Medicaid Beneficiaries Move Back Home

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INTRODUCTION

Money Follows the Person (MFP) is a federal Medicaid demonstration designed to incentivize states to shift Medicaid long-term care spending from institutional to home and community-based services. MFP was authorized in the Deficit Reduction Act of 2005 and then extended in the Affordable Care Act through 2016. Under the demonstration, participating states receive 365 days of enhanced federal funding for qualified services for every Medicaid beneficiary who transitions from an institution to a community-based setting. Currently, 45 states have received federal MFP demonstration funding. A companion report, [*Money Follows the Person: A 2013 State Survey of Transitions, Services, and Costs*](#), summarizes 2013 survey data on enrollment trends, services, and per capita spending and describes the interactions between MFP and new and expanded options under the Affordable Care Act as well as managed care. Two state case studies – [*Maryland's Money Follows the Person Demonstration: Supporting Transitions Through Enhanced Services and Technology*](#) and [*Tennessee's Money Follows the Person Demonstration: Supporting Rebalancing in a Managed Long-Term Services and Supports Model*](#) – provide insight into how MFP was incorporated into existing infrastructure and also how MFP supports larger rebalancing initiatives.

Based on personal interviews conducted in August 2013, the profiles of four MFP participants residing in Maryland or Tennessee are presented here to highlight the diverse experiences of persons with LTSS needs who transition from nursing homes to the community. Each of these individuals is dually eligible for Medicaid and Medicare services. Such personal stories add a human dimension to the ongoing conversations among federal and state policymakers about supported transition, community integration, and expanding access to Medicaid home and community-based services.

MFP HELPS DUALY ELIGIBLE BENEFICIARY WITH A PHYSICAL DISABILITY MOVE HOME AND RETURN TO WORK

Chuck, Age 60, District Heights, Maryland

Chuck spent many years caring for his sick wife and neglecting his own health problems. When he finally sought a doctor's opinion for his chronic back pain, the diagnosis was a disc problem, likely a result of many years working as a motor vehicle driver. After losing his wife to lung cancer, Chuck decided to trade in his wheels for a job as a group home manager, working and living with adults with intellectual and developmental disabilities. One morning in February 2009, as Maryland was being hit by a heavy snowstorm, Chuck noticed food was low in the group home and went out to the grocery store to restock supplies. On his way home, he slipped on ice and ruptured several discs in his back. Several months later, Chuck had surgery to repair his back; during his recovery he developed a blood clot and lost movement from the waist down. Following a second surgery to remove the blood clot, he was admitted to a nursing home where he lived for three years.

Describing life in the nursing home, Chuck shared, “[it was] no place for me, but I had no place to go.” Chuck made the best of his time in the nursing home, becoming mobile again with the assistance of a walker and serving as the President of the Residents’ Council and unofficial Chaplain, but still his hope was to return to the community. Chuck qualified for Medicaid shortly after his admittance to the nursing home and subsequently enrolled in Medicare. Having met the nursing home length of stay eligibility criteria, Chuck had the option to move to a community-based setting through the Medicaid MFP demonstration.

In April 2013, Chuck left the nursing home and moved in with his brother and family. As an MFP participant, Chuck obtained a chair lift, a wheelchair, a hospital bed, shower chair, and a one-time allocation of \$700 to purchase household goods. He relies on the help of a personal care attendant eight hours a day, seven days a week and receives in-home therapy. Chuck takes six prescription drugs daily for pain, muscle spasms, and high blood pressure. He explained, “If I didn’t have Medicaid [and had to pay for care out-of-pocket], I would be in a lot of trouble ... the cost of all these services would be through the roof!”

*“[Without Medicaid]
I would have few
options in life.”*

~ Chuck

Chuck described his transition to the community as easy because he had a relative willing to take him in. Currently, he spends his days working from home as a telemarketer. He wants to have his own place and has been on a housing waiting list for a few years. Chuck stressed the need to increase affordable, accessible community-based housing options for people with physical disabilities and articulated that, “Without some place to go, the money won’t follow the person.”

Chuck’s personal goals are to get out into his community more frequently without the assistance of his family or personal care aide. He described himself as a prisoner in the house from the time his aide leaves at noon until he has help again in the evening. He has authorization for a motorized wheelchair but is waiting for the home ramp to be installed. Despite some frustration, Chuck shared, “I am 60 and still active ... Medicaid’s been very instrumental to me.”

MFP HELPS DUALY ELIGIBLE BENEFICIARY OVERCOME AMPUTATION CHALLENGES AND RETURN TO INDEPENDENT LIVING

Vera, Age 76, Nashville, Tennessee

Vera suffers from peripheral vascular disease and diabetes. Complications from both conditions resulted in a leg amputation when an infection spread throughout her lower limb. Following the surgery and hospitalization, Vera needed 24-hour care and moved into a nursing home. Given her physical limitations, staying in her third floor walk-up apartment was not an option. Life in the nursing home “wasn’t like being at home,” according to this mother of seven and former hotel housekeeper. While her family visited her often in the nursing home, Vera passed the majority of her time in the nursing home “just waiting to go home.” Vera qualified for Medicaid during her nursing home stay and within eight months moved back to the community as a participant in the Medicaid MFP demonstration.

