



**Weathering the Storm: The Impact of the Great
Recession on Long-Term Services and Supports**
State Profile: MASSACHUSETTS

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INTRODUCTION

Weathering the Storm: The Impact of the Great Recession on Long-Term Services and Supports is the most comprehensive analysis to date on the budget cuts to both Medicaid and non-Medicaid funded long-term services and supports (LTSS) in each state. It also illustrates state-by-state how LTSS are financed. In addition, this study provides a very early snapshot of the likelihood of states pursuing some of the LTSS provisions within the Affordable Care Act (ACA).

Weathering the Storm contains several components:

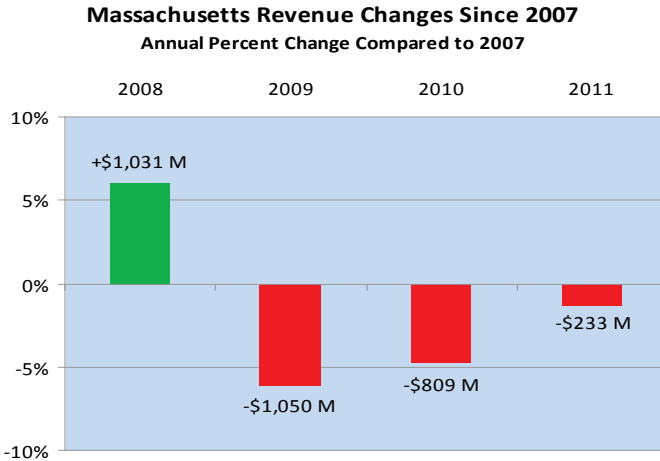
- The full report with an overview of findings and state-by-state tables;
- State profiles, which are 4 to 5 pages in length, for each state that participated in the study;
- An In Brief, which is a short synopsis; and
- A videotaped interview about the key findings.

Hard copies of *Weathering the Storm* are available free of charge. To order, please call the AARP Public Policy Institute at (202) 434-3890 or email jgasaway@aarp.org.

All of the components of *Weathering the Storm* are also available on the web and can be found at www.aarp.org/ppi, www.nasuad.org, and www.healthmanagement.com.

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TAX COLLECTIONS



Source: HMA analysis of state tax collection data from the National Association of State Budget Officers (NASBO), Spring Fiscal Survey of States, 2008 (for baseline 2007 data); Spring Fiscal Survey of States, 2009 (for 2008 data) and Spring Fiscal Survey of States, 2010 (for 2009 actual, 2010 estimated, and 2011 projected). Revenue represents the following taxes if collected by the state: **Personal Income, Corporate, and Sales**. Percent change and change in amount collected (in millions) represents the divergence between the state fiscal year noted and baseline SFY 2007.

ARRA FUNDING

IMPACT OF ARRA ENHANCED MEDICAID FMAP EXPIRATION

PREDICTED IMPACT OF THE EXPIRATION OF THE ARRA NUTRITION FUNDING

- To date, the State Unit on Aging does not maintain a wait list for elder nutrition services. However, the potential for a future waitlist for nutrition services is now more likely.

STATE UNIT ON AGING AND DISABILITY (NON-MEDICAID) SERVICES

STATE UNIT ON AGING NUMBER SERVED (UNDUPLICATED)

SFY 2009 (actual)	SFY 2010 (projected)	SFY 2011 (projected)	% Change SFY 2009–2011
42,038	39,538	39,538	-6%

STATE UNIT ON AGING TOTAL EXPENDITURE REDUCTIONS – ACTION TAKEN

SFY 2009–2010	SFY 2010–2011
6%–10%	5% or less

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STATE UNIT ON AGING SERVICE DEMAND AND EXPENDITURE CHANGES

Program	Change in Expenditures		Change in Service Requests
	SFY 2009–2010	SFY 2010–2011	SFY 2009–2010
Adult Foster Care	0	0	+
Adult Day Care	0	0	+
Adult Protective Services*	-	-	+
Assisted Living	0	0	+
Behavioral Supports	NA	NA	+
Case Management	-	-	+
Chore	-	-	+
Community Transition	-	-	+
Congregate Meals	0	0	+
Day Habilitation	-	-	+
Disease Prevention/Health Promotion	0	+	+
Elder Abuse Prevention	-	-	+
Environmental Modifications	0	0	0
Equipment and Supplies	-	-	0
Family Caregiver Support	0	0	+
Food Stamps/Supplemental Nutrition Assistance Program			+
Foreclosure Counseling	NA	NA	+
Homemaker	-	-	+
Home-Delivered Meals	+	-	+
Housing Assistance	0	0	+
Information and Referral	0	0	+
Legal Assistance Development	NA	NA	+
LIHEAP			+
Long-Term Care Ombudsman	-	-	+
Nutritional Supplements	0	0	0
Occupational Therapy	-	-	DK
Personal Care/Assistance	-	-	DK
Physical Therapy	-	-	DK
Recreational Therapy	-	-	DK
Residential Habilitation	-	-	DK
Respite	-	-	+
Senior Community Service Employment Program	+	+	+
Senior Centers	0	-	+
Speech Therapy	-	-	DK
State Adult Guardianship Program	-	-	DK
State Pharmaceutical Assistance	-	-	+
Supported Employment	+	+	+
Supported Living	-	-	+
Transportation	-	-	+
+ Expenditure/demand increase	0	No change in expenditure/demand	DK Don't know
- Expenditure/demand decrease	NA	Program not administered by SUA	

* Since SFY 2009, the State Unit on Aging has received increased calls for Adult Protective Services, e.g., financial exploitation and neglect.

