

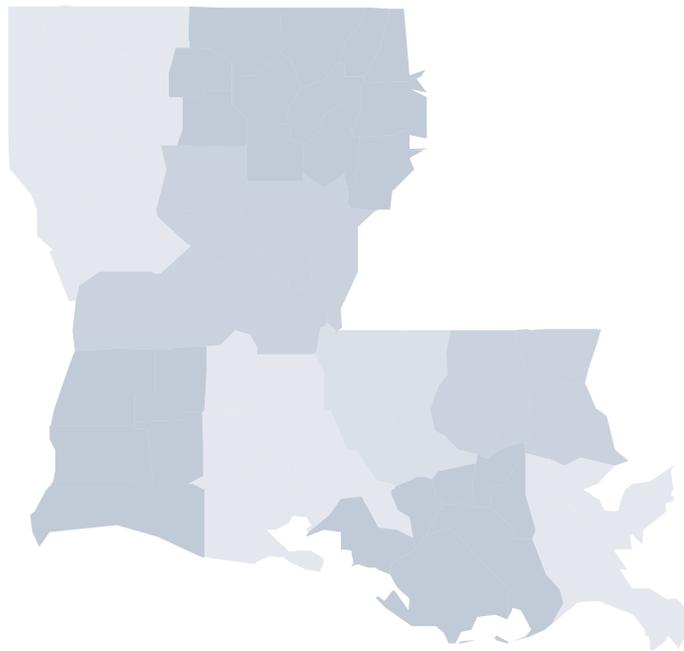


DEPARTMENT OF HEALTH
AND HOSPITALS

TRANSFORMING LOUISIANA'S LONG TERM CARE SUPPORTS AND SERVICES SYSTEM

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Choosing Our Partners

Concept Brief



FEBRUARY 6, 2014

Choosing Our Partners:

Introduction

As stressed in the initial concept paper released this past August on the transformation of long-term supports and services (LTSS), the ongoing transformation of Louisiana's LTSS system will continue to be an open and collaborative process. The involvement of stakeholders across the state is critical for the successful design and implementation of Managed Long Term Supports and Services (MLTSS) in Louisiana. The purpose of the Long Term Care Advisory Group is to provide an organized venue for feedback from stakeholders in Louisiana, including participants in the current LTSS system, LTSS providers, and community-based organizations involved in the support of those using LTSS. Based on feedback received during the first meeting of the advisory group, advisory group meetings will focus on soliciting purposeful feedback through the use of focused work groups.

Background

DHH will choose its partners for MLTSS through a competitive procurement, beginning with a public release of a Request for Proposals (RFP). The advisory group has recommended that the Department pursue two separate RFPs, one for persons with adult onset and aging-related disabilities, and a second for persons with intellectual and developmental disabilities (ID/DD). The RFP process is standardized for all state agencies via the state procurement code and relies on the RFP document to establish a schedule of events for phases of the procurement. Phases include public notice of the RFP, an optional pre-proposal conference with prospective respondents, deadlines for receipt of and response to questions, timeframes for evaluating proposals, a contract award date, timeline for negotiating contract(s), readiness review and targeted contract begin date. RFPs and related contracts can be tracked through the Division of Administration, Office of State Purchasing and Travel's LaPAC (Louisiana Procurement and Contract Network) online portal, available here:

<http://wwwprd1.doa.louisiana.gov/osp/lapac/pubmain.cfm> . In addition, DHH has maintained an online archive of the procurement processes for both Bayou Health and SMO/Louisiana Behavioral Health Partnership, and intends to continue this with the MLTSS procurement process.

The Centers for Medicare & Medicaid Services (CMS) requirements for choice in managed care depend on the program authority utilized. The authorities appropriate for MLTSS and best practice guidelines specify that, with certain exceptions, state MLTSS programs must offer potential enrollees at least two plans. In the case of managed care in Bayou Health, the Department expanded options to five. The competition created by this model has encouraged MCOs to pursue quality and innovation, while also addressing market demand for additional benefits not historically covered by Medicaid. Competition in managed care can certainly work to the favor of service recipients and providers; however, right-sizing the number of MLTSS contracts to Louisiana's affected disability populations is necessary.

An important decision point in development of the RFP is determining whether MCOs must operate statewide or if regional applicants will be considered. The advisory group in the Accountability discussion identified economy of scale concerns and recommended statewide coverage, in addition to limiting the number of plans to 2-3; while the cross-workgroup discussion of Procurement recommended 4-5 statewide plans with regional phase in. Approaches have varied in states using MLTSS. Florida is using a regional approach in their statewide implementation of MLTSS. Since August 1, 2013, Florida has been implementing a statewide MLTSS expansion in the state's eleven service regions with each region maintaining its own contract base. MCOs may contract in multiple regions. States like Tennessee and North Carolina are further along in statewide MLTSS implementation and are moving away from the regional contracting model. Those states have noted that the regional approach can be both administratively cumbersome and at times

more challenging to address consumer mobility and continuity of care. These states are consolidating their programs, whether by combining regions or restructuring procurement and requiring all MCOs to serve statewide.

In addition to laying out expectations such as that above, the RFP will detail how responses will be scored for purposes of award. The concept paper stressed that DHH intends to place significant value on respondents' previous experience with long-term care populations and services, including their ability to build networks, provide proven clinical tools and engage with stakeholders and advocacy groups and consumers specific to the population. A number of MCOs with experience providing MLTSS to persons with adult onset disabilities and with aging-related disabilities responded to the Department's Request for Information issued in July 2013. Program models varied in terms of MCO operational experience, including with Medicare/Medicaid duals carved in. The advisory group has expressed concern that experience with the ID/DD population may be limited. Data reviewed by the advisory group in the first meeting shows that many states are in early stages of MLTSS implementation for the ID/DD population; thus, it may be that MCOs are contracted for ID/DD services in other states but do not yet have operational experience. DHH aims to structure the RFP contents and requirements for the strongest program framework possible, while also assuring a rich applicant pool. Thus deliberate identification of experience-related expectations, perhaps even specific to the population, is required.

Feedback to Louisiana's Approach

In the initial LTSS concept paper released in August 2013, DHH emphasized the importance

of seeking input regarding RFP content and requirements for a strong program framework that promotes improved health outcomes, better coordination of care and a more effective and efficient delivery system.

As DHH continues to research best practices and lessons learned from other states and works to build the framework for the transformation to MLTSS, DHH is actively soliciting feedback on the following areas of RFP design relative to choosing our partners:

Louisiana's Approach to Choosing Our Partners: Workgroup Questions

1. **Should contracted MCOs be required to operate statewide? What are pros and cons of a statewide or regional approach?**
2. **With the issuance of two RFPs specific to disability populations, how many contracts should be awarded for each RFP? Setting a range may be helpful: e.g., No less than two, but no more than ____.**
3. **What important questions should the RFP pose in regard to the following:**
 - a. **Previous experience with LTSS populations and services**
 - b. **Ability to build MLTSS networks**
 - c. **Ability to provide proven clinical tools**
 - d. **Ability to effectively engage stakeholders, advocates, and consumers**
4. **How should the RFP evaluation process address operational experience gaps for MCOs that may otherwise present as viable applicants? What are considerations in the suggested approach?**

Transforming Louisiana's Long Term Care Supports and Services System

*For additional information, please visit
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