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THE STATE UNIVERSITY OF NEW JERSEY

Homeless Service Use and Medicaid Spending in New Jersey:
Research Plans

Presentation Supportive Housing Association of New Jersey

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Acknowledgements and Disclaimer

This project presented here is under review, *funding is not yet approved.* The content of the project is subject to change.

The views expressed in this presentation are exclusively those of the Rutgers team, and may not reflect those of the State of New Jersey or prospective funders of this work.

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Outline

- About Rutgers Center for State Health Policy
- Findings about High-Cost Medicaid Patients
- Selected Medicaid Developments
- Planned Study of Supportive Housing and Medicaid Spending

About Rutgers Center for State Health Policy

Mission

To inform, support, and stimulate sound and creative state health policy in New Jersey and around the nation.

Current Focus

- Health system performance
- Health coverage and access to care
- Long-term services and supports policy
- Population health

History

Established in 1999 within Rutgers University Institute for Health, Health Care Policy and Aging Research with a major grant from the Robert Wood Johnson Foundation. Became part of Rutgers Biomedical and Health Sciences in 2013.

*Visit us at **www.cshp.rutgers.edu** or on Twitter @RutgersCSHP*

Analysis of High-Cost Medicaid Patients

- Governor Christie charged Rutgers Biomedical and Health Sciences (RBHS) with helping New Jersey "...devise a program to innovate and improve health care delivery under Medicaid and FamilyCare" focusing on health care delivery improvements for "super-utilizers"
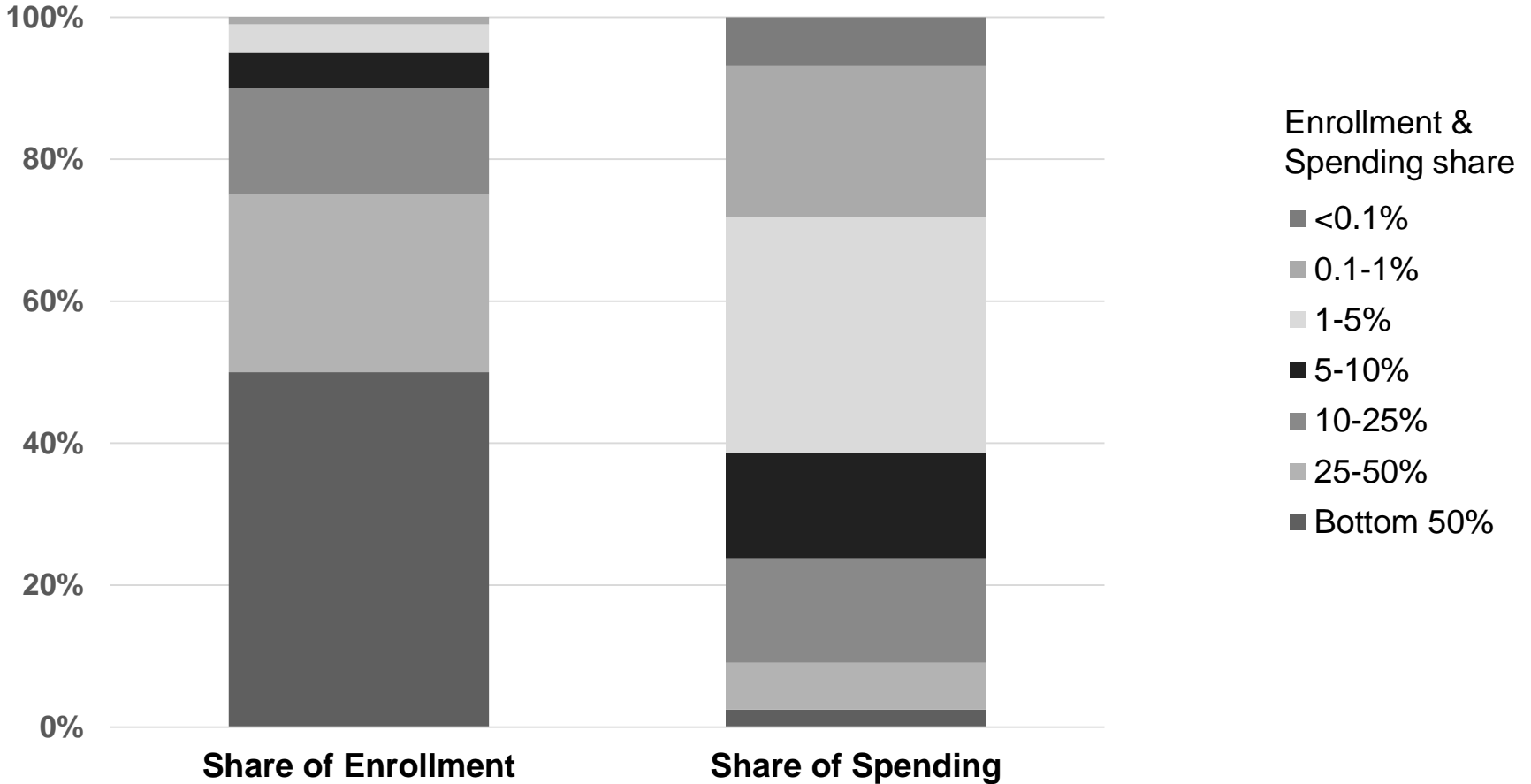
  FY2015 Budget Address

- RBHS Working Group on Medicaid High Utilizers
  - Examining opportunities to improve care, reduce cost for highest-cost beneficiaries