“Without Medicaid, I don’t know where I would be.”

~Vera

Vera was able to locate and secure a first floor apartment that was both physically accessible and affordable on her limited Social Security income. Vera receives six hours of personal care services every day, except on weekends when her family comes to help her. She is very independent and chooses to bathe and cook for herself. She relies on five prescription drugs a day, including insulin to manage her diabetes. She takes the bus to doctor appointments and twice weekly physical therapy sessions. Vera explained, “It’s easy to get around with my [wheel]chair now that I am in a lower level apartment” and said that there are no real challenges to living independently at home. Vera shared that the best part about living on her own in the community is that “nobody is waking me up all through the night, and now I can go outside and talk to my neighbors again.”

MFP HELPS DUALY ELIGIBLE BENEFICIARY RETURN HOME AFTER AN ACCIDENTAL FALL AND SUBSEQUENT SURGERIES

Kathy, Age 61, Middle River, Maryland

Kathy worked all her life in retail where she enjoyed meeting new people each day. One morning in 2008, while getting ready for work, Kathy fell down a set of stairs and fractured every bone in one of her ankles. The accident required ankle fusion surgery and a six-week hospital stay followed by nursing home placement. After her surgery and rehabilitation, returning home was not an option. Kathy lost her rental apartment because she was unable to work and pay her bills. Kathy described her one-year stay in the nursing home as “very unpleasant.” During that time, her health spiraled downhill. She experienced several mild heart attacks, had five stents put in, and required two follow-up ankle surgeries. In addition, Kathy was diagnosed with type II diabetes, diabetic retinopathy, and hypertension.

“I’m just lucky and count my blessings for Medicaid.”

~Kathy

With no income and limited savings, Kathy qualified for Medicaid. Subsequently she qualified for Medicare and Social Security Disability Insurance based on her work history and disability status. A nursing home social worker helped Kathy sign up for Medicaid and informed her about the Medicaid MFP program. Wanting to transition out of the nursing home and return to the community, Kathy applied for MFP and federal Section 8 housing assistance. Kathy commented, “I don’t think I would have survived in the nursing home; Section 8 and Medicaid are my lifelines.”

Kathy credited the MFP program with “taking care of everything” from setting up her needs assessment (she qualified for 40 hours of personal care services a week) to helping her pay outstanding gas and electric bills from the \$700 allowance for one-time transition-related expenses. She described her experience of returning to the community as an MFP participant as “a rebirth” and shared, “I regained my freedom after leaving the nursing home. I don’t feel like a nobody anymore.”

Kathy’s health remains “fair.” She relies on 20 medications a day to manage multiple chronic health conditions. She is usually able to get around with the assistance of a cane or walker and uses a wheelchair only as needed. She uses transportation services to get to doctor visits as well as a Medicaid-paid medical alert service. Her personal goals are to find part-time work or to volunteer.

MFP HELPS DUALY ELIGIBLE BENEFICIARY WITH MULTIPLE CHRONIC CONDITIONS RETURN HOME TO HIS FAMILY

Martin, Age 58, Shelbyville, Tennessee

Martin, 58, a former small machine repairman and welder, remembers waking up one night with the feeling that, as he described, “half of me was gone.” Martin had experienced a stroke that resulted in partial left side paralysis. Hospitalized after his stroke, Martin later ended up in a nursing home, unable to walk or talk. Martin has a multitude of chronic conditions including diabetes, hypertension, heart disease, and arthritic knees. Although he received “good care” in the nursing home, Martin described his year there as “terrible.” During that time, his son was killed in a car accident and his sister passed away. He recalled, “Everything hit me just right there, just like that.” Determined to return home and regain his strength, Martin worked hard at maintaining his physical therapy regime. He noted, “I was right there [the physical therapy center in the nursing home] when it opened every day.” All his hard work paid off when, in June 2013, Martin was able to return to the community with the help of the MFP program. As a result of his disability, Martin is dually eligible for Medicare and Medicaid and receives Social Security Disability Insurance benefits based on his work history and disability status.

Martin was fortunate to be able to move into his 83-year old father’s home. He still has some difficulty speaking, and the numbness on his left side prevents him from writing. Martin receives therapy three times a week in his home and daily personal care services in the morning and the evening. He takes seven prescription drugs a day, including insulin for his diabetes, and he relies on a wheelchair to get around. Through the MFP program, Martin had rails installed in his shower. Martin acknowledged that, if not for Medicaid, the costs of these services and supports would exceed what he can afford to contribute out-of-pocket to his care. Martin said the best parts about being home are “being close to my father and my kinfolk and having my freedom.” His daily challenges involve not being able to reach things around the house. Martin hopes to walk again, but in the meantime, he would like to leave the house more often and return to his favorite hobbies of fishing, checkers, and tinkering in the garage.

“[Without MFP], I would still be in a nursing home trying to find somebody to take me home.”

~Martin

This Kaiser Commission on Medicaid and the Uninsured brief was prepared by Molly O'Malley Watts with Watts Health Policy Consulting and Erica L. Reaves and MaryBeth Musumeci from the Kaiser Family Foundation.

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