- The state has experienced a dramatic rise in the number of self-neglect cases reported.

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STATE UNIT ON AGING NON-MEDICAID HCBS EXPENDITURES

SFY 2009 (actual)	SFY 2010 (projected)	SFY 2011 (appropriation)	% Change SFY 2009–2010
\$136,452,959	\$136,375,315	\$129,622,457	0%

MEDICAID LONG-TERM SERVICES & SUPPORTS

NUMBER OF BENEFICIARIES: WAIVERS & NURSING FACILITIES

Waiver Name	Avg. Daily Caseload			% Change
	SFY 2009	SFY 2010	SFY 2011 (planned)	SFY 2009–2010
Frail Elder Waiver	9,800	10,600	11,500	8%
Acquired Brain Injury Waivers (2) *			70	NA
Traumatic Brain Injury Waiver	100	100	100	0%
Nursing Facility Services	Avg. Daily Census 2010		Expected Change 2011	
NF Average Daily Census*	27,852		Decrease	

- Acquired Brain Injury (ABI) waivers were approved on May 1, 2010. While the state does not anticipate any participants receiving services in SFY 2010, the average daily caseload will ramp up during SFY 2011.
- The decrease in nursing facility census represents a continuation of trends over past few years. Nursing facilities are serving more short-term rehabilitation clients.

LTSS EXPENDITURES (FEDERAL AND STATE)

Service	SFY 2009	SFY 2010 (Estimate)	SFY 2011 (Appropriation)	% Change SFY 2009–2010
HCBS Waivers (For Older People and Adults with Physical Disabilities)	\$73,744,530	\$80,805,926	\$94,439,072	10%
Medicaid LTSS State Plan	\$983,400,000	\$1,150,000,000	\$1,325,000,000	17%
Nursing Facility	\$1,491,000,000	\$1,490,900,000	\$1,453,600,000	0%

- Note that the expenditure estimates exclude administrative expenses, administrative case management, the Phased Down State Contribution, and Medicare buy-in payments.
- The increase in waiver expenditures is associated with two new ABI waivers.
- SFY 2011 waiver data are a projection (not an appropriation).

LTSS PROVIDER PAYMENT RATE CHANGES

Provider Type	SFY 2009–2010 % change	SFY 2010–2011 % change
Nursing Home*	+2%	0
Home Health	0	0
Personal Care Services*	+7%	+4%
HCBS Waiver Services	0	0
+ Provider rate increase - Provider rate decrease 0 No change in provider rate		NA Not applicable

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- The Personal Care Attendant (PCA) payment rates are derived from a collective bargaining agreement between the PCA Workforce Council and the Service Employees International Union.
- Nursing facilities received a modest cost-of-living increase and also an investment in pay-for-performance (P4P). Nursing facilities completed a survey to provide baseline performance measures (such as fall prevention programs, worker training, etc.) for a P4P program. Those nursing facilities that completed the survey received a performance payment.

OPTIONS, OUTLOOK, AND PROMISING PRACTICES

The Medicaid agency and State Unit on Aging were asked about their intent to pursue options under health care reform, to provide their thoughts on the outlook for LTSS, and to share promising practices in their state. This section combines information from both agencies if both agencies responded.

See the Overview for descriptions of these provisions.

State's Intent to Pursue LTSS Provisions in the Affordable Care Act	Very Likely	Somewhat Likely	Not Likely	Don't Know
State Balancing Incentive Program		X		
Community First Choice Option		X		
Money Follows the Person Demonstration				
1. Apply for new program	X			
2. Apply for extension of existing program				
Medical/Health Home Initiative				
1. Agency applying for planning grant		X		
2. State plan amendment to establish medical/health home services		X		
3. Apply to establish community health teams		X		

STATE PRIORITIES: 18–24 MONTHS

- Integrated care for dually eligible adults under age 65.
- Patient Centered Medical Home Initiative.

STATE ISSUES

- Financing to maintain service levels.
- Reducing the facility population and supporting transitions of residents to the community even without resources to make investments.
- Increasing the capacity of community services through increased Medicaid waiver slots and providers.
- Educating consumers of all ages on LTSS financing.

STATE PROMISING PRACTICES

- Massachusetts has done much work over the years to improve access to community LTSS. The state has revised rules and regulations to ease restrictions for family caregivers and improve quality and provider capacity in personal care, adult day health, and foster care. The state has instituted quality improvement practices and monitors performance closely.

The information in this profile represents information available to state officials at a point in time. Surveys were conducted from June through September 2010. Massachusetts' fiscal year begins July 1 and ends June 30.