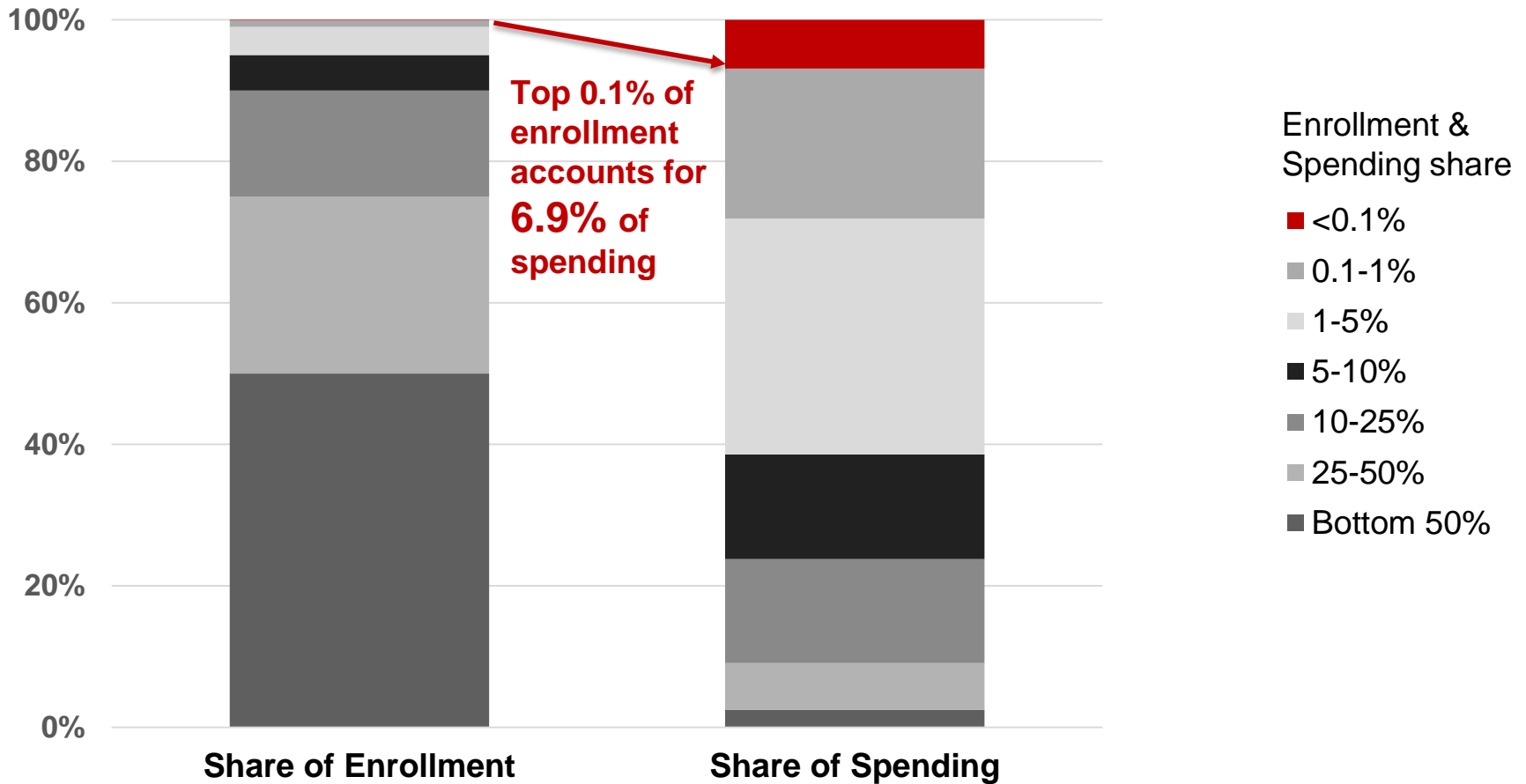- Selected findings…

Full report available at:
Cantor JC, Tallia AF, Koller M, DeLia D and Farnham J; for the Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers. *Analysis and Recommendations for Medicaid High Utilizers in New Jersey*. Newark, NJ: Rutgers Biomedical and Health Sciences, 2016. http://cshp.rutgers.edu/Downloads/10890.pdf.

Distribution of Total NJ Medicaid Spending by Spending Group, 2013

Source: Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers

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Distribution of Total NJ Medicaid Spending by Spending Group, 2013

Top 1.0% of enrollment accounts for 28.1% of spending

Enrollment & Spending share
- ■ <0.1%
- ■ 0.1-1%
- ■ 1-5%
- ■ 5-10%
- ■ 10-25%
- ■ 25-50%
- ■ Bottom 50%
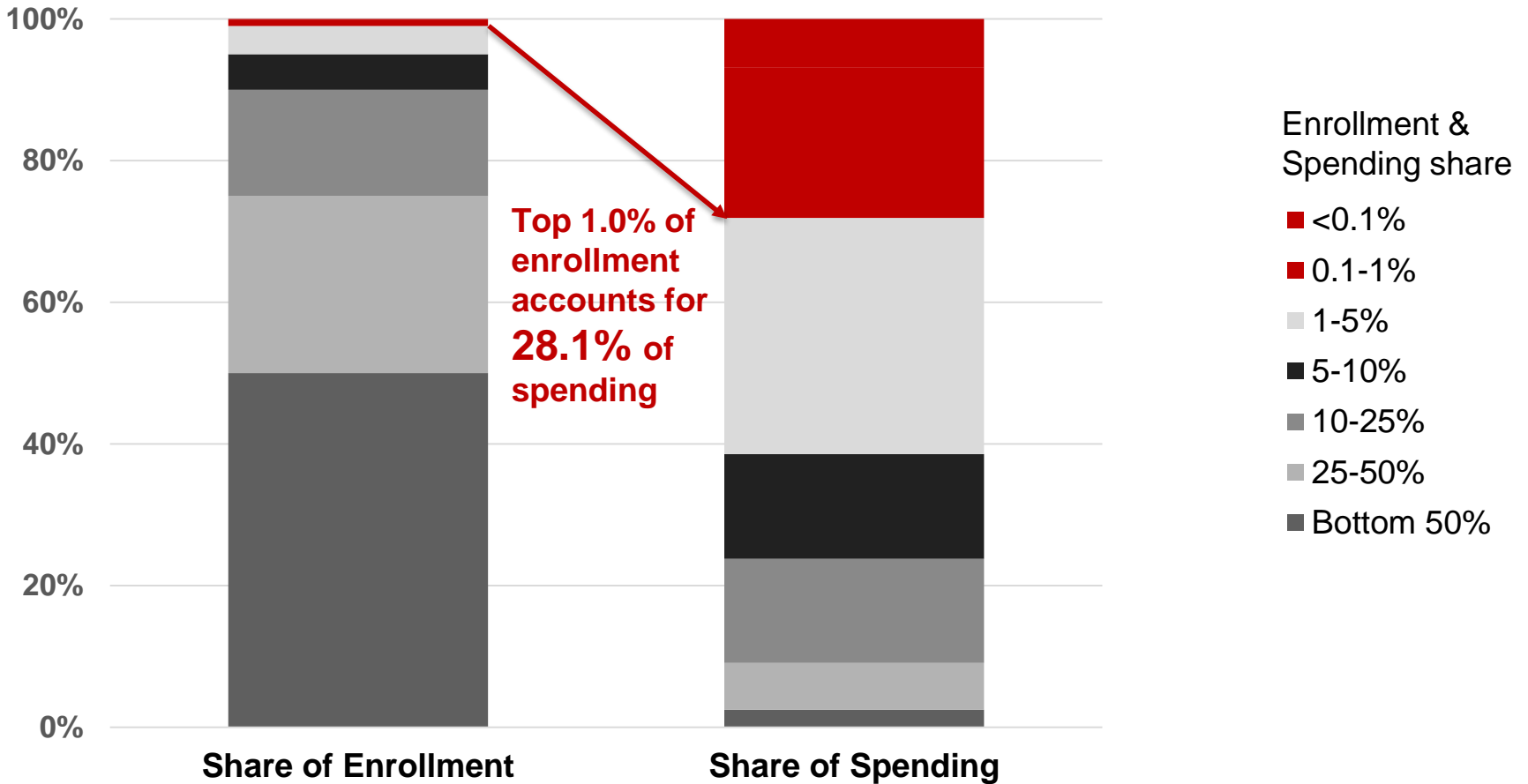
Share of Enrollment

