



LeadingAge Statement
The Money Follows the Person Program and the EMPOWER Care Act
House Energy and Commerce Committee
Subcommittee on Health

September 5, 2018

LeadingAge, an association of not-for-profit aging services providers, appreciates the opportunity to comment on the Money Follows the Person (MFP) Program and the *EMPOWER Care Act*. We are pleased that the Subcommittee on Health is focusing attention on “opportunities to improve health care” which includes legislation that helps provide resources to State Medicaid programs to help transition older adults and individuals with chronic conditions and disabilities from nursing homes back into local communities.

The mission of LeadingAge is to expand the world of possibilities for aging. Our membership has a service footprint of 4.5 million and includes a community of 6,000 members representing the entire field of aging services, including not-for-profit organizations, state partners, and hundreds of businesses, consumer groups, foundations, and research partners. LeadingAge is a tax-exempt charitable organization focused on education, advocacy, and applied research.

The **Money Follows the Person (MFP)** demonstration program is a Medicaid initiative designed to expand community-based long-term services and supports (LTSS) options. MFP, first authorized in the *Deficit Reduction Act of 2005*, was extended until 2016 under the *Affordable Care Act*. To be eligible for MFP, Medicaid beneficiaries must reside in a nursing home or similar facility, for at least 90 days prior to transitioning to a community residence (e.g., house, apartment, small group home). Under MFP, a participant receives home and community-based services for which the state receives enhanced federal matching funds during a beneficiary’s participation year. States began operating in MFP in 2007, and between 2007 and 2017 forty-three states transitioned over 75,000 individuals into the community.¹ The *EMPOWER Care Act* extends funding for the 5-year MFP demonstration to 2022.

For the purposes of this demonstration, participants must move to a qualified residence in the community, which include homes either owned or leased by the participant or a family member, individual apartments or small group homes. Once transitioned to a qualified residence in the community, participants are eligible for MFP for a year, or 365 days. During this time MFP demonstrations may provide up to three categories of services: (1) qualified home and community-based LTSS; (2) demonstration services that help people adjust to community living; and (3) supplemental services that are not reimbursable outside waiver programs. States receive

¹ <https://www.medicaid.gov/medicaid/ltss/money-follows-the-person/index.html>

an MFP-enhanced Federal Medical Assistance Percentage (FMAP) for either the qualified or demonstration home and community-based LTSS.²

LeadingAge strongly believes the MFP program represents a major step forward to give people needing LTSS more choice about where they live and receive care. We support the program's intent to: (1) increase the use of home and community-based, rather than nursing home long-term care services; (2) eliminate barriers whether in state law, the state Medicaid plan, and the state budget, or otherwise, that prevent or restrict the flexible use of Medicaid funds to enable Medicaid-eligible individuals to receive support for appropriate and necessary long-term services in the settings of their choice; (3) increase the ability of Medicaid programs to assure continued provision of home and community-based long-term care services to eligible individuals who choose to transition from a nursing home to a community setting of their choice; and (4) ensure that the procedures are in place (at least comparable to those required under the qualified HCBS program) to provide quality assurance for eligible individuals receiving Medicaid home and community-based long-term care services and to provide for continuous quality improvement in such services.

The MFP demonstration has allowed states to provide a richer mix of services that allow beneficiaries to access home and community-based LTSS, including home health care services, personal care assistance services; in-home private duty nursing, hospice, employment support services, and adult day services.

We greatly appreciate the Subcommittee on Health's attention to an issue that is becoming ever more urgent, and we congratulate the committee's leadership for their foresight. We look forward to working with the committee on solutions to implement programs that assist with helping to move older adults receive care at home or in a community-based setting.

² <https://www.medicaid.gov/medicaid/ltss/downloads/money-follows-the-person/mfp-rtc.pdf>