Share of Spending

Source: Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers
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Distribution of Total NJ Medicaid Spending by Spending Group, 2013

Top 5.0% of enrollment accounts for 61.5% of spending

Share of Enrollment

Share of Spending

Enrollment & Spending share
- ■ <0.1%
- ■ 0.1-1%
- ■ 1-5%
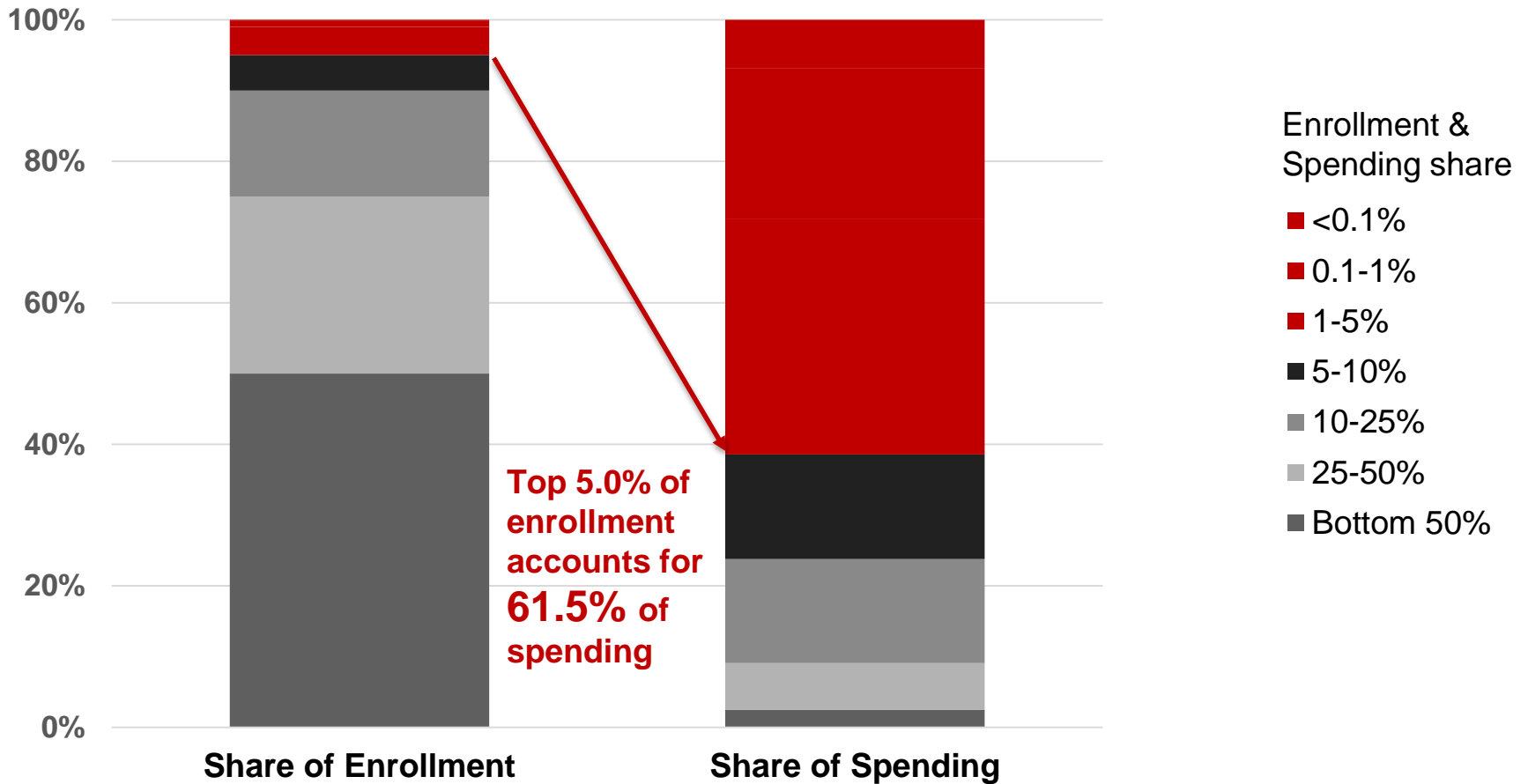- ■ 5-10%
- ■ 10-25%
- ■ 25-50%
- ■ Bottom 50%

Source: Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers
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Distribution of Total NJ Medicaid Spending by Spending Group, 2013

Average Monthly Spending

Bottom 50% of enrollment accounts for 2.5% of spending

Share of Spending	Average Monthly Spending
	$37,009
	$12,637
	$4,632
	$1,800
	$701
	$183
	$35

Enrollment & Spending share
- ■ <0.1%
- ■ 0.1-1%
- ■ 1-5%
- ■ 5-10%
- ■ 10-25%
- ■ 25-50%
- ■ Bottom 50%
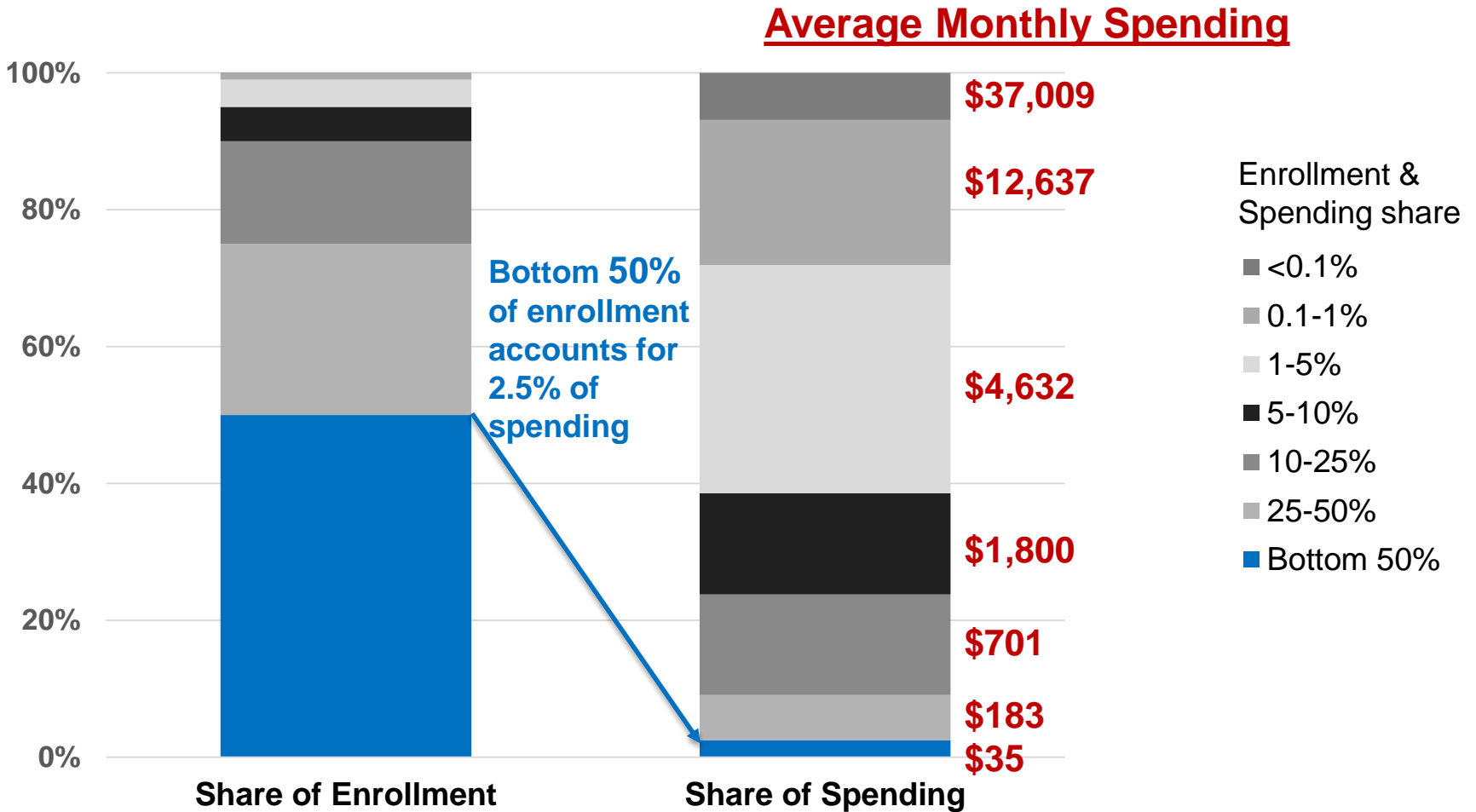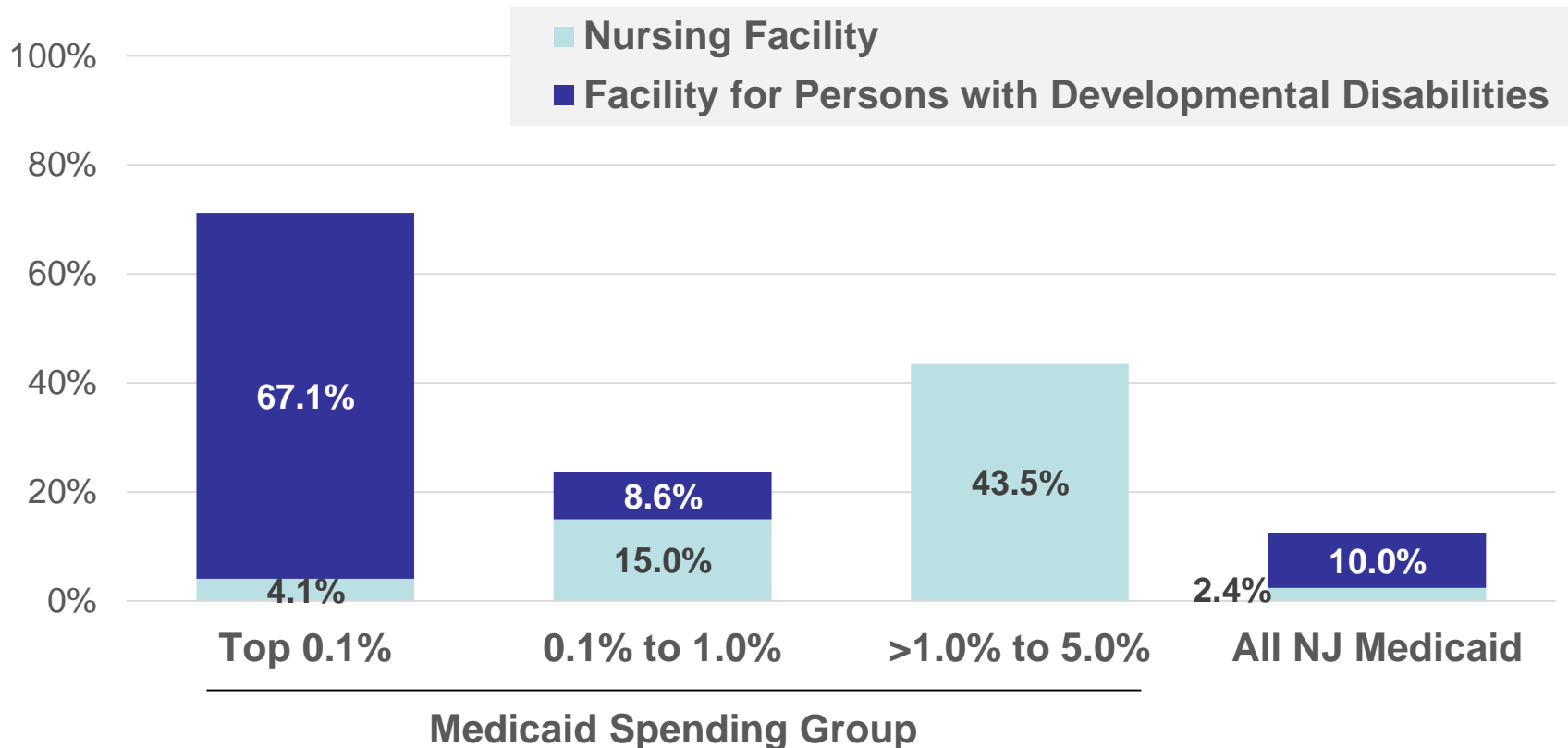
Share of Enrollment

Source: Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers

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Spending Levels are Highly Persistent, 2012-2013

|		Spending group in 2013						
		≤ 0.1%	0.1-1%	1-5%	5-10%	10-25%	25-50%	Bottom 50%
Spending group in 2012	**≤ 0.1%**	63.1%	28.7%	4.3%	1.8%	0.8%	0.6%	0.8%
	0.1-1%	3.4%	67.9%	19.5%	3.9%	3.1%	1.1%	1.2%
	1-5%	0.1%	4.2%	67.8%	13.5%	8.5%	3.1%	2.8%
	5-10%	0.01%	0.7%	12.3%	46.6%	24.9%	8.5%	6.9%
	10-25%	0.01%	0.2%	1.9%	8.9%	44.0%	26.6%	18.5%
	25-50%	0.0%	0.1%	0.4%	1.8%	16.7%	41.4%	39.7%
	Bottom 50%	0.0%	0.03%	0.2%	0.6%	5.2%	20.2%	73.7%

Percent Living in Facilities within Spending Groups, 2013

Source: Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers

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Avoidable Hospitalization Rate per 1,000 Adult Recipients by Spending Group, 2013
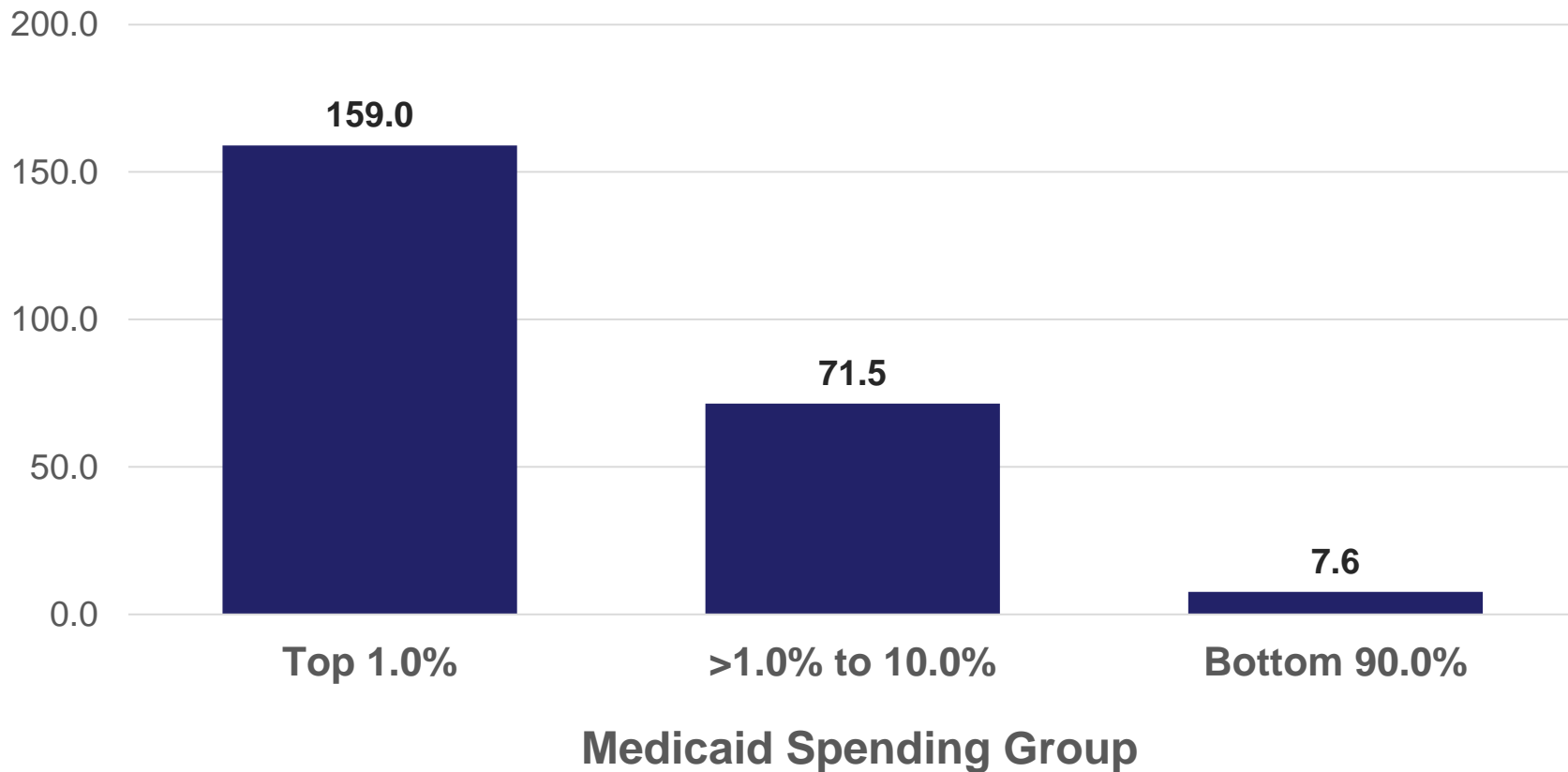
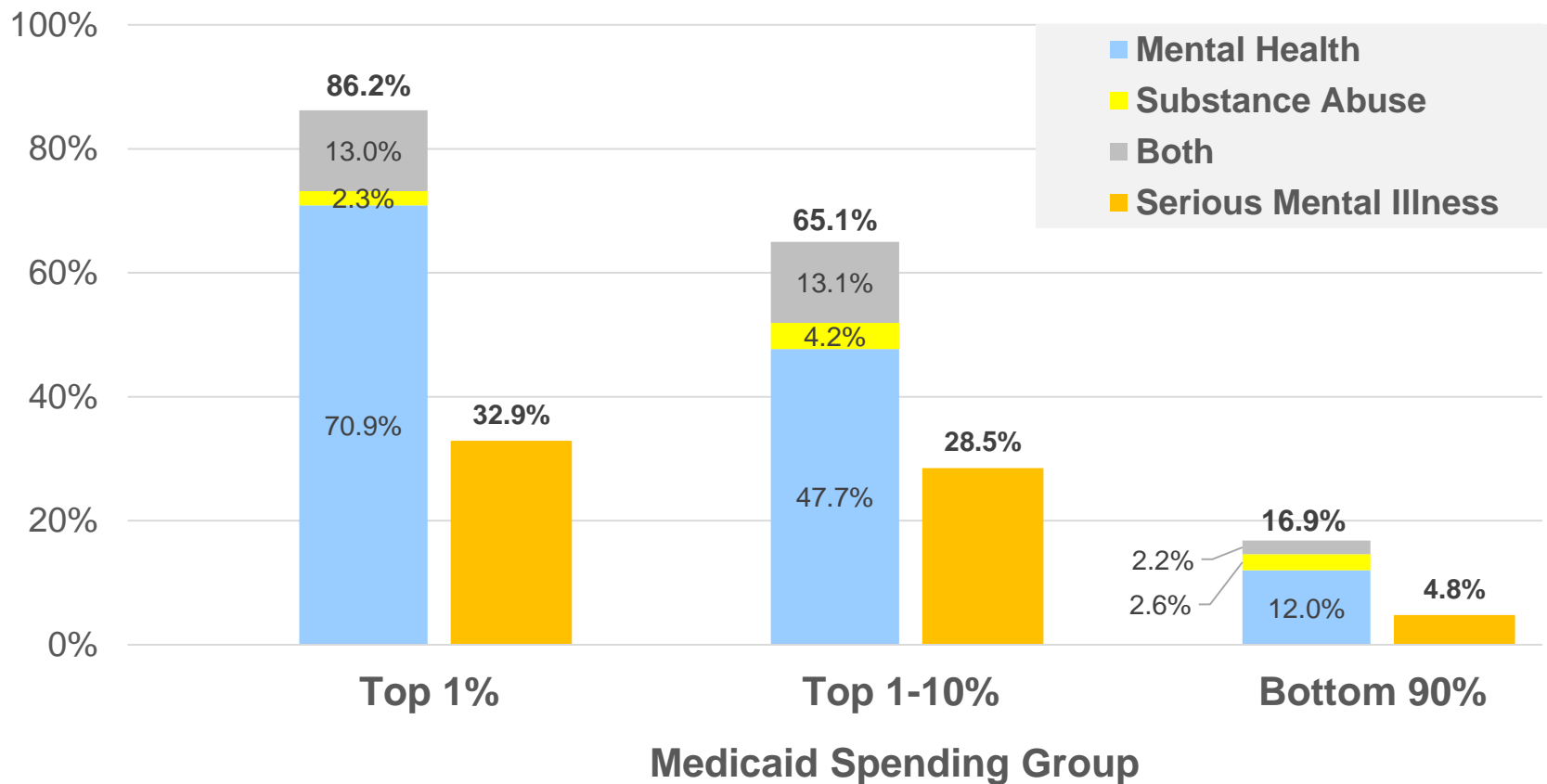Source: Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers

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30-Day All-Cause Hospital Readmission Rate among Adult Recipients by Spending Group, 2013
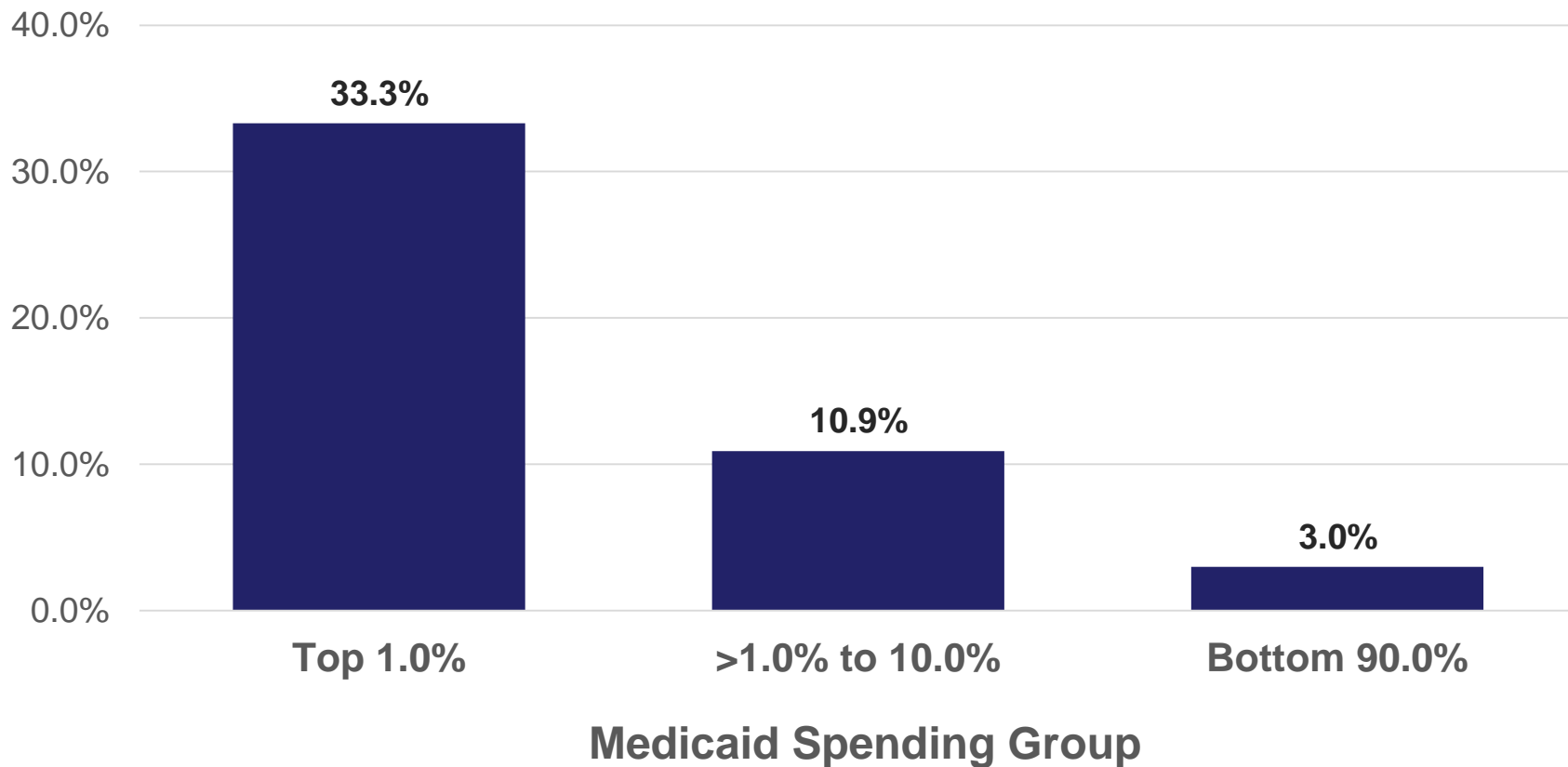
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Mental Health and Substance Use Disorder Diagnoses by Spending Group, 2013

Medicaid Spending Group

Legend: Mental Health, Substance Abuse, Both, Serious Mental Illness

Top 1%: 86.2% (Both 13.0%, Substance Abuse 2.3%, Mental Health 70.9%), Serious Mental Illness 32.9%

Top 1-10%: 65.1% (Both 13.1%, Substance Abuse 4.2%, Mental Health 47.7%), Serious Mental Illness 28.5%

Bottom 90%: 16.9% (Both 2.2%, Substance Abuse 2.6%, Mental Health 12.0%), Serious Mental Illness 4.8%

Source: Rutgers Biomedical and Health Sciences Working Group on Medicaid High Utilizers

Selected Recent Medicaid Developments

- Medicaid eligibility expansion, 2014

NJ FamilyCare (Medicaid) Enrollment Jan. 2013 Dec. 2016
By eligibility category

Source: NJ Department of Human Services.
http://www.state.nj.us/humanservices/dmahs/news/reports/index.html. Note: Children are under age 21.

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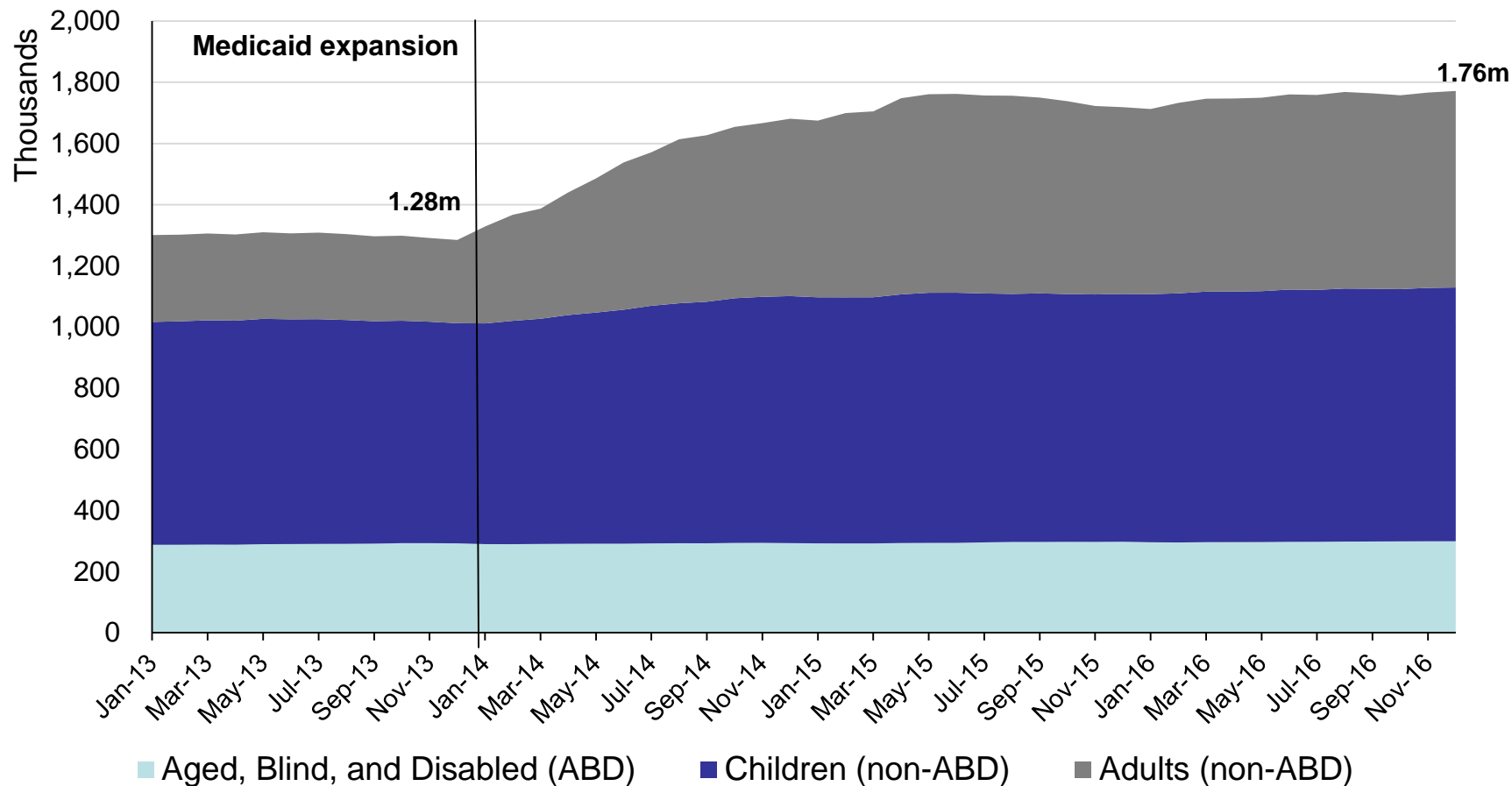
Selected Recent Medicaid Developments

- Medicaid eligibility expansion, 2014
- Increase payment rates for behavioral health services
- Improve delivery of mental health and substance use disorder services
- Implement rapid transition to care of formerly incarcerated
- Participate in Innovation Accelerator Program (IAP) for Housing-Related Services and Partnership
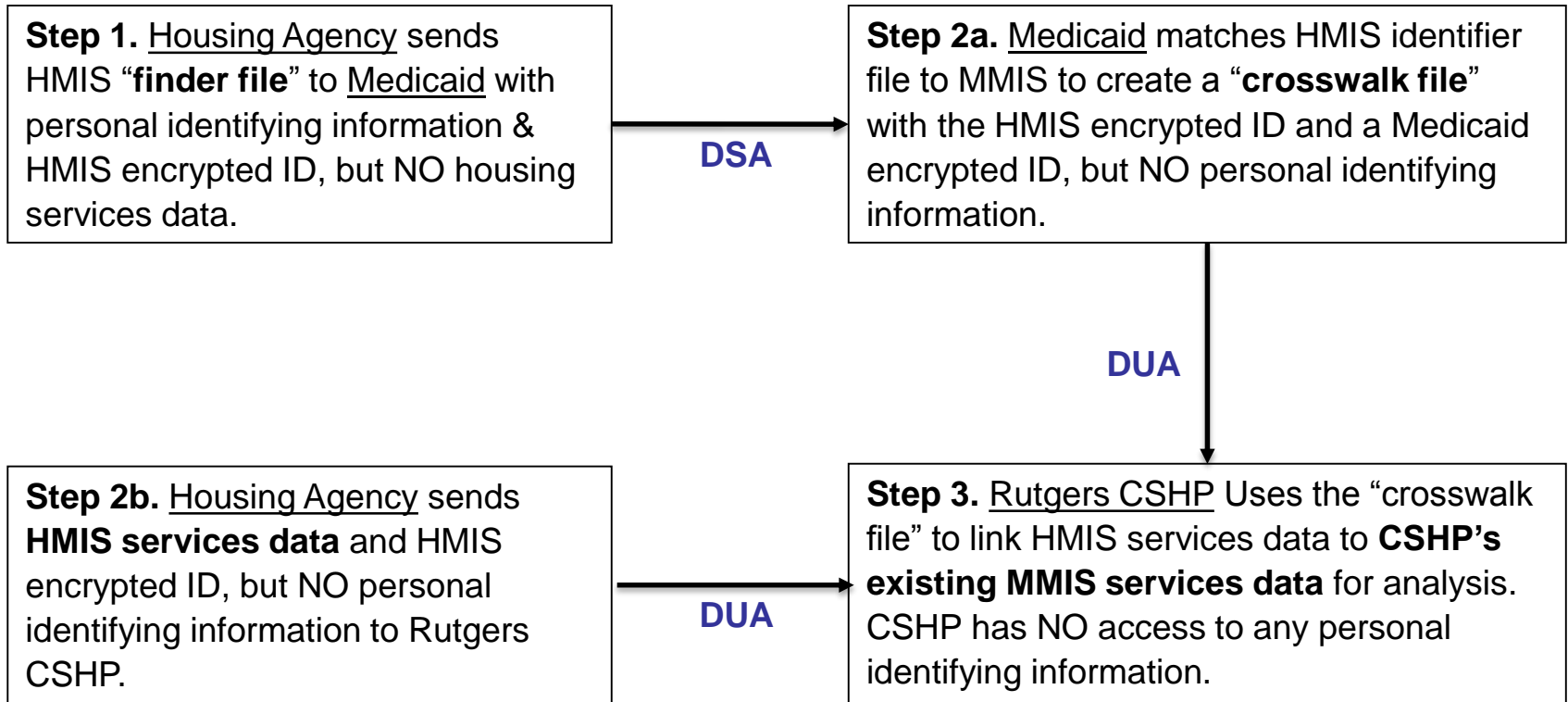- Medicaid 1115 Comprehensive Waiver renewal proposal

1115 Waiver Proposal – Supportive Services Component

- Under review by the Center for Medicare and Medicaid Services
- Medicaid funding for housing-related supportive services
  - Screening (e.g., housing assessments, plan development, application assistance)
  - Transition (e.g., moving and start-up expenses, safe living environments, crisis planning)
  - Sustaining (e.g., education and coaching for successful tenancy, recertification assistance, update support/crisis plans, dispute resolution)
- Services targeted to chronically homeless, homeless, or at-risk
  - Repeat emergency shelter users, people with disabilities, behavioral health diagnoses, and/or multiple chronic physical conditions
- To be added to Medicaid managed care organization contracts
- _Explore_ reprogramming Medicaid savings to supplement housing voucher programs.

Rutgers Study of Supportive Housing & Medicaid Spending

- Rutgers CSHP in collaboration with Monarch Housing Associates
- Four Goals
    1. Link NJ Homeless Management Information System (HMIS) data with statewide enrollment and claims/encounter data for the years 2011-16.
    2. Identify opportunities for Medicaid savings and improved patient outcomes among Medicaid beneficiaries who use homeless services.
    3. Estimate the impact on Medicaid spending of permanent supportive housing (PSH), and conduct in-depth return-on-investment case studies.
    4. Throughout the project, engage with state officials and other interested stakeholders to refine analysis plans and disseminate findings.
- Two year project with funding (pending) from The Nicholson Foundation and NJ Medicaid (expected start by May)

Goal 1: Link HMIS to MMIS for 2011-2016

Step 1. <u>Housing Agency</u> sends HMIS "**finder file**" to <u>Medicaid</u> with personal identifying information & HMIS encrypted ID, but NO housing services data.

DSA →

Step 2a. <u>Medicaid</u> matches HMIS identifier file to MMIS to create a "**crosswalk file**" with the HMIS encrypted ID and a Medicaid encrypted ID, but NO personal identifying information.

DUA

Step 2b. <u>Housing Agency</u> sends **HMIS services data** and HMIS encrypted ID, but NO personal identifying information to Rutgers CSHP.

DUA →

Step 3. <u>Rutgers CSHP</u> Uses the "crosswalk file" to link HMIS services data to **CSHP's existing MMIS services data** for analysis. CSHP has NO access to any personal identifying information.

- Neither agency has access to the other's services data
- Rutgers CSHP never receives personal identifying information

NOTE: DSA is Data Sharing Agreement, DUA is Data Use Agreement

Goal 2: Identify Opportunities for Medicaid Savings and Improved Outcomes Among Recipients Using Homeless Services

- Describe Medicaid utilization and spending patterns by homeless service use history
  - Total Medicaid spending
  - Potentially preventable Medicaid spending and service use
  - By policy-relevant categories of homeless service use and health condition history

- Identify groups with greatest potential for Medicaid savings/service improvements from PSH placement
  - Multivariate analysis adjusting for demographics, behavioral and physical conditions, homeless service use histories, etc.
  - Apply assumptions based on prior literature to estimate extent of potential savings

Goal 3: Evaluate Medicaid Spending Impact and ROI from Permanent Supportive Housing Placements

- Examine Medicaid spending among those with PSH placements compared to matched cohorts on individuals not receiving PSH
  - Match non-PSH comparison group by demographics, eligibility category, behavioral and physical conditions, health services use histories, homeless service use histories, etc.
  - Statistically model potential savings

- Five to seven in-depth ROI case studies
  - Select based on scale, program design, eligibility criteria
  - Document PSH approach and resource use (review available documents, conduct interviews)
  - Calculate ROI
  - Extrapolate potential impact of expanding effective models of PSH

Goal 4: Engage State Officials and Other Stakeholders

- Meet regularly with state officials responsible for Medicaid, behavioral health, and housing policy

- Host two broader stakeholder meetings to obtain input on analysis plans and preliminary findings

- Disseminate findings broadly to state and national audiences

Questions